

CESC INFRASTRUCTURE LIMITED

DIRECTORS' REPORT

The Directors present the Third Annual Report and Audited Accounts of CESC Infrastructure Limited for the year ended 31 March 2013.

FINANCIAL RESULTS

During the year under review there was no earning of the Company, and the Company incurred a net loss of Rs. 81.60 lacs. After taking into consideration losses brought forward from previous years, a total loss of Rs. 31.04 lacs has been carried to Balance Sheet.

SUBSIDIARIES

As on 31 March 2013, the Company had two subsidiaries namely Haldia Energy Limited and Dhariwal Infrastructure Limited.

The details of operation of these subsidiaries are given as under:

Haldia Energy Limited is setting up a 2 x 300 MW coal fired thermal power project in Haldia in West Bengal. All requisite clearances, including environmental clearances for the project are in place. Civil construction work is going on in full swing in the main plant area. Boiler drums lifting of Unit I was achieved in March 2013. Construction of the intake water pump house is in an advanced stage. Work on railway infrastructure as well as 400 kV transmission line, which will have 240 meter high towers for a crossing a two – kilometer stretch of the river Hooghly, is in progress.

Dhariwal Infrastructure Limited is setting up 2 x 300 MW coal fired thermal power project at Chandrapur in Maharashtra. Construction work of project is now in its advanced stages. For power evacuation, the work on a 400kV transmission lines was completed during the year. The two units, 1 and 2, are expected to be commissioned in Q1 and Q4, 2013-14, respectively. The Company is construction a line for connecting it with national network which will be completed in Q3 2013-14.

A statement pursuant to Section 212 of the Companies Act, 1956 ('the Act') is annexed with the accounts of the Company.

SHARE CAPITAL

During the year under review, Issued, Subscribed and Paid up Capital of the Company was raised from Rs. 8,26,05,00,000 to Rs.11,88,05,00,000 by issue and allotment of 36,20,00,000 new equity shares of Rs. 10 each for cash at par to CESC Limited, the Holding Company.

DIVIDEND

In view of the loss during the year, the Directors do not recommend any dividend.

PUBLIC DEPOSITS

The Company, during the year, has not accepted any deposits within the meaning of Section 58A of the Act and Rules made thereunder.

DIRECTORS

Mr. S. Mitra retires by rotation and, being eligible, offers himself for reappointment as Director.

Since the close of the year, Mr. U. Bhattacharyya ceased to be a director of the Company with effect from 14 May 2013. The Board has placed on record its appreciation for the valuable contribution made by Mr. Bhattacharyya during his tenure as a Director of the Company.

AUDIT COMMITTEE

Audit committee of the Board comprises of Mr. R. Jha, Mr. S. Talukdar and Mr. S. Mitra.

RESPONSIBILITY STATEMENT

Pursuant to Section 217 (2AA) of the Act, your Directors hereby state and confirm that:

- i) in the preparation of accounts for the year ended 31 March 2013, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii) appropriate accounting policies have been selected and applied consistently, and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31 March 2013 and of the loss for the year 1 April 2012 to 31 March 2013;
- iii) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) the accounts for the year ended 31 March 2013 have been prepared on a going concern basis.

AUDITORS

Messrs Lovelock & Lewes, Chartered Accountants (Firm Registration Number – 301056E), Auditors of the Company hold office until the conclusion of the forthcoming Annual General Meeting and, being eligible, offer themselves for reappointment.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS / OUTGO

i) Conservation of Energy

The Company is not engaged in any power-intensive industry; the Company is making every effort to conserve the use of power. The impact if any, of such measures is not identifiable.

ii) Technology Absorption

The Company did not undertake any research and development activity, which needs to be absorbed or adapted.

iii) Foreign Exchange Earning and outgo

During the year, there has been no foreign exchange earning or outgo.

PARTICULARS OF EMPLOYEES

There was no employee during the period under review in respect of whom the information required to be furnished under Section 217(2A) of the Act are applicable.

On behalf of the Board of Directors

Sd/-
S. Talukdar
(Director)

Sd/-
S. Mitra
(Director)

Kolkata, 27 May 2012

INDEPENDENT AUDITORS' REPORT

To the Members of CESC Infrastructure Limited

Report on the Financial Statements

1. We have audited the accompanying financial statements of CESC Infrastructure Limited (the "Company"), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information, which we have signed under reference to this report.

Management's Responsibility for the Financial Statements

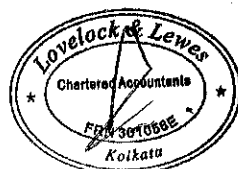
2. The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of 'the Companies Act, 1956' of India (the "Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence, about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Management, as well as evaluating the overall presentation of the financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

6. In our opinion, and to the best of our information and according to the explanations given to us, the accompanying financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
 - (b) in the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and
 - (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.



Report on Other Legal and Regulatory Requirements

7. As required by 'the Companies (Auditor's Report) Order, 2003', as amended by 'the Companies (Auditor's Report) (Amendment) Order, 2004', issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

8. As required by section 227(3) of the Act, we report that:
 - (a) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Act;
 - (e) On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

For Lovelock & Lewes
Firm Registration Number: 301056E
Chartered Accountants



Prabal Kr. Sarkar
Partner
Membership Number 52340

Kolkata
May 27, 2013

Annexure to Auditors' Report

Referred to in paragraph 7 of the Auditors' Report of even date to the members of CESC Infrastructure Limited on the financial statements as of and for the year ended March 31, 2013

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
(b) The fixed assets of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.
(c) In our opinion, and according to the information and explanations given to us, a substantial part of fixed assets has not been disposed off by the Company during the year.
- ii. The Company does not have any inventory and accordingly clause (ii)(a) to (ii)(c) of Paragraph 4 of the Companies (Auditors' Report)(Amendment) Order, 2004 is not applicable.
- iii. The Company has not [granted/taken] any loans, secured or unsecured, to/from companies, firms or other parties covered in the register maintained under Section 301 of the Act. Therefore, the provisions of Clause 4(iii)[(b),(c) and (d) /(f) and (g)] of the said Order are not applicable to the Company.
- iv. In our opinion, and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of fixed assets. The Company does not have any inventory and sale of goods and services. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us, we have neither come across, nor have been informed of, any continuing failure to correct major weaknesses in the aforesaid internal control system.
- v. According to the information and explanations given to us, there have been no contracts or arrangements that need to be entered in the register maintained under Section 301 of the Act.
- vi. The Company has not accepted any deposits from the public within the meaning of Sections 58A and 58AA of the Act and the rules framed there under.
- vii. In our opinion, the Company has an internal audit system commensurate with its size and the nature of its business.
- viii. The Central Government of India has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Act for any of the products of the Company.
- ix. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues, including provident fund, income tax, and other material statutory dues, as applicable, with the appropriate authorities.
(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income-tax which have not been deposited on account of any dispute.
- x. As the Company is registered for a period less than five years, the provisions of Clause 4(x) of the Order are not applicable to the Company.



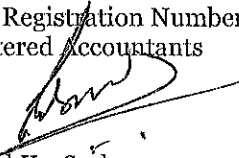
Annexure to Auditors' Report

Referred to in paragraph 7 of the Auditors' Report of even date to the members of CESC Infrastructure Limited on the financial statements for the year ended March 31, 2013

Page 2 of 2

- xi. As the Company does not have any borrowings from any financial institution or bank nor has it issued any debentures as at the balance sheet date, the provisions of Clause 4(xi) of the Order are not applicable to the Company.
- xii. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Therefore, the provisions of Clause 4(xii) of the Order are not applicable to the Company
- xiii. As the provisions of any special statute applicable to chit fund/ nidhi/ mutual benefit fund/ societies are not applicable to the Company, the provisions of Clause 4(xiii) of the Order are not applicable to the Company.
- xiv. In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of Clause 4(xiv) of the Order are not applicable to the Company.
- xv. In our opinion, and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year. Accordingly, the provisions of Clause 4(xv) of the Order are not applicable to the Company
- xvi. The Company has not raised any term loans. Accordingly, the provisions of Clause 4(xvi) of the Order are not applicable to the Company.
- xvii. The Company has not raised any loans on short term basis. Accordingly, the provisions of Clause 4(xvii) of the Order are not applicable to the Company.
- xviii. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act during the year. Accordingly, the provisions of Clause 4(xviii) of the Order are not applicable to the Company.
- xix. The Company has not issued any debentures during the year and does not have any debentures outstanding as at the beginning of the year and at the year end. Accordingly, the provisions of Clause 4(xix) of the Order are not applicable to the Company.
- xx. The Company has not raised any money by public issues during the year. Accordingly, the provisions of Clause 4(xx) of the Order are not applicable to the Company.
- xxi. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

For Lovelock & Lewes
Firm Registration Number: 301056E
Chartered Accountants


Prabal Kr. Sarkar
Partner
Membership Number 52340

Kolkata
May 27, 2013

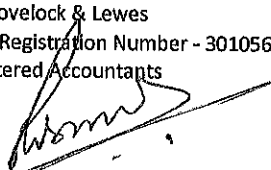
CESC Infrastructure Limited
Registered Office: CESC House, Chowringhee Square, Kolkata-700001

Balance Sheet as at 31st March, 2013


Particulars	Note No.	As at 31st March 2013	As at 31st March 2012
		Rs.	Rs.
I. EQUITY AND LIABILITIES			
Shareholders' funds			
Share Capital	2.1	11,880,500,000	8,260,500,000
Reserves and Surplus	2.2	(31,041,919)	(22,882,381)
Non-Current Liabilities			
Long term provisions	2.3	468,250	-
Current liabilities			
Other current liabilities	2.4	5,606,390,197	6,955,950,315
TOTAL		17,456,316,528	15,193,567,934
II. ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	2.5	154,854	-
Non-current investments	2.6	17,105,789,600	14,835,789,600
Current assets			
Current Investments	2.7	297,285,000	-
Cash and bank balances	2.8	53,057,074	30,493,334
Short term loans and advances	2.9	30,000	327,285,000
TOTAL		17,456,316,528	15,193,567,934
Notes forming part of Financial Statements	1 - 2.19		


This is the Balance Sheet referred to in our Report of even date.

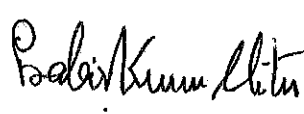
For Lovelock & Lewes
 Firm Registration Number - 301056E
 Chartered Accountants


 Prabal Kr. Sarkar
 Partner
 Membership Number 52340

For and on behalf of the Board of Directors


 Director


 Director


 Manager

Place: Kolkata
 Date: 27 May, 2013

CESC Infrastructure Limited

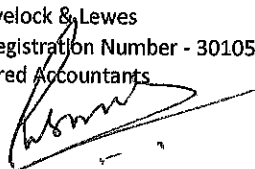
Registered Office: CESC House, Chowringhee Square, Kolkata-700001

Profit and Loss Statement for the year ended 31st March, 2013




Particulars	Note No.	2012-13 Rs.	2011-12 Rs.
Revenue		-	-
Expenses			
Employee benefit expenses	2.10	4,608,623	120,000
Depreciation and amortisation expense		13,985	-
Administrative and other expenses	2.11	3,536,930	2,459,638
		<u>8,159,538</u>	<u>2,579,638</u>
Loss for the Year		<u>(8,159,538)</u>	<u>(2,579,638)</u>
Earnings per equity share (Face value of Rs. 10 per share)			
Basic and Diluted	2.16	(0.010)	(0.004)
Notes forming part of Financial Statements	1 - 2.19		

This is the Profit and Loss Statement referred to in our report of even date.

For Lovelock & Lewes
Firm Registration Number - 301056E
Chartered Accountants


Prabal Kr. Sarkar
Partner
Membership Number 52340

For and on behalf of the Board of Directors

 Director
 Director
 Manager

Place: Kolkata
Date: 27 May, 2013

1 .Significant Accounting Policies

i) Accounting Convention

The financial statements have been prepared to comply in all material aspects with all the applicable accounting principles in India, including Accounting Standards notified under section 211(3C) of the Companies Act, 1956 and the relevant provisions of the Companies Act, 1956. A summary of important accounting policies which have been applied consistently except for (iii), (vi), (vii) are set out below.

ii) Basis of Accounting

The financial statements have been prepared under the historical cost convention.

iii) Tangible Assets

a) Cost

Tangible Assets are stated at cost of acquisition together with any incidental expenses for acquisition/installation. Impairment Loss if any ascertained as per the Accounting Standard – 28 “Impairment of Assets” as per the company is recognized. Profit and Loss on disposal of tangible assets is recognized in the Profit and Loss Statement.

b) Depreciation

Depreciation on tangible assets is provided on written-down value method at the rates specified in Schedule XIV to the Companies Act, 1956.

iv) Deferred Tax

Deferred Tax is recognized, subject to consideration of prudence, on timing difference, being the difference between taxable income and accounting income, which originate in one period and are capable of reversal in one or more subsequent year as per Accounting Standard 22 - “ Accounting for Taxes on Income” as per Companies (Accounting Standards) Rules, 2006. Deferred tax assets are not recognised unless there is reasonable certainty and in case of brought forward loss and unabsorbed depreciation there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

v) Investments

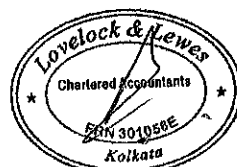
Non-current Investments are stated at cost. Provision is made where there is a decline, other than temporary, in the value of non-current Investments. Current Investments are stated at lower of cost and fair value.

vi) Employee Benefits

Provident Fund is accounted for on accrual basis and is contributed to the fund maintained with the Regional Provident Fund Commissioner, West Bengal. Provision for gratuity liability and leave encashment liability are made on the basis of actuarial valuation done at the end of the year by an independent actuary.

vii) Leasing

Lease rentals in respect of vehicle under operating lease have been charged off to Profit and Loss Statement.



Note - 2.1 : Share Capital

Particulars	As at	As at
	31st March 2013 Rs.	31st March 2012 Rs.
Authorised Share Capital		
1,700,000,000 Equity Shares of Rs 10/- each	17,000,000,000	17,000,000,000
Issued, Subscribed and Paid up capital		
1,188,050,000 (Previous Year: 826,050,000) Equity Shares of Rs 10/- each, fully paid up	11,880,500,000	8,260,500,000
	11,880,500,000	8,260,500,000

(a) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs 10/- per share. Each holder of equity is entitled to one vote per share. The Company has not declared any dividend to its shareholders since inception. In the event of liquidation of the Company the holders of equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

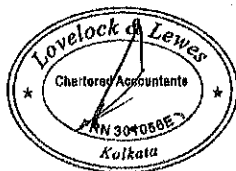
(b) Details of shareholders holding more than 5 % shares in the Company

Name of shareholder	As at 31st March, 2013		As at 31st March, 2012	
	No. of shares	%	No. of shares	%
CESC Limited	1,188,050,000	100	826,050,000	100

CESC Limited is the Holding Company of CESC Infrastructure Limited and percentage of shares held is stated above.

(c) Reconciliation of shares outstanding at the beginning and at the end of the reporting year

Particulars	As at 31st March, 2013		As at 31st March, 2012	
	No. of shares	Rs.	No. of shares	Rs.
Opening balance at the beginning of the year	826,050,000	8,260,500,000	716,050,000	7,160,500,000
Add: Equity shares issued during the year	362,000,000	3,620,000,000	110,000,000	1,100,000,000
Shares outstanding at the end of the year	1,188,050,000	11,880,500,000	826,050,000	8,260,500,000



CESC Infrastructure Limited

Registered Office: CESC House, Chowringhee Square, Kolkata-700001

Note - 2.2 : Reserves and Surplus

Particulars	As at	As at
	31st March 2013	31st March 2012
	Rs.	Rs.
Surplus In the Profit and Loss Statement		
Debit balance at the beginning of the year	(22,882,381)	(20,302,743)
Add: Loss for the year	(8,159,538)	(2,579,638)
Debit balance at the end of the year	(31,041,919)	(22,882,381)

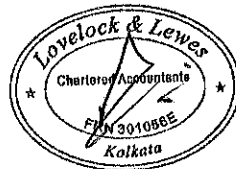
Note 2.3: Long term provisions

Particulars	As at	As at
	31st March 2013	31st March 2012
	Rs.	Rs.
Provision for Employee benefits	468,250	-
	468,250	-

Note - 2.4: Other current liabilities

Particulars	As at	As at
	31st March 2013	31st March 2012
	Rs.	Rs.
Payable to Subsidiary Company	5,605,189,540	6,955,189,540
Other payables	1,200,657	760,775
	5,606,390,197	6,955,950,315

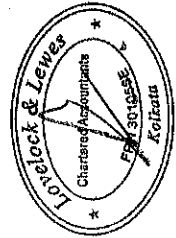
- (a) There is no amount due to Micro and Small Enterprises as referred in the Micro, Small and Medium Enterprise Development Act, 2006 based on the information available with the Company.
- (b) Other payables include employee related liability, professional fees, creditors towards contractual obligations, etc.



CESC Infrastructure Limited
 Registered Office: CESC House, Chowringhee Square, Kolkata-700001

NOTE:2.5 Tangible Assets

PARTICULARS	GROSS BLOCK AT COST		DEPRECIATION		NET BLOCK	
	As at 1st April, 2012 Rs.	Additions /Adjustments As at 31st March, 2013 Rs.	As at 1st April, 2012 Rs.	Additions /Adjustments As at 31st March, 2013 Rs.	As at 31st March, 2013 Rs.	As at 31st March, 2012 Rs.
Computers	-	168,839	-	13,985	154,854	-
Previous Year	-	168,839	-	13,985	154,854	-



Note 2.6: Non Current Investments

Particulars	As at 31st March 2013 Rs.	As at 31st March 2012 Rs.
Other than Trade Investments - Unquoted		
Investments in Equity Instruments of Subsidiary Companies		
712,960,003 Equity Shares of Haldia Energy Limited of Rs 10 each, fully paid up	7,130,600,060	7,130,600,060
686,768,954 (Previous year : 459,768,954) Equity Shares of Dhariwal Infrastructure Limited of Rs 10 each, fully paid up	9,975,189,540	7,705,189,540
	17,105,789,600	14,835,789,600

- (a) All non-current investments are long term in nature.
- (b) Based on a review of the projected business prospect of the Company's subsidiaries (which is in development stage), in spite of present losses therein, the management does not foresee any diminution other than temporary, in the value of the Company's non-current investment.

Note 2.7: Current Investments

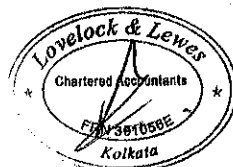
Particulars	As at 31st March 2013 Rs.	As at 31st March 2012 Rs.
Other than Trade Investments - Unquoted		
29,728,500 (Previous year : Nil) Equity Shares of Noida Power Company Limited of Rs 10 each, fully paid up	297,285,000	-
	297,285,000	-

Note 2.8: Cash and Bank Balances

Particulars	As at 31st March 2013 Rs.	As at 31st March 2012 Rs.
Cash and Cash equivalents		
Balance with Banks	53,033,860	30,493,334
Cash on hand	23,214	-
	53,057,074	30,493,334

Note 2.9: Short term loans and advances

Particulars	As at 31st March 2013 Rs.	As at 31st March 2012 Rs.
(Unsecured, considered good)		
Advance for share subscription	-	327,285,000
Other Deposits	30,000	-
	30,000	327,285,000



Note 2.10 : Employee Benefit Expenses

Particulars	2012-13	2011-12
	Rs.	Rs.
Salaries	4,176,645	120,000
Contribution to provident and other funds	161,517	-
Staff Welfare Expenses	270,461	-
	4,608,623	120,000

Employee Benefits :-

Defined Contribution Plan

The Company maintains a Provident Fund with the Regional Provident Fund authorities where contributions are made by the Company as well as by the employees. An amount of Rs. 161,517/- (Previous Year – Rs. Nil) has been charged off to Profit and Loss Statement.

Defined Benefit Plan

The Company also provides for gratuity and leave encashment benefit to the employees. Annual actuarial valuations at the end of the each year are carried out by an independent actuary based on the method prescribed in Accounting Standard - 15 - "Employee Benefits" of the Companies (Accounting Standards) Rules 2006.

Net liability recognised in the Balance Sheet are as follows:

	Gratuity		Leave Encashment	
	2012-13	2011-12	2012-13	2011-12
	Present value of unfunded obligation	41,244	-	427,006
Net Liability	41,244	-	427,006	-

Amount recognised in the Profit and Loss Statement and charged to Salaries as follows:

	Gratuity		Leave Encashment	
	2012-13	2011-12	2012-13	2011-12
	Current Service cost	41,244	-	427,006
Interest cost	-	-	-	-
Net actuarial gain recognised during the year	-	-	-	-
Total	41,244	-	427,006	-

Reconciliation of opening and closing balances of the present value of the obligations:

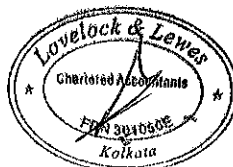
	Gratuity		Leave Encashment	
	2012-13	2011-12	2012-13	2011-12
	Opening defined benefit obligation	-	-	-
Current Service cost	41,244	-	427,006	-
Interest cost	-	-	-	-
Actuarial gain	-	-	-	-
Benefits paid	-	-	-	-
Closing Defined Benefit Obligation	41,244	-	427,006	-

Principal Actuarial Assumption Used:

	2012-13	2011-12	2012-13	2011-12
Discount Rates	8.20%	-	8.20%	-
Expected Salary Increase rates	5.00%	-	5.00%	-
Mortality Rates	Indian Assured Lives Mortality (2006-08) ultimate	-	Indian Assured Lives Mortality (2006-08) ultimate	-

The estimates of future salary increase considered in the actuarial valuation takes into account factors like inflation, seniority, promotion and other relevant factors. The expected return on plan assets is based on actuarial expectation of the average long term rate of return expected on investments of the funds during the estimated terms of the obligations.

The contribution expected to be made by the Company for the year ending 31 March, 2014 cannot be readily ascertainable and therefore not disclosed.

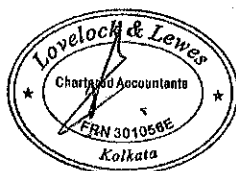


Note 2.11 : Administrative and Other Expenses

Particulars	2012-13 Rs.	2011-12 Rs.
Rates and taxes	16,750	-
Lease Rent	26,251	-
Audit Fees(including Service Tax)	561,800	561,800
Donation	2,500,000	-
Professional Fees	178,441	266,690
Demat Charges	-	1,103,000
Travelling Expenses	238,388	457,800
Miscellaneous Expenses	15,300	70,348
	3,536,930	2,459,638

Note 2.12 Contingent Liabilities and Commitments (To the extent not provided for)

The Company, has commitment in providing equity support to the subsidiaries for project development and has subjected itself for certain restrictions in transfer of its investments in such subsidiaries.



CESC Infrastructure Limited**Registered Office: CESC House, Chowringhee Square, Kolkata-700001****Note 2.13:**

Since the Company has incurred loss during the year, no provision for taxation has been made in the accounts.

Note 2.14:

The Company is engaged in the business of promoting power development projects through subsidiaries and does not operate in any other reportable segment.

Note 2.15:

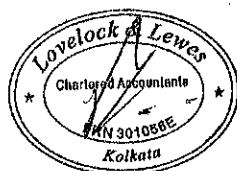
Miscellaneous expenses shown in Note 2.11 include

Particulars	2012-13 Rs.	2011-12 Rs.
Auditors Remuneration:		
Other Services and Service Tax thereon	-	55,150

Note 2.16:**Earnings per Share**

Computation of Earnings per Share

Particulars	2012-13 Rs.	2011-12 Rs.
(i) Number of Equity Shares at the beginning of the year	826,050,000	716,050,000
(ii) Number of Equity Shares issued during of the year	362,000,000	110,000,000
(iii) Number of Equity Shares at the end of the year	1,188,050,000	826,050,000
(iv) Weighted average number of Equity Shares outstanding for the year (A)	828,033,562	716,652,740
(v) Face Value of each Equity Share (in Rs.)	10	10
Loss attributable to Equity Shareholders (B) (in Rs.)	8,159,538	2,579,638
Loss Per Share (in Rs.) (B/A)	0.010	0.004



CESC Infrastructure Limited**Registered Office: CESC House, Chowringhee Square, Kolkata-700001****Note 2.17:****Related Party disclosures****2.17.1. Related Parties and their Relationship**

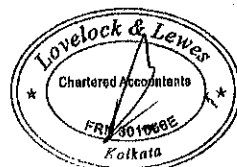
Name of Related Parties		Nature of relationship
i	CESC Limited	Holding Company
ii	Haldia Energy Limited, Dhariwal Infrastructure Limited	Subsidiary Company
iii	Noida Power Company Limited	Subsidiary Company (from 23rd July, 2012 to 18th March, 2013)
iv	Spencer's Retail Limited, CESC Properties Limited, Metromark Green Commodities Private Limited., Music World Retail Limited, Au Bon Pain Café India Limited, Nalanda Power Company Limited, CESC Projects Limited, Bantal Singapore Pte. Limited, Surya Vidyut Limited, Papu Hydropower Projects Limited (w.e.f. 15th May, 2012), Pachi Hydropower Projects Limited (w.e.f. 15th May, 2012), Spen Liq Private Limited (w.e.f. 9th October, 2012), Firstsource Solutions Limited (w.e.f. 5th December, 2012), Firstsource Group USA , Inc. (w.e.f. 5th December, 2012), Firstsource BPO Ireland Limited. (w.e.f. 5th December, 2012) ,Firstsource Solutions UK Limited (w.e.f. 5th December, 2012), Anunta Tech Infrastructure Services Limited. (w.e.f. 5th December, 2012), Firstsource-Dialog Solutions Pvt. Limited (w.e.f. 5th December, 2012), MedAssist Holding, Inc. (w.e.f. 5th December, 2012), Firstsource Business Process Services, LLC (w.e.f. 5th December, 2012), Firstsource Solutions USA, LLC (w.e.f. 5th December, 2012), Firstsource Advantage, LLC (w.e.f. 5th December, 2012),Firstsource Transaction Services, LLC (w.e.f. 5th December, 2012),Twin Lakes Property LLC, (Twinlakes-I), (w.e.f. 5th December, 2012), Twin Lakes Property LLC (Twinlakes-II) (w.e.f. 5th December, 2012), Ranchi Power Distribution Company Private Limited (w.e.f. 12th November, 2012)	Fellow Subsidiary Companies
v	Mr. Prabir Kumar Mitra	Key Management Personnel



2.17.2 Details of transactions between the Company and related parties and status of outstanding balance.

Rs.

		2012 – 13			2011 – 12		
		Holding Company	Subsidiary Companies	Key Mgmt Personnel	Holding Company	Subsidiary Companies	Key Mgmt Personnel
i	Share Application Money Received	3,620,000,000	-	-	1,100,000,000	-	-
ii	Allotment of Equity Shares	3,620,000,000	-	-	1,100,000,000	-	-
iii	Purchase of Equity Shares of Dhariwal Infrastructure Limited from Haldia Energy Limited	-	-	-	-	6,907,654,550	-
iv	Purchase of Advance against issue of Equity Shares of Dhariwal Infrastructure Limited from Haldia Energy Limited	-	-	-	-	47,534,990	-
v	Payment to Haldia Energy Limited for purchase of Equity Shares of Dhariwal Infrastructure Limited in 2011-12	-	1,350,000,000	-	-	-	-
vi	Advance to Dhariwal Infrastructure Limited against issue of Equity Shares	-	2,270,000,000	-	-	750,000,000	-



CESC Infrastructure Limited

Registered Office: CESC House, Chowringhee Square, Kolkata-700001

Vii	Allotment of Equity Shares in Dhariwal Infrastructure Limited	-	2,270,000,000	-	-	797,534,990	-
Viii	Remuneration to Mr. Prabir Kumar Mitra	-	-	120,000	-	-	120,000
ix	Outstanding Balance Debit (Rs.)	-	-	-	-	-	-
	Credit (Rs.)	-	5,605,189,540	237,683	-	6,955,189,540	120,323

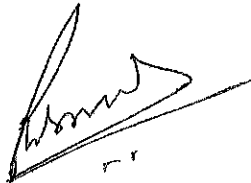
Note 2.18:

The Company is in the process of appointing a Company Secretary.

Note 2.19:

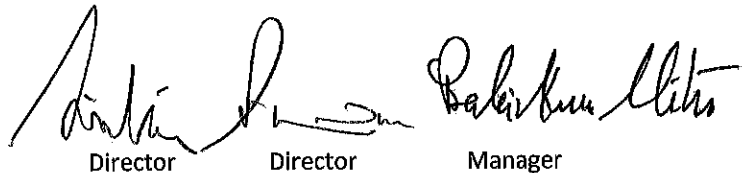
Previous year's figures have been re-classified/regrouped wherever necessary.

For Lovelock & Lewes
Firm Registration Number: 301056E
Chartered Accountants



Prabal Kr. Sarkar
Partner
Membership Number 52340

For and on behalf of Board of Directors



Director

Director

Manager

Place: Kolkata
Date: 27 May, 2013

CESC Infrastructure Limited
Registered Office: CESC House, Chowringhee Square, Kolkata-700001
Cash Flow Statement for the year ended 31st March, 2013

	2012-13	2011-12
	(Rs.)	(Rs.)
A. Cash Flow from Operating Activities		
(Loss) before taxation for the year	(8,159,538)	(2,579,638)
Adjustment for :		
Depreciation	13,985	-
Operating Loss before Working Capital Changes	(8,145,553)	(2,579,638)
Adjustment for:		
(Increase) in Loans and Advances	(30,000)	-
Increase/(Decrease) in Current Liabilities and Provisions	908,132	(19,497,298)
Net Cash used in Operating Activities	(7,267,421)	(22,076,936)
B. Cash Flow from Investing Activities		
Purchase of Fixed Assets	(168,839)	-
Sale of Current Investments	30,000,000	-
Investments in Subsidiary	(2,270,000,000)	-
Payment made for acquisition of Subsidiary (refer note 2 below)	(1,350,000,000)	(750,000,000)
Advance for Share Subscription	-	(327,285,000)
Net Cash used in Investing Activities	(3,590,168,839)	(1,077,285,000)
C. Cash Flow from Financing Activities		
Proceeds from Issue of Share Capital	3,620,000,000	1,100,000,000
Net Cash Flow from Financing Activities	3,620,000,000	1,100,000,000
Net Increase of Cash and Cash Equivalents	22,563,740	638,064
Cash and Cash Equivalents - Opening Balance	30,493,334	29,855,270
Cash and Cash Equivalents - Closing Balance	53,057,074	30,493,334

Notes:

1 The Cash Flow Statement has been prepared under the Indirect method as given in the Accounting Standard on Cash Flow Statement (AS-3) as per Companies Accounting Standard Rules, 2006.

	(Rs.)	(Rs.)
2 Opening Balance	6,955,189,540	-
Purchase Consideration for acquiring shares of Subsidiary	-	7,705,189,540
Amount Paid	(1,350,000,000)	(750,000,000)
Balance Payable	5,605,189,540	6,955,189,540

3 Previous year's figures have been regrouped/rearranged wherever necessary

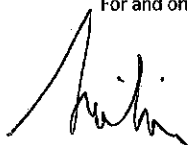
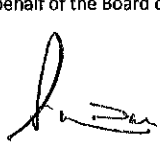
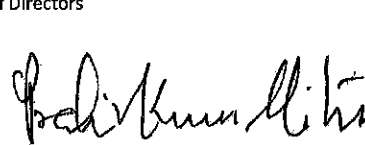
This is the Cash Flow Statement referred to in our Report of even date.

For Lovelock & Lewes
Firm Registration Number - 301056E
Chartered Accountants

Prabal Kr. Sarkar
Partner
Membership Number 52340

Place: Kolkata
Date: 27 May, 2013

For and on behalf of the Board of Directors

  
Director Director Manager

CESC Infrastructure Limited
Registered Office: CESC House, Chowringhee Square, Kolkata-700001


STATEMENT REGARDING SUBSIDIARY COMPANIES FOR THE FINANCIAL YEAR ENDING 31 MARCH 2013

PURSUANT TO SECTION 212 OF COMPANIES ACT, 1956

Sl No	Name of Subsidiary Company	Number of Shares held by the Company	Extent of Holding	Profit / (Losses) so far as it concerns the members of the holding Company and not dealt with in the books of Accounts of the Holding Company		Profit / (Losses) so far as it concerns the members of the holding Company and dealt with in the books of Accounts of the Holding Company	
				For the Financial Year of the Subsidiary	For the Previous Financial year(s) since it become a subsidiary	For the Financial Year of the Subsidiary	For the Previous Financial year(s) since it become a subsidiary
				Rs	Rs	Rs	Rs
1	Haldia Energy Limited	712,960,003	100%	(345,203,647)	(355,119,682)		
2	Dhariwal Infrastructure Limited	686,768,954	100%	(63,435,165)	(156,880,559)		

For and on behalf of the Board


 Director


 Manager