



Annual Report 2009

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THIS DOCUMENT IS IMPORTANT AND REQUIRES ATTENTION

For any clarifications you should consult your stock broker or other financial advisors authorised pursuant to Financial Services and Markets Act 2000 immediately. If you have sold or transferred your shares in OPG Power Ventures Plc ('the Company') please forward this document to the purchaser or transferee or the stock broker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

Chairman's Statement

I have great pleasure in announcing the results for the reporting period ended 31st March 2009. This is the first Annual Report to shareholders of OPG, following the AIM listing in May 2008. I would like to thank shareholders who supported the Company's IPO and I also welcome new shareholders who have invested since May 2008.

Financial Results

The Group Revenue for the period was £ 7.31 Million. The latter includes a contribution from the new 10MW plant commissioned in September 2008 as well as revenues from the sale of power into the emerging short term market at higher prices.

Earnings Before Interest, Taxation, Depreciation & Amortisation (EBITDA) were at £ 4.34 Million or 59 % of Revenue. Income from continuing operations before tax and period expenses relating to projects under development was £ 6.55 Million. The Net income after taxes was £ 4.64 Million.

Dividends

Our Admission Document included a statement that dividends would not be declared before the year ending March 2010. Accordingly no dividend is proposed. The position will be reviewed next year having regard to investment needs then prevailing and other factors.

Progress during the Year

During the period under review OPG attained a number of important milestones on the way to its short term goal of owning 400 MW of operating capacity by 2011. One of the most notable among them was the IPO and listing on AIM which, raising significant resources as it did, is the bedrock on which our plans will be realized.

As the other noteworthy attainments during the year are spelt out in the Chief Executive's report, it is sufficient for me to state that the year under review has been one of satisfactory progress in the achievement of our plans and objectives including those relating to projects in the pipeline.

The Indian Economy & the Power Sector

The recent Indian Parliamentary election results spell continued political stability as well as a continuity of economic policies and reforms. In point of fact, I anticipate that the process of economic reforms and deregulation will gather pace. The Indian economy grew at a rate of 6.7 % in 2008 – 09 notwithstanding overall economic conditions worldwide. It is expected that the growth rate will resume its trend of the previous four or five years given that the elections have returned a stable Government and as there are clear signs of increased economic activity.

The outlook for the power generation industry in the country has perhaps never been better. Per capita power consumption rose from 566 units in 2002 – 03 to 704 in 2007 – 08 or an annual growth of 5 to 6 %. On the other hand, the power supply position for the 12 months to March 2009 shows an All India peak deficit of 11.1 %. As a result, prices for spot power on the Indian Energy Exchange have ranged between Rs 5.50 to Rs 11 per unit in the past several months, with the average prices hovering around to Rs 9.00 per unit. It appears that power deficits and prices will escalate and speedy implementation of additional and existing projects offers a great opportunity to the generators to contribute to meeting the increasing power needs in the country and thereby to create shareholder value.

The Current Year

In the current year OPG will remain focused on the increase in its portfolio of power generation assets and seek to achieve speedy implementation and realization of new initiatives consistent with fuel security and market opportunities. We look forward to reporting further progress in the accomplishment of our objectives

M.C.Gupta
Chairman
19 June 2009

Chief Executive's Report

The reporting period ended 31 March, 2009 has been a significant one for OPG Power Ventures. The successful IPO and the Admission to AIM was an important milestone. This period has also seen satisfactory progress in the development and construction of new power plants in accordance with the plan presented in the Admission Document.

OPG now has 29.4 MW of operating capacity and with the anticipated commissioning of the 77 MW plant near Chennai in 2009 the Group has taken the first steps towards scaling up its generation capacities. The commissioning of the 2 x 150 MW (enhanced from the original plan of 2X135MW) Kutch power plant by 2011 will complete the first phase of our plans with the expected attainment of 400 MW of power generation assets.

Building on the successful implementation of the first phase, our next goal would be to attain a total generation capacity of 1000 MW. A significant proportion of this higher capacity will be developed on existing OPG sites.

Progress during the Period

During this period, the 10 MW waste-heat fired facility at Gummidipoondi, near Chennai was commissioned.

Significant progress has been made in the construction of the 77 MW coal fired facility at an adjacent site to the above. Plant Civil works have been completed. The major components of the plant and equipment have been delivered to the site and erection work is in progress. Testing of the boilers and other equipment has commenced. The power evacuation line has been completed and will be connected to the grid by July 2009. The plant is expected to be commissioned later this year. Tata Power Company Ltd have been appointed Operations & Maintenance contractors for this plant.

The financing arrangements for the Kutch Power Plant were completed in November 2008. Land required for the project has been acquired. Orders for the Boiler, Turbine and Generator were placed in March 2009. The Engineering Contractor and the Engineering Consultants have been appointed. The Terms of Reference relating to environmental approval have been formulated by the authorities. Tata Power Company Ltd have been appointed the Project Managers. This plant is expected to be commissioned in 2011.

Carbon Credit registration has been secured in respect of the 19.4 MW gas cum waste heat fired plant and, once we obtain certification, we expect to begin to realize revenues from sale of CERs in the year ahead. The registration in respect of the 10 MW waste heat facility is in progress.

Financial Review

In the period ended 31 March 2009, the Group's revenue was £ 7.31 Million. The Net Income after taxes was £ 4.64 Million which equates to earnings per share of 0.98 Pence. The EBITDA for the period was £ 4.34 Million or 59 % of Revenue. Cash as at 31 March 2009 was £ 32.32 Million.

Operational Review

OPG's 19.4 MW gas cum waste heat facility at Mayavaram in Tamil Nadu is now in its sixth year of continuous operation. Reduced gas flow from the gas fields led to a drop in capacity utilization from the 90 % plus levels of previous years to 73 % in the year ended 31 March, 2009. With the ongoing linking of more on-shore wells in the region, the flow is expected to improve.

The 10 MW waste heat fired facility near Chennai was commissioned in late September, 2008 and after about three months of operation, the output level at the plant has been stabilized and the plant is operating satisfactorily.

About 50 % of the current generation of 30 MW is being sold in the short-term power market at significantly higher prices compared to sales under medium/long term contracts. Future prospects for realizing higher revenues from such short-term contracts appear to be good.

Projects in the Pipeline

OPG's approach is to focus on a few projects at a given time in order to achieve speedy implementation. In line with this approach, we have focused our full attention so far on the development of the 77 MW and 2 x 150 MW units in Tamil Nadu and Gujarat respectively. Having made much progress in these projects, we are now evaluating further opportunities that are capable of quick development.

One plan under consideration is the expansion of the Chennai plant by adding two more units of 77 MW. We have already obtained firm allocations of coal supplies from the Government of India for this expansion. Another plan is to expand the Gujarat plant by adding a further 300 MW of capacity. Both these plans can be implemented reasonably quickly as they will be adjacent to the plants under construction.

Outlook

The current year will benefit from a full year contribution from the new 10MW plant, a part year contribution from the new 77MW plant and a full year of trading for a proportion of our output in the short-term market. With the country resuming its high growth trajectory and with the prices and demand for power increasing further, as described by the Chairman in his report, we look forward to the years ahead with optimism and confidence.

Arvind Gupta
Chief Executive
19 June 2009

Directors' Report

The Directors are pleased to submit their report and audited consolidated financial statements for the period ended 31 March 2009.

Principal activities and review of business

The principal activities of the Group are developing, owning and operating power stations in India. The electricity generated from its plants is sold principally to captive consumers or to customers in the short term market.

Results and Dividends

The Group's Net Income for the period after tax amounted to £ 4.64 Million. The Group recognises the need to balance the requirement to retain capital to expand the business and shareholders' focus on cash flow returns. For the period ended 31 March 2009 the Directors do not recommend the payment of a dividend as the accent is on expanding the business and securing longer term returns. In the future the Group intends to follow a prudent dividend policy whilst retaining sufficient capital to support future business growth.

Directors

The Directors during the year were as follows:

Mr M.C.Gupta	Non Executive Chairman	Independent
Mr Martin Gatto	Non Executive	Senior Independent Director
Mr Mike Grasby	Non Executive	Independent
Mr Ravi Gupta	Non Executive	
Mr Arvind Gupta	Managing Director & CEO	
Mr V.Narayan Swami	Finance Director	

Directors' Biographical Information

Mr M.C.Gupta (age 70) is a retired civil servant belonging to the Indian Administrative Service, the premier civil service of India. During his service, Mr Gupta held a number of senior appointments, notably those of Secretary, Ministry of Industry, Government of India and Chief Secretary to the State Government of Haryana. As Secretary to the Ministry of Industry, he was one of the functionaries responsible for initiating and implementing the process of economic reforms which commenced in the 1990's. He also served as Secretary Power, in the State of Haryana. He is also a Director of a number of leading companies in India. Mr M.C. Gupta is not related to Mr Arvind Gupta and Mr Ravi Gupta.

Mr Martin Gatto (age 59) is a senior finance professional who has held the position of Chief Financial Officer with a number of leading UK companies such as Somerfield Plc, Hilton International, Midlands Electricity Plc and British Energy Plc. He was until recently Chairman of Neutrahealth Plc, an AIM listed company. Mr. Gatto is the Senior Independent Director

Mr Patrick Michael Grasby (age 65) has been associated with the UK and international power industry for a number of years. In the course of his career he has held a number of senior positions both in the UK and internationally. He was Manager of the Drax power station, a 4000 MW thermal power plant, between 1991 and 1995 and afterward Senior Vice President for global operations at International Power. His international experience includes service in Portugal, Pakistan and Turkey. He is currently a Non- Executive Director of Drax Power Plc. He is a Member of the Remuneration and Nomination Committees and chairs the Company's Health and Safety Committee.

Mr Ravi Gupta (age 52) is one of the founders and the Chairman of Kanishk Steel (listed on the Bombay Stock Exchange since 1991). Mr Gupta has been associated with the flour milling industry for many years having worked for the family flour milling business, Salem Roller Flour Mills. In 1988 he set up a new flour mill, Salem Food Products Limited, which he continues to manage. Ravi Gupta is the brother of Arvind Gupta.

Mr Arvind Gupta (age 48) has a degree in Commerce from the University of Madras and has been associated with the OPG family businesses since 1979. He gained experience in various divisions of the business including flour milling, steel production and logistics, becoming President of Kanishk Steel. Mr Gupta managed OPG Enterprises' real estate division, completing residential, commercial and logistics projects. Having identified the opportunities in power generation, Mr Gupta took responsibility for developing this division of Kanishk Steel with initial projects in wind power generation in 1994. He was a pioneer in the development of the Group Captive Power Producer concept in Tamil Nadu and oversaw the development of the 18MW gas fired Plant of OPG Energy, a Group entity. He has been responsible for the construction and development of the power plants of the Group.

Mr V.Narayan Swami (age 58) has over 30 year's experience in a variety of finance and management positions. He has worked alternatively in banking and in industry over the years including positions with Ashok Leyland Ltd, Standard Chartered Bank and then in investment banking in the Middle East. Mr Swami later worked as CFO of Essar Telecom Group. He last spent a year as group CFO of Bombay listed Best & Crompton Engineering before joining the Group in 2007.

Significant Shareholdings in the Company

The share register shows that the following shareholders held 3 % or more of the issued capital as at the 31 March, 2009.

Name of the Shareholder
Gita Investments Limited
Gita Power Inc
Audley Capital Advisors LLP
Artemis Investment Management Limited
Insight Investment Management (Global) Limited

Directors' Interests in the Shares of the Company

As at the date of this report the Directors had the following beneficial interests in the shares of the Company. As at the date of this report no Share Options have been granted.

Name of the Shareholder	No of Shares	%
Gita Investments Limited ★	153,061,225	53.33
Gita Power Inc ★	17,006,802	5.93
Sri Hari Vallabha Enterprises & Investments Private Limited ★	3,401,361	1.19
Dhanvarsha Enterprises & Investments Private Limited ★	2,551,020	0.89
Goodfaith Vinimay Private Limited ★	2,551,020	0.89
Mr. Patrick Michael Grasby	5,000	0.00
Mr.Martin Gatto	50,000	0.02
Total Directors' Interest	178,626,428	62.25

★ Beneficial Interest in these holdings vest with Mr.Arvind Gupta, Director.

Principal risks and uncertainties

The management of the business and the implementation of the Group's plans are potentially affected by a number of risks. A fuller listing of the risks factors that could potentially affect the Group is laid out in the Group's AIM admission document. The principal risks affecting the Group are discussed below:

Financial risk management objectives and policies

The Group deals with a variety of financial instruments and bank loans as well as trade debtors and trade creditors resulting from its operations. The purpose of using these financial instruments is to finance the Group's ongoing operations and business plans. The principal risks associated with such financial instruments are interest rate and credit risk.

The Directors review these risks on an ongoing basis.

The Regulatory Environment

The power industry in India is subject to regulation and pricing and access are, in general, regulated by government bodies. While the power sector in the country is increasingly being liberalized, specific policies and legislative measures could lead to potential changes likely to affect the Group's business operations even though the Group operates in segments of the industry, namely the Group Captive producer and short term market, which are relatively less regulated.

Fuel security

Fuel sourcing which is the key driver in any power generation initiative is subject to a variety of risks including quality, availability, freight and pricing risks. The Group seeks to mitigate these risks by spreading its reliance over different suppliers to supply feedstock and by obtaining firm commitments for coal under the Government of India's policy from the public sector mines. Other risk mitigation measures include flexibly designing the plant and equipment to accept a range of coal, location of the plants near major ports or gas fields and so on.

Completion Risk

The Group has two projects under development and intends to build additional power generation assets in the future. Any delays in construction could result in an adverse impact on the Group's financial results. The Group regularly reviews its pipeline and Projects under construction to mitigate any such risks.

Competition

The Group faces competition from both state utilities and other private producers of power. Existing and potential competitors may have access to greater resources than those the Group could muster. The Group regularly reviews the business environment to develop appropriate strategic responses to present and emerging competition.

Auditors

A resolution to appoint Deloitte & Touche as auditors and to authorize the Board to agree the auditor's remuneration will be placed before the shareholders at the forthcoming Annual General Meeting of the Company.

Market purchase of Ordinary shares of the company

A special resolution to make market purchase up to 10% of the Ordinary shares of the company in issue in terms of Article 13.1 of the company's Articles of Association will be placed before shareholders at the forthcoming Annual General Meeting.

By Order of the Board

Philip Scales
Company Secretary
19 June 2009

Report on Corporate Governance

Policy Statement

In accordance with the statements made in the Admission document at the time of the IPO in May 2008 the Board intends to create a high standard of Corporate Governance commensurate with the emerging scale of the Group. Full compliance with the Combined Code is not a formal obligation, however, the Board has taken and will take steps to implement a growing framework which takes account of the rapid up-scaling of operations expected over the next two years.

Board and Committees

The Board

The Board comprises two Executive Directors and four Non-executive Directors. The roles of the Chairman and Chief Executive are separated. Of the four Non-executive Directors three are independent. They are the Chairman who is based in Delhi and there are two UK based Non-executive Directors, one of whom is the Senior Independent Director. The Board meets at least four times a year, including in the Isle of Man. The Group is fairly young and its procedures in respect of Board meetings are being established. The style and content of Board papers is evolving and increasingly includes matters relating to strategy, investments including both new and expansionary capital items, operating budgets and monthly management accounts (including cash flows).

Non-executive Directors have access to all information and, if required, external advice at the expense of the Company.

Remuneration Committee

The Remuneration Committee comprises Mr MC Gupta, Mr Ravi Gupta, Mr Mike Grasby and Mr Martin Gatto. Mr Ravi Gupta has not been present when any remuneration matter relating to the Chief Executive has been discussed as he is related to Mr Arvind Gupta. Remuneration Committee meetings are generally scheduled to take place at the time of Board meetings and the practice is now that the meetings will take place the day ahead of the Board meeting. The Committee operates under Terms of Reference which have been approved by the Board. The principal matters discussed in the period have been Executive bonuses and the creation of the Share Option Scheme Rules.

Nominations Committee

A Nominations Committee has not been needed in the period and no formal steps have been taken to establish its remit.

Audit Committee

The Audit Committee comprises Mr MC Gupta, Mr Ravi Gupta, Mr Mike Grasby and Mr Martin Gatto. The Committee meetings are generally scheduled to take place at the time of Board meetings and the same practice of meeting the day before the Board meeting has also been instituted. The Chief Executive and Finance Director attend by invitation. The Committee operates under Terms of Reference approved by the Board and there is provision for the Committee to meet with the Auditors without management being present. The half-year and full-year financial announcements received scrutiny by the Committee prior to their approval by the Board.

Internal control and risk management

The Board is responsible for maintaining an appropriate system of internal control to provide reasonable (but not absolute) assurance of the quality and reliability of financial and operating information used to assess the business, safeguard assets and recognise liabilities in accordance with the relevant company law and International Financial Reporting Standards, (IFRS).

There has been no formal risk assessment procedure. In the period only two small power plants were in operation and all operations are outsourced to independent Operations and Maintenance, (O&M), contractors. This does not absolve the Group from its operating risk albeit the contracts do contain provisions, inter alia, for accident monitoring and control. As the Group opens new and much larger power plants the framework for risk assessment and management will be strengthened.

Going concern

The Directors have reviewed the financial position of the Group having regard to its cash needs in completing the major projects which are in progress. Each project and operation is incorporated within its specific special purpose vehicle, (SPV), and borrowings are specific to each SPV without cross guarantees. The loan funds needed to complete projects in progress are committed and being drawn under binding contracts. The IPO raised the equity portions needed for the various committed projects. The Directors are satisfied that, having taken all these factors into account and given that trading subsidiaries are cash generative, it is appropriate to prepare accounts on a going concern basis.

Investor relations

Management endeavours to maintain regular dialogue with institutions and the financial community, particularly in relation to the half-year and full-year results. In the period, meetings with investors were offered on at least three occasions and the UK based directors took an active part in those meetings. The Group website has an investor section and all regulatory announcements are posted therein, www.opgpower.com. All shareholders will receive a printed copy of the Report and Accounts for the period ended 31 March 2009. For the current year and beyond the Company is considering distributing its Report and Accounts in electronic form.

Report on Directors' Remuneration

Introduction

As an AIM listed company the preparation of a Report on Directors' Remuneration is not a requirement. However, the Company provides below information appropriate to its size and organisation.

Remuneration policy

A Remuneration Committee has been established (see above) to make recommendations to the Board on Executive and senior management remuneration including where appropriate the grant of Share Options. Matters considered by the Committee include:

- Salary levels and increments being in line with local market practice.
- The consideration of an Unapproved Share Option Scheme, "the Scheme".
A detailed set of Scheme Rules is expected to be approved in the near future.

Executive Directors' remuneration comprises the following elements:

- Annual salary payable in the country of employment in Indian Rupees and subject to any local taxes.
- Annual bonus. No bonuses were declared for the period.
- Benefits in kind. Executive Directors are provided with customary benefits.

Non-executive Directors' remuneration is determined by the Board and was set at the time of the IPO to attract and retain independent directors with relevant experience.

Aggregate Directors' Remuneration

The total amounts of Directors' remuneration was as follows:

Details of Directors remuneration for the period ended 31 March 2009 are as follows:

NAME	SALARY/FEE	OTHER	TOTAL
A Gupta	£151,644	£ 3,492	£ 155,136
VN Swami	£ 45,493	£ 860	£ 46,353
MC Gupta	£ 22,517	N/A	£ 22,517
R Gupta	£ 22,517	N/A	£ 22,517
M Grasby	£ 20,833	N/A	£ 20,833
M Gatto	£ 20,833	£ 25,000	£ 45,833
Total	£ 283,837	£ 29,352	£ 313,189

Mr Gatto received a one-off payment of £ 25,000 for extra work required during the IPO.

This report was approved by the Board of directors on 19 June 2009 and signed on its behalf by:

Mr MC Gupta
Remuneration Committee Chairman
19 June 2009

Independent Auditors' Report to the Members of OPG Power Ventures Plc

1.0 We have audited the Group and individual Company financial statements of OPG POWER VENTURES Plc for the period ended 31 March 2009 which comprise the consolidated and individual Company Income Statements, the consolidated and individual Company Balance Sheets, the consolidated and individual Company Cash Flow statements, the consolidated and individual Company Statement of Changes in equity and the related notes. These financial statements have been prepared under the accounting policies set out therein.

2.0 Respective responsibilities of directors and auditors

2.1 The directors' responsibilities for preparing the financial statements in accordance with International Financial Reporting Standards (IFRSs) are set out in the Statement of Directors' Responsibilities. Our responsibility is to audit the financial statements in accordance with International Standards on Auditing (UK and Ireland)

2.2 We report to you our opinion as to whether the financial statements give a true and fair view. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records and if we have not received all the information and explanations we require for our audit.

2.3 This report is made solely to the directors in accordance with our engagement letter dated 12 September 2008. Our audit work has been undertaken so that we might state to the Company's directors those matters we require to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the directors, for our audit work, for this report, or for the opinions we have formed.

2.4 We read the other information contained in the Annual Report and consider whether it is consistent with the financial statements. This other information comprises only the Chairman's Statement, Directors' Report and the Corporate Governance Statement. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any further information outside the Annual Report.

3.0 Basis of audit opinion

3.1 We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the Directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

3.2 We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

3.3 we did not audit the financial statements of Gita Energy Private Limited and Gita Holdings Private Limited (consolidated subsidiaries), which statements reflect total assets constituting 0.039% and 0.011 % respectively, of consolidated total assets as March 31, 2009, and total revenues constituting NIL, of consolidated total revenues for the period then ended. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, in so far as it relates to the amounts included for Gita Energy Private Limited and Gita Holdings Private Limited, is based solely on the report of the other auditors

4.0 Opinion

In our opinion, and considering the report of other auditors as stated in paragraph 3.3, the financial statements give a true and fair view, in accordance with IFRSs, of the state of the Group's and Individual Company's affairs as at 31 March 2009 and of the Group's and Individual Company's profits for the period then ended.

Deloitte Haskins & Sells
Chartered Accountants
Chennai
India.

OPG POWER VENTURES Plc

Consolidated Balance Sheet

As at 31 March 2009

	Notes	As at 31 March 2009	
		Group £	Company £
ASSETS			
Non Current Assets			
Property plant and equipment	3.8	13,556,906	-
Capital work in progress		29,174,655	
Capital Advances		6,705,770	-
Other assets		4,316,518	5,000
Investment in subsidiaries		-	2,410
Total non current assets		53,753,849	7,410
Current Assets			
Inventories	3.10	41,711	-
Trade and other receivables	3.9	1,400,329	13,213
Current tax assets (net of liabilities)		84,031	-
Financial Assets	3.11	8,478,766	-
Other assets	3.9	5,230,748	67,386,189
Cash and cash equivalents	3.12	32,319,842	4,039,991
Restricted cash	3.12	1,403,126	-
Total current assets		48,958,553	71,439,393
Total assets		102,712,402	71,446,803

OPG POWER VENTURES Plc

Consolidated Balance Sheet

As at 31 March 2009

EQUITY AND LIABILITIES			
Capital and Reserves			
Issued Capital	3.14.2	42,187	42,187
Reserves		70,305,419	70,773,453
Retained earnings		2,615,194	576,282
Equity attributable to equity holders of the parent		72,962,800	71,391,922
Amounts recognised directly in Equity relating to assets classified as held for sale		(151,716)	-
Non Controlling Interest		3,996,285	
Total Equity		76,807,369	71,391,922
Non current liabilities			
Interest-bearing loans and borrowings	3.17	19,967,353	-
Provisions		-	-
Other Liabilities		1,935,743	-
Deferred Tax Liability		385,542	-
Total non current liabilities		22,288,638	-
Current liabilities			
Trade and other payables	3.16	799,498	54,881
Interest-bearing loans and borrowings	3.17	2,481,114	-
Income tax payable (net of assets)		275,548	-
Other Liabilities	3.16	60,235	-
Total current liabilities		3,616,395	54,881
Total Liabilities		25,905,033	54,881
Total stockholders' equity and liabilities		102,712,402	71,446,803

These Financial Statements were approved by the Board of Directors on 19th June 2009

(Arvind Gupta)
Chief Executive Officer

(V.Narayan Swami)
Chief Financial Officer

OPG POWER VENTURES Plc

Consolidated Statement of Income

For the period ended 31 March 2009

	Notes	Period ended 31 March 2009	
		Group £	Company £
Revenue	3.2	7,310,559	-
Cost of Power Generation		(2,190,817)	-
Gross profit		5,119,742	-
Other gains and losses	3.3	604,009	-
Employee Cost		(113,792)	(86,701)
Distribution Expenses		(172,582)	-
Other expenses		(496,602)	(326,127)
Depreciation	3.8	(398,830)	
Release of negative goodwill to income		1,493,760	
Financial Income	3.5	2,718,568	989,110
Financial Expenses	3.6	(2,206,738)	-
Income from continuing operations		6,547,535	576,282
Pre Operative Expenses (Relating to projects under construction)		(911,559)	-
Pre-tax income		5,635,976	576,282
Income tax expense	3.7	(997,407)	
Net Income after taxes		4,638,569	576,282
Attributable to			
Equity Holders of Parent		2,615,194	576,282
Minority Interest		2,023,375	
		4,638,569	576,282
Basic and diluted earnings per share for profit attributable to the equity holders of the company during the period (expressed as Pence per share)	3.15		
Basic earnings per share		0.98	0.22
Diluted earnings per share		0.98	0.22

These Financial Statements were approved by the Board of Directors on 19th June 2009

(Arvind Gupta)
Chief Executive Officer

(V.Narayan Swami)
Chief Financial Officer

OPG POWER VENTURES PIC

Consolidated Statement of Changes in Equity for the period ended 31 March 2009

GROUP PARTICULARS	Share Capital £	Revaluation Reserve £	Share Premium £	Translation Reserve £	Retained Earnings £	Total shareholders equity £	Non controlling Interest £	Total Equity £
Opening Balance							1,539,978	1,539,978
Proceeds from issue of shares	42,187		70,135,875			70,178,062	169,973	70,348,035
Share Issue Expenses Adjusted			(3,192,552)			(3,192,552)	-	(3,192,552)
Profit or loss on available for sale investments		(151,716)				(151,716)	(79,969)	(231,685)
Exchange differences arising on translation of foreign operations				3,362,096		3,362,096	342,928	3,705,024
Profit for the period					2,615,194	2,615,194	2,023,375	4,638,569
Balance as at 31 March 2009	42,187	(151,716)	66,943,323	3,362,096	2,615,194	72,811,084	3,996,285	76,807,369

OPG POWER VENTURES PIC

Statement of Changes in Equity for the period ended 31 March 2009

Particulars	Share Capital £	Revaluation Reserve £	Share Premium £	Translation Reserve £	Retained Earnings £	Total shareholders equity £
Opening Balance						
Proceeds from issue of shares	42,187		70,135,875			70,178,062
Share Issue Expenses Adjusted			(3,192,552)			(3,192,552)
Profit or loss on available for sale investments						-
Exchange differences arising on translation of foreign operations				3,830,130		3,830,130
Profit for the period					576,282	576,282
Excess of share of assets acquired over acquisition cost						-
Transfer to capital redemption reserve on redemption of preference shares						-
Balance as at 31 March 2009	42,187	-	66,943,323	3,830,130	576,282	71,391,922

OPG POWER VENTURES Plc

Consolidated Statement of Cash flows for the period ended 31 March 2009

Particulars	Notes	For the period ended 31 March 2009	
		Group £	Company £
Cash flows from operating activities			
Profit for the period		4,638,569	576,282
Income tax expense recognised in profit or loss		997,407	
Finance cost recognised in profit or loss		2,206,738	
Finance income recognised in profit or loss		(2,718,568)	(989,110)
Other gains and losses recognised in profit or loss		(604,009)	
Release of negative goodwill to income		(1,493,760)	
Depreciation		398,830	
		3,425,207	(412,828)
Movements in Working Capital			
Increase in trade and other receivables		(805,564)	0
Decrease in inventories		18,319	0
Increase in other current assets		(2,070,063)	(18,212)
Increase in trade and other payables		23,741	54,881
Decrease in Other liabilities		(620,314)	0
Cash Generated from operations		(28,674)	(376,159)
Income Taxes paid, net of refunds		(418,584)	
Net Cash Generated by / (used in) Operating activities		(447,258)	(376,159)

OPG POWER VENTURES Plc

Consolidated Statement of Cash flows for the period ended 31 March 2009

Cash flow from investing activities			
Acquisition of property, plant and equipment		(32,452,626)	
Advances Net		(6,225,204)	(67,386,189)
Finance Income		2,614,831	986,700
Dividend income		604,009	
Movement in restricted cash		(970,388)	
Purchase of investments		(8,052,207)	
Increase in Lease Deposits		(2,866,112)	
Net cash used by investing activities		(47,347,697)	(66,399,489)
Cash flows from financing activities			
Proceeds from issue of Equity Shares		70,348,035	70,178,060
Proceeds from borrowings		14,330,099	
Repayment of borrowings		(3,290,759)	
Payment for share issue costs		(3,192,552)	(3,192,552)
Interest paid		(2,206,738)	
Net cash provided by financing activities		75,988,085	66,985,508
Net increase in cash and cash equivalents		28,193,130	209,860
Cash and cash equivalents of Subsidiaries acquired during the year		1,358,882	0
Effect of Exchange rate changes on the balance of cash held in foreign currencies		2,767,830	3,830,131
Cash and cash equivalents at the end of financial year	Q	32,319,842	4,039,991

Note 1 : Basis of Preparation

1.1 General Information

OPG Power Ventures Plc. (the "Company" or "OPGPV") is a company domiciled and incorporated in the Isle of Man on 17 January 2008 and was admitted to the Alternative Investment Market of London Stock Exchange on 30 May 2008. The Company raised approximately £ 65.10 Million at listing (before admission costs).

The Consolidated financial statements for OPG Power Ventures Plc (the "Group") and financial statements for the Company have been prepared for the period ended 31 March 2009

As on 31 March 2009 the following companies formed part of the Group:

Company*	Immediate Parent	Country of Incorporation	Voting Rights (%)	Economic Interest (%)
Gita Energy	OPGPV	Cyprus	100	100
Gita Holdings	OPGPV	Cyprus	100	100
OPGPG	Gita Energy and Gita Holdings	India	35 35	49.5 49.5
OPGG	Gita Energy and Gita Holdings	India	30 30	49.5 49.5
OPGRE	Gita Energy and Gita Holdings	India	11 11	16.5 16.5
OPGE	OPGPG	India	29.78	44.2

Note *

Company	Full Name of the company	Activity
OPGPV	OPG Power Ventures Plc	"The Company"
Gita Energy	Gita Energy Private Limited	Subsidiary of The Company
Gita Holdings	Gita Holdings Private Limited	Subsidiary of The Company
OPGE	OPG Energy Private Limited	19.4 MW Power Plant
OPGRE	OPG Renewable Energy Private Limited	10 MW Power Plant
OPGPG	OPG Power Generation Private Limited	77 MW Power Plant (in construction)
OPGG	OPG Power Gujarat Private Limited	2x150 MW Power Plant (in construction)

Investments into Gita Energy and Gita Holdings (the Cyprus SPV's or Special Purpose Vehicles) were made during the year. The Indian Special Purpose Vehicles (SPV's) were incorporated and were in existence even in earlier years, but they have become part of the group structure as described above during the reporting period.

The Company's registered office is at IOMA House, Hope Street, Douglas, Isle of Man.

The Group is primarily engaged in the business of development and operation of Power generation plants for the supply of power directly to industrial consumers in India as well as to the spot and short term power markets in the country. The business objective of the Group is to focus on the power generation business within India and thereby to provide reliable, cost effective power to industrial consumers and other users under the 'Open Access' provisions mandated by the Government of India and applicable to all producers of power.

Note 2 : Significant Accounting Policies

2.1 Adoption of New and Revised Standards

2.1.1 Standards and Interpretations effective in the Reporting Period

Three Interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) are effective for the current year. These are IFRIC 11- IFRS 2: *Group Treasury shares transactions*, IFRIC 12 *Service Concession Agreements* and IFRIC 14- IAS 19- *The limit on Defined Benefit Asset, Minimum Funding requirements and their interaction*.

International Accounting Standard (IAS) 39 Financial instruments: Recognition and Measurement and IFRS 7 Financial Instruments: Disclosures were amended with effect from July 1, 2008 to permit classification of some financial instruments.

The adoption of these Interpretations and amendment to the standard has not led to any changes in the Group's accounting policies.

2.1.2 Standards and Interpretations in issue but not yet effective

IAS 1: (Revised) Presentation of financial statements (effective for annual periods beginning on or after January 1, 2009);

IAS 23: (Revised) Borrowing Costs (effective for annual periods beginning on or after January 1, 2009);

IAS 27: (Revised) Consolidated and Separate Financial Statements (effective for annual periods beginning on or after January 1, 2009);

IAS 32: (Revised) Financial Instruments: Presentation (effective for annual periods beginning on or after January 1, 2009);

IAS 39: (Revised) Financial Instruments: Presentation (effective for annual periods beginning on or after January 1, 2009);

IAS 40: (Revised) Investment Property (effective for annual periods beginning on or after January 1, 2009);

IFRS 1: (Revised) First-time adoption of International Financial Reporting Standards (effective for annual periods beginning on or after January 1, 2009);

IFRS 2: (Revised) Share based payment (effective for annual periods beginning on or after January 1, 2009);

IFRS 3: (Revised) Business Combinations (effective for annual periods beginning on or after July 1, 2009);

IFRS 8: (Revised) Operating Segments (effective for annual periods beginning on or after January 1, 2009);

IFRIC 9: (Amended) Reassessment of Embedded Derivation (effective for annual periods ending on or after June 30, 2009)

IFRIC 13: Customer Loyalty Programs (effective for annual accounting periods beginning on or after July 1, 2008)

IFRIC 15: Agreements for the construction of Real Estate (effective for annual accounting periods beginning on or after January 1, 2009)

IFRIC 16: Hedging of a Net investment in a Foreign Operation (effective for annual accounting periods beginning on or after October 1, 2008)

IFRIC 17: Distribution of non cash assets to owners (effective for annual accounting periods beginning on or after July 1, 2009)

IFRIC 18: Transfers of assets from Customers (transfers received on or after July 1, 2009)

The Directors anticipate that the adoption of these Standards and Interpretations in future periods will have no material impact on the consolidated financial statements of the Group.

2.2 Basis of Preparation and Statement of Compliance with International Financial Reporting standards

The consolidated financial statements have been prepared under applicable International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standard Board.

The Group financial statements cover the financial year from 1 April 2008 to 31 March 2009 in respect of the Indian SPV's and incorporate the financial statements of the Cyprus SPV's from 12 November 2007 and 31 December 2007, being the respective dates of their incorporation and in respect of the Company for the period from 17 January 2008 (the date of incorporation) to 31 March 2009. As the Group structure was constituted only from June 2008, comparative, consolidated figures for the previous period, 1 April 2007 to 31 March 2008 are not provided. In case of the Cyprus intermediaries there were no transactions between the date of incorporation of the respective Companies and date of incorporation of the Company.

The Indian subsidiaries maintain the accounts in accordance with Indian accounting standards (IGAAP). The financial statements prepared by these subsidiaries in accordance with IGAAP have been restated in accordance with IFRS for the purpose of consolidation. The Group has no devolved management structure for policy and transaction authorisation. All significant decisions are taken by the Board. Authorisation for transactions has not been delegated in accordance with a formal and documented structure. All transactions are undertaken on the basis of authorization of the Managing Director or Director of the concerned subsidiaries (entities).

Necessary books of accounts as required by law were maintained to record the transactions which were used as the basis for preparation of these consolidated financial statements. However in few instances, the available supporting had to be supplemented on the basis of bank statements, confirmations and other supporting documents.

2.3 The Basis of Presentation and Accounting Policies used in preparing the historical financial information

These accounting policies have been consistently applied to the results, gains and losses, assets, liabilities and cash flows of all entities included in the consolidated financial statements for all the periods presented unless otherwise stated. The financial statements are presented in Great Britain Pounds (£). They are prepared on the historical cost basis except for financial instruments and non-current assets, which are carried at their fair values.

The financial information has been prepared on an historical cost basis. In the process of applying the Group's accounting policies, management is required to make judgements, estimates and assumptions that may affect the financial statements. Management believes that the judgments made in the preparation of the historical financial information are reasonable. However, actual outcomes may differ from those anticipated.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. Judgements made by management in the application of IFRS that have significant effect on the historical financial information and estimates with a significant risk of material adjustment in the next year are discussed in note 3.18(f).

2.4 Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the company and entities controlled by the Company made up to 31st March each year.

Intra-group balances and transactions and any resulting unrealised gains arising from intra-group transactions are eliminated on consolidation. Unrealised losses resulting from intra-group transactions are also eliminated unless cost

cannot be recovered. Amounts reported in the financial statements of the subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

Control is recognized in the case of all entities (Group entities) over which the Group has the power to govern the financial and operating policies so as to obtain economic benefits from its activities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Controlled entities are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The excess of cost of acquisition over the group's interest in the net value of the identifiable assets, liabilities and contingent liabilities of the subsidiaries on the date of acquisition is accounted as Goodwill arising on consolidation. In circumstances where such amount is lower, resulting in negative goodwill, the amount is taken to income statement. Goodwill is initially recognized as an asset at Cost and subsequently measured at cost less any accumulated impairment losses. For the purpose of impairment testing, Goodwill is allocated to each of the group's cash generating units expected to benefit from the synergies of the combination.

2.5 Foreign Currency

2.5.1 Translation to Presentation Currency

Functional and presentation currency: Items included in the financial statements in each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in the Great Britain Pound (£), which is the Company's functional and presentation currency.

At the reporting date the assets and liabilities of the Group are translated into the presentation currency, which is the Great Britain Pound (£) at the rate of exchange ruling at the balance sheet date and the income statement is translated at the weighted average exchange rate for that year. **Exchange differences arising, if any, are classified as equity and recognized in the Group's foreign currency translation reserve. Such exchange differences are recognized in profit or loss in the period in which the foreign operation is disposed of.**

The Great Britain Pound (£): Indian Rupee (INR) exchange rates used to translate the INR financial information into the presentation currency of Great Britain Pound (£) were as follows.

Particulars	2009
Closing rate at 31 March	74.16
Average rate for the year ended 31 March	79.13

2.5.2 Foreign currency transactions

Transactions in foreign currencies are translated at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated into functional currency at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognized in the Income statement. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

Goodwill and fair value adjustments, arising on consolidation of financial statements and presentation of financial instruments acquired other than by subscription of subsidiaries, are treated as assets of the purchasing entity.

Goodwill is measured at cost less any accumulated impairment losses. Impairment review is performed at least annually.

Any impairment is recognized immediately in the income statement and is not subsequently reversed.

2.6 Derivative Financial Instruments

The group uses derivative financial instruments to manage its exposure to foreign exchange risks. The group does not hold or issue derivative financial instruments for trading purposes. However, derivatives that do not qualify for hedge accounting are accounted for as trading instruments.

Derivative financial instruments are recognized at fair value. The subsequent gain or loss on re measurement to value is recognized immediately in profit or loss. The Group has no outstanding derivative financial instruments as at the reporting date.

2.7 Property, Plant and Equipment

2.7.1 Owned assets

Property, Plant and Equipment are stated at cost of acquisition less accumulated depreciation. Direct cost is capitalized until the asset is ready for use and includes inward freight, duties and expenses incidental to acquisition and installation.

The cost of self constructed assets includes the cost of material and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use, and the cost of dismantling and removing any items on and restoring the site on which they are located.

Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

Parts of some items of property, plant and equipment require replacement at regular intervals. OPG recognizes in the carrying amount of an item of property, plant and equipment the cost of replacing part of such an item when that cost is incurred and correspondingly, any carrying amount of those parts that are replaced is derecognized.

Certain items of plant and equipment require the performance of regular major inspections for faults regardless of whether parts of the item are replaced. When each major inspection is performed, its cost is recognized in the relative period .

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognized within "other gains and losses" for gains and "other operating expenses" for losses in the statement of income.

2.7.2 Depreciation

Depreciation on property, plant and equipment is provided based on the straight line method over the economic useful life of assets as estimated by the management, on a *pro-rata* basis. The economic useful lives estimated by the management for depreciation of the assets are as under:

Asset	Estimated useful life (years)
Building	30
Plant and Machinery	4-30
Furniture and Fixtures	5-15
Office Equipments	3-10
Vehicles	5-11
Computers	3

The useful life of property, plant and equipment is reviewed annually and, wherever a change is made to the estimates of useful life of an asset, the depreciation charge is adjusted.

Leasehold improvements are depreciated over the primary period of the lease or estimated useful lives of the assets whichever is less. Assets under construction are not depreciated, as they are not ready for use.

2.7.3 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Transaction cost incurred on raising long term borrowings are deferred in the year of payment and are capitalized as part of costs of the qualifying asset and depreciated over the useful life.

Borrowing cost, including amortization of transaction cost directly attributable to the acquisition or construction of qualifying property, plant and equipment are capitalized as part of the cost of asset when it is probable they will result in future economic benefit and the cost can be measured reliably.

2.7.4 Impairment Testing of Property, Plant and Equipment

The Group's property, plant and equipment are subject to impairment testing.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level.

All individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognized for the amount by which the assets or cash-generating unit's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of fair value, reflecting market conditions less costs to sell and value in use, based on an internal discounted cash flow evaluation. The impairment loss is charged *pro rata* to the assets in the cash-generating unit. All assets are subsequently reassessed for indications that an impairment loss previously recognized may no longer exist.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimate used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

(a) Calculation of Recoverable Amount

The recoverable amount of the Group's receivables carried at amortized cost is calculated as the present value of estimated future cash flows, discounted at the original effective interest rate (i.e. the effective interest rate computed at initial recognition of these financial assets). Receivables with a short duration are not discounted. The recoverable amount of other receivables is the greater of their fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For a receivable item that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

(b) Reversals of Impairment

An impairment loss in respect of a receivable carried at amortized cost is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognized. In respect of other assets impairment losses are reversed when there is an indication that the impairment loss may no longer exist and if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

2.8 Financial Assets

Investments are recognized and derecognized on the date of trade where the purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned, and are initially measured at fair value, plus transaction costs, except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value.

Financial assets are classified into the following specified categories: financial assets 'at fair value through profit or loss' (FVTPL), 'held-to-maturity' investments, 'available-for-sale' (AFS) financial assets and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

2.8.1 Financial Assets classified as at Fair Value through Profit and Loss (FVTPL)

Financial assets at fair value through profit or loss include financial assets that are either classified as held for trading or are designated by the entity to be carried at fair value through profit or loss upon initial recognition. By definition, all derivative financial instruments that do not qualify for hedge accounting fall into this category. Any gain or loss arising from derivative financial instruments is based on changes in fair value, which is determined by direct reference to active market transactions or using a valuation technique where no active market exists.

2.8.2 Held to Maturity Investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity. Investments are classified as held-to-maturity if it is the intention of Group's management to hold them until maturity. Held-to-maturity investments are subsequently measured at amortized cost using the effective interest method. In addition, if there is objective evidence that the investment has been impaired, the financial asset is measured at the present value of estimated cash flows. Any changes to the carrying amount of the investment are recognized in Income statement.

2.8.3 Available for Sale Financial Assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date.

Regular purchases and sales of financial assets are recognized on the trade-date – the date on which the Group commits to purchase or sell the asset. Investments are initially recognized at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets are derecognized when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. Available for sale financial assets are subsequently carried at fair value. Loans and receivables are carried at amortized cost using the effective interest method.

Changes in the fair value of monetary and non-monetary securities classified as available-for-sale are recognized in equity. When securities classified as available for sale are sold or impaired, the accumulated fair value adjustments recognized in equity are included in the income statement as 'gains and losses from investment securities'.

Dividends on available-for-sale mutual fund units are recognized in the income statement as part of other income.

2.8.4 Loans and Receivables

Trade receivables, loans, and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Loans and receivables are measured at amortized cost using the effective interest method less any impairment. Interest income is recognized by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

2.9 Trade and other Receivables

Trade receivables are initially measured at fair value and subsequently measured at amortized cost using the effective interest rate method. They are as reduced by appropriate allowances for estimated irrecoverable amounts. A provision for impairment of trade receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original term of the receivable. The amount of the provision is the difference between the carrying amount and the recoverable amount and this difference is recognized in the income statement.

2.10 Inventories

Stores and spares are stated at lower of cost and net realizable value. The cost is based on the first-in-first-out principle and includes duties and taxes (other than those subsequently recoverable from taxing authorities), freight inward, handling and other costs directly attributable to the acquisition.

2.11 Investment in Bank Deposits

Investments in bank deposits represent term deposits placed with banks earning a fixed rate of interest. Investments in bank deposits with maturities of less than a year are disclosed as current assets and more than one year as non-current. At the balance sheet date, these deposits are measured at amortized cost using the effective interest method.

2.12 Cash and Cash Equivalents

Cash and cash equivalents comprise cash in hand and at bank, and short-term deposits with a maturity period of three months or less and are carried at balance sheet at cost.

2.13 Share Capital

2.13.1 Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Equity instruments, convertible into fixed number of equity shares at a fixed pre-determined price, and which are exercisable after a specific period, are accounted for as and when such instruments are exercised. The transaction costs pertaining to such instruments are adjusted against equity.

2.13.2 Dividends

Dividends are recognized as a liability in the period in which they are declared.

2.14 Employee Benefits

Short term employee benefits obligations, including salary, are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid under short term cash bonus or profit sharing plans if the company has a present legal or constructive obligation to pay this amount as a result of the past service of the employee and the obligation can be estimated reliably.

The Group does not operate or make any contributions to any defined benefit or contribution plans. There were no bonus or profit sharing plans of the Group in force which resulted in any payments.

2.15 Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2.16 Trade Payables

Trade payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

2.17 Revenue Recognition

Revenue is recognized when significant risks and rewards are transferred to the customer provided the revenue can be measured reliably and is probable that the economic benefits associated with sale will flow to the company. The company invoices clients in accordance with the agreed rates and billing arrangements.

Significant risks and rewards are transferred to the customer when the electricity generated is transmitted to the power grid lines. The revenue in excess of amount billed is recognized and disclosed as Accrued Income under Other Current Assets.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the interest rate applicable. Dividend income from investments is recognized when the shareholders' rights to receive the payment have been established.

2.18 Expenses

2.18.1 Operating lease payments

Payments made under non-cancellable operating leases are recognized in the income statement on a straight-line basis over the term of the lease. Payments made under cancellable operating leases are recognized as expense in the period in which they are incurred.

Plant and equipment of the 10 MW waste heat plant operated by one of the SPVs has been taken on a license agreement for fifteen years, with an option to renew it for 15 more years, from Kanishk Steels, a related party. As a compensation for this arrangement, the SPV has committed to supply 9 Million units of power per annum to Kanishk Steels and only the power generated in excess of this commitment is available for sale to external customers. The quantum of rental has been reduced to 4.5 Million units per annum from 1st April 2009. A refundable lease deposit of INR 200 Million (equivalent to £ 2.7 Million) has been paid at the end of March 2009 by the SPV to Kanishk Steels as security deposit to compensate for this reduction in rental.

Rental by way of 4.7 Million units of power was supplied by SPV to Kanishk Steels during the reporting period in accordance with the licence terms applicable until then and the equivalent amount, calculated at an agreed rate of Rs. 4/- per unit supplied has been included as both part of Revenue in Note 3.2 and in Cost of Generation in the Income Statement. The deposit placed with Kanishk Steels under Licence agreement is in the note on Related Party transactions.

2.19 Financial Income

Interest income on funds invested by the Group is recognized in the income statement as it accrues, using the effective interest method.

Foreign currency gains and losses are reported on a net basis.

2.20 Financial Expenses

Financial Expenses comprise interest payable on borrowings calculated using the effective interest rate method . The amount also includes bank charges, transaction costs relating to close out of forward exchange contracts and the interest expense component of finance lease payments which are recognized in the income statement using the effective interest rate method.

2.21 Pre Operative Expenses

Pre - operative expenses in respect of plants under construction comprise items of period expenditure not directly attributable to the installation of the plant and equipment and include administration expenses, salaries, travel, rents, rates, taxes, professional fees etc.

2.22 Income Tax

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognized in the income statement except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantially enacted at the balance sheet date. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantially enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

2.23 Earnings per Share

The Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares. Refer Note 3.15 for the calculation of EPS.

Note 3 : Notes on Accounts forming part of the consolidated financial statements

3.1 Segment Reporting

Based upon the risks and returns of the Group the directors consider the primary reporting format is by business segment. The directors consider that there is only one business segment being the generation and sale of electricity to customers.

The secondary reporting format is by geographical analysis. Based upon the risks and returns of the Group the directors consider that there is only one geographical segment being India. All external revenues are earned from customers in India and it is India as a whole that dictates the level of geographical risk and return facing the Group.

3.2 Revenue

	Period ended 31 March 2009	
	Group £	Company £
Revenues	7,310,559	0
	7,310,559	0

3.3 Other Gains and Losses

	Period ended 31 March 2009	
	Group £	Company £
Dividend Income	208,723	0
Provision for Tax no longer required, written back	394,492	0
Others	794	0
	604,009	0

Other Income includes an amount of £ 0.394 Million being prior period provisions made towards generation tax payable to Tamil Nadu State Electricity Board upto 31 March 2007, now written back to Other Gains and Losses. The State Government has not made any demands under the act for the past several years. In addition, the levy effectively a tax on consumption of electricity by the consumer, is not applicable to most of the industries to which the SPV's supply power

and, in the event of any demand by the authorities in this respect, it is recoverable from the end customers who are the obligors under the act.

3.4 Release of negative goodwill

The company acquired a controlling interest in the Indian SPV's during the period. On consolidation of the accounts of the said SPV's in the financial statements the amounts of the identifiable net assets of the latter attributable to the company exceeded the consideration transferred by the way of equity and resulted in a surplus which has been recognized as release of negative goodwill in the Income Statement.

3.5 Financial Income

	Period ended 31 March 2009	
	Group £	Company £
Bank Interest	1,031,518	989,110
Interest on Fixed Deposits	1,593,356	0
Interest on loan	83,688	0
Interest on Lease Deposits	10,006	0
Financial Income	2,718,568	989,110

3.6 Financial Expenses

	Period ended 31 March 2009	
	Group £	Company £
Interest on short term borrowings and Other financing costs	(1,355,020)	0
Interest on term loans	(851,718)	0
Financial Expenses	(2,206,738)	0

3.7 Income Tax expense

	Period ended 31 March 2009
	Group £
Current tax expense	
Current tax	(870,850)
Deferred tax expense	
Origination and reversal of temporary differences	(126,557)
Benefit of tax losses recognized	
Total income tax expense in income statement	(997,407)

A substantial portion of the profits of the Group's Indian SPV's are exempt from Indian income taxes, being profits attributable to generation of power. Under the tax holiday, the Indian SPV's can utilize an exemption from income taxes for a period of 10 years commencing from the initial assessment year. However the said SPV's are subject to the provisions of Minimum Alternate Tax ('MAT') under the Indian Income Tax. In terms of this legislation, where the tax liability of a company is less than 10 per cent of the book profit (excluding surcharge and education cess), such book profit shall be deemed to be the taxable income and chargeable to tax at the rate of 10 per cent plus applicable surcharge and education cess. The Indian SPV's can avail credit of the MAT paid against future tax liabilities and can carry forward and set off with in seven years from the end of the financial year in which MAT is paid.

3.8 Property, Plant and Equipment

	Land £	Building £	Plant and machinery £	Furniture and fixtures £	Office Equipments £	Vehicles £	Computer £	Total £
Gross Bloc k								
As of 1 April 2008	215,628	961,777	6,683,629	4,347	23,640	15,332		7,904,353
Additions during the year	6,666,028	-	501,252	8,521	6,816	107,605	7,810	7,298,032
Disposals during the year	(84,489)	-	-	-	(5,383)			(89,872)
Transfers								-
Transla tion Adjustment	(38,521)	24,216	490,837	262	1,269	1,126	-	479,189
As of 31 March 2009	6,758,646	985,993	7,675,718	13,130	26,342	124,063	7,810	15,591,702
Accumulated depreciation								
As of 1 April 2008	-	122,801	1,364,112	907	4,918	5,833	-	1,498,572
Depreciation during the year	-	25,989	344,071	2,414	6,899	15,923	3,534	398,830
Translation adjustment		11,077	124,817	115	750	635		137,394
As of 31 March 2009	-	159,867	1,833,000	3,436	12,567	22,391	3,534	2,034,796
Net book value	6,758,646	826,126	5,842,718	9,694	13,774	101,672	4,276	13,556,906
As of 31 March 2009	6,758,646	826,126	5,842,718	9,694	13,774	101,672	4,276	13,556,906

3.8.1 Borrowing costs capitalized during the year were nil.

3.8.2 Land and Building at Mayavaram belonging to OPG Energy Pvt Ltd, one of the subsidiaries, was represented at fair market value in the Admission Document, at the time of First Time adoption of IFRS. In accordance with the uniform practice being adopted by the other Companies in the Group of valuing land and building at cost, OPG Energy Pvt Limited is also carrying land and buildings at cost. The difference due to revaluation that had been credited to Revaluation Reserve in earlier years amounting to £ 102,129 has been reversed and adjusted and consequential changes made in the Cost of Control computation.

3.8.3 Security

At 31 March 2009, properties with a carrying amount of £ 13.43 Million are secured against the Group's immovable assets, present and future, including the property, plant and equipment. These loans are further secured by a floating charge on the movable assets and by the personal guarantee of a Director.

In addition OPG Energy has availed a bank facility against its receivables which is secured by a first floating charge on its receivables and current assets and by a second charge on the immovable assets of the Company. In addition, this facility is guaranteed by two Directors of OPG Energy and by a former Director.

There are no cross guarantees or cross default clauses attaching to the borrowings of the Indian SPV neither have nor are these borrowings guaranteed or supported by the Company.

3.9 Trade and Other Receivables

	Period ended 31 March 2009	
	Group £	Company £
Trade receivables	1,400,329	13,213
Other Assets	5,230,748	67,386,189
	6,631,077	67,399,402

3.10 Inventories

	Period ended 31 March 2009	
	Group £	Company £
Stock on hand	41,711	0
	41,711	0

3.11 Financial Assets

	Period ended 31 March 2009	
	Group £	Company £
Available for Sale Investments	8,478,766	0
Total	8,478,766	0

Available for Sale

Available for Sale investments, principally Units of Regulated Mutual Funds in India, included above represent investments that present the Group with the opportunity for return through dividend income and gains.

Funds raised in the Initial Public Offer and contributed as equity in two of the subsidiaries - OPG Power Generation Pvt Ltd and OPG Power Gujarat Pvt Ltd were, to the extent not immediately required for the project, deployed in deposits with banks and (in) units of (Regulated, supervised) mutual funds. The mutual fund schemes in which such investments were made were money market, liquid, liquidity, liquid-plus, treasury management and short term debt funds.

Available for Sale financial assets are denominated in Indian Rupees

3.12 Cash and Cash Equivalents

	Period ended 31 March 2009	
	Group £	Company £
Cash	44,669	0
Cash at Bank in Current Accounts	10,290,078	4,039,991
Cheques on hand	157,891	0
Fixed Deposits	21,827,204	
Cash and cash equivalents	32,319,842	4,039,991
Bank overdraft	0	0
Cash and cash equivalents in the statement of cash flows	32,319,842	4,039,991
Restricted Cash	1,403,126	

Restricted cash of £ 1,403,126 represents bank deposits, including accrued interest, of varying maturities extending beyond two years, all of which are under lien to the Group's bankers.

3.13 Other Assets

The amount included prepaid expenses, staff advances, interest accrued and due on deposits, certain deposits and advances received in cash, advance to suppliers etc. The carrying amounts detailed above are the maximum potential credit exposure in relation to these assets.

3.14 Share Capital

The Company is incorporated under the Isle of Man Companies Act 2006 (CA 2006) which does not prescribe that a company shall have an authorized share capital. Rather, subject to CA 2006 and to the Memorandum and Articles of Association, shares in a company may be issued at such times and to such persons, for such consideration and on such terms as its directors may determine.

The Company was incorporated on 17 January 2008 and the capital of the Company prior to the listing of its Ordinary Shares on the London Stock Exchange on 30 May 2008 was 2,500,000 Ordinary shares of 1 Pence each (Nominal value £ 25000). On 22 May 2008 this issued capital was divided into 170,068,027 Ordinary Shares.

Certain companies have invested in the Company prior to Admission at the Placing Price (the "Pre-IPO Monies") as set out in the table below.

Following admission to and listing on the London Stock Exchange, the issued capital of the Company increased as per table below. The Nominal value of each Ordinary share is £ 0.0147.

The issue price at listing was Pence 60 per Ordinary share for the issue of **108,418,367 new Ordinary Shares raising £ 65.10 Million before issue expenses.**

3.14.1 – Number of Equity Shares outstanding at 31 March 2009

	Period ended 31 March 2009	
	Group £	Company £
Founders	170068027	170068027
Issued for cash - Pre IPO	8503401	8503401
Issued for cash - IPO	108418367	108418367
Closing Balance	286989795	286989795

3.14.2 – Issued and Paid up Capital

	Period ended 31 March 2009	
	Group £	Company £
Share Capital		
Founders	25,000	25,000
Issued for cash - Pre IPO	1,250	1,250
Issued for cash - IPO	15,937	15,937
Closing balance - fully paid	42,187	42,187

3.15 Earnings per share

Profit attributable to ordinary shareholders		
	Period ended 31 March 2009	Period ended 31 March 2009
	Group £	Company
Profit for the year	4,638,569	576,282
Profit attributable to ordinary shareholders	2,615,194	576,282
	Period ended 31 March 2009	Period ended 31 March 2009
Weighted average number of ordinary shares	267502834	267502834

Profit attributable to ordinary shareholders(diluted)

	2008-09	2008-09
	£	£
Profit attributable to ordinary shareholders	2,615,194	576,282
Dividends on convertible preference shares	0	0
Interest on convertible debentures	0	0
Profit attributable to ordinary shareholders(diluted)	2,615,194	576,282
Weighted average number of ordinary shares (diluted)		
	2008-09	2008-09
Weighted average number of ordinary shares	267502834	267502834
Effect of conversion of convertible preference shares	0	0
Effect of conversion of convertible debentures	0	0
Weighted average number of ordinary shares(diluted)	267502834	267502834
Basic and Diluted EPS (In Pence)	0.98	0.22

3.16 Trade and other payables

	Period ended 31 March 2009	
	Group £	Company £
Trade payables	799,498	54,881
Deferred Income	0	0
Other Liabilities	60,235	0
	859,733	54,881

3.17 Interest Bearing Loans and Borrowings

	Period ended 31 March 2009
	Group £
Non -Current liabilities	
Secured bank loans	19,967,353
	19,967,353
Current liabilities	
Current portion of secured bank loans	2,481,114
	2,481,114
The borrowings are repayable as follows:	
On demand or within one year	2,481,114
In the second year	5,798,783
In the third to fifth year inclusive	14,168,570
After five years	0
	22,448,467
Less: Amount due for settlement within twelve months (shown under current liabilities)	2,481,114
Amount due for settlement after twelve months	19,967,353

3.18 Financial Instruments

3.18.1 Financial risk factors

(a) The Group's activities expose it to a variety of financial risks; market risk (for example, currency risk) interest rate risk and liquidity risk. The Group's overall risk management programme places stress on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance. The financial instruments of the Group, other than derivatives, comprise loans from banks and financial institutions, nonconvertible bonds, demand deposits and short-term bank deposits.

(b) Financial risk management objectives

The Group's Corporate Treasury function provides services to the Company, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Company through internal risk reports which analyses exposures by degree and magnitude of risks. These risks include fair value interest rate risk, component of market risk, credit risk, liquidity risk and cash flow interest rate risk. The Company does not seek to manage fair value interest rate risk and cash flow interest rate risk on its fixed and floating borrowings, as these risks are managed at the Group level. The company does not enter into any financial derivative contracts. The Company follows Group's policies approved by the board of directors, which provide written principles on, interest rate risk, credit risk, the use of non-derivative financial instruments, and the investment of excess liquidity. Compliance with policies and exposure limits is reviewed by the internal auditors on a continuous basis. The Company does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

3.18.2 Market risk

(a) Foreign Exchange Risk

The Group prepares consolidated financial statements in UK Pounds and conducts substantially all its business in Indian rupees ('INR'). As a result, it is subject to foreign currency exchange risk arising from exchange rate movements which will affect the Group's translation of the results and underlying net assets of its foreign Subsidiaries.

(b) Cash flow and fair value interest rate risk

As the Group has no significant interest-bearing assets other than investment in bank deposits, the Group's income and operating cash flows are substantially independent of changes in market interest rates. The Company considers that the impact of fair value interest rate risk on investment in bank deposits is not material. The Group's interest rate risk arises from long-term borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk. Borrowings issued at fixed rates expose the Group to fair value interest rate risk. During the period, the Group's borrowings at variable or fixed rates were entirely denominated in the functional currency of its Indian entities, being INR.

	Period ended 31 March 2009 (£)				
	On demand Less than 1 year	1 -5 years	More than 5 years	Effective interest rate	Total
Financial assets					
Cash and bank balances	32,319,842	0	0	0	32,319,842
Trade and other receivables	6,631,077	0	0	0	6,631,077
Deposits	0	0	0	0	0
	38,950,919	0	0		38,950,919
Financial Liabilities					
Rupee floating rate loan	2,481,114	19,967,353	0	12.04%	22,448,467
Trade and other payables	859,734	0	0		859,734
	3,340,848	19,967,353	0		23,308,201

The Company's activities expose it primarily to the financial risks of interest rates.

At the reporting date there are no loans and receivables designated at FVTPL. The carrying amount reflected above represents the Company's maximum exposure to credit risk for such loans and receivables.

(C) Credit risk

The Group's credit risk arises from accounts receivable balances on sale of electricity. The Indian entities have entered into exclusive Power Purchase Agreements (PPA's) with industrial buyers to export the entire electricity generated. The Group is therefore committed to sell power to these customers and regards any potential risk of default as being a commercial one. The Group is paid monthly by the buyers for the electricity it supplies.

The Group maintains all its banking relationships with creditworthy banks whose standing it reviews on an on-going basis. The Group enters into derivative financial instruments where the counter party is generally a bank. Consequently, the credit risk on the derivatives and bank deposits is not considered material.

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. For cash and cash equivalents the Company only transacts with entities that are rated the equivalent to investment grade and above. Other financial assets consist of amounts receivable from related parties. The company's exposure to significant concentration of credit risk on receivables from related parties is detailed in note 3.21.3.

The Company's credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

Except as detailed in the following table, the carrying amount of financial assets recorded in the financial statements, which is net of any impairment losses, represents the Company's maximum exposure to credit risk. The company does not hold collateral over these balances.

	Maximum credit risk
	2009 £
Guarantee provided to the bank in respect of overdrafts of subsidiaries	NIL

The table below shows the credit limit and balance of 2 major bank counterparties at the balance sheet date using the Standard and Poor's credit rating symbols.

Counterparty	Location	Rating	Credit limit £	2009 Carrying amount £
Punjab National Bank	India	Not Available	4500000	2836435
Indian Overseas Bank	India	Not Available	3500000	2148289

(d) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and cash equivalents and maintaining adequate credit facilities. In respect of its existing operations the Group funds itself primarily through long-term loans secured against each power plant. The Group's objective in relation to its existing operating business is to maintain sufficient funding to allow the plants to operate at an optimal level and in particular purchase the necessary raw materials required.

In respect of each plant under development, the Group prepares a model to evaluate the necessary funding required. The Group's strategy is to primarily fund such acquisitions by assuming debt in the development companies secured on the power plant to be built. In relation to the payment towards equity component of companies to be developed, the Group ordinarily seeks to fund this by the injection of external funds by debt or equity.

The Group has identified a large range of development opportunities which it is continually evaluating and which are subject to constant change. In respect of its overall business the Group therefore does not, at the current time, maintain any overall liquidity forecasts. The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet to the contractual maturity date.

(e) Capital risk management

The Group's objective when managing capital is to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for stakeholders. The Group also proposes to maintain an optimal capital structure to reduce the cost of capital. Hence, the Group may adjust any dividend payments, return capital to shareholders or issue new shares. Total capital is the equity as shown in the consolidated balance sheet. Currently, the Group primarily monitors its capital structure in terms of evaluating the funding of potential developments. It plans to strike a balance between risks and returns. Management is continuously evolving strategies to optimize the returns and reduce the risks. It includes plans to optimize the financial leverage of the Group.

As cash and cash equivalents of £ 32,319,842 exceed debt of £ 22,448,467 at reporting date, Group's equity of £ 76,807,369 is not geared on a net debt basis.

(f) Interest rate risk management

The Company is exposed to interest rate risk as it borrows funds at both fixed and floating interest rates. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings. The Company's exposures to interest rates on financial assets and financial liabilities are detailed in the liquidity risk management section of this note.

Interest rate sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for non-derivative instruments at the balance sheet date. For floating rate liabilities, the analysis is prepared assuming the amount of liability outstanding at balance sheet date was outstanding for the whole year. A 0.5 per cent increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

	31-Mar-09		
	As Reported	+ 0.50%	-0.50%
Net result for the year	4,638,569	4,608,284	4,668,854
Shareholder's Equity	72,811,084	72,798,479	72,825,129

(g) Liquidity and interest risk tables

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The table includes both interest and principal cash flows.

	Weighted average effective interest rate %	Less than 1 year £	1-3 years £	3-5 years £	Total £
2009					
Non-interest bearing		NIL	NIL	NIL	NIL
Variable interest rate instruments		NIL	NIL	NIL	NIL
Fixed interest rate instruments	9.91%	21,827,204	NIL	NIL	NIL
Finance guarantee		NIL	NIL	NIL	NIL
		<u>21,827,204</u>	<u>NIL</u>	<u>NIL</u>	<u>NIL</u>

At the year end it was not probable that the counterparty to the financial guarantee contract will claim under the contract.

(h) The Company has no non-derivative financial assets

(i) Fair value of financial instruments

Details of the methods of the determination of the fair values of the Company's financial assets and financial liabilities are discussed in the note 2.8. The carrying amount of financial assets and financial liabilities are recorded in these financial statements at amortised cost which approximate their fair values.

3.19 Leases

One of the subsidiaries has taken land on lease for 30 years from 4 September 2006. There is also another lease taken by a subsidiary under a lease agreement dated 26 April 2008, with effect from 23 September 2008 for 15 years on which the 10 MW plant is operated. An amount of £ 105,543 has been charged to the Income statement being the rent for the period.

The total of future minimum lease payments under these non cancellable operating leases for each of the following periods:

	Amount (£)
Not later than one year	79,053
One to five years	818,105
Greater than five years	2,729,168

Minimum lease payments – £ 281,714

3.20 Capital Commitments and Contingent liabilities

3.20.1 Bank Guarantees and Letters of credit

- Towards outstanding Letters of Credit : £ 190,134
- Towards Counter guarantees furnished to the bank outstanding Bank Guarantees : £ 812,891

3.20.2 Estimated amount of contracts remaining to be executed on capital contracts : (net of advances) £ 127,332,911

3.20.3 Claims against the group not acknowledged as debts

- a. Towards additional demand of income tax for the assessment year 2006-07 £ 380,237 against which appeal has been filed before appellate authorities (estimated liability on the same basis for the next three years £ 993,595)
- b. Service charges of £ 23,207 claimed by Gas Authority of India Limited which has been disputed and the appeal pending before High Court of Madras

3.21 Related Parties

3.21.1 Key Management Personnel (KMP)

Arvind Gupta – Managing Director
V.Narayan Swami –Finance Director

3.21.2 List of Related Parties

Name of the Related Party	Nature of Relationship
Gita Investments Limited	Holding Company of the entity
Mr.Arvind Gupta	Key Management Personnel of the entity
Mr.V. Narayan Swami	Key Management Personnel of the entity
Gita Energy Pvt Ltd	Controlled entity
Gita Holdings Pvt Ltd	Controlled entity
OPG Energy private Limited	Step down Controlled entity
OPG Power Generation Private Limited	Step down Controlled entity
OPG Renewable Energy Private Limited	Step down Controlled entity
OPG Power Gujarat Private Limited	Step down Controlled entity

Other Related Parties with whom there were transactions during the period:

Sri Hari Vallabhaa Enterprises & Investments (P) Limited	Entity in which KMP has Control / Significant Influence
Dhanvarsha Enterprises & Investments Private Limited	Entity in which KMP has Control / Significant Influence
Goodfaith Vinimay (P) Ltd	Entity over which KMP exercises Control / Significant Influence through relatives
Salem Food Products Limited	Entity in which KMP has Control / Significant Influence
Kanishk Steel Industries Limited	Entity in which KMP has Control / Significant Influence
Mrs. Gita Devi	Relative of KMP
Mr.Rajesh Gupta	Relative of KMP
Mr.Ravi Gupta	Relative of KMP

3.21.3 Transactions with related parties for the period ended 31 March 2009

Transactions / Names of Party	Relationship	Amount (£)
Sharing of Power		
Kanishk Steel Industries Limited	Entity over which relative of KMP exercises Control / Significant Influence	381,128
Salem Food Products Limited	Entity over which KMP exercises Control / Significant Influence through relatives	16,400
Total		397,528
Cost of Power Generated		
Kanishk Steel Industries Limited	Entity over which relative of KMP exercises Control / Significant Influence	283,515
Loan Outstanding		
Salem Food Products Limited	Entity over which KMP exercises Control / Significant Influence through relatives	844,669
Interest Received		
Salem Food Products Limited	Entity over which KMP exercises Control / Significant Influence through relatives	89,300
Loans Repaid		
Salem Food Products Limited	Entity over which KMP exercises Control / Significant Influence through relatives	67,422
Receivables		
Salem Food Products Limited	Entity over which KMP exercises Control / Significant Influence through relatives	887
Kanishk Steel Industries Limited	Entity over which relative of KMP exercises Control / Significant Influence	13,409
Total		14,296
Investments in share capital		
Gita Investments Limited	Holding Company	22,500
Sri Hari Vallabhaa Enterprises & Investments (P) Ltd	Entity in which KMP is a Director	2,040,817
Dhanvarsha Enterprises & Investments (P) Ltd	Entity in which KMP is a Director	1,530,612
Goodfaith Vinimay (P) Ltd	Entity over which KMP exercises Control / Significant Influence through relatives	1,530,612
Total		5,124,541

Rent paid		
Gita Devi	Close relative of KMP	3,033
Remuneration paid		
Rajesh Gupta	Close relative of KMP. Remuneration as a director of OPG Energy Pvt Ltd.	5,308
Ravi Gupta	Close relative of KMP. Remuneration as a director of the company.	22,517
Total		27,825
Lease Deposit		
Kanishk Steel Industries Limited	Entity over which relative of KMP exercises Control / Significant Influence	3,233,145
Lease Rent paid		
Kanishk Steel Industries Limited	Entity over which relative of KMP exercises Control / Significant Influence	237,584
Reimbursement of Expenses		
Kanishk Steel Industries Limited	Entity over which relative of KMP exercises Control / Significant Influence	23,948

3.21.4 Director's Remuneration

The remuneration of Directors for the period was as follows:

	Amount(£)
Short Term Benefits	313,189
Post employment benefits	NIL
Other long term benefits	NIL
Share based payments	NIL
TOTAL	313,189

Amounts outstanding as on 31 March 2009 – £ 26,488

3.22 Auditors Remuneration

Details of auditor's remuneration are as follows:

	Amount(£)
Statutory audit *	59,292
Internal Audit	2,527
Other services	-
TOTAL	61,819

* Represents audit fees payable to three auditors of the Group.

OPG POWER VENTURES Plc
NOTICE OF THE FIRST ANNUAL GENERAL MEETING

Notice is hereby given that the First Annual General Meeting of OPG Power Ventures Plc (the "Company") will be held at IOMA House, Hope Street, Douglas, Isle of Man, IM1 1JA on 16 July 2009 at 11.30 am for the following purposes:

ORDINARY BUSINESS

To consider and, if thought fit, to pass the following resolutions which will be proposed as ordinary resolutions:

- Resolution 1** To receive and adopt the annual report and audited accounts of the Company for the period ended 31 March 2009, together with the Directors' and Auditor's reports thereon.
- Resolution 2** To appoint Deloitte & Touche as auditors of the Company.
- Resolution 3** To authorise the Directors to determine the remuneration of Deloitte & Touche as auditors of the Company.
- Resolution 4** To reappoint as a Director Mr Arvind Gupta who was appointed to the Board on 31 January 2008.
- Resolution 5** To reappoint as a Director Mr V. Narayan Swami who was appointed to the Board on 31 January 2008.
- Resolution 6** To reappoint as a Director Mr M.C. Gupta who was appointed to the Board on 6 May 2008.
- Resolution 7** To reappoint as a Director Mr Salvatore Martin Gatto who was appointed to the Board on 6 May 2008.
- Resolution 8** To reappoint as a Director Mr Patrick Michael Grasby who was appointed to the Board on 6 May 2008.
- Resolution 9** To reappoint as a Director Mr Ravi Gupta who was appointed to the Board on 12 May 2008.

To consider and, if thought fit, to pass the following resolution which will be proposed as a special resolution:

- Resolution 10** That, subject to satisfying the Solvency Test under the Companies Act 2006 as referred to in Article 13.1(e) of the Articles of Association, the Company generally be and is hereby authorised for the purpose of article 13.1 of the Company's Articles of Association to make market purchases (as defined in the aforementioned section) of Ordinary Shares in the capital of the Company provided that:
- (i) the maximum number of Ordinary Shares hereby authorised to be purchased is 10% of the Ordinary Shares in issue;
 - (ii) the minimum price which may be paid for such shares is 0.0147p per share;
 - (iii) the maximum price (exclusive of expenses) which may be paid for such shares shall be an amount per share which is not more than 5% above the average of the market value of the Ordinary Shares for the 5 trading days before the relevant purchase is made;

(iv) the authority hereby conferred shall (unless previously varied, revoked or renewed) expire at the next annual general meeting of the Company; and

(v) the Company may make a contract to purchase its own shares under the authority hereby conferred prior to the expiry of such authority which will or may be executed wholly or partly after the expiry of such authority, and may make a purchase of its own Ordinary Shares in pursuance of any such authority.

By order of the Board

Philip Scales
Company Secretary

19 June 2009

Notes:

1. A member who is entitled to attend and vote at the above-mentioned meeting is entitled to appoint a proxy or proxies to attend and, on a poll, vote instead of him or her in respect of such shares. A member can appoint more than one proxy in relation to the meeting, provided that each proxy is appointed to exercise the rights attaching to different shares held by him. A proxy need not be a member of the Company.

To appoint more than one proxy you may photocopy the proxy form. Please indicate the proxy holder's name and the number of shares in relation to which they are authorised to act as your proxy (which, in aggregate, should not exceed the number of shares held by you). Please also indicate if the proxy instruction is one of multiple instructions being given. All forms must be signed and should be returned together in the same envelope.

2. A Form of Proxy is enclosed which, to be valid, must be completed and delivered, together with the power of attorney or other authority (if any) under which it is signed (or a certified copy of such authority) to the Company Secretary, IOMA Fund and Investment Management Limited, IOMA House, Hope Street, Douglas, Isle of Man IM1 1JA so as to arrive not later than 11.30am on 14 July 2009, being 48 hours before the time of the meeting.
3. Completion and return of a Form of Proxy does not preclude a member from attending and voting in person should they wish to do so.
4. The Company, pursuant to Regulations 22 and 23 Uncertificated Securities Regulations 2006 (Isle of Man), specifies that only those members registered in the register of members as at 11.30am on 14 July 2009 (or in the event that the meeting is adjourned, on the register of members 48 hours before the time of any adjournment meeting) shall be entitled to attend or vote at the meeting in respect of the ordinary shares registered in their name at that time. Changes to entries on the register of members after 11.30am on 14 July 2009 (or, in the event that the meeting is adjourned, on the register of members less than 48 hours before the time of any adjourned meeting) shall be disregarded in determining the rights of any person to attend or vote at the meeting
5. In order to facilitate voting by corporate representatives at the meeting, arrangements will be put in place at the meeting so that (i) if a corporate shareholder has appointed the Chairman of the meeting as its corporate representative with instructions to vote on a poll in accordance with the directions of all of the other corporate representatives for that shareholder at the meeting, then on a poll those corporate representatives will give voting directions to the Chairman and the Chairman will vote (or withhold a vote) as corporate representative in accordance with those directions; and (ii) if more than one corporate representative for the same corporate shareholder attends the meeting but the corporate shareholder has not appointed the Chairman of the meeting as its corporate representative, a designated corporate representative will be nominated, from those corporate representatives who attend, who will vote on a poll and the other corporate representatives will give voting directions to that designated corporate representative. Corporate shareholders are referred to the guidance issued by the Institute of Chartered Secretaries and Administrators on proxies and corporate representatives (www.icsa.org.uk) for further details of this procedure. The guidance includes a sample form of representation letter if the Chairman is being appointed as described in (i) above.

DIRECTORS, COMPANY SECRETARY AND ADVISERS

Directors

Arvind Gupta (Managing Director)
V. Narayan Swami (Finance Director)
M.C. Gupta (Non-Executive Chairman)
Salvatore Martin Gatto
(Senior Non-Executive Director)
Patrick Michael Grasby
(Non-Executive Director)
Ravi Gupta (Non-Executive Director)

Registered Office

IOMA House
Hope Street
Douglas
Isle of Man
IM1 1JA

Company Secretary

Philip Scales
IOMA House
Hope Street
Douglas
Isle of Man
IM1 1JA

Nominated Adviser and Broker

Cenkos Securities plc
6.7.8 Tokenhouse Yard
London
EC2R 7AS

Solicitors to the Company

Mannin Chambers
3rd Floor, Atlantic House
4-8 Circular Road
Douglas
Isle of Man
IMI 1JA

Auditors

Deloitte Haskins & Sells
ASVN Ramana Tower
52, Venkatnarayana Road
Chennai - 600 017
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