

INDEPENDENT AUDITOR'S 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, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements to give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit.
4. We have taken into account the provisions of the Act and the Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements 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.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.



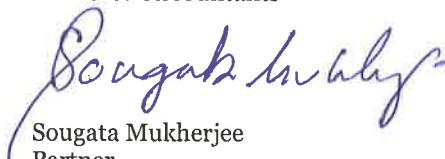
Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2015, and its loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

9. As required by 'the Companies (Auditor's Report) Order, 2015', issued by the Central Government of India in terms of sub-section (11) of section 143 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 3 and 4 of the Order.
10. As required by Section 143 (3) of the Act, we report that:
- We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - On the basis of the written representations received from the directors as on March 31, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
 - With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
 - The Company does not have any pending litigations as at March 31, 2015 which would impact its financial position.
 - The Company did not have any long-term contracts including derivative contracts as at March 31, 2015.
 - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2015

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


Sougata Mukherjee
Partner

Membership Number 057084

Kolkata

May 21, 2015

Annexure to Independent Auditors' Report

Referred to in paragraph 9 of the Independent 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, 2015

- 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.
- ii. The Company does not have any inventory and accordingly the provisions of Clause 3(ii) of the said Order are not applicable to the Company.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a) and (iii)(b) 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. 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. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under to the extent notified.
- vi. The Central Government of India has not specified the maintenance of cost records under subsection (1) of Section 148 of the Act for any of the products of the Company.
- vii. (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 in respect of provident fund and 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.

(c) There are no amounts required to be transferred by the Company to the Investor Education and Protection Fund in accordance with the provisions of the Companies Act, 1956 and the rules made thereunder.
- viii. As the Company is registered for a period less than five years, the provisions of Clause 3(viii) of the Order are not applicable to the Company.
- ix. 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 3(ix) of the Order are not applicable to the Company.
- x. 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 3(x) of the Order are not applicable to the Company.
- xi. The Company has not raised any term loans. Accordingly, the provisions of Clause 3(xi) of the Order are not applicable to the Company.



Annexure to Independent Auditors' Report

Referred to in paragraph 9 of the Independent Auditors' Report of even date to the members of CESC Infrastructure Limited on the financial statements for the year ended March 31, 2015

Page 2 of 2

- xii. 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



Sougata Mukherjee
Partner
Membership Number 057084

Kolkata
May 21, 2014

CESC Infrastructure Limited
Registered Office: CESC House, Chowringhee Square, Kolkata-700001
CIN: U70101WB2011PLC159584
Telephone: +91 33 2225 6040
E-mail: cescinfra@rp-sg.in

Balance Sheet as at 31st March, 2015

Particulars	Note No.	As at 31st March 2015	As at 31st March 2014
		Rs.	Rs.
I. EQUITY AND LIABILITIES			
Shareholders' funds			
Share Capital	2.1	24,430,500,000	21,150,500,000
Reserves and Surplus	2.2	(60,178,017)	(43,419,385)
Non-Current liabilities			
Long term provisions	2.3	4,606,510	2,100,427
Current liabilities			
Other current liabilities	2.4	3,076,496	2,486,243
Short term provisions	2.5	31,367	15,956
TOTAL		24,378,036,356	21,111,683,241
II. ASSETS			
Non-current assets			
Fixed assets			
Tangible assets			
	2.6	712,273	412,409
Non-current investments	2.7	24,000,600,060	20,770,600,060
Deferred Tax Asset (Net)	2.8	-	-
Long term loans and advances	2.9	917,087	553,285
Current assets			
Current Investments	2.10	297,285,000	297,285,000
Cash and bank balances	2.11	4,032,973	13,263,827
Short term loans and advances	2.12	74,488,963	29,568,660
TOTAL		24,378,036,356	21,111,683,241
Notes forming part of Financial Statements	1 - 2.26		



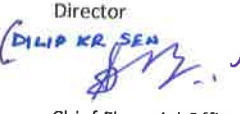

This is the Balance Sheet referred to in our Report of even date.

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


Sougata Mukherjee
Partner
Membership Number :057084

Place: Kolkata
Date: 21st May, 2015

For and on behalf of the Board of Directors

 Director
 Director

Chief Financial Officer



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Statement of Profit and Loss for the year ended 31st March, 2015

Particulars	Note No.	2014-15 Rs.	2013-14 Rs.
Other Income	2.13	279,549	-
Total Revenue		279,549	-
Expenses			
Employee benefit expenses	2.14	11,811,191	8,264,852
Depreciation and amortisation expense	2.6	645,918	97,348
Other expenses	2.15	4,581,072	4,015,266
Total Expenses		17,038,181	12,377,466
Earnings / (Loss) for the Year		(16,758,632)	(12,377,466)
Loss per equity share (Face value of Rs. 10 per share) Basic and Diluted	2.19	(0.008)	(0.010)
Notes forming part of Financial Statements	1 - 2.26		

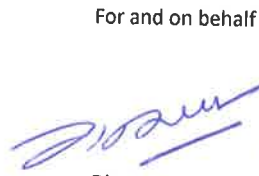
This is the Statement of Profit and Loss referred to in our report of even date.


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



 Sougata Mukherjee
 Partner
 Membership Number: 057084

Place: Kolkata
 Date: 21st May, 2015

For and on behalf of the Board of Directors


 Director
 (DILIP KRESEN)


 Director
 (SUBHASHIS MITRA)


 Chief Financial Officer
 (SUDIR KR SAHA)

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Cash Flow Statement for the year ended 31st March, 2015

	2014-15	2013-14
	(Rs.)	(Rs.)
A. Cash Flow from Operating Activities		
(Loss) before taxation for the year	(16,758,632)	(12,377,466)
Adjustment for :		
Dividend on current investments (On Mutual Funds)	(279,549)	-
Depreciation and Amortisation	645,918	97,348
Operating Loss before Working Capital Changes	(16,392,263)	(12,280,118)
Adjustment for:		
(Increase) in Loans and Advances	(45,284,105)	(30,091,945)
Increase/(Decrease) in Current Liabilities and Provisions	3,111,747	2,933,719
Net Cash used in Operating Activities	(58,564,621)	(39,438,344)
B. Cash Flow from Investing Activities		
Purchase of Fixed Assets	(945,782)	(354,903)
Dividend on current investments received (On Mutual Funds)	279,549	-
Investments in Subsidiary	(3,230,000,000)	(3,664,810,460)
Payment made to Subsidiary	-	(5,605,189,540)
Investments in Mutual Fund	(300,000,000)	-
Redemption of Mutual Fund	300,000,000	-
Net Cash used in Investing Activities	(3,230,666,233)	(9,270,354,903)
C. Cash Flow from Financing Activities		
Proceeds from Issue of Share Capital	3,280,000,000	9,270,000,000
Net Cash Flow from Financing Activities	3,280,000,000	9,270,000,000
Net Increase of Cash and Cash Equivalents	(9,230,854)	(39,793,247)
Cash and Cash Equivalents - Opening Balance	13,263,827	53,057,074
Cash and Cash Equivalents - Closing Balance	4,032,973	13,263,827

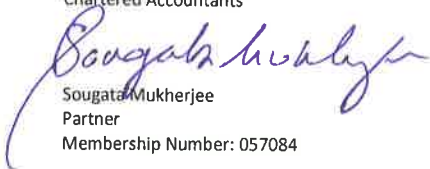
Notes:

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.

2 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


Sougata Mukherjee
Partner
Membership Number: 057084

Place: Kolkata
Date: 21st May, 2015

For and on behalf of the Board of Directors


Director
(DILIP K SAHA)

Chief Financial Officer

(SUBIR KR SAHA)


Director
(SUBHASHIS MITRA)

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1. Significant Accounting Policies

i) Accounting Convention

The financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. Pursuant to section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules, 2014, till the standards of accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply. Consequently, these financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211 (3C) (Companies (Accounting Standard) Rules, 2006, as amended) and other relevant provisions of the Companies Act,2013.

ii) Tangible Assets

a) Cost

Tangible Assets are stated at cost of acquisition together with any incidental expenses for acquisition/installation. An impairment loss is recognized where applicable, when the carrying value of tangible assets of cash generating unit exceed its market value or value in use, whichever is higher. Profit and Loss on disposal of tangible assets is recognized in the Statement of Profit and Loss.

b) Depreciation

Depreciation on tangible assets is provided on written-down value method based on useful life as prescribed under Schedule II of the Companies Act, 2013.

iii) Taxes on Income

Current tax represents the amount payable based on computation of tax as per prevailing taxation laws under the Income Tax Act, 1961.

Deferred Tax is recognized, for all the timing differences subject to consideration of prudence, in respect of deferred tax assets. Deferred tax assets are recognised and carried forward only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. At each Balance Sheet date, the Company reassesses unrecognised deferred tax assets, if any.

iv) 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.



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v) 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

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 Statement of Profit and Loss.



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Note - 2.1 : Share Capital

Particulars	As at	As at
	31st March 2015 Rs.	31st March 2014 Rs.
Authorised Share Capital		
2,500,000,000 (Previous Year: 2,500,000,000) Equity Shares of Rs 10/- each	25,000,000,000	25,000,000,000
Issued, Subscribed and Paid up capital		
2,443,050,000 (Previous Year: 2,115,050,000) Equity Shares of Rs 10/- each, fully paid up	24,430,500,000	21,150,500,000
	24,430,500,000	21,150,500,000

(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, 2015		As at 31st March, 2014	
	No. of shares	%	No. of shares	%
CESC Limited	2,443,050,000	100	2,115,050,000	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, 2015		As at 31st March, 2014	
	No. of shares	Rs.	No. of shares	Rs.
Opening balance at the beginning of the year	2,115,050,000	21,150,500,000	1,188,050,000	11,880,500,000
Add: Equity shares issued during the year	328,000,000	3,280,000,000	927,000,000	9,270,000,000
Shares outstanding at the end of the year	2,443,050,000	24,430,500,000	2,115,050,000	21,150,500,000



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Note - 2.2 : Reserves and Surplus

Particulars	As at 31st March 2015 Rs.	As at 31st March 2014 Rs.
Surplus in the Statement of Profit and Loss		
Debit balance at the beginning of the year	(43,419,385)	(31,041,919)
Add: Loss for the year	(16,758,632)	(12,377,466)
Debit balance at the end of the year	(60,178,017)	(43,419,385)

Note 2.3: Long Term Provisions

Particulars	As at 31st March 2015 Rs.	As at 31st March 2014 Rs.
Provision for Employee benefits	4,606,510	2,100,427
	4,606,510	2,100,427

Note - 2.4: Other Current Liabilities

Particulars	As at 31st March 2015 Rs.	As at 31st March 2014 Rs.
Payable to Subsidiary Company	-	277,918
Other payables	3,076,496	2,208,325
	3,076,496	2,486,243

- (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.

Note 2.5: Short Term Provisions

Particulars	As at 31st March 2015 Rs.	As at 31st March 2014 Rs.
Provision for Employee benefits	31,367	15,956
	31,367	15,956



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NOTE:2.6 Tangible Assets

PARTICULARS	GROSS BLOCK AT COST			DEPRECIATION			NET BLOCK	
	As at 1st April, 2014 Rs.	Additions /Adjustments Rs.	As at 31st March, 2015 Rs.	As at 1st April, 2014 Rs.	Additions /Adjustments Rs.	As at 31st March, 2015 Rs.	As at 31st March, 2015 Rs.	As at 31st March, 2014 Rs.
Computers	5,23,742	7,26,036	12,49,778	1,11,333	6,10,703	7,22,036	5,27,742	4,12,409
Furniture	-	76,700	76,700	-	5,464	5,464	71,236	-
Office Equipment	-	1,43,046	1,43,046	-	29,751	29,751	1,13,295	-
TOTAL	5,23,742	9,45,782	14,69,524	1,11,333	6,45,918	7,57,251	7,12,273	4,12,409
Previous Year	1,68,839	3,54,903	5,23,742	13,985	97,348	1,11,333	4,12,409	1,54,854



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Note 2.7: Non Current Investments

Particulars	As at 31st March 2015 Rs.	As at 31st March 2014 Rs.
Other than Trade Investments - Unquoted		
Investments in Equity Instruments		
Subsidiary Companies		
1,033,441,049 (Previous Year: 730,441,049) Equity Shares of Haldia Energy Limited of Rs 10 each, fully paid up	10,335,410,520	7,305,410,520
1,055,768,954 (Previous year : 1,035,768,954) Equity Shares of Dhariwal Infrastructure Limited of Rs 10 each, fully paid up	13,665,189,540	13,465,189,540
	24,000,600,060	20,770,600,060

- (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 investments.

Note 2.8: Deferred Tax Assets/Liabilities

Particulars	As at 31st March 2015 Rs.	As at 31st March 2014 Rs.
Deferred Tax Liability		
Depreciation Difference	-	16,700
Deferred Tax Asset		
Unabsorbed Business Loss/depreciation	-	(16,700)
	-	-

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 2015 Rs.	As at 31st March 2014 Rs.
(Unsecured, considered good)		
Advance / Loan to employees	887,087	523,285
Other Deposits	30,000	30,000
	917,087	553,285



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Note 2.10: Current Investments

Particulars	As at 31st March 2015 Rs.	As at 31st March 2014 Rs.
Other than Trade Investments - Unquoted		
29,728,500 (Previous Year : 29,728,500) Equity Shares of Noida Power Company Limited of Rs 10 each, fully paid up (Refer Note 2.24)	297,285,000	297,285,000
	297,285,000	297,285,000

Note 2.11: Cash and Bank Balances

Particulars	As at 31st March 2015 Rs.	As at 31st March 2014 Rs.
Cash and Cash equivalents		
Balance with Banks in Current Accounts	4,032,973	13,263,827
	4,032,973	13,263,827

Note 2.12: Short Term Loans and Advances

Particulars	As at 31st March 2015 Rs.	As at 31st March 2014 Rs.
(Unsecured, considered good)		
Advances to related parties	73,046,916	27,564,123
Other Advances		
Miscellaneous Advance to Bodies Corporate	299,376	1,489,369
Prepaid Expenses	929,839	421,892
Advance / Loan to employees	212,832	93,276
	74,488,963	29,568,660



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Note 2.13 : Other Income

Particulars	2014-15 Rs.	2013-14 Rs.
Dividend on current investments (On Mutual Funds)	279,549	-
	279,549	-

Note 2.14 : Employee Benefit Expenses

Particulars	2014-15 Rs.	2013-14 Rs.
Salaries	56,277,890	33,834,778
Contribution to provident and other funds	2,521,746	1,456,154
Staff Welfare Expenses	4,725,286	1,005,062
	63,524,922	36,295,994
Less: Transfer to Holding /Subsidiaries / Other Body Corporate	51,713,731	28,031,142
	11,811,191	8,264,852

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. 25,21,746/- (Previous Year – Rs. 14,56,154/-) has been charged off to Statement of Profit and Loss .

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			
	2014-15	2013-14	2012-13	2011-12	2014-15	2013-14	2012-13	2011-12
Present value of unfunded obligation	1,111,066	354,321	41,244	-	3,526,811	1,762,062	427,006	-
Net Liability	1,111,066	354,321	41,244	-	3,526,811	1,762,062	427,006	-

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

	Gratuity		Leave Encashment	
	2014-15	2013-14	2014-15	2013-14
Current Service cost	445,854	129,772	133,305	48,492
Interest cost	32,598	3,382	162,110	35,014
Net actuarial Losses recognised during the year	278,293	179,923	1,469,334	1,251,550
Total	756,745	313,077	1,764,749	1,335,056

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

	Gratuity		Leave Encashment	
	2014-15	2013-14	2014-15	2013-14
Opening defined benefit obligation	354,321	41,244	1,762,062	427,006
Current Service cost	445,854	129,772	133,305	48,492
Interest cost	32,598	3,382	162,110	35,014
Actuarial Losses	278,293	179,923	1,469,334	1,251,550
Benefits paid	-	-	-	-
Closing Defined Benefit Obligation	1,111,066	354,321	3,526,811	1,762,062

Principal Actuarial Assumption Used:

	2014-15	2013-14
Discount Rates	7.87%	9.20%
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 contribution expected to be made by the Company for the year ending 31 March, 2016 cannot be readily ascertainable and therefore not disclosed.



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Note 2.15 : Other Expenses

Particulars	2014-15	2013-14
	Rs.	Rs.
Rates and taxes	4,400	9,400
Car Hire Charges	797,152	455,757
Lease Rent	817,663	630,503
Auditors' Remuneration		
Audit Fee	700,000	500,000
Tax Audit Fee	-	200,000
Membership & Subscription	-	7,650
Professional Fees	1,863,870	579,075
Travelling Expenses	1,883,760	1,183,471
Office Maintenance	933,826	593,468
Expenditure Towards Corporate Social Responsibility (CSR) Activities	10,000	-
Printing & Stationery	134,180	83,632
Communication Expenses	136,927	75,906
General Charges	1,058,556	102,635
Miscellaneous Expenses*	123,380	88,022
	8,463,714	4,509,519
Less: Transfer to Holding /Subsidiaries / Other Body Corporate	3,882,642	494,253
	4,581,072	4,015,266

* Includes applicable service tax on Audit Fees

Note 2.16 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. The future cash outflow in respect of above contract cannot be ascertained at this stage.



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Note 2.17:

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

Note 2.18:

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

Note 2.19:

Earnings per Share

Computation of Earnings / (Loss) per Share

Particulars	2014-15 Rs.	2013-14 Rs.
(i) Number of Equity Shares at the beginning of the year	2,115,050,000	1,188,050,000
(ii) Number of Equity Shares issued during of the year	328,000,000	927,000,000
(iii) Number of Equity Shares at the end of the year	2,443,050,000	2,115,050,000
(iv) Weighted average number of Equity Shares outstanding for the year (A)	2,115,948,630	1,190,589,726
(v) Face Value of each Equity Share (in Rs.)	10	10
Earnings / (Loss) attributable to Equity Shareholders (B) (in Rs.)	(16,758,632)	(12,377,466)
Basic & Diluted Earnings / (Loss) Per Share of Rs. 10 (B/A)	(0.008)	(0.010)



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2.20.1. 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	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, Pachi Hydropower Projects Limited, Spen Liq Private Limited, Firstsource Solutions Limited, Firstsource Group USA , Inc., Firstsource BPO Ireland Limited, Firstsource Solutions UK Limited, Anunta Tech Infrastructure Services Limited, Firstsource-Dialog Solutions (Pvt.) Limited, MedAssist Holding, Inc., Firstsource Business Process Services, LLC, Firstsource Solutions USA, LLC (earlier known as MedAssist LLC), Firstsource Advantage, LLC, Firstsource Solutions S.A., Firstsource Transaction Services, LLC Ranchi Power Distribution Company Limited , One Advantage LLC, MedAssist Holding LLC (earlier known as MedAssist Acquisition Inc.) Sheesham Commercial Private Limited (w.e.f 29 th Jan, 2015), Water Hyacinth Commosale Private Limited (w.e.f 29 th Jan, 2015), Wigeon Commotrade Private Limited (w.e.f 12 th Feb, 2015), Crescent Power Limited(w.e.f 30 th Mar, 2015)	Fellow Subsidiary Companies
iv	Mr. Prabir Kumar Mitra	Key Management Personnel



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

Rs.

	Particulars	2014-15				2013-14			
		Holding Company	Subsidiary Companies	Fellow Subsidiary Companies	Key Management Personnel	Holding Company	Subsidiary Companies	Fellow Subsidiary Companies	Key Management Personnel
i	Share Application Money Received	3,280,000,000	-	-	-	9,270,000,000	-	-	-
ii	Allotment of Equity Shares against (i) above	3,280,000,000	-	-	-	9,270,000,000	-	-	-
iii	Advance to Haldia Energy Limited against issue of Equity Shares	-	3,030,000,000	-	-	-	174,810,460	-	-
iv	Allotment of Equity Shares against (iii) above	-	3,030,000,000	-	-	-	174,810,460	-	-
v	Payment to Haldia Energy Limited for purchase of Equity Shares of Dhariwal Infrastructure Limited in 2011-12	-	-	-	-	-	5,605,189,540	-	-
vi	Advance to Dhariwal Infrastructure Limited against issue of Equity Shares	-	2,00,000,000	-	-	-	3,490,000,000	-	-
vii	Allotment of Equity Shares against (vi) above	-	2,00,000,000	-	-	-	3,490,000,000	-	-
viii	Remuneration to Mr. Prabir Kumar Mitra	-	-	-	120,000	-	-	-	120,000
ix	Payable to CESC Limited for expenses	59,111	-	-	-	42,535	-	-	-
x	Payable to Dhariwal Infrastructure Limited for Car Loan	-	-	-	-	-	183,260	-	-
xi	Payable to Haldia Energy Limited for Car Loan	-	-	-	-	-	94,658	-	-
xii	Amount paid to Haldia Energy Limited on account of transfer of Car Loan	-	94,658	-	-	-	-	-	-
xiii	Amount paid to Dhariwal Infrastructure Limited on account of transfer of Car Loan	-	183,260	-	-	-	-	-	-



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xiv	Amount paid to CESC Limited on account of transfer of Expenses	101,646	-	-	-	-	-	-	-
xv	Expense Recovered from Haldia Energy Limited	-	6,057,058	-	-	-	-	-	-
xvi	Expense Recovered from Dhariwal Infrastructure Limited	-	20,00,000	-	-	-	-	-	-
xvii	Expense Recovered from CESC Properties Limited	-	-	235,275	-	-	-	-	-
xviii	Expense Recovered from Ranchi Power Distribution Company Limited	-	-	32,501	-	-	-	-	-
ix	Expense Recovered from Surya Vidyut Limited	-	-	1,489,370	-	-	-	-	-
xx	Expense Recoverable from CESC Properties Limited	-	-	604,415	-	-	-	235,275	-
xxi	Expense Recoverable from Ranchi Power Distribution Company Limited	-	-	-	-	-	-	32,501	-
xxii	Expense Recoverable from Surya Vidyut Limited	-	-	2,266,395	-	-	-	1,489,370	-
xxiii	Expense Recoverable from Haldia Energy Limited	-	21,487,532	-	-	-	6,057,058	-	-
xxiv	Expense Recoverable from Dhariwal Infrastructure Limited	-	23,995,183	-	-	-	19,221,822	-	-
xxv	Expense Recoverable from CESC Limited	2,588,861	-	-	-	528,097	-	-	-
xxvi	Expense Recoverable from CESC Projects Limited	-	-	2,383,301	-	-	-	-	-
xxvii	Expense Recoverable from Crescent Power Limited	-	-	1,971,310	-	-	-	-	-
xxviii	Expense Recovered from Crescent Power Limited	-	-	1,489,369	-	-	-	-	-
	Outstanding Balance Debit (Rs.)	3,116,958	62,704,537	7,225,421	-	485,562	25,000,962	1,757,146	-
	Credit (Rs.)	-	-	-	475,043	-	-	-	356,363



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Note 2.21:

From 01, April 2014, the Company is calculating rate of depreciation of the following assets based on the useful life of the assets as prescribed under Schedule II of the Companies Act, 2013:

Assets	Existing Rate of Depreciation	Revised Rate of Depreciation
Computers	40%	63.16%
Furniture	18.1%	25.89%
Office Equipment	13.91%	45.07%

Pursuant to the revision, the written down value of the assets have been depreciated over the remaining revised estimated useful life. Accordingly, the depreciation charge for the year is higher by Rs 254,898 with corresponding impact on the Loss for the year.

Note 2.22:

The Company ensures secretarial compliances and takes help of professional experts as required. The Company is in the process of looking for and appointing a whole time Company Secretary.

Note 2.23:

The Company has taken vehicles under operating lease having a tenure upto 36 months. There is no specific obligation for renewal of these agreements.

Note 2.24:

The Company's temporary investment in the equity share capital of Noida Power Company Limited has been classified under the head "Current Investments" as the Company has been pursuing its plan to transfer the holdings.



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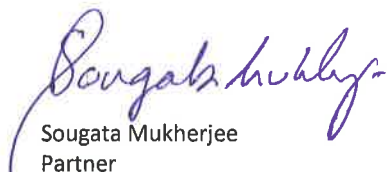
Note 2.25:

The accumulated losses of the Company as at March 31, 2015 amount to Rs. 6,01,78,017. The management of the Company, based on its financial projections for the future, specially in view of expected performance of the subsidiaries, believes that the Company's operations would grow and the profitability would improve. Additionally, with the support from the holding Company, the Company is confident about the continuity of its operations and long term viability.

Note 2.26:

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

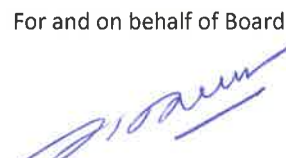
For Lovelock & Lewes
Firm Registration Number: 301056E
Chartered Accountants



Sougata Mukherjee
Partner
Membership Number: 057084

Place: Kolkata
Date: 21st May, 2015

For and on behalf of Board of Directors


Director
(DIP KR SEN)
Director
(SUBHASIS MITRA)
Chief Financial Officer
(SUBIR KR SAHA)