

**BOARD OF DIRECTORS**

Mr. S. C. Goyal	Chairman
Mrs Meera Goyal	Managing Director
Mr. Prakash Agarwal	Director
Mr. M. K. Doogar	Director
Mr. P. K. Gupta	Director
Mr. R. K. Pandey	Director

**COMPANY SECRETARY**

Mr. Shahzeb Khan

**AUDITORS**

K. K. Jain & Co.  
Chartered Accountants,  
711, Roots Tower, District Centre  
Laxmi Nagar, New Delhi – 110 092

**REGISTERED OFFICE**

53, Friends Colony (East)  
New Delhi - 110 065

**CORPORATE OFFICE**

A-38, 1<sup>st</sup> Floor, Mohan Co-operative Industrial Estate  
Main Mathura Road, New Delhi-110044  
Web-site: [www.morganventures.net](http://www.morganventures.net)  
e-mail id: [secretarial@goyalgroup.com](mailto:secretarial@goyalgroup.com)

**BANKERS**

HDFC Bank Limited, K.G. Marg, New Delhi  
ICICI Bank Limited, K.G. Marg , New Delhi

**REGISTRAR & SHARE TRANSFER AGENTS**

M/s Skyline Financial Services Pvt. Ltd.  
D-153A, 1st Floor,  
Okhla Industrial Area, Phase-I  
New Delhi-110020  
Ph. No. : 011-26812682, 26812683

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**MORGAN VENTURES LIMITED**

**NOTICE**

NOTICE is hereby given that the **Twenty Third Annual General Meeting** of the members of **Morgan Ventures Limited** will be held on Tuesday, the 28th day of December, 2010 at 10.00 A.M at the Registered Office of the Company at 53, Friends Colony(East), New Delhi-110065 to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the audited Balance Sheet as at 30<sup>th</sup> June, 2010 and Profit & Loss Account for the year ended on that date together with report of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. P. K. Gupta, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Mr. M. K. Doogar, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint Auditors of the Company to hold office until the conclusion of the next Annual General Meeting on remuneration plus out of pocket expenses in connection with the Company's audit to be fixed by the Board of Directors.

**By order of the Board of Directors  
For Morgan Ventures Limited**

**Shahzeb Khan  
Company Secretary**

**Place: New Delhi  
Date: 15/11/2010**

**NOTES:**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORM IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED WITH THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME FIXED FOR COMMENCEMENT OF THE MEETING.**
2. Member/ Proxy holder must bring the Attendance Slip to the meeting and hand it over at the entrance after duly signing the same.
3. Members are requested to bring copies of Annual Report at the meeting as a measure of economy.
4. The Register of members and Share Transfer Books of the Company shall remain closed from Friday the 24<sup>th</sup> December, 2010 to Tuesday the 28<sup>th</sup> December, 2010 (both days inclusive).
5. Members desiring any information on the accounts of the Company and its operation may write to the Company at its Registered Office at least 7 days before the meeting so that the desired information may be conveniently provided at the meeting.
6. Corporate members intending to send their authorized representative are requested to send a duly certified copy of the Board resolution authorizing their representative to attend and vote at the Annual General Meeting.
7. **Appointment of Directors:** A brief profile of Directors seeking re-appointment at the Annual General Meeting is given in the Corporate Governance section of the Annual Report.

**By order of the Board of Directors  
For Morgan Ventures Limited**

**Shahzeb Khan  
Company Secretary**

**Place: New Delhi  
Date: 15/11/2010**

**DIRECTORS' REPORT****To The Members of Morgan Ventures Limited**

Your Directors are pleased to present the 23<sup>rd</sup> Annual Report and audited accounts for the financial year ended June 30, 2010.

**FINANCIAL RESULTS**

(Rs. In Lakhs)

<b>PARTICULARS</b>	<b>FOR THE YEAR ENDED 30.06.2010</b>	<b>PREVIOUS YEAR ENDED 30.06.2009</b>
Gross Income	1227.93	1429.98
Profit before Depreciation & Tax	246.44	188.12
Less: Depreciation	112.46	114.62
Profit before Tax	133.98	73.50
Less: Income Tax	22.77	7.58
Less: Fringe Benefit Tax	—	0.13
Add: Deferred Tax	37.39	37.28
Profit after tax	148.60	103.06
Adjustment Relating to earlier year	0.71	30.00
Net Profit	147.89	73.06

**OPERATIONS:**

The performance of your Company during the year under review has been satisfactory. The total income of the Company for the period under review was Rs 1227.93 lakhs as against Rs. 1429.98 lakhs in the previous year and the net profit after tax and adjustment relating to earlier years for the period under review was Rs. 147.89 lakhs as against Rs 73.06 lakhs in the previous year.

**DIVIDEND**

With a view to conserve the resources to meet the fund requirement of the Company, your directors express their inability to recommend dividend for the year under report

**DIRECTORS**

Mr. M. K. Doogar and Mr. P.K. Gupta, Directors of the Company retire by rotation and being eligible offer themselves for re-appointment. The Board recommends their appointment at ensuing Annual General Meeting.

**PUBLIC DEPOSITS**

The Company has not accepted, invited or renewed any public deposits during the period under review. The Company has no deposit, which is due or unclaimed at the end of the year.

**AUDITORS**

The Statutory Auditors M/s K. K. Jain & Co., Chartered Accountants, New Delhi retire at the conclusion of ensuing Annual General Meeting and are eligible for re-appointment. The Company has received a letter from them to the effect that their appointment, if made, would be in conformity within the limits prescribed under Section 224 (1-B) of the Companies Act, 1956 and also that they are not otherwise disqualified within the meaning of sub-section (3) of Section 226 of the Companies Act, 1956 for such appointment.

**AUDITORS' REPORT**

The notes to accounts referred to in the Auditors' Report are self-explanatory. Auditors' remarks at sub-para (f) of para 3 of the Auditors' Report dated 30.08.2010 have been explained at note no. 1 (d) (i) of the notes to account of even date, which in the opinion of the Board of Directors, are explanatory in nature and may be treated as explanation furnished by them under section 217 (3) of the Companies Act, 1956.

**COMPLIANCE WITH THE ACCOUNTING STANDARDS**

The company prepares its accounts and other Financial Statements in accordance with the relevant Accounting Principles and also complies with the Accounting Standards issued by the Institute of Chartered Accountants of India.

**SUBSIDIARIES**

A Statement pursuant to Section 212 of the Companies Act, 1956 relating to subsidiary companies is attached to the Financial Statements of your Company. Copy of the Balance Sheet, Report of Board of Directors and the Report of the Auditors of the subsidiary companies viz, Satlej Real Estate Private Limited, Satlej Infotech Private Limited and Sudama Technologies Private Limited is attached to the Balance Sheet of your Company. As per requirement of the Listing Agreement and in accordance with the Accounting Standard 21 (AS-21) issued by the Institute of Chartered Accountants of India, Consolidated Financial Statement is attached to the Annual Accounts.

**STOCK EXCHANGE LISTING**

The Equity Shares of your Company are continued to be listed on Bombay Stock Exchange Limited, Mumbai (BSE). The Company confirms that the annual listing fee to Bombay Stock Exchange Ltd. has been paid and is up to date.

**PARTICULARS OF EMPLOYEES**

During the financial year under review, none of the Company's employees was in receipt of remuneration as prescribed under section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, and hence no particulars are required to be disclosed in this Report.

**DIRECTORS' RESPONSIBILITY STATEMENT**

As per provision of Section 217(2AA) of the Companies Act, 1956 your Directors confirm as under:-

- I that in the preparation of annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- II that the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- III that the Directors had taken proper and sufficient care for the 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 fraud and other irregularities; and
- IV that the Directors had prepared the annual accounts on a going concern basis.

**CORPORATE GOVERNANCE**

Your Company is committed to maintain the highest standards of Corporate Governance. Your Directors adhere to the requirements set out by the Securities and Exchange Board of India's Corporate Governance practices and have implemented all the stipulations prescribed.

A separate report each on corporate governance and management discussions and analysis is given elsewhere in the annual report are annexed hereto as part of Annual Report along with Auditors' Certificate on its due compliance.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

- a. **Conservation of Energy & Technology Absorption:** Since the Company is engaged in NBFC activities & generation of electricity by wind power in which no energy is consumed, information relating to conservation of energy and technology absorption are not applicable under section 217 (1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors).
- b. **Foreign Exchange Earnings and Outgo:** There was no Foreign Exchange earnings and outgo during the year under review.

**APPRECIATION & ACKNOWLEDGEMENT**

Your Directors appreciate the valuable co-operation extended by the Company's Bankers, monitoring agency & other Central and State Government departments, SEBI, RBI, Banks, TNEB (Tamil Nadu Electricity Board) and Clients for their continued support. Your Directors also express its deep gratitude for wholehearted and continuous support extended by the members who have always been a source of strength for the Company.

**For and on behalf of Board of Directors**

**Place: New Delhi**  
**Date: 15/11/2010**

**S. C. Goyal**  
**Chairman**

**MANAGEMENT DISCUSSION & ANALYSIS REPORT**

**OPERATIONS**

(a) **Treasury Operations & Fund Based Activities**

The Company in its treasury division is carrying activities relating to placement of funds with other Bodies Corporate by way of Inter Corporate Deposits/ Bill Discounting Facilities. During the year under review, Treasury operation of the Company remain non functional.

(b) **Windmill Operation**

Windmill operation is seasonal in nature and generation of power depends upon the velocity and density of wind in the area. Company's wind power projects consisting of 4.275 MW power generation capacity has been registered as CDM Project under United Nations Framework Convention on Climate Change (UNFCCC) eligible for earning carbon credit.

During the year under review, the Company has earned an income from sale of electricity from windmill operations amounting to Rs. 404.81lakhs as compared to Rs. 403.84 lakhs in the previous year.

(c) **Investment Activities**

During the year under review, investment activities of the Company remained non functional.

(d) **Trading of Capital Equipment**

5 Units of Jhalani Tools (India) Ltd. (in liquidation) acquired by the Company in court auction and treated as stock-in -trade. During the year under review, Plant valuing Rs. 809.48Lakhs has been sold as against 1008.12 Lakhs during the previous year.

**ADEQUACY OF INTERNAL CONTROL**

Proper and adequate internal control systems are in place to ensure that all the business dealings are performed on sound business ethics and all assets are protected against loss of unauthorized use or disposition and that the transactions are authorized, recorded and properly reported.

The internal control system is designed to ensure that financial and other records are reliable for all purposes.

## **HUMAN RESOURCES**

The Company regards its human resource as a valuable asset. The Company has a team driven work process with completely flat organization system. This not only help us nurture leaders but also give us capable and assured colleagues at all levels.

## **CORPORATE GOVERNANCE**

The Company follows principle of effective Corporate Governance. The endeavor of the Company is not only to comply with regulatory requirements but also to practice Corporate Governance principles that lay emphasis on integrity, transparency and overall accountability.

The Company adheres to most of the recommendations made by the SEBI and incorporated by the Stock Exchanges in the Standard Listing Agreement.

## **OUTLOOK**

Non-banking financial companies (NBFCs) form an integral part of the Indian financial system. NBFCs have evolved from being mere adjuncts to monetary and credit policy to active participation in the mainstream financial sector, establishing themselves as worthy complements to the banking industry. As the global & Indian economy begins to look up, NBFCs are well poised to take advantage of the opportunities it presents.

The Company would place its focus on its windmill operation and trading of capital equipments. The Company through its prudent financial management policy with emphasis on cost control and elimination of non-productive expenditure believes to have healthy growth in this critical phase of economic crisis.

## **DISCLAIMER**

Readers are cautioned that this discussion and analysis contains forward-looking statements that involve risks and uncertainties. When used in this discussion, the words “anticipate”, “believe”, “estimate”, “intend”, “will”, and “expected” and other similar expressions as they relate to the Company or its business are intended to identify such forward looking statements. The Company undertakes no obligation to publicly update or revise any forward looking statements, whether as a result of performances or achievements and risks and opportunities could differ materially from those expressed or implied in such forward looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements that speak only as of their date. The following discussion and analysis should be read in conjunction with the Company’s financial statements included and notes thereto.

**REPORT ON CORPORATE GOVERNANCE****COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE**

The philosophy of the company on Corporate Governance envisages, *inter-alia*, attainment of the highest levels of accountability and equity in all its actions and enhancement of shareholders' value keeping in view the needs and interests of the stakeholders.

Your company believes that the Corporate Governance Code will enhance the growth of benefits to all the stakeholders. Your company has complied with the requirements of the Code of Corporate Governance as implemented by the regulatory authorities. The broad disclosures as required by the Stock Exchanges and Regulatory Authorities are given below:

**BOARD OF DIRECTORS**

The Board of Directors of the Company consists of 6 Directors, one of whom is Executive Director and Five are Non-Executive Directors, the details of which are given below:

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<b>Names of Directors</b>	<b>Designation</b>	<b>Category</b>
Mr. S. C. Goyal	Non-Executive Chairman	Promoter Non-Executive
Mrs.Meera Goyal	Managing Director	Promoter Executive
Mr. Prakash Agarwal	Director	Promoter Non-Executive
Mr. P. K. Gupta	Director	Independent Non-Executive
Mr. M. K. Doogar		Independent Non-Executive
Mr. R. K. Pandey		Independent Non-Executive

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**A.** None of the non-executive Directors of the Company was paid any remuneration other than sitting fee for attending the Board/Committee meetings.

**B. Board Meetings**

The Board meets at least once in every quarter. The meetings are generally held at the corporate office of the Company. The Notice and the Agenda for all meetings are delivered in advance to the Board members as a corporate practice.

**C. Board Committees**

Currently, the Board has three Committees viz. the Audit Committee, Shareholders / Investor's Grievances & Share Transfer Committee and Stock Trading & Investment Committee.

The Board, from time to time, decides the terms of reference of the Committees. The Committee Meetings are held at regular intervals

**MORGAN VENTURES LIMITED****D. Number of Board Meetings, attendance at Board Meetings and previous Annual General Meeting**

The Attendance of Directors in the Board Meeting/AGM is given below:

Name of Director	Board Meeting held during the Year: 5 Attendance at Board Meeting	Attended Last AGM held on 24.12.2009	No. of Other Directorship (Including Private Limited Company)	No. of Other Companies Board Committee	
				Member	Chairman/Chairperson
Mr. S. C. Goyal	5	No	19	1	1
Mrs. Meera Goyal	5	Yes	20	---	---
Mr. Prakash Agarwal	NIL	No	18	6	--
Mr. P. K. Gupta	5	Yes	8	1	1
Mr. M. K. Doogar	5	No	9	2	1
Mr. R. K. Pandey	5	NA	11	4	2

**During the financial year ended 30<sup>th</sup> June, 2010 Five Board Meetings were held on 28.07.2009,30.09.2009,31.10.2009, 30.01.2010 and 08.05.2010**

**BOARD COMMITTEES:****I. AUDIT COMMITTEE**

The Company has Audit Committee comprising of three Directors who are Non-Executive and majority of them are independent Directors. The terms of reference stipulated by the Board to the Audit Committee covers area mentioned under clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956 besides other terms as may be referred to by the Board of Directors.

The Audit Committee met five times during the year. The representative of the Statutory Auditors is invited to the Audit Committee meetings. The details of attendance of the Members at the meetings are as under:-

Sl. No	Name of the member	Position	Category	Attendance at Audit Committee Meetings
1	Mr. P.K Gupta	Chairman	Non-Executive – Independent	5
2	Mr. S.C. Goyal	Member	Non-Executive	5
3	Mr. M.K. Doogar	Member	Non-Executive – Independent	5

Mr. Shahzeb Khan, Company Secretary of the Company acts as secretary to the Audit Committee.

**II. SHARE TRANSFER –CUM SHAREHOLDERS’ GRIEVANCE COMMITTEE**

The Board has delegated the powers of redressal of investors’ grievances and complaints and share transfers to the share transfer –cum- Shareholders’ Grievance Committee consisting of the following members:

Mr. S.C. Goyal	Non-Executive - Chairman
Mr. P. K Gupta	Non-Executive – Independent
Mr. Shahzeb Khan (Member Secretary)	

All share transfer work was completed by our share transfer agent within the statutory period. During the year, Company has received 2 complaints and all the complaints were resolved.

**DISCLOSURES**

1. Save and except what has been disclosed under sub-item No. 6 of item Q of notes to the Accounts, forming part of the Accounts of your Company for the year ended 30<sup>th</sup> June, 2010 there was no materially significant related party transaction, which may have potential conflicts with the interest of your Company at large.
2. Your Company has complied with all the requirements including the provisions of Clause 49 of the Listing Agreement with Stock Exchange as well as regulations and Guide lines of SEBI.
3. No penalty and strictures were imposed by the Stock Exchange, SEBI or any other statutory authority on any matter related to capital market non-compliance during the year.
4. All accounting standards, mandatorily required were followed in preparation of the financial statements and no deviation was made in compliance of the same.

**INFORMATION SUPPLIED TO THE BOARD**

The Board has complete access to all information with the Company, inter alia, the information as required under the revised clause 49 of the listing agreement is regularly provided to the Board as part of the agenda.

**MEANS OF COMMUNICATION**

The Un-Audited Quarterly Financial Results were sent to the Stock Exchanges immediately after Board approved them. The results of the Company are published in one English daily Newspaper “Pioneer” and one Regional Local Hindi Newspaper “ HariBhoomi” .

The results were posted on the website of the Company at [www.morganventures.net](http://www.morganventures.net)

**III SUBSIDIARY COMPANIES**

The Company has non-listed Indian subsidiary companies i.e. Satlej Real Estate Private Limited, Sudama Technologies Private Limited and Satlej Infotech Private Limited (Subsidiary of Satlej Real Estate Private Limited). None of these subsidiaries is material non-listed Indian subsidiary as per Listing Agreement. The minutes of the Board of Directors of all the subsidiary companies are placed before the Board of Directors of the Company.

**IV COMPLIANCE**

A certificate dated 15.11.2010 obtained from the Statutory Auditors is annexed with the Annual Report and forms part of this report on Corporate Governance.

**REMUNERATION PAID TO DIRECTORS**

<b>Particular</b>	<b>Mrs. Meera Goyal, Managing Director</b>
Gross Salary	Rs. 13,20,000.00
Outstanding Remuneration Payable	Rs. 1,20,000.00

None of the non-executive Directors of the Company was paid any remuneration other than sitting fee for attending the Board/Committee meetings.

**GENERAL SHAREHOLDERS INFORMATION**

## i) GENERAL MEETINGS (AGMs, EGMs &amp; Class Meetings)

Details of last three Annual General Meetings held, are given below:-

<b>Financial Year</b>	<b>Date</b>	<b>Time</b>	<b>Venue</b>
2006-2007	28.12.2007	10.00 A.M	62, Friends Colony (East), New Delhi – 110065.
2007-2008	05.12.2008	10.00 A.M.	62, Friends Colony (East), New Delhi – 110065
2008-2009	24.12.2009	10.00 A.M	53, Friends Colony (East) New Delhi-110065

- a) One Special Resolution passed in the previous AGM held on 24.12.2009.
- b) No Special Resolution passed in the AGM held on 2006-07 & 2007-08.
- c) No Special Resolution passed last year through postal ballot
- d) No Special Resolution requiring postal ballot is proposed at this Annual General Meeting.

**MORGAN VENTURES LIMITED**

- ii) Date of forthcoming Annual General Meeting & : 28th December, 2010  
 Venue : 53, Friends Colony (East),  
 New Delhi-110 065
- iii) Financial Calendar : 1<sup>st</sup> July to 30<sup>th</sup> June.
- iv) Period under review : 1<sup>st</sup> July, 2009 to  
 30<sup>th</sup> June, 2010
- v) Date of book closure : 24<sup>th</sup> December, 2010  
 to 28th December, 2010
- vi) Dividend payment date : NOT APPLICABLE
- vii) Listing on Stock Exchange :  
 The shares of the Company are listed at: -  
 BOMYAY STOCK EXCHANGE LTD.  
 Phiroze Jeejeebhoy Towers,  
 Dalal Street, Mumbai – 400 023
- viii) Stock Code : 526237 (BSE)
- ix) **Stock Market Data\***: Monthly high & low values (in Rs.) at BSE of company's share are as follows:

Month	BSE Share Price (Rs.)		
	High	Low	Volume
July, 2009	9.68	8.79	1681
August, 2009	10.96	8.56	21641
September, 2009	13.31	9.60	46512
October, 2009	14.00	11.74	16617
November, 2009	14.12	9.75	4398
December, 2009	11.89	9.50	16904
January, 2010	11.40	9.77	33835
February, 20	11.23	9.00	21777
March, 2010	9.97	7.82	18453
April, 2010	10.00	8.80	11189
May, 2010	10.46	8.06	11540
June, 2010	9.50	8.10	21676

\* Source: www.bseindia.com

x) **Distribution Schedule of Shareholding as on 30<sup>th</sup> June, 2010**  
**(On the Basis of Category)**

Month	High	Low
Promoters/Associate	7404700	74.0
Mutual Funds	200000	2.00
Bodies Corporate	69368	6.94
Non-Resident Indian	48298	0.48
Directors' Relatives	10000	0.1
Individuals	1643315	16.43
<b>TOTAL</b>	<b>10000000</b>	<b>100.00</b>

## MORGAN VENTURES LIMITED

xi) Dematerialization of Shares and Share Transfer System:

Up to 30<sup>th</sup> June, 2010 71.54 % of Equity Shares of the Company Stands dematerialized. The shares of the company are compulsorily traded in the Demat form. For physical transfers the valid share transfers are registered and dispatched to the shareholders within the prescribed time.

xii) Outstanding GDRs/ADRs/Warrants or any convertible Instruments Conversion date and likely impact on Equity: The Company has not issued any GDRs/ADRs/Warrants or any convertible instrument.

xiii) Plant Location : Chennai, Coimbatore, Erode Wind Farms  
Dasarapatti Village, Udumalpet,  
Kanyakumari Wind Farms (Tamil Nadu)

xiv) Address for Correspondance : A-38, 1<sup>st</sup> Floor, Mohan Co-operative  
Industrial Estate, Main Mathura Road  
New Delhi-110044  
Phone: 011-26991470/72/73  
Fax: 011-26991479/41628144

xv) Registrar & Share Transfer Agent : M/s Skyline Financial Services (P) Ltd.  
D-153A, 1st Floor,  
Okhla Industrial Area, Phase-I  
New Delhi-110020  
Ph. No. : 011-26812682, 26812683

xvi) **Re-appointment of Directors:**

Two Non-Executive and Independent Directors are due for retirement by rotation at this Annual General Meeting and are eligible for re-appointment. The brief particulars of the Directors retiring by rotation are given below:

Name of Director	Sh. M. K. Doogar	Sh. P. K. Gupta
Date of Birth	1 <sup>st</sup> July, 1951	14 <sup>th</sup> November, 1951
Date of Appointment	23 <sup>rd</sup> October, 1986	28 <sup>th</sup> July, 2000
Qualification	Chartered Accountant	Graduate in Science (B. Sc)
Expertise in Specific functional area	Mr. Doogar is an eminent Chartered Accountant and has vast experience in Corporate Finance & Tax Planning, Public Issue, Capital Market, strategic Planning & Management,	Mr. P. K. Gupta has rich experience of 32 years in varied area of Functional Management i.e. General Administration, Legal, Finance & taxation etc. Mergers & Acquisitions etc.
List of Public Companies in which Directorship held (excluding Pvt. Ltd. company)	1.Bhilwara Energy Limited 2.Kamdheni Ispat Limited 3.Indo Alusys Industries Limited 4.PHD Chamber of Commerce & Industry 5.Radico Khaitan Limited 6.Doogar & Associates Securities Limited	Mr. P. K. Gupta holds no Directorship in Public Companies other than Morgan Ventures Limited

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**MORGAN VENTURES LIMITED**

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Chairman / Member of the Committee of Board of Directors of the Company	Audit Committee-Member	Audit Committee-Chairman Shareholder & Investor Grievance Committee-Member Stock Trading & Investment Committee-Member
Chairman/Member of the Committees of Director of other Companies		
a) Audit Committee	Bhilwara Energy Ltd. – Member Indo Alusys Industries Ltd. – Chairman Radico Khaitan Limited- Chairman Kamdhenu Ispat Ltd. – Member	NIL
b) Shareholders/Investors Grievance Committee	NIL	NIL
Shareholding in the Company	600 Shares of Rs. 10/- each	NIL

**DECLARATION BY MANAGING DIRECTOR****To The Members of Morgan Ventures Ltd.**

I, Meera Goyal, Managing Director of the Company, hereby certify that the Board members and senior management have affirmed compliance with the rules of Code of Conduct for the financial year ended 30<sup>th</sup> June, 2010 pursuant to the requirement of the clause 49 of the listing agreement as amended.

**For Morgan Ventures Ltd.**

**Meera Goyal  
Managing Director**

**Place: New Delhi  
Date: 15/11/2010**

**Auditors' Certificate on Corporate Governance**

**To The Members of  
Morgan Ventures Ltd.**

We have reviewed the implementation of Corporate governance Procedure by Morgan Ventures Limited during the year ended June 30, 2010 as stipulated in clause 49 of the Listing Agreement with Stock Exchanges, with the relevant records and documents maintained by the Company, furnished to us for our review and the report on corporate Governance as approved by the Board of Directors.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to review of procedures and implementation thereof adopted by the company for ensuring the compliance of the condition of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

On the basis of our review and according to the information and explanation given to us, the conditions of Corporate Governance as stipulated in corporate Governance Clause of the Listing Agreement(s) with the Stock Exchanges have been substantially complied with by the company and no investor grievance(s) is /are pending for a period exceeding one month against the company as per the records maintained by the Investors Grievance Committee.

We further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

**For K.K. Jain & Co.  
Chartered Accountants**

**C.A. Simmi Jain  
Partner  
M. No. 86946**

**Place: New Delhi  
Date: 15/11/2010**

**AUDITORS' REPORT**

**TO THE BOARD OF DIRECTORS OF  
MORGAN VENTURES LIMITED**

As required by the Non Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 1998 issued by the Reserve Bank of India in terms of section 45MA (1A) of the Reserve Bank of India Act, 1934, we report below on the matters specified in paragraph 3 of the said order.

1. The Company has been granted a Certificate of Registration by the Reserve Bank of India in terms of Section 45-1A of the Reserve Bank of India Act, 1934.
2. We have verified the minutes of the meeting of the Board of Directors of the Company wherein a resolution for non-acceptance of any public deposit has been passed.
3. As per the information and explanation given to us, the Company has not accepted any public deposits during the year under review.
4. As informed to us, the Company has furnished all the statements, information or particulars called for by the Reserve Bank of India.
5. In our opinion and to the best of our information and according to the explanations given to us, the company has complied with the prudential norms relating to income recognition, accounting standards, asset classification, and provision for bad and doubtful debts as applicable to it.

**For K.K. Jain & Co.  
Chartered Accountants**

**C.A. Simmi Jain  
Partner  
M. No. 86946**

**Place: New Delhi  
Date: 30/08/2010**

**AUDITORS' REPORT  
TO THE MEMBERS OF MORGAN VENTURES LIMITED**

We have audited the attached Balance Sheet of **MORGAN VENTURES LIMITED, NEW DELHI** as at 30<sup>th</sup> June 2010 and the Profit and Loss Account and Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

1. We have conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
2. As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956, we enclose in the Annexure hereto a statement on the matters specified in paragraphs 4 & 5 of the said Orders.
3. Further to our comments in the Annexure referred to above, 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 the books.
  - c) The said Balance Sheet, Profit and Loss Account & Cash Flow Statement dealt with by this report are in agreement with the books of account.
- d) In our opinion, the Balance Sheet, Profit & Loss Account & Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
- e) Based on the written representation received from the directors, we report that none of the directors are prima facie disqualified, as on 30<sup>th</sup> June, 2010, from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.

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**MORGAN VENTURES LIMITED**

- f) In our opinion and to the best of our information and according to the explanations given to us, the said account read with the Schedules and the Notes thereon and subject to Note No. 1 (C) (i) regarding depreciation on plant and machinery at the rates as per technical report and not as per schedule XIV to the Companies Act, 1956 give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.
- (i) In the case of the Balance Sheet, of the state of affairs of the company as at 30<sup>th</sup> June, 2010.
  - (ii) In the case of the Profit and Loss Account of the profit for the year ended on that date.
  - (iii) In the case of cash flow statement of the cash flow for the year ended on that date.

**For K.K. Jain & Co.  
Chartered Accountants**

**C.A. Simmi Jain  
Partner  
M. No. 86946**

**Place: New Delhi  
Date: 30/08/2010**

**Annexure referred to in paragraph 2 of our Report of even date to the Members of Morgan Ventures Limited on the accounts for the year ended 30<sup>th</sup> June 2010.**

1.	(a)	The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
	(b)	As explained to us, the fixed assets have been physically verified by the management during the year in a phased periodical manner, which in our opinion is reasonable having regard to the size of the company and nature of its assets. No material discrepancies between the book records and the physical inventory were noticed in respect of the assets physically verified.
	(c)	In our opinion, the company has not disposed of substantial part of fixed assets during the year and the going concern status of the company is not affected.
2.	(a)	Inventories have been physically verified by the management at reasonable intervals during the year.
	(b)	In our opinion, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
	(c)	On the basis of our examination of records of inventory produced to us, in our opinion, the company has maintained proper records of inventories. There were no material discrepancies noticed on physical verification of inventory as compared to the book record
3.	(a)	The company has not granted loan, secured or unsecured, to companies, firms or other parties listed in the register maintained u/s 301 of the Companies Act, 1956.
	(b)	The company has taken unsecured loan from one party covered in the register maintained under section 301 of the Act. The maximum amount involved during the year was Rs. 3,46,80,335/- and the year end balance of loans taken from such party was NIL.
	(c)	The rate of interest and other terms and Conditions of loan taken by Company are prima facie not prejudicial to the interest of the company.
	(d)	Payment of the principal amount and interest are also regular.
4.		In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the company and the nature of its business with regard to purchase of inventory and fixed assets and for the sale of goods. During the course of our audit, no major weakness has been noticed in the internal control in respect of these areas.
5.	(a)	According to the information and explanations given to us, all the transactions that need to be entered in the register required to be maintained under section 301 has been entered.
	(b)	In our opinion and according to the information and explanation given to us, the company has not entered into any transaction in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of five lakh rupees during the year in respect of any party.

**MORGAN VENTURES LIMITED**

6.		The company has not accepted any deposit from the public. Therefore, the provisions of Section 58A and 58AA of the Companies Act, 1956, and the Rules framed there under do not apply.
7.		In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
8.		The Central Government has prescribed for maintenance of cost records under section 209 (1)(d) of the Companies Act, 1956 in respect of power generation. These accounts and records have been made and maintained by the company.
9.	(i)	Undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess have been regularly deposited with the appropriate authorities.
	(ii)	According to the information and explanations given to us, no undisputed amounts payable in respect of Income-Tax, Sales-Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess were outstanding at the year end for a period of more than six months from the date they become payable
	(iii)	According to the record of the company and information and explanation given to us, there were no disputed dues as on 30 <sup>th</sup> June, 2010 in respect of Sales Tax, Income Tax, Custom Duty, Wealth Tax, Service Tax, Excise Duty and Cess.
10.		The company has no accumulated losses as at 30 <sup>th</sup> June, 2010 nor it has incurred any cash losses in the current and immediately preceding financial year.
11.		Based on our audit procedures and as per the information and explanation given by the management we are of the opinion that the company has not defaulted in repayment of dues to financial institutions, banks or debenture holders.
12.		According to the information and explanations given to us and based on the documents and records produced to us the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13.		The provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
14.		In our opinion, the company has maintained proper records and made timely entries therein, in respect of the transactions of dealing or trading in shares, securities, debentures and other investment made by the company.
15.		According to the information and explanation given to us, the company has not given any guarantee for loan taken by others from bank or financial institution.
16.		The company has not taken any term loan during the year.

**MORGAN VENTURES LIMITED**

17.		According to the information and explanations given to us and on an overall examination of the Balance Sheet and Cash Flow Statement of the company, we report that no funds raised on short-term basis have been used for long-term.
18.		The company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Companies Act, 1956, during the year.
19.		No secured debentures were issued by the company. Therefore, no securities have been created.
20.		The company has not raised any money by a public issue during the year.
21.		Based upon the audit procedures performed for the purpose of reporting true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the company has been noticed or reported during the course of our audit.

**For K.K. Jain & Co.  
Chartered Accountants**

**Sd/-  
C.A. Simmi Jain  
Partner  
M. No. 86946**

**Place: New Delhi  
Date: 30/08/2010**

**BALANCE SHEET AS AT 30.06.2010**

	Schedule	As at 30.06.2010 (Rs.)	As at 30.06.2009 (Rs.)
<b><u>SOURCES OF FUNDS</u></b>			
<b><u>Shareholders' Funds</u></b>			
Share Capital	A	98,985,000	98,985,000
Reserves & Surplus	B	257,701,719	242,912,255
Secured Loan		61,090,019	71,728,000
Unsecured Loans	C	-	34,680,335
Deferred Tax Liability		12,777,501	16,517,162
		<b>430,554,239</b>	<b>464,822,752</b>
<b><u>APPLICATION OF FUNDS</u></b>			
<b><u>Fixed Assets</u></b>			
Gross Block	D	224,350,929	223,534,929
Less : Accumulated Depreciation		85,921,202	74,674,647
Net Block		138,429,727	148,860,282
<b>Investments</b>	E	54,702,382	54,702,382
<b><u>Current Assets, Loans &amp; Advances</u></b>			
Stock in Trade		178,454,386	259,403,041
Cash & Bank Balances	F	59,892,336	57,863,619
Sundry Debtors	G	10,439,142	9,294,057
Loans & Advances	H	81,248,181	39,955,802
		330,034,044	366,516,519
Less Current Liabilities & Provisions	I	92,611,914	105,256,431
		237,422,130	261,260,088
Net Current Assets		<b>430,554,239</b>	<b>464,822,752</b>
<b>NOTES TO THE ACCOUNTS</b>			
	L		

Schedules A to I and L referred to above form an integral part of the Balance Sheet.

**As per our report of even date attached  
For K.K.Jain & Co.  
Chartered Accountants**

**For and on behalf of the board Directors**

(SIMMI JAIN)  
PARTNER  
M.NO. 86496

(SHAHZEB KHAN)  
COMPANY SECRETARY

(S.C.GOYAL)  
DIRECTOR

(MEERA GOYAL)  
MANAGING DIRECTOR

Date : 30.08.2010  
Place : New Delhi

**PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 30.06.2010**

	Schedule	For the Year ended 30.06.2010	For the Year ended 30.06.2009
<b><u>INCOME</u></b>			
Sale of Electricity		40,481,106	40,384,065
Sale of Plant		80,948,665	100,812,675
Other Income		1,363,355	1,800,961
Increase/(Decrease) in Stock		(80,948,665)	(100,812,675)
		<b>41,844,461</b>	<b>42,185,026</b>
<b><u>EXPENDITURE</u></b>			
Establishment Expenses		2,652,757	2,599,506
Administrative & Other Expenses	J	6,820,010	10,771,381
Financial Charges	K	7,726,834	10,002,564
Depreciation		11,246,555	11,462,277
		<b>28,446,156</b>	<b>34,835,728</b>
<b>Profit Before Tax</b>		13,398,305	7,349,298
Provision for Taxation			
-Income Tax		(2,277,042)	(758,341)
-Fringe Benefit Tax		-	(13,803)
-Deferred Tax		3,739,661	3,728,570
<b>Profit after Tax</b>		<b>14,860,924</b>	<b>10,305,724</b>
Adjustment relating to earlier years		(71,460)	(3,000,348)
<b>Net Profit</b>		14,789,464	7,305,376
Balance brought forward		242,912,255	235,606,879
Balance Available for Appropriation		257,701,719	242,912,255
<b><u>Appropriations</u></b>			
-Proposed Dividend		-	-
-Tax on Proposed Dividend		-	-
Balance Carried Forward		257,701,719	242,912,255
Earning Per Share Basic and Diluted		1.49	1.03

**NOTES TO THE ACCOUNTS L**

Schedules J and K referred to above form an integral part of the Profit & Loss Account.

**As per our report of even date attached**

**For and on behalf of the board Directors**

**For K.K. Jain & Co.**

**Chartered Accountants**

(SIMMI JAIN)  
PARTNER  
M.NO. 86496

(SHAHZEB KHAN)  
COMPANY SECRETARY

(S.C.GOYAL)  
DIRECTOR

(MEERA GOYAL)  
MANAGING DIRECTOR

Date : 30.08.2010

Place : New Delhi

**SCHEDULES TO THE BALANCE SHEET**

<b>SCHEDULE - A</b>	<b>AS AT</b>	<b>AS AT</b>
<b>SHARE CAPITAL</b>	<b>30.06.2010</b>	<b>30.06.2009</b>
	<b>(Rs.)</b>	<b>(Rs.)</b>
<b>AUTHORISED</b>		
4000000 Equity Shares of Rs. 10/- each	400,000,000	400,000,000
	<b>400,000,000</b>	<b>400,000,000</b>
<b>ISSUED, SUBSCRIBED &amp; PAID UP SHARE CAPITAL</b>		
1000000 Equity Shares of Rs. 10/- each	100,000,000	100,000,000
Less : Calls in arrear	1,015,000	1,015,000
	<b>98,985,000</b>	<b>98,985,000</b>
<b>SCHEDULE - B</b>		
<b>RESERVES &amp; SURPLUS</b>		
Surplus Balance in Profit & Loss A/c	257,701,719	242,912,255
	<b>257,701,719</b>	<b>242,912,255</b>
<b>SCHEDULE - C</b>		
<b>UNSECURED LOAN</b>		
Company	-	34,680,335
	<b>-</b>	<b>34,680,335</b>

<b>SCHEDULE - D FIXED ASSETS (SCHEDULES TO THE BALANCE SHEET)</b>										
PARTICULARS	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	As at 01.07.09	Additions	Deductions	As at 30.06.10	As at 01.07.09	For The Year	Adjustment	As at 30.06.10	As at 30.06.10	As at 30.06.09
Land	2,694,575	-	-	2,694,575	-	-	-	-	2,694,575	2,694,575
Building Windmill	76,320	-	-	76,320	11,346	2,549	-	13,895	62,425	64,974
Plant & Machinery	218,086,925	-	-	218,086,925	73,387,553	10,958,809	-	84,346,361	133,740,564	144,699,372
Vehicles	2,513,717	-	-	2,513,717	1,267,689	238,803	-	1,506,492	1,007,225	1,246,028
Capactor Pannel	163,392	-	-	163,392	8,059	7,761	-	15,820	147,572	155,333
Furniture & Fixtures	-	816,000	-	816,000	-	38,633	-	38,633	777,367	-
<b>TOTAL</b>	<b>223,534,929</b>	<b>816,000</b>	<b>-</b>	<b>224,350,929</b>	<b>74,674,847</b>	<b>11,246,555</b>	<b>-</b>	<b>85,921,202</b>	<b>138,429,727</b>	<b>148,860,282</b>
<b>PREVIOUS YEAR</b>	<b>223,534,929</b>	<b>-</b>	<b>-</b>	<b>223,534,929</b>	<b>63,212,370</b>	<b>11,462,277</b>	<b>-</b>	<b>74,674,647</b>	<b>148,860,282</b>	<b>160,322,589</b>

**SCHEDULE-E INVESTMENTS**

<b>I) AT COST-QUOTED</b>	24,714,162	24,714,162
At Cost-Quoted	88,420	88,420
In Shares	<b>24,802,582</b>	<b>24,802,582</b>
Mutual Fund		
<b>Total (I)</b>		
<b>II) AT COST -UNQUOTED</b>	29,899,800	29,899,800
<b>TOTAL (I+II)</b>	<b>54,702,382</b>	<b>54,702,382</b>

**SCHEDULE-F CASH & BANK BALANCES**

Cash and Bank Balances	59,892,336	57,863,619
	<b>59,892,336</b>	<b>57,863,619</b>

**SCHEDULE TO THE BALANCE SHEET****SCHEDULE - G**  
**SUNDRY DEBTORS**

(Unsecured considered good by the management)  
Outstanding for a period exceeding six months  
Others

	<b>AS AT 30.06.2010 (Rs.)</b>	<b>AS AT 30.06.2009 (Rs.)</b>
	-	-
	10,439,142	9,294,057
	<b>10,439,142</b>	<b>9,294,057</b>

**SCHEDULE - H**  
**LOANS & ADVANCES**

(Unsecured considered good by the management)

Advances recoverable in cash or kind  
for value to be received  
Income Tax Recoverable  
Prepaid Expenses

	80,373,016	38,988,255
	806,628	806,628
	68,537	160,919
	<b>81,248,181</b>	<b>39,955,802</b>

**SCHEDULE - I**  
**CURRENT LIABILITIES & PROVISIONS****A. CURRENT LIABILITIES**

TDS Payable  
Other Liabilities

	26,748	68,621
	90,308,124	104,415,666
	<b>90,334,872</b>	<b>104,484,287</b>

**B. PROVISIONS**

Income Tax  
Fringe Benefit Tax

	2,277,042	758,341
	-	13,803
	<b>2,277,042</b>	<b>772,144</b>

**TOTAL (A + B)**

	<b>92,611,914</b>	<b>105,256,431</b>
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## SCHEDULES FORMING PART OF THE PROFIT &amp; LOSS ACCOUNT

	<b>AS AT 30.06.2010 (Rs.)</b>	<b>AS AT 30.06.2009 (Rs.)</b>
<b><u>SCHEDULE - J</u></b>		
<b><u>ADMINISTRATIVE AND OTHER EXPENSES</u></b>		
Repairs & Maintenance Plant & Machinery	1,706,451	1,849,555
Repairs & Maintenance (Other)	15,448	158,688
Electricity Exps.	56,859	88,244
Office Maintenance	104,107	331,546
Insurance	171,669	796,625
Professional Exps	3,090,505	4,746,113
Advertisement & Business Promotion	56,031	79,437
Rates & Taxes	46,297	140,593
Travelling & Conveyance	102,846	56,314
Postage & Telegram	11,348	7,887
Communication Exps.	18,162	27,552
Printing & Stationary	14,307	68,379
Director Sitting Fee	65,000	43,500
Audit Fees	13,236	13,236
Security Charges	1,041,837	2,031,040
Miscellaneous Expences	305,908	332,672
	<b><u>6,820,010</u></b>	<b><u>10,771,381</u></b>
<b><u>SCHEDULE - K</u></b>		
<b><u>FINANCIAL CHARGES</u></b>		
Interest	7,678,961	9,991,034
Bank Charges	47,873	11,530
	<b><u>7,726,834</u></b>	<b><u>10,002,564</u></b>

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**SCHEDULE – L**  
**NOTES TO THE ACCOUNTS****1. STATEMENT OF ACCOUNTING POLICY****A. GENERAL:**

The accounts have been prepared under the historical cost convention as a going concern basis and are in accordance with applicable accounting standards. Revenue is recognized and expenses are accounted for on accrual basis.

**B. USE OF ESTIMATES**

The preparation of the financial statements requires estimates and assumptions to be made that affect the reporting amount of assets and liabilities on the date of financial statements and the reporting amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/materialized.

**C. FIXED ASSETS**

Fixed Assets are valued at cost less accumulated depreciation.

**D DEPRECIATION**

- (i) **PLANT & MACHINERY (OLD WIND MILL)** : At written down value method at the rates as per technical report.
- (ii) **PLANT & MACHINERY (NEW WIND MILL):** At Straight line method as per rates prescribed in schedule XIV of Companies Act, 1956
- (iii) **OTHER FIXED ASSETS:** On straight-line method at the rates prescribed under Schedule XIV of the Companies Act, 1956.

**E INVESTMENTS**

All the Investments of the Company are Long term investment and the same are valued at cost.

**F PURCHASE OF PLANT**

The Company had purchased five units of Jhalani Tools India Ltd.(in Liquidation) during Accounting year ended 30.06.2006 through Court Auction. The Company /management had no intention to run these units; therefore, these units were treated as a part of Stock in Trade in the financial statements with an intention to use them for trading purpose. At the end of Accounting year ended 30.06.2010, there is only one unit appearing as a part of Stock in trade in financial statements.

**G STOCK-IN-TRADE**

Stock-In-Trade is valued lower of cost or net realizable value.

**H PROFIT ON SALE OF INVESTMENTS**

Profit on sale of Investments has been shown separately in the Profit & Loss Account as "Profit on sale of Investment".

**I RECOGNITION OF INCOME**

Revenue is recognized on accrual basis. Revenue on Sale of Electricity is recognized as per the Billing Cycle recommended by the TNEB for the particular Wind Farm.

**J TAXES ON INCOME**

a) Provision for Income tax is made in accordance with the Income tax Act-1961.  
b) Deferred Tax resulting from timing differences between the book and the tax profit is accounted for, at the current rate of tax, to the extent that the timing differences are expected to crystallize. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future, However, where there is unabsorbed depreciation or carried forward loss under Taxation laws, deferred tax assets are recognized only if there is a virtual certainty of realization of such assets. Deferred tax liabilities are reviewed as at each balance sheet date.

**K IMPAIRMENT OF ASSETS**

Management periodically assesses using external and internal sources whether there is an indication that an asset may be impaired. In the opinion of the management no provision for the impairment of the Fixed Assets of the company is required to be made during the year as per AS-28 issued by the ICAI on "Impairment of assets."

**L EMPLOYEE BENEFITS**

The Company is providing benefits to employees in accordance with relevant applicable Statutes on the subject.

**M DUES TO MICRO, SMALL AND MEDIUM ENTERPRISES**

There are no dues to Micro, Small and Medium Enterprises.

**N BORROWING COSTS**

Borrowing Cost that is attributable to the acquisition or construction of qualifying assets is capitalized as part of the cost of such assets. A qualifying asset is one that takes necessary substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

**O CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

The Company is in litigation relating to termination of Agreement to Sell with Goldendreams Buildcon Private Limited for sale of a plot at Aurangabad, part of 5 units of Jhalani Tools India Ltd acquired through Court Auction. The claim under dispute is for specific performance of agreement to sell and interest accrued. Goldendreams Buildcon Pvt. Ltd. has also claimed compensation for alleged losses and damages suffered by them which has not been quantified. The Directors are of the opinion that the Company can protect its interest successfully. Contingent Assets are neither recognized nor disclosed in the Financial Statement.

**P SECURED LOANS**

Punjab National Bank (Large Corporate Branch) Delhi has first charge on all moveable and immoveable assets, related to 25 Wind Mills known as Kanyakumari Wind Farm, Erode Wind Farm, Chennai Wind Farm and Coimbatore Wind Farm situated at Tamilnadu and first charge on all receivables/payment to be received from Tamil Nadu Electricity Board (TNEB) related to these Wind Mills as security for its outstanding Term Loan of Rs 610 Lacs (Previous Year Rs 717 Lacs).

**Q. OTHERS****1. Segmentwise Revenue, Results and Capital Employed under Clause 41 of the Listing Agreement**

	(Rs. In lacs) For the year ended 30th June, 2010	(Rs. In lacs) For the year ended 30th June, 2009
<b>Segment Revenue</b>		
Trading on capital Equipments	809.49	1008.13
Fund Based Activities	13.63	18.01
Investments	0.00	0.00
Windmill Operation	404.81	403.84
<b>Total Segment Revenue</b>	<b>1227.93</b>	<b>1429.98</b>
Less : Inter Segment Revenue	0.00	0.00
<b>Net Sales/Income form Operations</b>	<b>1227.93</b>	<b>1429.98</b>
<b>Segment Results (Profit before Interest and Tax)</b>		
Trading on capital Equipments	0.00	0.00
Fund Based Activities	-59.39	-80.90
Investments	0.00	0.00
Windmill Operation	271.32	255.03
<b>Total Segment Results</b>	<b>211.93</b>	<b>174.13</b>
Less : Interest Expense	76.79	99.91
Less : Unallocable Expenditure	1.16	0.73
<b>Total Profit Before Tax</b>	<b>133.98</b>	<b>73.49</b>
<b>Capital Employed (Segment Assets less Segment Liabilities)</b>		
Capital Equipments	1443.33	2105.69
Fund Based Activities	55.77	-235.87
Investments	547.02	547.02
Windmill Operation	2259.42	2231.39
<b>Total Capital Employed in Segments</b>	<b>4305.54</b>	<b>4648.23</b>
Add : Unallocable Corporate Assets	0.00	0.00
<b>Total Capital Employed in the Company</b>	<b>4305.54</b>	<b>4648.23</b>
<b>Notes :</b>		
1. Segments have been identifiedn line with the Accounting Standard on Segment Reporting.		
2. Segment Revenue,Results and Capital Employed figures include the respective amounts identifiable to each of the segments.Unallocable expenditure includes expenses incurred at a corporate level which relate to the company as a whole.		

2. Figures have been rounded off to the nearest rupee and previous year figures have been regrouped/rearranged wherever necessary.
3. Share Allotment Money receivable from shareholders is subject to reconciliation with the share transfer agent.

**4. Earning Per Share (EPS):**

(a)	Calculation of Weighted Average Number of Equity Shares of Rs.10/- each	Current Year	Previous Year
	- Number of equity shares at the beginning of the year	10000000	10000000
	- Shares issued during the year	NIL	NIL
	- Total Number of equity shares outstanding at the end of the year	10000000	10000000
	- Weighted average number of equity shares	10000000	10000000
(b)	Net Profit after tax	14860924	10305724
(c)	Basic and diluted Earning (in Rupees) per share	1.49	1.03

**5. Deferred Tax Liability**

	Deferred Tax Asset/(Liability) as at 30.06.2009	Current Year (Charge)/Credit	Deferred Tax Asset/(Liability) as at 30.06.2010
Difference between Book & Tax Depreciation	(1,65,17,162)	37,39,661	(1,27,77,501)
Total	(1,65,17,162)	37,39,661	(1,27,77,501)

In accordance with Accounting Standard 22, 'Accounting for Taxes on Income' issued by the Institute of Chartered Accountants of India, the company has provided for deferred tax during the year.

**6. Related Parties Disclosures are as under:**

1. Names of related party and nature of related party relationship

- i) Subsidiary: Satlej Real Estate Pvt. Ltd., Satlej Infotech Private Limited and Sudama Technologies Private Limited
- ii) Key Management Personnel & their relatives (also exercising significant Influence over the Company)

Mrs. Meera Goyal, Managing Director (relative Mr. S. C. Goyal, Director of the Company)

Enterprises in which the persons referred in (ii) above alongwith their relatives Exercise significant influence:

Goyal MG Gases Pvt. Ltd., Dhamwari Power Co. Pvt. Ltd., Hibra Power Pvt. Ltd., Peacock Chemicals Pvt. Ltd., Morgan Infrastructures Developers Pvt. Ltd. and Morgan Signature Towers Pvt. Ltd.

2. Transactions carried out with related parties referred in 1 above in ordinary course of business:

Nature of transaction	Current Year Amount (Rs.)	Previous Year Amount (Rs.)
Remuneration Outstanding	13,20,000	13,20,000
Remuneration payable	1,20,000	1,20,000
Loans & Advances	25,515,322	-
Sale of Plant (To Subsidiary Company)	52,716,000	-

7. Additional information pursuant to the provisions of Part II of Schedule VI to the Companies Act, 1956 (to the extent applicable):

**CAPACITY (As per Management)**

Class of Goods	Licensed Capacity	Installed Capacity
Power Generation	Not required	5.63 MW

**PRODUCTION, PURCHASE, TURNOVER & STOCK**

Year	Opening Stock	Production Quantity	Sale		Closing Stock
			Qty.	Value	
2009-10	Nil	9422073	9422073	40481106	NIL
2008-09	NIL	8537484	8537484	40384065	NIL
2007-2008	NIL	9606920	9606920	59496099	NIL
2006-2007	NIL	9329940	9329940	39093497	NIL

Transmission loss has not been considered in sales.

8. Particulars in respect of Opening Stock, Purchase, Sales and Closing Stock for Stock in Trade.

	Quantity		Value	
	Current Year	Previous Year	Current Year	Previous Year
<b>Opening Stock</b>				
Equity Shares	--	--	--	--
Plant	--	--	259,403,041	36,02,15,716
<b>Purchases</b>				
Equity Shares	--	--	--	--
Plant	--	--	--	--
<b>Sales</b>				
Equity Shares	--	--	--	--
Plant	--	--	80,948,665	10,08,12,675
<b>Closing Stock</b>				
Equity Shares	--	--	--	--
Plant	--	--	17,8454,386	25,94,03,041

9. Other information pursuant to para 3, 4c & 4d of part II of Schedule VI of the Companies Act, 1956, either NIL or not applicable.

10. Auditor's Remuneration

	Current Year (Rs.)	Previous Year (Rs.)
-- As Auditor	9,000	9,000
-- For Tax Audit	3,000	3,000
--Service Tax	1,236	1,236
	-----	-----
	13,236	13,236
	-----	-----

As per our report of even date attached

**For K.K. JAIN & CO.**  
**Chartered Accountants**

(SIMMI JAIN)  
PARTNER  
M.No. 86496

(SHAHZEB KHAN)  
COMPANY SECRETARY

**For and on behalf of the Board of Directors**

(S.C. GOYAL)  
DIRECTOR

(MEERA GOYAL)  
MANAGING DIRECTOR

Date: 30/08/2010  
Place: New Delhi

## CASH FLOW STATEMENT FOR THE YEAR ENDED 30TH JUNE,2010

<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>JUNE 30,2010 (Rs.)</b>	<b>JUNE 30,2009 (Rs.)</b>
<b>INCOME</b>		
Net Profit before Tax and Extraordinary items	13,398,305	7,349,298
Adjustments for :	11,246,555	11,462,277
Depreciation		
Operating Profit before Working Capital Changes	<u>24,644,860</u>	<u>18,811,575</u>
Adjustments for :		
(Increase)/Decrease in Current Assets	38,511,192	129,881,168
Increase/(Decrease) in Current Liabilities	<u>(12,644,517)</u>	<u>(51,646,662)</u>
(Increase)/Decrease in Net Current Assets	25,866,675	78,234,506
Cash generated from operations	50,511,535	97,046,081
Provision/Adjustment	(2,348,502)	(3,772,492)
<b>Net cash from Operating Activities</b>	<u>48,163,033</u>	<u>93,273,589</u>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
(Purchase)/Sale of Investments	-	(20,449,800)
(Purchase)/Sale of Fixed Assets	(816,000.00)	-
<b>Net Cash Inflow from Investing Activities</b>	<u>(816,000)</u>	<u>(20,449,800)</u>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Calls in Arrear money Received	-	-
Receipt/(Repayment) of unsecured loans	(34,680,335)	(53,004,663)
Receipt/(Repayment) of Secured loan	(10,637,981)	(13,452,000)
<b>Net Cash from Financing Activities</b>	<u>(45,318,316)</u>	<u>(66,456,663)</u>
Net increase/(decrease) in Cash and Cash equivalents	2,028,717	6,367,126
Cash and Cash equivalents at the beginning of the year	57,863,619	51,496,493
<b>Cash and Cash equivalents at the close of the year</b>	<b>59,892,336</b>	<b>57,863,619</b>

As per our report of even date attached  
For K.K. Jain & Co.  
Chartered Accountants

For and on behalf of the Board of Director

(SIMMI JAIN)  
PARTNER  
M.No.86496  
Place : New Delhi  
Date : 30.08.2010

(SHAHZEB KHAN)  
COMPANY SECRETARY

(S.C.GOYAL)  
DIRECTOR

(MEERA GOYAL)  
MANAGING DIRECTOR

**BALANCE SHEET ABSTRACT AND  
COMPANY'S GENERAL BUSINESS PROFILE**

**I Registration Details**  
 Registration No.       State Code   (Refer Code List)  
 Balance Sheet Date

**II Capital raised during the year**  
 Public Issue       Right Issue        
 Bonus Issue       Private Placement Bond

**III Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousand)**

Total Liabilities	<input type="text" value="4"/> <input type="text" value="3"/> <input type="text" value="0"/> <input type="text" value="5"/> <input type="text" value="5"/> <input type="text" value="4"/>	Total Assets	<input type="text" value="4"/> <input type="text" value="3"/> <input type="text" value="0"/> <input type="text" value="5"/> <input type="text" value="5"/> <input type="text" value="4"/>
<b>Sources of Funds</b>			
Paid-up capital	<input type="text" value=""/> <input type="text" value="9"/> <input type="text" value="8"/> <input type="text" value="9"/> <input type="text" value="8"/> <input type="text" value="5"/>	Reserve & surplus	<input type="text" value="2"/> <input type="text" value="5"/> <input type="text" value="7"/> <input type="text" value="7"/> <input type="text" value="0"/> <input type="text" value="1"/>
Secured Loans	<input type="text" value=""/> <input type="text" value="6"/> <input type="text" value="1"/> <input type="text" value="0"/> <input type="text" value="9"/> <input type="text" value="0"/>	Unsecured Loans	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>
<b>Application of Funds</b>			
Net Fixed Assets	<input type="text" value="1"/> <input type="text" value="3"/> <input type="text" value="8"/> <input type="text" value="4"/> <input type="text" value="2"/> <input type="text" value="9"/>	Investment	<input type="text" value=""/> <input type="text" value="5"/> <input type="text" value="4"/> <input type="text" value="7"/> <input type="text" value="0"/> <input type="text" value="2"/>
Net Current Assets	<input type="text" value="2"/> <input type="text" value="3"/> <input type="text" value="7"/> <input type="text" value="4"/> <input type="text" value="2"/> <input type="text" value="2"/>	Misc. Expenditure	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>
Loans & Advances	<input type="text" value=""/> <input type="text" value="8"/> <input type="text" value="1"/> <input type="text" value="2"/> <input type="text" value="4"/> <input type="text" value="8"/>	Accumulated Losses	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>

**IV Performance of Company (Amount in Rs. Thousand)**

Turnover	<input type="text" value="1"/> <input type="text" value="2"/> <input type="text" value="2"/> <input type="text" value="7"/> <input type="text" value="9"/> <input type="text" value="3"/>	Total Expenditure	<input type="text" value="1"/> <input type="text" value="0"/> <input type="text" value="9"/> <input type="text" value="3"/> <input type="text" value="9"/> <input type="text" value="4"/>
Profit/Loss before tax	<input type="text" value=""/> <input type="text" value="1"/> <input type="text" value="3"/> <input type="text" value="3"/> <input type="text" value="9"/> <input type="text" value="8"/>	Profit/Loss Tax after tax	<input type="text" value=""/> <input type="text" value="1"/> <input type="text" value="4"/> <input type="text" value="8"/> <input type="text" value="6"/> <input type="text" value="0"/>
Earning per share	<input type="text" value=""/> <input type="text" value="1"/> . <input type="text" value="4"/> <input type="text" value="9"/>	Dividend rate %	<input type="text" value="0"/> <input type="text" value="0"/>

**GENERAL NAMES OF THREE PRINCIPAL PRODUCTS OF THE COMPANY (AS PER MONETARY TERMS)**

1) Item Code No. (ITC CODE)               
 Product Description

2) Item Code No. (ITC CODE)               
 Product Description

3) Item Code No. (ITC CODE)               
 Product Description

For and on behalf of the Board of Directors

Date : 30.08.2010 (SHAHZEB KHAN) (S.C. GOYAL) (MEERA GOYAL)  
 Place : New Delhi COMPANY SECRETARY DIRECTOR MANAGING DIRECTOR

**MORGAN VENTURES LIMITED**

<b>Statement pursuant to Section 212 of the Companies act, 1956 Related to Subsidiary Company</b>			
<b>S.No.</b>	<b>Particulars</b>		
<b>1</b>	<b>Name of the Subsidiary</b>	<b>Satlej Real Estate Pvt. Ltd.</b>	<b>Sudama Technologies Pvt. Ltd.</b>
2	Financial year of the subsidiary ending on	<b>31st March, 2010</b>	<b>31st March, 2010</b>
3	Shares of the Subsidiary held by the Company on the above date		
	a. Number of shares	9,990	9,990
	b. Face value per share	Rs. 10	Rs. 10
	c. Extent of holding	99.90%	99.90%
4	The net aggregate amount of profit/(loss) of the subsidiary for the above financial year of the subsidiary so far as they concerns the members of the Company		
	a. Dealt with in the accounts of the Company for the financial year ended on June 30, 2010	NA	NA
	b. Not dealt in the accounts of the Company for financial years ended June 30, 2010	<b>NA</b>	<b>NA</b>
5	The net aggregate amount of profit/(loss) for previous year of the subsidiary since it became a subsidiary so far as they concern member of the Company		
	a. Dealt with in the accounts of the Company for the financial year ended on June 30, 2010	NA	NA
	b. Not dealt in the accounts of the Company for financial years ended June30, 2010	NA	NA
6	Changes in the holding Company's interest in the Subsidiary between the end of financial year of the subsidiary and the end of the holding Company's financial year	No Change	No Change
7	Material changes which have occurred between the end of the aforesaid financial year of the subsidiary and the end of the holding Company's financial year in respect of :	NA	NA
	a. the subsidiary's fixed assets		
	b. its investments		
	c. monies lent by the Subsidiary Company		
	d. the money borrowed by it for any purpose other than that of meeting current liabilities		

**For and on behalf of Board of Directors  
Morgan Ventures Limited**

Place: New Delhi  
Date: 30.08.2010

SHAHZEB KHAN  
COMPANY SECRETARY

S. C. GOYAL  
DIRECTOR

MEERA GOYAL  
MANAGING DIRECTOR

**AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS**

The Boards of Directors  
Morgan Ventures Limited  
New Delhi

1. We have audited the attached Consolidated Balance Sheet of Morgan Ventures Limited and its subsidiaries at 30th June, 2010 and also the Consolidated Profit and Loss Account and the Consolidated Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management and have been prepared by the management on the basis of separate financial statements and other financial information regarding components. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An Audit includes, examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We did not audit the financial statements of subsidiaries. The financial statements of Satlej Infotech (P) Ltd. reflect total assets of Rs.56,007,320 as at 31st March, 2010 and total revenue of Rs. NIL for the period ended on that date. The financial statements of Satlej Real Estate (P) Ltd. reflect total assets of Rs. 1 lac as at 31st March, 2010 and total revenue of Rs. NIL for the period ended on that date. The financial statements of Sudama Technologies Pvt. Ltd. reflect total assets of Rs. 83,66,002/- as at 31st March, 2010 and total revenue of Rs. NIL for the period ended on that date. None of the subsidiaries have commenced business during the concerned period. These financial statements have been audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included in respect of these subsidiaries, is based solely on the reports of the other auditors.
4. We report that the Consolidated Financial Statements have been prepared by the Company's Management in accordance with requirements of Accounting Standards (AS) 21 Consolidated Financial Statements issued by The Institute of Chartered Accountants of India.
5. Based on our audit and on consideration of reports of other auditors on separate financial statements and on other financial information of the components, and to the best of our information and according to the explanations given to us, and subject to Note No. 1 (G) (i) regarding depreciation on plant and machinery at the rates as per technical reports and not as per schedule XIV to the Companies Act, 1956, we are of the opinion that the attached consolidated financial statements give a true and fair view in conformity with the Accounting Principles generally accepted in India.
  - a) In the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at 30th June, 2010
  - b) In the case of the Consolidated Profit and Loss Account, of the profit for the year ended on that date; and
  - c) In the case of the Consolidated Cash Flow Statements, of the cash flows for the year ended on that date.

For K.K. Jain & Co.  
Chartered Accountants

Date: 30.08.2010  
Place: New Delhi

(SIMMI JAIN)  
ARTNER  
M. NO. 86496

MORGAN VENTURES LIMITED

**CONSOLIDATED BALANCE SHEET AS AT 30.06.2010**

Schedule	As at 30.06.2010 ( Rs.)	As at 30.06.2009 ( Rs.)
<b><u>SOURCES OF FUNDS</u></b>		
<b><u>Shareholders' Funds</u></b>		
Share Capital	98,985,000	98,985,000
Share Application money Pending Allotment	8,266,002	7,747,837
	257,701,719	242,912,255
Reserves & Surplus	61,090,019	71,728,000
Secured Loan	55,907,320	34,680,335
Unsecured Loans	220	220
Minority Interest	12,777,501	16,517,162
Deferred Tax Liability	<u>494,727,781</u>	<u>472,570,809</u>
<b><u>APPLICATION OF FUNDS</u></b>		
<b><u>Fixed Assets</u></b>		
Gross Block	280,174,748	223,625,498
Less : Accumulated Depreciation	<u>85,964,647</u>	<u>74,704,429</u>
Net Block	194,210,101	148,921,069
Capital Working Progress	<u>4,472,561</u>	<u>3,510,611</u>
	198,682,662	152,431,680
<b>Investments</b>	54,502,582	54,502,582
<b><u>Current Assets, Loans &amp; Advances</u></b>		
Stock in Trade	178,454,386	259,403,041
Cash & Bank Balances	60,313,133	58,388,108
Sundry Debtors	10,439,142	9,294,057
Loans & Advances	<u>85,029,397</u>	<u>43,972,717</u>
	334,236,057	371,057,923
Less Current Liabilities & Provisions	<u>92,733,970</u>	<u>105,461,826</u>
Net Current Assets	241,502,087	265,596,097
<b>Miscellaneous Expenditures</b>		
Preliminary Expenses	<u>40,450</u>	<u>40,450</u>
	<u>494,727,781</u>	<u>472,570,809</u>
NOTES TO THE ACCOUNTS	L	

Schedule A to I and L referred to above form and integral part of the Consolidated Balance Sheet

**As per our report of even date attached  
For K.K.Jain & Co.  
Chartered Accountants**

**For and on behalf of Board of Directors**

(SIMMI JAIN)  
PARTNER  
M.NO. 86496

(SHAHZEB KHAN)  
COMPANY SECRETARY

(S.C.GOYAL )  
DIRECTOR

(MEERA GOYAL)  
MANAGING DIRECTOR

Date : 30.08.2010  
Place : New Delhi

**CONSOLIDATED PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 30.06.2010**

	Schedule	For the Year ended 30.06.2010	For the Year ended 30.06.2009
<b>INCOME</b>			
Sale of Electricity		40,481,106	40,384,065
Sale of Plant		80,948,665	100,812,675
Other Income		1,363,355	1,800,961
Increase/(Decrease) in Stock		(80,948,665)	(100,812,675)
		<b>41,844,461</b>	<b>42,185,026</b>
<b>EXPENDITURE</b>			
Establishment Expenses		2,652,757	2,599,506
Administrative & Other Expenses	J	6,820,010	10,771,381
Financial Charges	K	7,726,834	10,002,564
Depreciation		11,246,555	11,462,277
		<b>28,446,156</b>	<b>34,835,728</b>
<b>Profit Before Tax</b>		13,398,305	7,349,298
Provision for Taxation			
-Income Tax		(2,277,042)	(758,341)
-Fringe Benefit Tax		-	(13,803)
-Deferred Tax		3,739,661	3,728,570
<b>Profit after Tax</b>		<b>14,860,924</b>	<b>10,305,724</b>
Adjustment relating to earlier years		(71,460)	(3,000,348)
<b>Net Profit</b>		<b>14,789,464</b>	<b>7,305,376</b>
Balance brought forward		242,912,255	235,606,879
Balance Available for Appropriation		257,701,719	242,912,255
<b>Appropriations</b>			
-Proposed Dividend		-	-
-Tax on Proposed Dividend		-	-
Balance Carried Forward		257,701,719	242,912,255
Earning Per Share Basic and Diluted		1.49	1.03

**NOTES TO THE ACCOUNTS**

L

Schedule J and K referred to above form and integral part of the Consolidated Profit & Loss Account.

**As per our report of even date attached  
For K.K. Jain & Co.  
Chartered Accountants**

**For and on behalf of the board of Directors**

(SIMMI JAIN)  
PARTNER  
M.NO. 86496

(SHAHZEB KHAN)  
COMPANY SECRETARY

(S.C.GOYAL)  
DIRECTOR

(MEERA GOYAL)  
MANAGING DIRECTOR

Date : 30.08.2010  
Place : New Delhi

## SCHEDULES TO THE CONSOLIDATED BALANCE SHEET

**SCHEDULE - A**  
**SHARE CAPITAL****AUTHORISED**

4,01,20,000 Equity Shares of Rs. 10/- each

**AS AT**  
**30.06.2010**  
**(Rs.)****AS AT**  
**30.06.2009**  
**(Rs.)**

401,200,000

401,200,000

**401,200,000****401,200,000****ISSUED, SUBSCRIBED & PAID UP SHARE CAPITAL**

10000000 Equity Shares of Rs 10/- each

100,000,000

100,000,000

Less : Calls in arrear

1,015,000

1,015,000

**SCHEDULE - B**  
**RESERVES & SURPLUS****98,985,000****98,985,000**

Surplus Balance in Profit &amp; Loss A/c

257,701,719

242,912,255

**257,701,719****242,912,255****SCHEDULE - C**  
**UNSECURED LOAN**

Company

55,907,320

34,680,335

**55,907,320****34,680,335**

PARTICULARS	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	As at 01.07.08	Additions	Deductions	As at 30.06.09	As at 01.07.08	For The Year	Adjustment	As at 30.06.09	As at 30.06.09	As at 30.06.08
Land	2,694,575	-	-	2,694,575	-	-	-	-	2,694,575	2,694,575
Land (SIPL)	-	55,756,420	-	55,756,420	-	-	-	-	55,756,420	-
Building Windmill	76,320	-	-	76,320	11,346	2,549	-	13,895	62,425	64,974
Plant & Machinery	218,086,925	-	-	218,086,925	73,387,553	10,958,809	-	84,346,362	133,740,563	144,699,372
Vehicles	2,513,717	-	-	2,513,717	1,267,689	238,803	-	1,506,492	1,007,225	1,246,028
Capacitor Pannel	163,392	-	-	163,392	8,059	7,761	-	15,820	147,572	155,333
Furniture & Fbxtures (MVL)	-	816,000	-	816,000	-	38,633	-	38,633	777,367	-
Computer	67,399	-	-	67,399	27,475	15,970	-	43,445	23,954	39,924
Furniture & Fbxtures	23,170	-	23,170	-	2,307	1,573	3,880	-	-	20,863
<b>TOTAL</b>	<b>223,625,498</b>	<b>56,572,420</b>	<b>23,170</b>	<b>280,174,748</b>	<b>74,704,429</b>	<b>11,264,098</b>	<b>-</b>	<b>85,964,647</b>	<b>194,210,101</b>	<b>148,921,069</b>
<b>PREVIOUS YEAR</b>	<b>223,602,828</b>	<b>22,670</b>	<b>-</b>	<b>223,625,498</b>	<b>63,216,357</b>	<b>11,488,072</b>	<b>-</b>	<b>74,704,429</b>	<b>148,921,069</b>	<b>160,386,471</b>

**SCHEDULE - E**  
**INVESTMENTS****I) AT COST - QUOTED**

At Cost - Quoted

24,714,162

24,714,162

In Shares

-

-

Mutual Fund

88,420

88,420

**Total (I)****24,802,582****24,802,582****II) AT COST - UNQUOTED**

29,700,000

29,700,000

**TOTAL (I+II)****54,502,582****54,502,582**

## SCHEDULES TO THE CONSOLIDATED BALANCE SHEET

	<b>AS AT 30.06.2010 (Rs.)</b>	<b>AS AT 30.06.2009 (Rs.)</b>
<b><u>SCHEDULE - F</u></b>		
<b><u>CASH &amp; BANK BALANCES</u></b>		
Cash and Bank Balances	60,313,133	58,388,108
	<b><u>60,313,133</u></b>	<b><u>58,388,108</u></b>
<b><u>SCHEDULE - G</u></b>		
<b><u>SUNDRY DEBTORS</u></b>		
(Unsecured considered good by the management)		
Outstanding for a period exceeding six months	-	-
Others	10,439,142	9,294,057
	<b><u>10,439,142</u></b>	<b><u>9,294,057</u></b>
<b><u>SCHEDULE - H</u></b>		
<b><u>LOANS &amp; ADVANCES</u></b>		
(Unsecured considered good by the management)		
Advances recoverable in cash or kind for value to be received	84,154,232	43,005,170
Income Tax Recoverable	806,628	806,628
Prepaid Expenses	68,537	160,919
	<b><u>85,029,397</u></b>	<b><u>43,972,717</u></b>
<b><u>SCHEDULE - I</u></b>		
<b><u>CURRENT LIABILITIES &amp; PROVISIONS</u></b>		
<b><u>A. CURRENT LIABILITIES</u></b>		
Creditors	16,925	113,065
TDS Payable	26,748	68,621
Other Liabilities	90,413,255	104,507,996
<b>TOTAL A</b>	<b><u>90,456,928</u></b>	<b><u>104,689,682</u></b>
<b><u>B. PROVISIONS</u></b>		
Income Tax	2,277,042	758,341
Fringe Benefit Tax	-	13,803
<b>TOTAL B</b>	<b><u>2,277,042</u></b>	<b><u>772,144</u></b>
<b>TOTAL (A + B)</b>	<b><u>92,733,970</u></b>	<b><u>105,461,826</u></b>

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**SCHEDULES FORMING PART OF THE CONSOLIDATED PROFIT & LOSS ACCOUNT**

	<b>For the Year ended 30.06.2010 (Rs.)</b>	<b>For the Year ended 30.06.2009 (Rs.)</b>
<b><u>SCHEDULE - J</u></b>		
<b><u>ADMINISTRATIVE AND OTHER EXPENSES</u></b>		
Repairs & Maintenance Plant & Machinery	1,547,763	1,849,555
Repairs & Maintenance (Other)	174,136	158,688
Electricity Exps.	56,859	88,244
Office Maintenance	104,107	331,546
Insurance	171,669	796,625
Professional Exps	3,090,505	4,746,113
Advertisement & Business Promotion	56,031	79,437
Rates & Taxes	46,297	140,593
Traveling & Conveyance	102,846	56,314
Postage & Telegram	11,348	7,887
Communication Exps.	18,162	27,552
Printing & Stationary	<u>14,306</u>	<u>68,379</u>
Director Sitting Fee	<u>65,000</u>	<u>43,500</u>
Audit Fees	13,236	13,236
Security Charges	1,041,837	2,031,040
Miscellaneous Expenses	305,908	332,672
	<b><u>6,820,010</u></b>	<b><u>10,771,381</u></b>
 <b><u>SCHEDULE -K</u></b>		
<b><u>FINANCIAL CHARGES</u></b>		
Interest	7,678,961	9,991,034
Bank Charges	<u>47,873</u>	<u>11,530</u>
	<b><u>7,726,834</u></b>	<b><u>10,002,564</u></b>

**SCHEDULE – L**  
**NOTES TO THE CONSOLIDATED ACCOUNTS**

**1. STATEMENT OF ACCOUNTING POLICY**

**A. GENERAL:**

The accounts have been prepared under the historical cost convention as a going concern basis and are in accordance with applicable accounting standards. Revenue is recognized and expenses are accounted for on accrual basis.

**B. Principles Of Consolidated Financial Statement**

The consolidated financial statements which relate to Morgan Ventures Ltd., its various subsidiary companies and the associate company have been prepared on the following basis:

- a) The financial statements of the company and its subsidiaries are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income & expenditure, after fully eliminating intra group balances, intra group transactions and any unrealized profit / loss incurred therein.
- b) The consolidated financial statements have been prepared using uniform accounting policies, except stated otherwise, for like transactions and are presented, to the extent possible, in the same manner as the company's separate financial statements.
- c) The subsidiary companies considered in the financial statements are as follows:

<b>Name</b>	<b>Country of Incorporation</b>	<b>% of voting power as on 30-06-2010</b>
Sudama Technologies (P) Ltd.	India	99.90
Satlej Real Estate Pvt. Ltd.	India	99.90
Satlej Infotech (P) Ltd.	India	99.98

- d) Subsidiary Companies are following the financial year as their accounting year which is not in coincide with the accounting year of the holding company whose accounting year ends on 30<sup>th</sup> June. Hence latest available audited financial statements of the subsidiary companies as on 31-03-2010 have been considered for consideration purpose. Satlej Infotech (P) Ltd. previously known as Brahamputra Properties (P) Ltd. was incorporated as subsidiary of Satlej Real Estate (P) Ltd. on 11<sup>th</sup> February 2008.
- e) Subsidiary companies have not yet started its business operations, hence there is no Profit & Loss a/c available for consolidation purpose.

**C. RECOGNITION OF INCOME**

Revenue is recognized on accrual basis. Revenue on Sale of Electricity is recognized as per the Billing Cycle recommended by the TNEB for the particular Wind Farm.

**D CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

The Company is in litigation relating to termination of Agreement to Sell with Goldendreams Buildcon Private Limited for sale of a plot at Aurangabad, part of 5 units of Jhalani Tools India Ltd acquired through Court Auction. The claim under dispute is not quantifiable; therefore it can not be disclosed. The Directors are of the opinion that the Company can protect its interest successfully. Contingent Assets are neither recognized nor disclosed in the Financial Statement.

**E. SECURED LOANS**

Punjab National Bank (Large Corporate Branch) Delhi has first charge on all moveable and immoveable assets, as applicable, related to 25 Wind Mills known as Kanyakumari Wind Farm, Erode Wind Farm, Chennai Wind Farm and Coimbatore Wind Farm situated at Tamilnadu and first charge on all receivables/payment to be received from Tamil Nadu Electricity Board (TNEB) related to these Wind Mills as security for its outstanding Term Loan of Rs 610 Lacs (Previous Year Rs 717 Lacs).

**F. STOCK-IN-TRADE**

Stock-in-Trade is valued lower of cost or net realizable value.

**G. DEPRECIATION**

- (i) **PLANT & MACHINERY (OLD WIND MILL)** : At written down value method at the rates as per technical report.
- (ii) **PLANT & MACHINERY (NEW WIND MILL)**: At Straight line method as per rates prescribed in schedule XIV of Companies Act, 1956
- (iii) **OTHER FIXED ASSETS**: On straight-line method at the rates prescribed under Schedule XIV of the Companies Act, 1956.

**H TAXES ON INCOME**

- a) Provision for Income tax is made in accordance with the Income tax Act-1961.
- b) Deferred Tax resulting from timing differences between the book and the tax profit is accounted for, at the current rate of tax, to the extent that the timing differences are expected to crystallize. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in the future; how ever where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognized only if there is a virtual certainty of realization of such assets. Deferred tax liabilities are reviewed as at each balance sheet date.

**I. DUES TO MICRO, SMALL AND MEDIUM ENTERPRISES**

There are no dues to Micro, Small and Medium Enterprises.

**J. OTHERS**

- 1. Figures have been rounded off to the nearest Rupee and previous year figures have been re-grouped / re-arranged wherever necessary.
- 2. Share Allotement Money receivable from shareholders is subject to reconciliation with the share transfer agent.

**3. Earning Per Share (EPS):**

(a)	Calculation of Weighted Average Number of Equity Shares of Rs.10/- each	Current Year	Previous Year
	- Number of equity shares at the beginning of the year	10000000	10000000
	- Shares issued during the year	NIL	NIL
	-Total Number of equity shares outstanding at the end of the year	10000000	10000000
	- Weighted average number of equity shares	10000000	10000000
(b)	Net Profit after tax	14860924	10305724
(c)	Basic and diluted Earning (in Rupees) per share	1.49	1.03

**4. Deferred Tax Liability**

	<b>Deferred Tax Asset/(Liability) as at 30.06.2009</b>	<b>Current Year (Charge)/Credit</b>	<b>Deferred Tax Asset/(Liability) as at 30.06.2010</b>
Difference between Book & Tax Depreciation	(1,65,17,162)	37,39,661	(1,27,77,501)
<b>Total</b>	<b>(1,65,17,162)</b>	<b>37,39,661</b>	<b>(1,27,77,501)</b>

In accordance with Accounting Standard 22, 'Accounting for Taxes on Income' issued by the Institute of Chartered Accountants of India, the company has provided for deferred tax during the year.

**5. Related Parties Disclosures are as under:****1. Names of related party and nature of related party relationship**

- i) Subsidiary: Satlej Real Estate Pvt. Ltd., Satlej Infotech Private Limited and Sudama Technologies Private Limited
- ii) Key Management Personnel & their relatives (also exercising significant Influence over the Company)

Mrs. Meera Goyal, Managing Director (relative Mr. S. C. Goyal, Director of the Company)

Enterprises in which the persons referred in (ii) above alongwith their relatives Exercise significant influence:

Goyal MG Gases Pvt. Ltd., Dhamwari Power Co. Pvt. Ltd., Hibra Power Pvt. Ltd., Peacock Chemicals Pvt. Ltd., Morgan Infrastructures Developers Pvt. Ltd. and Morgan Signature Towers Pvt. Ltd.

**2. Transactions carried out with related parties referred in 1 above in ordinary course of business:**

Nature of transaction	<b>Current Year Amount (Rs.)</b>	<b>Previous Year Amount (Rs.)</b>
Remuneration Outstanding	13,20,000	13,20,000
Remuneration payable	1,20,000	1,20,000
Loans & Advances	25,515,322	-
Sale of Plant (To Subsidiary Company)	52,716,000	-

6. Additional information pursuant to the provisions of Part II of Schedule VI to the Companies Act, 1956 (to the extent applicable):

**CAPACITY (As per Management)**

Class of Goods	Licensed Capacity	Installed Capacity
Power Generation	Not required	5.63 MW

**PRODUCTION, PURCHASE, TURNOVER & STOCK**

Year	Opening Stock	Production Quantity	Sale		Closing Stock
			Qty.	Value	
2009-2010	Nil	9422073	9422073	40481106	NIL
2008-2009	NIL	8537484	8537484	40384065	NIL
2007-2008	NIL	9606920	9606920	59496099	NIL
2006-2007	NIL	9329940	9329940	39093497	NIL

Transmission loss has not been considered in sales.

7. Other information pursuant to para 3,4c & for 4d of part II of Schedule VI of the companies Act, 1956, either NIL or not applicable.

**As per our report of even date attached  
For K.K. Jain & Co.  
Chartered Accountants**

(SIMMI JAIN)  
PARTNER  
M.NO. 86496  
Date : 30.08.2010  
Place : New Delhi

(SHAHZEB KHAN)  
COMPANY SECRETARY

**For and on behalf of the board of Directors**

(S.C.GOYAL)  
DIRECTOR

(MEERA GOYAL)  
MANAGING DIRECTOR

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 30TH JUNE, 2010

A. CASH FLOW FROM OPERATING ACTIVITIES	JUNE 30,2010 (Rs.)	JUNE 30,2009 (Rs.)
Net Profit before Tax and Extraordinary items	13,398,305	7,349,298
Adjustments for :		
Depreciation	11,246,555	11,462,277
Operating Profit before Working Capital Changes	<b>24,644,860</b>	<b>18,811,575</b>
Adjustments for :		
(Increase)/Decrease in Current Assets	38,746,890	125,864,253
Increase/(Decrease) in Current Liabilities	<u>(12,727,856)</u>	<u>(51,441,267)</u>
(Increase)/Decrease in Net Current Assets	26,019,034	74,422,986
Cash generated from operations	50,663,894	93,234,561
Provision/Adjustment	(2,348,502)	(3,772,492)
<b>Net cash from Operating Activities</b>	<b>48,315,392</b>	<b>89,462,069</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
(Purchase)/Sale of Investments	-	(20,250,000)
(Purchase)/Sale of Fixed Assets	(57,497,536)	(3,611,848)
<b>Net Cash Inflow from Investing Activities</b>	<b>(57,497,536)</b>	<b>(23,861,848)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Share Application Money	518,165	7,748,057
Calls in Arrear money Received	-	-
Receipt/(Repayment) of unsecured loans	21,226,985	(53,004,663)
Receipt/(Repayment) of Secured loan	(10,637,981)	(13,452,000)
<b>Net Cash from Financing Activities</b>	<b>11,107,169</b>	<b>(58,708,606)</b>
Net increase/(decrease) in Cash and Cash equivalents	1,925,025	6,891,615
Cash and Cash equivalents at the beginning of the year	58,388,108	51,496,493
<b>Cash and Cash equivalents at the close of the year</b>	<b>60,313,133</b>	<b>58,388,108</b>

As per our report of even date attached  
For K.K.Jain & Co.  
Chartered Accountants

For and on behalf of the Board of Directors

(SIMMI JAIN)  
PARTNER  
M.No.86496

(SHAHZEB KHAN)  
COMPANY SECRETARY

(S.C.GOYAL)  
DIRECTOR

(MEERA GOYAL)  
MANAGING DIRECTOR

Place : New Delhi  
Date : 30.08.2010

**SATLEJ REAL ESTATE PRIVATE LIMITED**

Regd. Office : C-1, Additional Industrial Area, Jalna, Maharashtra

**DIRECTORS' REPORT**

**TO THE MEMBERS**

Your Directors have pleasure in presenting the 2nd Annual Report together with audited accounts of the Company for the period ended 31st March, 2010.

**FINANCIAL RESULTS**

During the year under review, the company has not started any commercial activities; therefore all the expenses incurred so far are appearing as preoperative expenses and would be capitalized later on.

**MATERIAL CHANGE etc.**

Save as mentioned elsewhere in this Report, no material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year of the Company 31st March, 2010 and the date of this Report.

**PUBLIC DEPOSITS**

Your Company has not accepted or renewed any deposit from public during the year under review. The Company has no deposit, which is due or unclaimed at the end of the Year.

**DIRECTORS**

During the year under review, there was no change in the composition of the Board of Directors.

**AUDITORS**

M/s R. C. Agarwal & Co. Chartered Accountants, New Delhi, retire at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment. They have confirmed that their re-appointment, if made, at the forthcoming Annual General Meeting, shall be within the limits laid down under Section 224 (1B) of the Companies Act, 1956. Your Directors recommend their re-appointment.

**AUDITORS' REPORT**

Comments made by the Statutory Auditors in the Auditors' Report are self-explanatory and do not require any further clarification.

**SUBSIDIARY COMPANY**

The statement pursuant to section 212 of the Companies Act, 1956 in respect of the subsidiary company namely Satlej Infotech Private Limited (Previously Brahmputra Properties Private Limited) along with copy of Balance Sheet, Profit & Loss A/c, the Reports of Board of Directors and Auditors are attached to the Balance Sheet of the Company.

**SATLEJ REAL ESTATE PRIVATE LIMITED**

Regd. Office : C-1, Additional Industrial Area, Jalna, Maharashtra

**DIRECTORS RESPONSIBILITY STATEMENT**

In terms of the provisions of section 217(2AA) of the Companies Act, 1956, and to the best of their knowledge and belief and according to the information and explanations obtained by them and save as mentioned elsewhere in this Report, the attached Annual Accounts and the Auditors' Report thereon, your Directors confirm that:

- A. in preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departure;
- b. the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2010;
- c. the Directors have taken proper and sufficient care for the 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 fraud and other irregularities; and
- d. the Directors have prepared the Annual Accounts on a going concern basis.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

The Company has not commenced commercial operations during the year under report. Accordingly, the Information required under Section 217(1) (e) of the Companies Act 1956, read with Companies (Disclosure of Particulars in Report of the Board of Directors) Rule 1988, is not applicable. During the period under review there was no foreign exchange earnings and outgo.

**ACKNOWLEDGEMENT**

Your Directors wish to place on record their appreciation for the whole-hearted and sincere co-operation received from its Bankers and shareholders.

**For and on behalf of the Board**

**Place: New Delhi**  
**Date : 23.08.2010**

**Vijay Prabhat**  
**Chairman**

**R.C. AGGARWAL & CO.**

CHARTERED ACCOUNTS

102, Laxman Palace, 19, Veer Savarkar Block, Madhuban Road,  
Shakarapur, Delhi - 110 092, Phone No. : 011 - 22450737, 0120 - 2626790

**AUDITORS' REPORT**

**TO THE MEMBERS OF  
SATLEJ REAL ESTATE PVT. LTD.**

1. We have audited the attached Balance Sheet of **SATLEJ REAL ESTATE PVT LTD** as at 31<sup>st</sup> March 2010. These Financial statements are the responsibility of the company's Management .Our responsibility is to express an opinion on these Financial Statements based on our Audit.
2. We have conducted our Audit in accordance with Auditing Standards generally accepted in India. Those standards required that we plan and perform the audit to obtain reasonable assurance about whether the Financial Statements are free of material mis-statements. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing of Accounting principles used and significant estimates made by the management, as well as evaluation of the overall Financial Statement presentation .We believe that our audit provides a reasonable basis for our opinion.
3. The companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of section 227 (4A) of the Companies Act, 1956 is not applicable to the company as such they are not commented.
4. We confirm 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, the company has kept proper books of accounts as required by law so far as appears from our examination of those books.
  - (c) The Balance Sheet dealt with by this report is in agreement with the books of account.
  - (d) In our opinion, the Balance Sheet complies with the accounting Standard referred to in sub-section 3 (c) of section 211 of the companies Act, 1956.
  - (e) On the basis of our review of the confirmation received from the Directors of the company and taken on record by the Board of Directors, the Directors of the company do not prima-facie, have any disqualification as referred to in Section 274 (1)(g) of the companies Act, 1956.
  - (f) In our opinion and to the best of our information and according to the explanations given to us, the said Accounts read with the notes thereon give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view.
  - (l) In the case of Balance Sheet of the state of the affairs of the company as at 31<sup>st</sup> March 2010.

**PLACE: NEW DELHI  
DATE: 23.08.2010**

**FOR R.C.AGARWAL & COMPANY  
CHARTERED ACCOUNTANTS  
FRN003175N**

**(R.C.AGARWAL)  
PARTNER  
M.NO. 10200**

**SATLEJ REAL ESTATE PVT LTD.****BALANCE SHEET AS AT 31st MARCH 2010**

SCHEDULE		As at 31.03.2010 (RUPEES)		As at 31.3.2009 (RUPEES)
<b><u>SOURCES OF FUNDS</u></b>				
<b>(I) SHAREHOLDERS' FUNDS</b>				
Share Capital	1	100,000	100,000	
Reserves & Surplus		-	-	100,000
		<u>100,000</u>	<u>-</u>	<u>100,000</u>
<b>(II) LOAN FUNDS</b>				
Unsecured Loans	2	-	-	-
		<u>100,000</u>	<u>-</u>	<u>100,000</u>
<b><u>APPLICATION OF FUNDS</u></b>				
<b>(I) FIXED ASSETS</b>				
Gross Block		-	-	-
Less : Depreciation		-	-	-
<b>Net Block</b>				
<b>Preoperative Expenditure Pending</b>				
Allocation	3	10,721	3,309	3,309
<b>(II) INVESTMENT</b>				
		99,980		99,980
<b>(III) CURRENT ASSETS &amp; LOANS &amp; ADVANCES</b>				
Cash & Bank Balanes	4	20,811	120	
Loans & Advances	5	-	-	
		<u>20,811</u>	<u>120</u>	
<b>LESS : CURRENT LIABILITIES &amp; PROVISIONS</b>				
Liabilities	6	51,127	23,024	
<b>NET CURRENT ASSETS</b>			(30,316)	(22,904)
<b>MISCELLANEOUS EXPENDITURE</b>				
(To the extent not written of or adjusted)				
Preliminary Expenditure	7	19,615		19,615
		<u>100,000</u>		<u>100,000</u>
<b>NOTES TO ACCOUNTS</b>				
	8			

As per our date report of even the attached

FOR R.C. AGARWAL & COMPANY  
CHARTERED ACCOUNTANTSR.C.AGARWAL  
PARTNERPlace : NEW DELHI  
Date : 23.08.2010

For and on behalf of Board of Directors

K K DHAR  
DIRECTORVIJAY PRABHAT  
DIRECTOR

**SATLEJ REAL ESTATE PVT. LTD.**

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31 ST MARCH 2010

	AS AT 31.03.2010 (RUPEES)	AS AT 31.03.2009 (RUPEES)
<b><u>SCHEDULE - 1</u></b>		
<b><u>SHARE CAPITAL</u></b>		
<b>AUTHORISED</b>		
10000 Equity Shares of Rs. 10/- Each	<u>100,000</u>	<u>100,000</u>
<b>ISSUED, SUBSCRIBED &amp; PAID UP</b>		
10,000 Shares @ 10/- per share fully paid up	<u>100,000</u>	<u>100,000</u>
	<u><b>100,000</b></u>	<u><b>100,000</b></u>
<b><u>SCHEDULE - 2</u></b>		
<b><u>UNSECURED LOANS</u></b>		
Directors	-	-
Others	-	-
	-	-
<b><u>SCHEDULE - 3</u></b>		
<b><u>Preoperative Expenditure</u></b>		
<b><u>Pending for Allocation</u></b>		
<b>Opening Balance</b>	3,309	3,309
Audit Fee	4,412	-
Legal Professional charges	1,000	-
Rate & Taxes	2,000	-
	<u><b>10,721</b></u>	<u><b>3,309</b></u>
<b><u>SCHEDULE - 4</u></b>		
<b><u>CASH &amp; BANK BALANCES</u></b>		
Cash in hand	120	120
Balance with Scheduled Banks in Current Accounts	20,691	-
	<u><b>20,811</b></u>	<u><b>120</b></u>
<b><u>SCHEDULE - 5</u></b>		
<b><u>LOANS &amp; ADVANCES</u></b>		
Advance recoverable in cash or in kind for value to be received	-	-
	-	-
<b><u>SCHEDULE - 6</u></b>		
<b><u>CURRENT LIABILITIES &amp; PROVISIONS</u></b>		
Audit Fee Payable	4,412	3,309
Other Liabilities	46,715	19,715
	<u><b>51,127</b></u>	<u><b>23,024</b></u>
<b><u>SCHEDULE - 7</u></b>		
<b><u>MISC EXPENDITURE</u></b>		
(To the extent not written off or adjusted)		
Preliminary Expenditure	19,615	19,615
	<u><b>19,615</b></u>	<u><b>19,615</b></u>

**SCHEDULE-8**  
**SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS**

(A) **SIGNIFICANT ACCOUNTING POLICIES.**

1. The financial accounts have been prepared under Historical cost convention and in accordance with applicable Accounting Standards and disclosure requirement of schedule VI of the companies Act, 1956.
2. The Financial Accounts have been prepared on accrual basis unless stated otherwise

(B) **NOTES TO ACCOUNTS:**

- | <b>1. AMOUNT PAID TO AUDITORS</b> | <b>CURRENT YEAR</b> | <b>PREVIOUS YEAR</b> |
|-----------------------------------|---------------------|----------------------|
| As Auditors                       | 4412/-              | 3309/-               |
2. In the opinion of the Board, Loans & Advances if realized in the ordinary course of business shall have no lesser value at which they are stated in Balance Sheet.
  3. Schedules 1 to 8 form an integral part of accounts.
  4. No profit & Loss A/c has been prepared, as the commercial operation has not yet commenced.
  5. Preliminary Expenditure would be written off over a period of five years after the commencement of business.
  6. Other informations pursuant to Para-II of Schedule VI to the companies Act, 1956 either Nil or not Applicable.

**As per our report of even date attached**  
**For R.C. AGARWAL & COMPANY**  
**CHARTERED ACCOUNTANTS**

**For and on behalf of the Board of Directors**

**(R.C. AGARWAL)**  
**PARTNER**  
**M. No. : 10200**

**( K.K.DHAR)**  
**DIRECTOR**

**(VIJAY PRABHAT)**  
**DIRECTOR**

**PLACE: NEW DELHI**  
**DATE : 23.08.2010**

**SUDAMA TECHNOLOGIES PRIVATE LIMITED**

Regd. Office : 2nd Floor, 13-B, Rattan Kothi, Indore (M.P.)

**DIRECTORS' REPORT**

To  
**The Members**  
Sudama Technologies Private Limited

The Directors have pleasure in presenting herewith the Second Annual Report together with the Audited Accounts of the Company for the year ended on March 31, 2010.

**OPERATIONS:**

Your Company has initiated Contract Jatropha Plantation on farmer's fields. For ensuring this, your Company has entered into agreement with a N.G.O., NICT, Indore for planting 500 hectare area under Jatropha Plantation. The NICT has agreed to undertake the activity of plantation and maintenance for a period of 2 years w.e.f. May 2008 to May 2010 on the terms & conditions agreed upon by both the parties.

Your Directors are hopeful for starting the commercial operation of the Company very soon.

**DIVIDEND:**

Company has not any divisible profit so your Directors express their inability to recommend any dividend for this year.

**DIRECTORS' RESPONSIBILITY STATEMENT:**

As required u/s 217 (2AA) of the Companies Act, 1956, your Directors confirm that:

- i) In the preparation of annual accounts, the applicable accounting standards have been followed.
- ii) The Directors have selected such accounting policies and applied them consistently and made judgment and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for that period;
- iii) The Directors have taken proper and sufficient care for the maintenance of the company and for preventing and detecting fraud and other irregularities;
- iv) The Directors have prepared the annual accounts for the year ended 31<sup>st</sup> March, 2010 on a going concern basis.

**SUDAMA TECHNOLOGIES PRIVATE LIMITED**

Regd. Office : 2nd Floor, 13-B, Rattan Kothi, Indore (M.P.)

**PUBLIC DEPOSITS:**

The company did not invite any deposits from the public attracting the provisions of section 58A of the Companies Act, 1956 read with the companies (Acceptance of Deposits) Rules, 1975.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, ROFEIGN EXCHANGE EARNINGS AND OUTGO:**

The information as required under section 217 of the Companies Act, 1956 and the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, are not applicable as Company has not started any manufacturing activities.

**PARTICULARS OF EMPLOYEES:**

The Company did not have on its rolls during the year and employee receiving remuneration attracting the provisions of sub-section 2(A) of Section 217 of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended to-date.

**AUDITORS:**

Messrs R.B. Bandi & Associates, Chartered Accountants, will retire at the forthcoming Annual General Meeting of the company and being eligible offer themselves for re-appointment for the ensuing year.

**AUDITORS' QUALIFICATION ON ACCOUNTS:**

Notes to the accounts, as referred in the auditors' report are self explanatory and practice consistently followed, and therefore do not call for any further comments and explanations.

**ACKNOWLEDGMENT:**

Your Directors are pleased to place on record their sincere appreciation for the valuable assistance and co-operation received from their Bankers, all concerned Government departments, valuable customers and suppliers throughout the year. They also acknowledge the contributions made by the officers and staff of the company at all levels for their diligent, devoted and whole-hearted efforts throughout the year.

**For and on behalf of the Board of Directors of  
SUDAMA TECHNOLOGIES PRIVATE LIMITED**

Place: Indore  
Date: 01/09/2010

Sd/  
V.S. BHARAKTIYA  
DIRECTOR

Sd/  
Dr. O.P. SHARMA  
DIRECTOR

**AUDITORS' REPORT**

The Members,  
Sudama Technologies (P) Ltd.

**INDORE**

We have audited the attached Balance Sheet of Sudama Technologies (P) Ltd. as at 31<sup>st</sup> March, 2010, which, we have signed under reference to this report. No Profit and Loss Account has been prepared as the company has not yet started commercial activity.

This Financial Statement is the responsibility of the company's management. Our responsibility is to express an opinion on this financial statement based on our audit.

We have conducted our audit in accordance with generally accepted Auditing Standards in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit also includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

We report that:

1. 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.
2. 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 the books.
3. The Balance Sheet dealt with by this report is in agreement with the books of account of the company.
4. In our opinion, the Balance Sheet dealt with by this report is in compliance with the Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956, in so far as they are applicable to the company.
5. In our opinion and to the best of our information and according to explanations given to us, the said accounts together with the Notes to Accounts thereon give in the prescribed manner the information required by the "The Companies Act, 1956", of India (the Act) and also give, a true and fair view in conformity with the generally accepted accounting principles in India;
  - a. In the case of the Balance Sheet of the state of affair of the Company as at 31<sup>st</sup> March, 2010;  
And
6. On the basis of written representations received from the Directors and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31<sup>st</sup> March, 2010 from being appointed as a director in terms of clause (g) of subsection (l) of section 274 of the Companies Act, 1956.
7. The provisions of Companies (Auditors' Report) order 2003 issued by the Company Law Board in terms of section 227 (4A) of the Companies Act, 1956 are not applicable to the company.

For **R.B. Bandi & Associates**  
**Chartered Accountants**

**INDORE**  
**DATED: 15<sup>th</sup> July, 2010**

**(RAJESH BANDI)**

**SUDAMA TECHNOLOGIES PRIVATE LIMITED**  
BALANCE SHEET AS AT 31ST MARCH 2010

(Figures in Rs.)

Particulars	Schedule No.	Amount	Amount as on 31.03.2010	Amount as on 31.03.2009
<b>SOURCES OF FUNDS</b>				
(1) Shareholders Funds:				
(a) Share Capital	1	100000		100000
(b) Share Application Money	2	8266002	8366002	7747837
<b>TOTAL</b>			<b>8366002</b>	<b>7847837</b>
<b>APPLICATION OF FUNDS</b>				
(1) Fixed Assets:	3			90569
(a) Gross Block		67399		29782
(b) Less: Depreciation		43445	23954	60787
(2) Project Development Expenses	4		4323934	3503242
(3) Current assets, loans and advances				
(a) Cash and bank balances	5	290138		425120
(b) Loans and advances	6	3781216		4031245
		4071354		4456365
Less:				
Current liabilities and provisions:				
(a) Liabilities	7	16925		113065
(b) Provisions	8	36315		59492
Net current assets		53240	4018114	4283808
<b>TOTAL</b>			<b>8366002</b>	<b>7847837</b>
Notes Forming part of Accounts As per our Report of even date	9			

For R.B. BANDI & ASSOCIATES  
CHARTERED ACCOUNTANTS

For and on behalf of the Board

RAJESH BANDI  
PROPRIETOR

V.S. Bharaktiya  
Director

Dr. O.P. Sharma  
Director

Place : Indore  
Date : 15th July 2010

## SUDAMA TECHNOLOGIES PRIVATE LIMITED

SCHEDULE ANNEXED TO AND FORMING PART OF BALANCE SHEET  
FOR THE YEAR ENDED ON 31ST MARCH 2010

(Figures in Rs.)

PARTICULARS	Amount as on 31.03.2010	Amount as on 31.03.2009
<b>SCHEDULE-1: SHARE CAPITAL AUTHORISED</b>		
100000 Equity shares of Rs. 10/-each	1000000	1000000
	<u>1000000</u>	<u>1000000</u>
<b>ISSUED SUBSCRIBED AND PAID UP</b>		
10000 Equity shares of Rs. 10/-each fully paid up	100000	100000
<b>TOTAL</b>	<u>100000</u>	<u>100000</u>
<b>SCHEDULE-2: SHARE APPLICATION MONEY</b>		
Share Application Money	8266002	7747837
<b>TOTAL</b>	<u>8266002</u>	<u>7747837</u>

**SCHEDULE- 3  
FIXED ASSETS**

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	OPENING 1.04.09	ADDITION	SALE / RETURN	TOTAL 31.03.10	AS ON 01.04.09	FOR THE	SALE / LOSS	TOTAL 31.03.10	AS AT 31.03.10	AS AT 31.03.09
Computer	67399	0	0	67399	27475	15970	0	43445	23954	39,924
Furniture & Fixture	23170	0	23170	0	2307	1573	3880	0	0	20,863
<b>Total</b>	<b>90569</b>	<b>0</b>	<b>23170</b>	<b>67399</b>	<b>29782</b>	<b>17543</b>	<b>3880</b>	<b>43445</b>	<b>23954</b>	<b>60,787</b>

## SUDAMA TECHNOLOGIES PRIVATE LIMITED

SCHEDULE ANNEXED TO AND FORMING PART OF BALANCE SHEET  
FOR THE YEAR ENDED ON 31ST MARCH 2010

(Figures in Rs.)

PARTICULARS	Amount as on 31.03.2010	Amount as on 31.03.2009
<b>SCHEDULE- 4 : PROJECT DEVELOPMENT EXPENSES</b>		
Opening Balance	3503242	763264
Add		
Survey Charges	-	1250000
Audit Fees	5000	5000
Advertisement Expenses	72500	-
Bank Charges	1227	10100
Books & Periodicals	630	225
Consultancy Charges	75000	-
Conveyance	40911	5465
Freight	300	-
Depreciation	17543	25795
Electricity Charges	705	4441
Fring Benefit Tax	976	7636
Cartage	-	700
Entertainment Expenses	632	-
Loss on Sale of Assets	9790	-
Legal & Professional Exp.	24066	4640
Licence Fees	560	630
Misc. Expenses	7100	3268
Office Expenses	810	4972
Office Maintenance	150	1975
Postage & Courier Charges	258	508
Professional Tax	2500	2500
Secretarial Fees	3000	3000
Rent	5400	55045
Salary	496411	1123695
Staff Welfare	5865	11009
Stationery & Printing Exp.	4971	17261
Computer Expenses	4300	-
Taxi Charges	-	43000
Vehicle Running & Maintenance Expenses	-	29060
Telephone Charges	16629	24282
Travelling Exp.	23458	105771
<b>TOTAL</b>	<b>4323934</b>	<b>3503242</b>

**SCHEDULE ANNEXED TO AND FORMING PART OF BALANCE SHEET  
FOR THE YEAR ENDED ON 31ST MARCH 2010**

(Figures in Rs.)

PARTICULARS	Amounts as on 31.03.2010	Amount as on 31.03.2009
<b>SCHEDULE-5: CASH AND BANK BALANCE</b>		
Cash on hand	277302	300656
State Bank of Indore	6458	24464
Punjab National Bank	6377	100000
<b>TOTAL</b>	<b>290137</b>	<b>425120</b>
<b>SCHEDULE-6: LOANS AND ADVANCES</b>		
(Recoverable in cash or kind or for value to be received)		
Nict Advance for Plantation	3750416	4025931
Advance for Expenses	-	-7722
Advance for Farmers	18800	-
Jagdish Yadav	-	1036
Cyril Meri Winery Ltd.	12000	12000
<b>TOTAL</b>	<b>3781216</b>	<b>4031245</b>
<b>SCHEDULE-7: CURRENT LIABILITIES</b>		
<b>Sundry Creditors</b>		
NICT Indore (Contract)	9925	94231
Sudha Shree Printers	-	12800
Hukumchand Gupta	4000	-
Vindheswari Travels	-	3034
Rao Saklecha & Co.	-	3000
Neelesh Gupta	3000	-
<b>TOTAL</b>	<b>16925</b>	<b>113065</b>
<b>SCHEDULE-8: PROVISIONS</b>		
Audit Fees Payable	5000	5000
Payable Salary	30792	49790
Payable Professional Tax	208	208
Payable TDS on Salary	-	3142
Payable Expenses	315	1352
<b>TOTAL</b>	<b>36315</b>	<b>59492</b>

**SCHEDULE-IX  
NOTES ON ACCOUNTS**

**SIGNIFICANT ACCOUNTING POLICIES GENERAL**

- i. The Financial Statements of the Company are prepared on the 'Historical Cost' convention, generally accepted accounting principles including mandatory Accounting Standards issued by the Institute of Chartered Accounts of India, to the extent applicable and relevant presentational requirements of the Companies Act, 1956
- ii. **Fixed Assets**
  - a. Fixed Assets are stated at cost of acquisition inclusive of duties, taxes and incidental expenses related to acquisition.
  - b. Depreciation is provided on fixed assets on written down value method at the rates specified in Schedule XIV of the Companies Act, 1956.
  - c. All Project related expenses viz. all pre-operative expenditure incidental / attributable to plantation project prior to the date of commencement of revenue operation are shown as 'Project Development Expenditure'.

**OTHER NOTES:**

- 1 The Company is developing plantation facilities of Jatropha in Barwani District in Madhya Pradesh. No Profit & Loss A/c has been prepared since the Company has not commenced revenue operations. The expenditure incurred during the pre-operation period are classified as 'Project Development Expenditure' pending capitalization/amortisation in accordance with the generally accepted accounting practices, on / after the completion of the Project. Necessary details as per part II of Schedule VI of the Companies Act, 1956 have been disclosed in Schedule IX.
- 2 Capital work-in-progress is Rs. NIL.
- 3 Loans considered good and unsecured in respect of which the company holds no security other than the debtors' personal security Rs. 3781216/- (previous year Rs. 4031245/-).
- 4 No provision for Deferred Tax Liability / Assets as per AS22 (Accounting for Taxation) has been made in the accounts since the company has not yet commenced commercial activity.
- 5 No further information pursuant to paragraph 4C and 4D of the part II of the Schedule VI of the Companies Act, 1956 is given, as the same do not apply to the company.
- 6 Previous year's figures have been regrouped / reclassified, where ever felt necessary.

**As per our Report of even date  
For R.B. BANDI & ASSOCIATES  
CHARTERED ACCOUNTANTS**

**For and on behalf of the Board**

**(RAJESH BANDI)  
PROPRIETOR**

**(V.S. Bharaktiya)  
Director**

**(Dr. O.P. Sharma)  
Director**

**Place : INDORE  
Date : 15th July 2010**

## **SATLEJ INFOTECH PVT. LTD.**

### **DIRECTORS' REPORT**

**TO  
THE MEMBERS**

Satlej Infotech Private Limited

Your Directors have pleasure in presenting the 2<sup>nd</sup> Annual Report together with audited accounts of the Company for the period ended 31<sup>st</sup> March, 2010.

**FINANCIAL RESULTS**

During the year under review, the company has not started any commercial activities; therefore all the expenses incurred so far are appearing as preoperative expenses and would be capitalized later on.

**MATERIAL CHANGE etc.**

Save as mentioned elsewhere in this Report, no material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year of the Company 31<sup>st</sup> March, 2010 and the date of this Report.

**PUBLIC DEPOSITS**

Your Company has not accepted or renewed any deposit from public during the year under review. The Company has no deposit, which is due or unclaimed at the end of the Year.

**DIRECTORS**

During the year under review, there was no change in the composition of the Board of Directors.

**AUDITORS**

M/s R. C. Agarwal & Co. Chartered Accountants, New Delhi, retire at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment. They have confirmed that their re-appointment, if made, at the forthcoming Annual General Meeting, shall be within the limits laid down under Section 224 (1B) of the Companies Act, 1956. Your Directors recommend their re-appointment.

## **SATLEJ INFOTECH PVT. LTD.**

### **AUDITORS' REPORT**

**Comments made by the Statutory Auditors in the Auditors' Report are self-explanatory and do not require any further clarification.**

### **DIRECTORS RESPONSIBILITY STATEMENT**

In terms of the provisions of section 217(2AA) of the Companies Act, 1956, and to the best of their knowledge and belief and according to the information and explanations obtained by them and save as mentioned elsewhere in this Report, the attached Annual Accounts and the Auditors' Report thereon, your Directors confirm that:

- a. in preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departure;
- b. the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2010;
- c. the Directors have taken proper and sufficient care for the 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 fraud and other irregularities; and
- d. the Directors have prepared the Annual Accounts on a going concern basis.

### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

The Company has not commenced commercial operations during the year under report. Accordingly, the Information required under Section 217(1) (e) of the Companies Act 1956, read with Companies (Disclosure of Particulars in Report of the Board of Directors) Rule 1988, is not applicable. During the period under review there was no foreign exchange earnings and outgo.

### **ACKNOWLEDGMENT**

Your Directors wish to place on record their appreciation for the whole-hearted and sincere co-operation received from its Bankers and shareholders.

**For and on behalf of the Board**

**Place: New Delhi  
Date : 23.08.2010**

**Vijay Prabhat  
Chairman**

**R.C. AGGARWAL & CO.**

CHARTERED ACCOUNTANTS  
102, Laxman Palace, 19, Veer Savarkar Block, Madhuban Road,  
Shakarapur, Delhi - 110 092, Phone No. : 011 - 22450737, 0120 - 2626790

**AUDITORS' REPORT**

**TO THE MEMBERS OF  
SATLEJ INFOTECH PVT LTD  
(FORMERLY KNOWN AS BRAHMPUTRA PROPERTIES PVT LTD)**

1. We have audited the attached Balance Sheet of **SATLEJ INFOTECH PVT LTD (FORMERLY KNOWN AS BRAHMPUTRA PROPERTIES PVT LTD)** as at 31<sup>st</sup> March 2010. These Financial statements are the responsibility of the company's Management. Our responsibility is to express an opinion on these Financial Statements based on our Audit.
2. We have conducted our Audit in accordance with Auditing Standards generally accepted in India. Those standards required that we plan and perform the audit to obtain reasonable assurance about whether the Financial Statements are free of material mis-statements. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing of Accounting principles used and significant estimates made by the management, as well as evaluation of the overall Financial Statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. The companies (Auditors' Report) Order, 2003 issued by the Central Government of India in terms of section 227 (4A) of the Companies Act, 1956 is not applicable to the company as such they are not commented.
4. We confirm 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, the company has kept proper books of accounts as required by law so far as appears from our examination of those books.
  - (c) The Balance Sheet dealt with by this report is in agreement with the books of account.
  - (d) In our opinion, the Balance Sheet complies with the accounting Standard referred to in sub-section 3 (c) of section 211 of the companies Act, 1956.
  - (e) On the basis of our review of the confirmation received from the Directors of the company and taken on record by the Board of Directors, the Directors of the company do not prima-facie, have any disqualification as referred to in Section 274 (1) (g) of the companies Act, 1956.
  - (f) In our opinion and to the best of our information and according to the explanations given to us, the said Accounts read with the notes thereon give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view.

- (I) In the case of Balance Sheet of the state of the affairs of the company as at 31<sup>st</sup> March 2010.

**PLACE: NEW DELHI  
DATE: 23.08.2010**

**FOR R.C.AGARWAL & COMPANY  
CHARTERED ACCOUNTANTS**

**(R.C.AGARWAL)  
PARTNER  
M.NO. 10200  
FRN-003175N**

## MORGAN VENTURES LIMITED

**SATLEJ INFOTECH PVT LTD.**  
(FORMERLY KNOWN AS BRAHMPUTRA PROPERTIES PVT. LTD.)  
**BALANCE SHEET AS AT 31st MARCH 2010**

SCHEDULE	As at 31.03.2010 (RUPEES)	As at 31-03-2009 (RUPEES)
<b><u>SOURCES OF FUNDS</u></b>		
<b>(I) SHAREHOLDERS' FUNDS</b>		
Share Capital	100,000	100,000
Reserves & Surplus	-	-
	<u>100,000</u>	<u>100,000</u>
<b>(II) LOAN FUNDS</b>		
Unsecured Loans	55,907,320	-
	<u>56,007,320</u>	<u>100,000</u>
<b><u>APPLICATION OF FUNDS</u></b>		
<b>(I) FIXED ASSETS</b>		
Gross Block	55,756,420	-
Less : Depreciation	-	-
<b>Net Block</b>	<u>55,756,420</u>	-
<b>Preoperative Expenditure Pending Allocation</b>	137,906	4,059
	<u>137,906</u>	<u>4,059</u>
<b>(II) CURRENT ASSETS &amp; LOANS &amp; ADVANCES</b>		
Cash & Bank Balances	109,848	99,250
Loans & Advances	-	-
	<u>109,848</u>	<u>99,250</u>
<b>LESS : CURRENT LIABILITIES &amp; PROVISIONS</b>		
Liabilities	17,689	24,144
<b>NET CURRENT ASSETS</b>	<u>92,159</u>	<u>75,106</u>
<b>MISCELLANEOUS EXPENDITURE</b> (To the extent not written of or adjusted)		
Preliminary Expenditure	20,835	20,835
	<u>20,835</u>	<u>20,835</u>
	<u>56,007,320</u>	<u>100,000</u>
<b>NOTES TO ACCOUNTS</b>	<b>8</b>	

As per our report of even date attached  
FOR R.C.AGARWAL & COMPANY  
CHARTERED ACCOUNTANTS

R.C.AGARWAL  
PARTNER  
M.NO.10200  
Place : NEW DELHI  
Date : 23.08.2010

For and on behalf of the Board of Directors

K K DHAR  
DIRECTOR

VIJAY PRABHAT  
DIRECTOR

<b>SATLEJ INFOTECH PVT LTD.</b>			
(FORMERLY KNOWN AS BRAHMPUTRA PROPERTIES PVT. LTD.)			
<b>SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31 ST MARCH 2010</b>			
	<b>AS AT 31.03.2010 (RUPEES)</b>		<b>AS AT 31.03.2009 (RUPEES)</b>
<b><u>SCHEDULE - 1</u></b>			
<b><u>SHARE CAPITAL</u></b>			
<b>AUTHORISED</b>			
10000 Equity Shares of Rs. 10/ Each	<u>100,000</u>		<u>100,000</u>
<b>ISSUED, SUBSCRIBED &amp; PAID UP</b>			
10,000 Shaes @ 10/- per share fully paid up	<u>100,000</u>		<u>100,000</u>
<b><u>SCHEDULE - 2</u></b>			
<b><u>UNSECURED LOANS</u></b>			
Directors	-		-
Others	<u>55,907,320</u>		-
	<b>55,907,320</b>		-
<b><u>SCHEDULE - 3</u></b>			
<b><u>Preoperative Expenditure</u></b>			
<b><u>Pending for Allocation</u></b>			
<b>Opening Balance</b>	4,059		-
Audit Fee	4,412		3,309
Bank Charges	880		750
Conveyance	224		-
General Exp	121,568		-
Legal Professional charges	1,500		-
Printing & Stationery	1,619		-
Rate & Taxes	2,000		-
Telephone Expenses	<u>1,644</u>		-
	<b>137,906</b>		<b>4,059</b>
<b><u>SCHEDULE - 4</u></b>			
<b><u>CASH &amp; BANK BALANCES</u></b>			
Cash in hand	42,580		-
Balance with Scheduled Banks in Current Accounts	<u>67,268</u>		<u>99,250</u>
	<b>109,848</b>		<b>99,250</b>
<b><u>SCHEDULE - 5</u></b>			
<b><u>LOANS &amp; ADVANCES</u></b>			
Advance recoverable in cash or in kind for value to be received	<u>-</u>		-
	-		-
<b><u>SCHEDULE - 6</u></b>			
<b><u>CURRENT LIABILITIES &amp; PROVISIONS</u></b>			
Audit Fee Payable	4,412		3,309
Other Liabilities	<u>13,277</u>		<u>20,835</u>
	<b>17,689</b>		<b>24,144</b>
<b><u>SCHEDULE - 7</u></b>			
<b><u>MISC EXPENDITURE</u></b>			
(To the extent not written off or adjusted)			
Preliminary Expenditure	<u>20,835</u>		<u>20,835</u>



**MORGAN VENTURES LIMITED**

Regd. Office: 53, Friends Colony (East) New Delhi-110065.

DPID No.		L.F. No.	
Client ID No.		No. of shares held	

**ATTENDANCE SLIP**

I/we hereby record my/our presence at the 23<sup>rd</sup> Annual General Meeting to be held on 28th December, 2010

NAME OF THE SHAREHOLDER (IN BLOCK LETTERS)	
SIGNATURE OF THE SHAREHOLDER	
NAME OF THE PROXY (IN BLOCK LETTERS)	
SIGNATURE OF THE PROXY	

**Notes:**

1. You are requested to sign and hand over this slip at the entrance of the Meeting venue.
2. This attendance is valid only in case shares are held on date of the meeting.

----- TEAR HERE -----

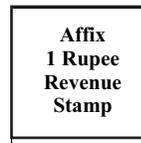
**MORGAN VENTURES LIMITED**

Regd. Office: 53, Friends Colony (East), New Delhi-110065.

DPID No.		L.F. No.	
Client ID No.		No. of shares held	

**FORM OF PROXY**

I/We .....of.....  
in the district of.....being a member/members of Morgan Ventures Limited hereby  
appoint.....of.....in the district of  
.....or failing .....of.....in the district of  
.....as my/our proxy to vote for me/us on my/our behalf at the Twenty Third Annual General  
the Company to be held on 28th December, 2010 and at any adjournment thereof.  
Meeting of Signed this.....day of .....2010



**Notes:**

1. The Proxy Form signed across revenue stamp should reach the Company's Registered Office at least 48 hours before the scheduled time of the meeting.
2. The Company reserves the right to ask for identification of the Proxy.
3. A Proxy cannot speak at the meeting and / or vote on a show of hands.