

RANCHI POWER DISTRIBUTION COMPANY PRIVATE LIMITED

DIRECTORS' REPORT

The Directors present the Second Report and Audited Accounts of Ranchi Power Distribution Company Private Limited for the period ended 31 March 2014.

FINANCIAL RESULTS

	₹	₹
	2013-14	2012-13
Profit / (Loss) before Taxation	(6,35,92,512)	(1,56,93,496)
Provision for Income Tax	Nil	Nil
Profit / (Loss) after Taxation	(6,35,92,512)	(1,56,93,496)
Balance carried down to Balance Sheet	(7,92,86,008)	(1,56,93,496)

OPERATIONS

The Company was selected in 2012-13 through a process of competitive bidding to take up distribution franchising in Ranchi Circle of Jharkhand State Electricity Board (JSEB). The distribution area comprises Ranchi and Khunti districts of Jharkhand covering around 7,800 square kilometers and approximately 3.5 lakh consumers. Franchising operation will include operation and maintenance of the distribution system, capital investments for network augmentation and improvement, metering, billing and collection activities and consumer service.

The Distribution Franchisee Agreement (DFA) to this effect was executed between the Company and JESB in December 2012 and related preparatory work and activities towards obligations to meet the conditions precedent in terms of the DFA and currently in progress.

The Company was converted from a Private Limited company to Public Limited Company with effect from 10 December 2013.

SHARE CAPITAL

During the period under review, Authorised Capital of the Company was raised from ₹ 1,00,00,000 to ₹ 10,00,00,000 by creation of 90,00,000 equity shares of Rs. 10/- each. Issued, Subscribed and Paid up capital of the Company was raised from ₹ 1,00,00,000 to ₹ 8,00,00,000 by issue and allotment of 70,00,000 equity shares of Rs. 10 each for cash at par to CESC Limited, the Holding Company.

DIVIDEND

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

PUBLIC DEPOSITS

The Company, has not accepted any deposit within the meaning of Section 58A of the Companies Act, 1956 ('the Act') and Rules made thereunder.

DIRECTORS

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

RESPONSIBILITY STATEMENT

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

- i) in the preparation of annual accounts for the year ended 31 March 2014, 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 2014 and of the loss for the year from 1 April 2013 to 31 March 2014;
- 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 annual accounts for the period ended 31 March 2014 have been prepared on a going concern basis.

AUDITORS

Messrs Batliboi, Purohit & Darbari, Chartered Accountants (Firm Registration Number 303086E), 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 yet to commence any commercial operation and hence did not consume any significant energy.

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.

ACKNOWLEDGEMENT

The Board wishes to place on record its sincere appreciation for the assistance and support extended to the Company by banks, vendors, Government authorities and employees.

On behalf of the Board of Directors

Sd/-
S Talukdar
(Director)

Sd/-
D.K. Sen
(Director)

Kolkata, 29 May 2014

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF RANCHI POWER DISTRIBUTION COMPANY LIMITED

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of RANCHI POWER DISTRIBUTION COMPANY LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flow of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



OPINION

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- b) In the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and
- c) In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. 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.

2. As required by section 227(3) of the Act, we report that:

- a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
- e) On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For Batliboi, Purohit & Darbari
Chartered Accountants
Firm Registration Number: 303086E



Hemal Mehta
Hemal Mehta
Partner

Memb. No. 063404

Kolkata
Dated ^{20/11} 27 May, 2014

Annexure to Independent Auditors' Report

Referred to in the Independent Auditors' Report of even date to the members of Ranchi Power Distribution Company Limited the financial statements as of and for the year ended 31st March, 2014.

1. (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 at reasonable intervals and no material discrepancies were 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, no fixed asset has been disposed during the year and therefore does not affect the going concern assumption.
2. 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.
3. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Consequently, the provisions of clauses 4(iii)(b), (iii)(c) and (iii)(d) of the order are not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not taken loans from companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Thus sub clauses (f) & (g) of the order are not applicable to the company.
4. In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of fixed assets and payment for expenses. During the course of our audit, no major instance of continuing failure to correct any weakness in the internal controls has been noticed.
5. Based on the audit procedures applied by us and according to the information and explanations provided by the management, there have been no contracts or arrangements referred to in Section 301 of the Act during the year to be entered in the register required to be maintained under that section.
6. The Company has not accepted any deposits from the public covered under section 58A and 58AA of the Companies Act, 1956.
7. In our opinion, the Company has an internal audit system commensurate with its size and the nature of its business.
8. The Company has not commenced commercial operations. Hence maintenance of cost records under Section 209(1)(d) of the Act is not applicable during the year.
9. (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 regular in depositing the undisputed statutory dues, including income tax and professional tax 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.



10. As the Company is registered for a period less than five years, clause (x) of paragraph 4 of the Companies (Auditors' Report) (Amendment) Order, 2004 is not applicable. In our opinion and based on the financial statement covered pursuant to this report, there are accumulated losses at the end of the financial year and the company has incurred cash losses during the financial year..
11. According to the records of the Company examined by us and the information and explanations given to us, during the year the Company has not obtained any loan from any financial institution or bank or debenture holders.
12. The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The Company is not a chit fund or a nidhi /mutual benefit fund/society. Therefore, the provision of this clause of the Companies (Auditor's Report) (Amendment) Order, 2004 is not applicable to the Company.
14. In our opinion, the Company is not a dealer or trader in shares, securities, debentures and other investments.
15. According to the information and explanations given to us, the Company has not given any guarantees for loan taken by others from a bank or financial Institution.
16. The company has not raised any term loans during the year.
17. Based on the information and explanations given to us and on an overall examination of the Balance Sheet of the Company as at 31st March, 2014, we report that no funds raised on short-term basis have been used for long-term investment by the Company.
18. The Company has not made any preferential allotment of shares during the year.
19. The Company has not issued any debentures during the year and does not have any debentures outstanding at the year end.
20. The Company has not raised any money by public issue during the year.
21. During the course of our examination of the books and records of the Company, carried out in accordance with generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by Company, noticed or reported during the year, nor have been informed of any such case by the Management.

For Batliboi, Purohit & Darbari**Chartered Accountants****Firm Registration Number: 303086E**

A handwritten signature in black ink, appearing to read "Hemal Mehta".

Hemal Mehta
Partner**Memb. No. 063404****Kolkata**
Dated 21 May, 2014

Ranchi Power Distribution Company Limited

Registered Office: Barick Bhawan, 8, Chittaranjan Avenue, Kolkata-700072

Balance Sheet as at 31st March, 2014

Particulars	Note No.	As at 31st March,	As at 31st March,
		2014	2013
		Rs.	Rs.
I. EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2.1	800,00,000	100,00,000
Reserves and Surplus	2.2	(792,86,008)	(156,93,496)
		<u>7,13,992</u>	<u>(56,93,496)</u>
Non Current Liabilities			
Long-term provisions	2.3	7,98,581	13,605
		<u>7,98,581</u>	<u>13,605</u>
Current liabilities			
Other current liabilities	2.4	460,75,710	124,34,953
Short-term provisions	2.5	9,677	108
		<u>460,85,387</u>	<u>124,35,061</u>
TOTAL		<u>475,97,960</u>	<u>67,55,169</u>
II. ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	2.6	225,37,067	28,47,506
Intangible assets	2.7	1,34,038	-
Capital work-in-progress		50,21,958	-
		<u>276,93,063</u>	<u>28,47,506</u>
Deferred tax assets (net)	2.8	-	-
Long-term loans and advances	2.9	84,85,250	4,18,350
		<u>84,85,250</u>	<u>4,18,350</u>
Current assets			
Cash and bank balances	2.10	112,41,820	34,89,313
Short term Loans & advances	2.11	82,927	-
Other Current Assets	2.12	94,900	-
TOTAL		<u>475,97,960</u>	<u>67,55,169</u>

Significant Accounting Policies

Notes 1 - 2.22 form an integral part of the Accounts.

1

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

For Batlibol, Purohit & Darbarl

Firm Registration Number:303086E

Chartered Accountants

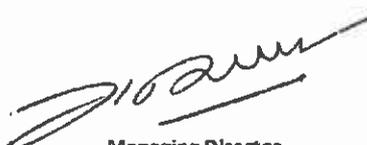

Hemel Mehta

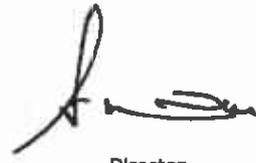
Partner

Membership.No. 063404



For and on behalf of the Board of Directors


Managing Director


Director

Kolkata

Date: 2nd May 2014

Ranchi Power Distribution Company Limited

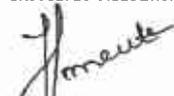
Registered Office: Barick Bhawan, 8, Chittaranjan Avenue, Kolkata-700072

Statement of Profit and Loss for the year ended 31st March, 2014

Particulars	Note No.	2013-14	'12th November
		Rs.	2012 to 31st March
			2013
			Rs.
Other Income	2.13	6,93,167	-
Total Revenue		6,93,167	-
Expenses			
Employee benefit expense	2.14	363,66,651	41,17,721
Depreciation and amortisation expenses	2.15	3,60,862	19,556
Other expenses	2.16	275,58,166	115,56,219
Total expenses		642,85,679	156,93,496
Profit / (Loss) before tax		(635,92,512)	(156,93,496)
Tax expense			
Current			
Deferred			
Profit / (Loss) for the year		(635,92,512)	(156,93,496)
Earnings per equity share (Face value of Rs.10 per share)			
Basic	2.19	(62.40)	(244.12)
Diluted	2.19	(62.40)	(244.12)
Significant Accounting Policies	1		
Notes 1 - 2.22 form an integral part of the Accounts.			

This is the Statement of Profit and loss referred to in our Report of even date.

For Batliboi, Purohit & Darbari
Firm Registration Number:303086E
Chartered Accountants


Himani Mehta
Partner

Membership.No. 063404



For and on behalf of the Board of Directors


Managing Director


Director

Kolkata
Date: 29th May 2014

Cash Flow Statement for the year ended 31st March, 2014

Particulars	2013-14	12th November 2012 to 31st March 2013
	Rs.	Rs.
Cash flow from Operating Activities		
Profit/(Loss) before Taxation	(635,92,512)	(156,93,496)
Adjustments for:		
Depreciation/Amortisation	3,60,862	19,556
Provision for Gratuity	9,569	5,350
Provision for Leave Encashment	7,84,976	8,363
Operating Profit before Working Capital changes	(624,37,105)	(156,60,227)
Adjustments for:		
Receivables	(82,44,727)	(4,18,350)
Payables	297,49,665	124,34,953
Net cash flow from Operating Activities	(409,32,167)	(36,43,624)
Cash flow from Investing Activities		
Purchase of Fixed Assets / Capital Work In Progress	(213,15,326)	(28,67,062)
Net cash flow used in Investing Activities	(213,15,326)	(28,67,062)
Cash flows from Financing Activities		
Proceeds from issue of Equity Shares	700,00,000	100,00,000
Net cash flow from Financing Activities	700,00,000	100,00,000
Net Increase/(Decrease) in cash and cash equivalents	77,52,507	34,89,313
Cash and Cash equivalents - Opening Balance	34,89,313	
Cash and Cash equivalents - Closing Balance	112,41,820	34,89,313

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 .

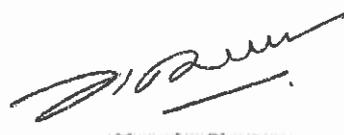
This is the Cash Flow Statement referred to in our Report of even date.

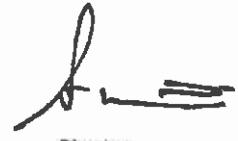
For Batlibol, Purohit & Darbari
 Firm Registration Number:303086E
 Chartered Accountants


 Hema Mehta
 Partner
 Membership.No. 063404



For and on behalf of the Board of Directors


 Managing Director


 Director

Place: Kolkata
 Date: 29th May 2014

RANCHI POWER DISTRIBUTION COMPANY LIMITED

Registered office: Barick Bhawan, 8, Chittaranjan Avenue, Kolkata - 700072

Note 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 and Companies Act 2013 to the extent applicable. A summary of important accounting policies are set out below.

ii) Basis of Accounting:

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

iii) Tangible Assets

Tangible Assets are stated at cost of acquisition together with any incidental expenditure for acquisition/installation. An impairment loss is recognized where applicable, when the carrying value of assets of cash generating unit exceeds its market value or value in use, whichever is higher.

Intangible Assets

Software cost is capitalised as intangible asset, where it is expected to provide future enduring economic benefit.

Depreciation/Amortisation:

Depreciation on tangible assets is provided on straight line method at the rates specified in Schedule XIV to the Companies Act, 1956. The software cost is amortised over a period of 3 years on a straight line basis.

iv) Taxation

Current Tax is determined as the amount of tax payable in respect of taxable income for the year in accordance with the provisions of the Income Tax Act, 1961.

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 years as per Accounting Standard 22 - "Accounting for Taxes on Income" as per Companies (Accounting Standards) Rules, 2006

v) Employee Benefits

Contribution to Provident Fund is accounted for on accrual basis and contribution to the fund is 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



RANCHI POWER DISTRIBUTION COMPANY LIMITED

Registered office: Barick Bhawan, 8, Chittaranjan Avenue, Kolkata - 700072

vi) Leasing

Lease rentals in respect of operating leases have been charged off to the Statement of Profit and Loss.

vii) Revenue Recognition

The Company follows mercantile system of accounting and recognizes revenue as per AS-9 on "Revenue Recognition" issued by The Institute of Chartered Accountants of India.

Other income from investments and deposits etc. is accounted for on accrual basis inclusive of related tax deducted at source, where applicable.



Ranchi Power Distribution Company Limited

Registered Office: Barick Bhawan, 8, Chittaranjan Avenue, Kolkata-700072

Note 2.1 Share Capital

Particulars	As at	As at
	31st March, 2014 Rs.	31st March, 2013 Rs.
Authorised share capital 100,00,000 (31.03.13 : 10,00,000) Equity shares of Rs. 10 each, fully paid up.	100,00,000	100,00,000
Issued, subscribed and paid - up capital 80,00,000 (31.03.13 : 10,00,000) Equity shares of Rs. 10 each, fully paid up.	80,00,000	100,00,000
	80,00,000	100,00,000

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 the shareholder	As at 31st March, 2014		As at 31st March, 2013	
	No. of shares	% of holding	No. of shares	% of holding
CEESC Limited	80,00,000	100	10,00,000	100

CEESC Limited is also the holding Company of Ranchi Power Distribution Company Limited and percentage of shares held is stated above.

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

Particulars	As at 31st March, 2014		As at 31st March, 2013	
	No of Shares	Value (Rs)	No of Shares	Value (Rs)
Shares outstanding at the beginning of the year	10,00,000	100,00,000		
Add: Equity Shares issued during the year	70,00,000	700,00,000	10,00,000	100,00,000
Shares outstanding at the end of the year	80,00,000	800,00,000	10,00,000	100,00,000

Note 2.2 Reserves and Surplus

Particulars	As at	As at
	31st March, 2014 Rs.	31st March, 2013 Rs.
Surplus in the statement of Profit and Loss		
Debit Balance at the beginning of the year	(156,93,496)	(156,93,496)
Add: Profit / (Loss) for the year	(635,92,512)	
Debit Balance at the end of the year	(792,86,008)	(156,93,496)



Ranchi Power Distribution Company Limited

Registered Office: Barick Bhowan, 8, Chittaranjan Avenue, Kolkata-700072

Note 2.3 Long-term provisions

Particulars	As at 31st March, 2014 Rs.	As at 31st March, 2013 Rs.
Provision for employee benefits	7,98,581	13,605
	7,98,581	13,605

Note 2.4 Other current liabilities

Particulars	As at 31st March, 2014 Rs.	As at 31st March, 2013 Rs.
Payable to Holding Company	332,28,374	120,08,584
Audit fees payable	28,090	22,472
Statutory dues payable	7,29,326	69,489
Liabilities on capital account	38,91,092	-
Others payables	81,98,828	3,34,407
	460,75,710	124,34,953

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.

Note 2.5 Short-term provisions

Particulars	As at 31st March, 2014 Rs.	As at 31st March, 2013 Rs.
Provision for employee benefits	9,677	108
	9,677	108



Ranchi Power Distribution Company Limited
 Registered Office: Barick Bhowan, 8, Chittaranjan Avenue, Kolkata - 700072

Note: 2.6 Tangible assets

PARTICULARS	GROSS BLOCK AT COST OR VALUATION		DEPRECIATION/AMORTISATION		NET BLOCK	
	As at 1st April, 2013 Rs.	Additions / Adjustments Rs.	As at 31st March, 2014 Rs.	As at 1st April, 2013 Rs.	Additions / Adjustments Rs.	As at 31st March, 2014 Rs.
Plant & Equipment	8,05,110	6,04,452	14,09,562	2,775	41,250	13,65,537
Furniture & Fixtures	12,46,448	62,14,141	74,60,589	6,575	96,603	73,57,411
Office equipment	5,44,660	9,14,660	14,59,320	2,206	52,412	14,04,702
Computers	2,70,844	122,50,151	125,20,995	8,000	1,03,578	124,09,417
Previous Year	28,67,062	199,83,404	228,50,466	19,556	2,93,843	225,37,067
		28,67,062	28,67,062		19,556	28,47,506

Note: 2.7 Intangible assets

PARTICULARS	GROSS BLOCK AT COST		AMORTISATION		NET BLOCK	
	As at 1st April, 2013 Rs.	Additions / Adjustments Rs.	As at 31st March, 2014 Rs.	As at 1st April, 2013 Rs.	Additions / Adjustments Rs.	As at 31st March, 2014 Rs.
Computer software	-	2,01,057	2,01,057	-	67,019	1,34,038
Previous Year	-	2,01,057	2,01,057	-	67,019	1,34,038



Ranchi Power Distribution Company Limited

Registered Office: Barick Bhawan, 8, Chittaranjan Avenue, Kolkata-700072

Note 2.8 Deferred Taxes

Particulars	As at 31st March, 2014 Rs.	As at 31st March, 2013 Rs.
Deferred Tax Liability Depreciation difference	14,29,287	1,09,332
Deferred Tax Asset Unabsorbed Business Loss/ Depreciation	(14,29,287)	(1,09,332)

As a matter of prudence, deferred tax assets have been recognised only to the extent of deferred tax liability.

Note 2.9 Long term loans and advances

Particulars	As at 31st March, 2014 Rs.	As at 31st March, 2013 Rs.
(Unsecured, considered good) Capital Advance	46,52,126	-
Security Deposits	38,12,124	4,18,350
Other Loans and Advances Advance to Employee	21,000	-
	84,85,250	4,18,350

Note 2.10 Cash & bank balances

Particulars	As at 31st March, 2014 Rs.	As at 31st March, 2013 Rs.
Cash and cash equivalents Balance with banks in current account Cash on hand	108,99,548 42,272	34,41,830 47,483
(b) Other bank balances Bank deposit with original maturity more than 3 months (Bank deposit is in the form of lien marked Fixed Deposit)	3,00,000	-
	112,41,820	34,89,313

Note 2.11 Short term loans and advances

Particulars	As at 31st March, 2014 Rs.	As at 31st March, 2013 Rs.
(Unsecured, considered good) Advance Tax (Income Tax) (Net of Provision for taxation -Rs Nil, Previous year -Rs Nil)	67,327	-
Other Advances Advance to Employee	15,600	-
	82,927	-



Ranchi Power Distribution Company Limited

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Note 2.12 Other Current Assets

Particulars	As at 31st March, 2014 Rs.	As at 31st March, 2013 Rs.
Interest Accrued on Bank Deposit	19,900	-
Receivable towards claim and services rendered - considered good	75,000	-
	94,900	-



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Note 2.13 Other Income

Particulars	2013-14	12th Nov 2012 to 31st March 2013
	Rs.	Rs.
Interest on Deposit with bank	6,93,167	-
	6,93,167	-



Ranchi Power Distribution Company Ltd
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Note 1.14 Employee benefit expenses

Particulars	2013-14	12th Nov 2012 to 31st March 2013
	Rs.	Rs.
Salaries, Wages and bonus	347,56,858	40,56,899
Contribution to provident and other funds	13,69,551	31,645
Staff welfare expenses	7,40,747	29,177
	369,66,156	41,17,721

a) Employee Benefits

Defined Contribution Plan

The Company maintains a Provident Fund with the Regional Provident Fund authorities where contribution are made by the Company as well as by the employees. An amount of Rs 4,45,518 (31 March, 2013- Rs 17,932) has been charged off to Profit and Loss Statement during the year.

Defined Benefit Plan

Liabilities at the year end for gratuity and leave encashment are determined on the basis of actuarial valuation carried out by an independent actuary based on the method prescribed in Accounting Standard 15- "Employee Benefits" as per Companies (Accounting Standard) Rules, 2006

Net Liability/(Asset) recognized in the Balance Sheet are as follows:

	2013-14		12th Nov 2012 to 31st March 2013	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Present value of funded obligation	1,05,447	-	5,350	-
Fair Value of Plan Assets	-	-	-	-
Present value of un-funded obligation	-	7,02,811	-	8,363
Net Liability/(Asset)	1,05,447	7,02,811	5,350	8,363
Experience (Gain)/ Loss adjustment on plan liabilities	86,380	9,19,395	-	-
Experience Gain/(Loss) adjustment on plan assets	-	-	-	-
Experience (Gain)/Loss adjustment on plan liabilities due to change in assumptions	(12,826)	(95,167)	-	-

Amount recognized in Profit and Loss Statement and charged to Salary and bonus are as follows:

	2013-14		12th Nov 2012 to 31st March 2013	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Current Service Cost	26,104	8,270	5,350	8,363
Interest Cost	439	(4,623)	-	-
Expected Return on Plan Assets	-	-	-	-
Actuarial Loss/(Gain)	73,554	8,20,789	-	-
Net service cost	-	-	-	-
Total	1,00,097	8,23,936	5,350	8,363

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

	2013-14		12th Nov 2012 to 31st March 2013	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Opening defined benefit obligation	5,350	8,363	-	-
Current Service Cost	26,104	8,270	5,350	8,363
Interest Cost	439	(4,623)	-	-
Actuarial Loss/(Gain)	73,554	8,20,789	-	-
Benefits paid	-	(1,29,488)	-	-
Closing Defined Benefit Obligation	1,05,447	7,02,811	5,350	8,363

Reconciliation of opening and closing balances of fair value of plan assets:

	2013-14		12th Nov 2012 to 31st March 2013	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Opening fair value of Plan Assets	-	-	-	-
Expected Return on Plan Assets	-	-	-	-
Actual Company Contributions	-	1,29,488	-	-
Actuarial Loss/(Gain)	-	-	-	-
Benefits paid	-	(1,29,488)	-	-
Closing Fair Value on Plan Assets	-	-	-	-

Actual Return on Plan Assets (Rs.)

Principal Actuarial Assumption Used:

	2013-14	12th Nov 2012 to 31st March 2013
Discount Rates	9.20%	8.20%
Expected Return on Plan Assets	9.20%	8.20%
Mortality Rates	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)



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 31st March, 2015 cannot be readily ascertainable and therefore not disclosed.

Note 2.15 Depreciation and Amortisation Expenses

Particulars	2013-14	12th Nov 2012 to 31st March 2013
	Rs.	Rs.
Depreciation on tangible assets	2,93,843	19,556
Amortisation on intangible assets	67,019	-
	3,60,862	19,556

Note 2.16 Other expenses

Particulars	2013-14	12th Nov 2012 to 31st March 2013
	Rs.	Rs.
Rent	79,21,910	5,20,000
Repairs and Maintenance -Dist Network	55,01,006	-
Travelling and Conveyance	33,81,632	20,51,969
Communication Charges	2,86,759	20,251
Professional Fee	20,48,641	65,26,261
Filing fees and other charges	6,75,000	1,59,000
Promotions/Advertisements	2,00,762	11,00,000
Audit fees	28,090	22,472
Printing and Stationery	79,181	38,264
Guest House expenses	27,65,798	2,56,203
Security expenses	3,40,081	1,01,990
Vehicle Expenses	18,53,757	4,36,419
Survey Work Expense	20,55,709	36,717
General Expenses	4,19,840	2,86,673
	275,58,166	115,56,219

Note: 2.17

Contingent Liabilities and commitments (to the extent not provided for) :-

- a) Estimated amount of contracts remaining to be executed on Capital Account and not provided for : Rs 689,75,863/- (FY 2012-13 : Rs 1,50,000/-)



RANCHI POWER DISTRIBUTION COMPANY LIMITED

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Note: 2.18

Related Party Disclosure

Related Parties and their relationships

Name of Related Parties	Nature of Relationship
CESC Limited	Holding Company
Spencer's Retail Limited, CESC Properties Limited, Metromark Green Commodities Pvt. Ltd., Music World Retail Limited, Au Bon Pain Café India Limited, Nalanda Power Company Limited, CESC Projects Ltd, Dhariwal Infrastructure Ltd, Haldia Energy Ltd, CESC Infrastructure Ltd, Surya Vidyut Limited, Bantal Singapore Pte.Ltd , Papu Hydropower Projects Limited, Pachi Hydropower Projects Limited, Spenliq Private Limited, Firstsource Solutions Limited, Firstsource Group USA, Inc., Firstsource BPO Ireland Ltd. ,Firstsource Solutions UK Ltd., Anunta Tech Infrastructure Services Ltd., Firstsource-Dialog Solutions Pvt. Ltd., MedAssist Holding, Inc., Firstsource Business Process Services, LLC Firstsource Solutions S.A. (Argentina)*, Firstsource Solutions USA, LLC, Firstsource Advantage, LLC ,Firstsource Transaction Services, LLC ,Twin Lakes Property LLC, (Twinlakes-I) #, Twin Lakes Property LLC (Twinlakes-II) #.	Fellow Subsidiary Company's
Mr Dilip Kumar Sen, Managing Director (w.e.f 1 st July, 2013)	Key Management Personnel

* With effect from 31 December 2013

Dissolved during the year



RANCHI POWER DISTRIBUTION COMPANY LIMITED

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Details of transaction between the Company and related parties and status of outstanding balances:

Nature of Transaction	2013-14			2012-13
	Holding Company	Fellow Subsidiary Company	Key Management Personnel	Holding Company
Advance received against equity shares	700,00,000	-	-	100,00,000
Allotment of Equity Shares	700,00,000	-	-	100,00,000
Expenses Incurred	212,19,790	-	-	120,08,584
Travel expense re-imbursment (CESC Infrastructure Ltd)	-	32,501	-	-
Remuneration paid to Mr D.K Sen	-	-	25,20,000	-
Balance as at 31.03.2014				
Credit	332,28,374	32,501		120,08,584
Debit	-	-		-

Note: 2.19

Computation of Earnings per share (EPS):

	F.Y 2013-14	1 st Nov 2012 to 31 st March 2013
(i) Weighted average number of Equity Shares outstanding for the year for Basic & Diluted EPS (A)	10,19,178	64,286
(ii) Face Value of each Equity Share (in Rs.)	10	10
(iii) Profit/ (Loss) attributable to Equity Shareholders (Rs.) (B)	(6,35,92,512)	(1,56,93,496)
Earnings/(Loss) per share – Basic & Diluted (B/A)	(62.40)	(244. 12)



RANCHI POWER DISTRIBUTION COMPANY LIMITED

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Note: 2.20

The company has acquired distribution franchisee rights to distribute electricity in Ranchi Circle and does not operate in any other segment.

Note: 2.21

The Company was incorporated on 12th November, 2012 as a Private Limited Company and thereafter was converted to a Public Limited Company in the current financial year 2013-14 w.e.f 10th December, 2013.

Note: 2.22

Previous year's figure has been regrouped/ re-arranged, wherever necessary.

For Batliboi, Purohit & Darbari
Firm Registration Number: 303086E
Chartered Accountants



Hemal Mehta
Membership. No. 063404
Partner



Managing Director



Director

Place: Kolkata
Date: 2nd May 2014