

HALDIA ENERGY LIMITED

DIRECTORS' REPORT

Your directors present their Eighteenth Annual Report together with the Audited Accounts for the year ended 31 March, 2013.

Financial Results

Rs.

	Rs	Rs
	2012-13	2011-12
(Loss) / Profit before Taxation	(227,103,647)	(173,622,024)
Provision for Income Tax for the Current year	13,300,000	Nil
(Loss) / Profit after Tax	(240,403,647)	(173,622,024)
Balance Profit brought forward from previous year	(181,614,771)	(7,992,747)
Balance carried down to Balance Sheet	(422,018,418)	(181,614,771)

Operations

All requisite clearances including environmental clearances for the project are in place. Civil construction work is going in full swing in the main plant area. The foundations of critical BTG area is almost complete and structural erection of boiler and power house building is in progress. Boiler drum lifting for Unit 1 was achieved in March 2013. Construction of the intake water pump house and laying cross country pipeline is in an advanced stage. Work on railway infrastructure as well as 400 kV transmission line which will have 240 meter high towers for crossing two kilometre stretch of the Hooghly river is in progress.

Dividend

In view of the loss during the year, your Directors do not recommend any dividend for the year under review.

Public Deposits

The Company has neither received nor accepted any deposits within the meaning of Section 58A of the Companies Act, 1956 ('the Act') and Rules made there under.

Directors

Mr. Rajendra Jha retires by rotation and, being eligible, offers himself for re-appointment.

Particulars of Employees

The provisions of Section 217(2A) of Act are not attracted during the year.

Manager

Mr. Sudipta Mukherjee has been re-appointed as Manager of the Company in terms of the provisions of Section 269 of the Act with effect from 30 March, 2013.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

During the year under review, your Company has not commenced any commercial production and hence, not consumed energy of any significant level and, therefore, there was not much scope for taking any measures for energy conservation and for making any additional investment for reduction of energy consumption. There was no technology absorption during the year.

There has been no foreign exchange earning. The Foreign Exchange outgo during the year amounted to Rs. 271.67 crore (FY-2011-12 Rs.109.76 crore) which included import of capital goods, technical services and traveling expenses.

Director's Responsibility Statement

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

- i) in the presentation of the annual accounts, the applicable accounting standards had been followed along with proper explanations relating to material departures;
- ii) they have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for that period;
- iii) proper and sufficient care had been taken for the maintenance of adequate records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) the annual accounts had been prepared on a going concern basis.

Audit Committee

The Audit Committee of the Board of Directors consists of Mr. S. Talukdar, Mr. B. Raychaudhuri and Mr. P. K. Bose.

Auditors

Messrs Batliboi, Purohit & Darbari, Chartered Accountants, the Auditors of the Company, retire at the ensuing Annual General Meeting of the Company and are eligible for re-appointment.

On behalf of the Board of Directors

Sd/- S. Talukdar

Sd/- R.Jha

Director

Director

Kolkata, 27 May, 2013

Auditors' copy

BATLIBOI, PUROHIT & DARBARI
Chartered Accountants

7, Waterloo Street
Kolkata – 700 069
Phone No. 2248 3042

Auditors' Report to the Members of Haldia Energy Limited

We have audited the accompanying financial statements of Haldia Energy 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.

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 ("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.

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. 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.

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, 2013;
- b) in the case of the Profit and Loss Account, 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.



1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, 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, 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 Companies Act, 1956.
 - f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

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



(CA P J Bhide)
Partner
M. No. 004714

Kolkata

Dated:

27 MAY 2013

The Annexure referred to in paragraph 1 of the Our Report of even date to the members of Haldia Energy Limited. On the accounts of the company for the year ended 31st March, 2013.

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
- (b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
- (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 iii (b), iii(c) and iii (d) of the order are not applicable to the Company.
- (e) 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) 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 weaknesses 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's project for setting up a power plant is at its construction stage and the Company has not commenced commercial production. 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. 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 not incurred cash losses during the financial year nor in the immediate preceding 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) Order, 2003 (as amended) 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, 2013, 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



P. J. Bhide

(CA P J Bhide)
Partner
M. No. 004714

Kolkata
Dated:

27 MAY 2013

Haldia Energy Limited

Registered office: Barick Bhawan, 6th Floor, 8 Chittaranjan Avenue, Kolkata-700072

Balance Sheet as at 31st March, 2013

Particulars	Note No	As at 31st March, 2013	As at 31st March, 2012
			Rs
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	2.1	7,129,600,030	7,129,600,030
(b) Reserves and Surplus	2.2	(421,901,305)	(181,497,658)
(2) Non-Current Liabilities			
(a) Long-term borrowings	2.3	16,648,208,921	8,170,000,000
(b) Other Long term liabilities	2.4	1,070,329,910	145,740,633
(c) Long term provisions	2.5	3,317,854	1,949,861
(3) Current Liabilities			
(a) Other current liabilities	2.6	819,725,270	559,306,031
(b) Short-term provisions	2.7	24,788	-
Total		25,249,305,468	15,825,098,897
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	2.8	755,583,520	383,190,765
(ii) Capital work-in-progress	2.9	14,522,651,100	3,111,748,639
(b) Long term loans and advances	2.10	1,682,582,426	2,813,529,900
(2) Current assets			
(a) Cash and bank balances	2.11	2,509,150,385	2,506,290,963
(b) Short-term loans and advances	2.12	156,699,815	51,225,988
(c) Other Current Assets	2.13	5,622,638,222	6,959,112,642
Total		25,249,305,468	15,825,098,897

Significant Accounting Policies

1

Notes 1 - 2.28 form an integral part of the Accounts

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

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

CA P.J. Bhide
Partner
Membership No.: 004714
Place: Kolkata
Date:



For and on behalf of the Board of directors

[Signature]
Director

[Signature]
Director

[Signature]
Secretary

[Signature]
Manager

27 MAY 2013

Haldia Energy Limited

Registered office: Barick Bhawan, 6th Floor, 8 Chittaranjan Avenue, Kolkata-700072

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

Particulars	Note No	2012-13	2011-12
		Rs	Rs
Revenue form operations			-
Other Income	2.15	30,000	60,642,912
Total Revenue		30,000	60,642,912
Expenses:			
Employee benefit expense	2.16	6,466,068	7,045,433
Finance costs	2.17	213,676,711	204,119,181
Depreciation and amortisation expense	2.18	-	-
Other expenses	2.19	6,990,868	23,100,322
Total Expenses		227,133,647	234,264,936
Profit before tax		(227,103,647)	(173,622,024)
Tax expenses:			
Current		13,300,000	-
Deferred (net)			
Profit/(Loss) for the year		(240,403,647)	(173,622,024)
Earnings per equity share: (Face Value of Rs. 10 per share)			
Basic and Diluted	2.22	(0.34)	(0.24)
Significant Accounting Policies	1		
Notes 1 - 2.28 form an integral part of the Accounts			

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

For Batliboi, Purohit & Darbari

Firm Registration Number: 303086E

Chartered Accountants

P. J. Bhide

CA P.J. Bhide

Partner

Membership No.: 004714

Place: Kolkata

Date:

27 MAY 2013



For and on behalf of the Board of directors

Prakash C. Bose

Director

[Signature]

Director

Sayak Chatterjee

Secretary

[Signature]

Manager

Cash Flow Statement for the year ended on 31st March 2013

Particulars	For the year 2012-13		For the Year 2012-13	
	Rs.	Rs.	Rs.	Rs.
Cash Flow from Operating Activities				
Net Profit/(Loss) before taxation	(227,103,647)		(173,622,024)	
Adjustment for :				
Interest Expense	213,676,711		204,119,181	
Interest Income	-		(1,498,009)	
Gain on Sale of Investments	-		(58,989,903)	
Operating Profit/(Loss) before Working Capital Changes	(13,426,936)		(29,990,755)	
Receivables	2,375,957,833		(2,385,144,810)	
Payables	1,121,050,765		122,363,959	
Net Cash from Operating Activities		3,483,581,662		(2,292,771,607)
Cash Flow from Investing Activities				
Purchase of Fixed Assets	(378,607,373)		(19,062,819)	
Increase in Capital Work in Progress	(10,410,326,327)		(1,910,987,836)	
Sale/(Purchase) of Investments (Net)	230,968,056		118,464,646	
Disposal of Subsidiary	-		40,500,000	
Interest Received	8,998,194		29,472,681	
Net Cash from Investing Activities		(10,548,967,449)		(1,741,613,328)
Cash Flow from Financing Activities				
Issue of Share Capital	-		-	
Advance against Equity Shares received/(refunded)	-		-	
Increase/(decrease) in Secured Loan	6,778,208,921		5,170,000,000	
Increase/(decrease) in Unsecured Loan	1,700,000,000		-	
Interest Paid	(1,409,963,712)		(204,119,181)	
Net Cash from Financing Activities		7,068,245,209		4,965,880,819
Net Increase/(decrease) of Cash & Cash Equivalents		2,859,422		931,495,885
Cash & Cash Equivalents - Opening Balance		2,506,290,963		1,574,795,078
Cash & Cash Equivalents - Closing Balance		2,509,150,385		2,506,290,963

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 rearranged/regrouped wherever necessary.

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

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



A.P.J. Bhide
Partner
Membership Number 004714

Place: Kolkata
Date:

27 MAY 2013

For and on behalf of the Board

Director

Director

Manager

Secretary

Haldia Energy Limited

**Registered Office: Barick Bhawan, 6th Floor, 8 Chittaranjan Avenue,
Kolkata-700072**

NOTE-1 – SIGNIFICANT ACCOUNTING POLICIES

1) **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 are set out below. The above financial statements have been prepared in accordance with the relevant presentation requirement of the revised schedule VI notified under Companies Act, 1956.

2) **Expenditure During Construction**

The Company is setting up a 2x300 MW Thermal Power Plant in Haldia near Kolkata in the state of West Bengal. The Company is yet to commence commercial production.

Indirect Expenses related to the project and incidental thereto are disclosed as "Miscellaneous Project Expenses" under Capital Work – in – Progress in note-2.9 and are to be capitalized subsequently.

Other Indirect expenses, which are not directly related to the Project, have been charged off to the Profit & Loss Statement.

3)

(a) Tangible Assets

Tangible Assets are stated at cost of acquisition together with any incidental expenses for acquisition/installation.

(b) Depreciation/Amortisation:

Depreciation on tangible assets is provided on written-down value method at the rates specified in Schedule XIV to the Act. Leasehold Land and Leasehold Building are amortised on a straight-line basis over the unexpired period of the lease.

(c) Impairment

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.

4) **Revenue Recognition**

The Company follows mercantile system of accounting and recognizes revenue as per AS-9 on "Revenue Recognition" as per Companies (Accounting Standards) Rules, 2006.

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

5) **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. Provisions for Gratuity liability and Leave Encashment liability are made on the basis of actuarial valuation done at the end of the year by independent actuary.



Haldia Energy Limited

Registered office: Barick Bhawan, 6th Floor, 8 Chittaranjan Avenue, Kolkata-700072

Note -2.1

SHARE CAPITAL

Particulars	As at 31st March, 2013	As at 31st March, 2012
	Rs.	Rs.
Authorised Share Capital		
900,000,000 (31.03.12:900,000,000) Equity Shares of Rs. 10 each	9,000,000,000	9,000,000,000
Issued, Subscribed and Paid - up Capital		
712,960,003 (31.03.12:712,960,003) Equity Shares of Rs. 10 each, fully paid up	7,129,600,030	7,129,600,030

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

Particulars	As at 31st March, 2013		As at 31st March, 2012	
	No of Shares	Amount (Rs)	No of Shares	Amount (Rs)
Shares outstanding at the beginning of the year	712,960,003	7,129,600,030	712,960,003	7,129,600,030
Add: Equity Shares issued during the year	-	-		
Shares outstanding at the end of the year	712,960,003	7,129,600,030	712,960,003	7,129,600,030

(c) Details of shareholders holding more than 5% shares in the company

Name of the shareholder	As at 31st March, 2013		As at 31st March, 2012	
	No. of shares	% of holding	No. of shares	% of holding
CESC Infrastructure Limited	712,960,003	100	712,960,003	100

CESC Infrastructure Limited is the holding company of Haldia Energy Limited and percentage of shares held is stated above
 CESC Limited is the Ultimate Holding Company of Haldia Energy Limited.

Note -2.2

RESERVES AND SURPLUS

Particulars	As at 31st March, 2013	As at 31st March, 2012
	Rs.	Rs.
Capital Reserve	41	41
General Reserve	117,072	117,072
Surplus		
Debit Balance in the Profit and Loss Statement at the beginning of the year	(181,614,771)	(7,992,747)
Add: (Loss) for the year	(240,403,647)	(173,622,024)
Debit Balance in the Profit and Loss Statement at the end of the year	(422,018,418)	(181,614,771)
Total	(421,901,305)	(181,497,658)



Note - 2.3

LONG TERM BORROWINGS

Particulars	As at 31st March, 2013			As at 31st March, 2012		
	Rs.			Rs.		
	(I) Secured	(II) Unsecured	(III) Total	(I) Secured	(II) Unsecured	(III) Total
Term Loans						
(1) Rupee Loans						
From Banks	8,670,000,000	4,700,000,000	13,370,000,000	5,170,000,000	3,000,000,000	8,170,000,000
(2) Foreign Currency Loans	3,278,208,921	-	3,278,208,921	-	-	-
	11,948,208,921	4,700,000,000	16,648,208,921	5,170,000,000	3,000,000,000	8,170,000,000

Nature of Security :

(1) The Term Loans in (I) above are secured with first charge by way of equitable mortgage/hypothecation of fixed assets of the company including its land, buildings, construction thereon where exists, plant and machinery etc, and hypothecation of Company's current assets.

(2) The security for the above term loans in (I) above ranks pari passu inter se.

Major terms of repayment of long term loans disclosed in (I) and (II) above

Maturity Profile	Balance Outstanding as on 31.03.2013	
	Rupee Term Loan from Banks	Foreign Currency Loans
	Amount (Rs)	
Loans with residual maturity of upto 1 year	-	-
Loans with residual maturity between 1 and 3 years	-	1,634,208,921
Loans with residual maturity between 3 and 5 years	3,000,000,000	1,644,000,000
Loans with residual maturity between 5 and 10 years	1,700,000,000	-
Loans with residual maturity beyond 10 years	8,670,000,000	-
Total	13,370,000,000	3,278,208,921
Interest on Rupee Term Loan from banks are based on spread over Lenders' benchmark rate and that of foreign currency loans are based on spread over LIBOR.		



Haldia Energy Limited

Registered office: Barick Bhawan, 6th Floor, 8 Chittaranjan Avenue, Kolkata-700072

NOTE:2.4**Other Long term liabilities**

Particulars	As at 31st March, 2013 Rs.	As at 31st March, 2012 Rs.
Retention and other long term liabilities	1,070,329,910	145,740,633
	<u>1,070,329,910</u>	<u>145,740,633</u>

NOTE:2.5**Long Term Provisions**

Particulars	As at 31st March, 2013 Rs.	As at 31st March, 2012 Rs.
Provision for Employee Benefits	3,317,854	1,949,861
	<u>3,317,854</u>	<u>1,949,861</u>

NOTE:2.6**Other Current Liabilities**

Particulars	As at 31st March, 2013 Rs.	As at 31st March, 2012 Rs.
Interest Accrued but not due	52,050,531	-
Liability on Capital Account	754,500,554	541,437,770
Other Payables	13,174,185	17,868,261
	<u>819,725,270</u>	<u>559,306,031</u>

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:2.7**Short-term provisions**

Particulars	As at 31st March, 2013 Rs.	As at 31st March, 2012 Rs.
Provision for Employee Benefits	24,788	-
	<u>24,788</u>	<u>-</u>



NOTE: 2.3

TANGIBLE ASSETS:

PARTICULARS	GROSS BLOCK AT COST			DEPRECIATION/AMORTISATION			NET BLOCK	
	As at 1st April, 2012	Additions	As at 31st March, 2013	As at 1st April, 2012	Additions	As at 31st March, 2013	As at 31st March, 2013	As at 31st March, 2012
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Land-Freehold	292,343	1,250,274	1,542,617	-	-	-	1,542,617	292,343
Land-Leasehold	385,429,786	373,224,779	758,654,565	16,929,981	4,678,455	21,608,436	737,046,129	368,499,805
Building - Leasehold	11,687,981	-	11,687,981	129,866	129,866	259,732	11,428,249	11,558,115
Furniture & Fixtures	662,124	2,354,519	3,016,643	126,747	419,032	545,779	2,470,864	535,377
Office Equipments	1,253,389	720,732	1,974,121	288,857	214,729	503,586	1,470,535	964,532
Computers	2,468,851	1,057,069	3,525,920	1,128,258	772,536	1,900,794	1,625,126	1,340,593
Temporary Site Office	729,279	-	729,279	729,279	-	729,279	-	-
TOTAL	402,523,753	378,607,373	781,131,126	19,332,988	6,214,618	25,547,606	755,583,520	383,190,765
Previous Year	383,460,934	19,062,819	402,523,753	13,933,193	5,339,795	19,332,988	383,190,765	-



Haldia Energy Limited

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NOTE -2.9

CAPITAL WORK-IN-PROGRESS

	As at 31st March, 2012 Rs.	Additions / Adjustments Rs.	As at 31st March, 2013 Rs.
CAPITAL WORK - IN - PROGRESS PENDING ALLOCATION AS UNDER			
Plant and Equipment	593,653,845	7,620,979,774	8,214,633,619
Railway Siding	42,251,860	211,114,867	253,366,727
Intake Water System	210,985,189	254,636,522	465,621,711
Power Evacuation System	786,103,136	1,746,171,200	2,532,274,336
Project Overheads	64,705,208	9,739,026	74,444,234
Buliding & Structures	24,779,343	28,244,895	53,024,238
Consultancy Services	187,437,268	88,830,565	276,267,833
Land Development and other site enablement activities	196,203,922	50,767,020	246,970,942
Finance Charge & Interest during Construction(Net)	808,838,457	1,236,530,240	2,045,368,697
Miscellaneous Project Expenses	177,457,424	157,673,734	335,131,158
Depreciation/ Amortisation	19,332,987	6,214,618	25,547,605
	3,111,748,639	11,410,902,461	14,522,651,100
Previous Year	720,363,473	2,395,385,166	3,111,748,639



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NOTE:2.10

Long term loans and advances

Particulars	As at 31st March, 2013 Rs.	As at 31st March, 2012 Rs.
(Unsecured, Considered good)		
Capital Advances	1,680,044,751	2,811,045,726
Security Deposit	1,887,797	1,559,603
Other Advances	649,878	924,571
	<u>1,682,582,426</u>	<u>2,813,529,900</u>

NOTE 2.11

Cash and bank balances

Particulars	As at 31st March, 2013 Rs.	As at 31st March, 2012 Rs.
(a) Cash and cash equivalents		
Balance with Banks	2,328,057,072	2,075,094,507
Bank deposits with original maturity upto 3 months		300,000,000
Cash on hand	93,313	196,456
(b) Other bank balances		
-- Bank deposits with original maturity more than 3 months	181,000,000	131,000,000
	<u>2,509,150,385</u>	<u>2,506,290,963</u>

(c) Bank deposit with original maturity more than 3 months under Other bank balances includes Rs 70,00,000 (31.03.2012: Rs131,000,000) having original maturity more than 12 months as on reporting date.

NOTE:2.12

Shot Term Loans & Advances

Particulars	As at 31st March, 2013 Rs.	As at 31st March, 2012 Rs.
(Unsecured, considered good)		
Advance Tax	105,701,001	644,504
Other Advances	998,814	581,484
Advance to fellow subsidiary	50,000,000	50,000,000
	<u>156,699,815</u>	<u>51,225,988</u>

NOTE:2.13

Other Current Assets

Particulars	As at 31st March, 2013 Rs.	As at 31st March, 2012 Rs.
Receivable from holding company CESC Infrastructure Limited	5,605,189,540	6,955,189,540
Receivable towards claims and services rendered - considered good	1,903,232	-
Interest Accrued on Bank deposits	15,545,450	3,923,102
	<u>5,622,638,222</u>	<u>6,959,112,642</u>

NOTE:2.14

Contingent Liability and Commitment (to the extent not provided for)

Estimated amount of contracts remaining to be executed on Capital Account and not provided for Rs 17,286,782,852 /- (Previous year: Rs. 26,931,459,539/-)



NOTE-2.15

OTHER INCOME

Particulars	2012-13 Rs.	2011-12 Rs.
Interest Income	23,007,960	8,403,500
Gain on sale of Current Investments (Net)	230,968,056	118,464,646
Other Non operating income	30,000	155,000
	<u>254,006,016</u>	<u>127,023,146</u>
Less: Allocated to Capital work in Progress Refer note 2.9	253,976,016	66,380,234
	<u>30,000</u>	<u>60,642,912</u>

NOTE-2.16

EMPLOYEE BENEFIT EXPENSES

Particulars	2012-13 Rs.	2011-12 Rs.
Salaries and wages	91,764,809	61,013,995
Contribution to Provident Fund and other fund	3,343,901	1,763,005
Staff Welfare Expenses	<u>1,288,008</u>	<u>1,295,511</u>
	<u>96,396,718</u>	<u>64,072,511</u>
Less: Allocated to Capital work in Progress Refer note 2.9	89,930,650	57,027,078
	<u>6,466,068</u>	<u>7,045,433</u>

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. 227,139 (31 March, 2012 – 304,023) 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 independent actuary in compliance with Accounting Standard 15 (Revised 2005) on "Employee Benefits". as per Projected unit Credit Method.

Amount recognised in the Balance Sheet are as follows:

	Gratuity 31st March			Leave Encashment 31st March			2010	
	2013	2,012	2,011	2010	2013	2012		2011
Present value of non-funded obligation	914,628	547,166	124,321	15,374	2,428,014	1,402,695	703,168	426,604
Net Liability	<u>914,628</u>	<u>547,166</u>	<u>124,321</u>	<u>15,374</u>	<u>2,428,014</u>	<u>1,402,695</u>	<u>703,168</u>	<u>426,604</u>
Amount recognised in the Profit and Loss Statement and charged to Salaries, Wages and Bonus as follows:								
Current Service cost	356,229	197,828	106,133	15,374	83,881	51,212	253,877	43,724
Interest cost	47,877	9,946	1,230	-	117,509	55,287	34,128	-
Net actuarial gain/(loss) recognised during the year	<u>(36,644)</u>	<u>215,071</u>	<u>1,584</u>	<u>-</u>	<u>943,409</u>	<u>617,195</u>	<u>(11,441)</u>	<u>382,880</u>
Total	<u>367,462</u>	<u>422,845</u>	<u>108,947</u>	<u>15,374</u>	<u>1,144,799</u>	<u>723,694</u>	<u>276,564</u>	<u>426,604</u>

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

Opening defined benefit obligation	547,166	124,321	15,374	-	1,402,695	703,168	426,604	-
Current Service cost	356,229	197,828	106,133	15,374	83,881	51,212	253,877	73,724
Interest cost	47,877	9,946	1,230	-	117,509	55,287	34,128	-
Actuarial (Gain)/Loss	<u>(36,644)</u>	<u>215,071</u>	<u>1,584</u>	<u>-</u>	<u>943,409</u>	<u>617,195</u>	<u>(11,441)</u>	<u>382,880</u>
Benefits paid	-	-	-	-	(119,480)	(24,167)	-	-
Closing Defined Benefit Obligation	<u>914,628</u>	<u>547,166</u>	<u>124,321</u>	<u>15,374</u>	<u>2,428,014</u>	<u>1,402,695</u>	<u>703,168</u>	<u>456,604</u>

Principal Actuarial Assumption Used:

Discount Rates	8.20%	8.75%	8.00%	8.00%	8.20%	8.75%	8.00%	8.00%
Expected Salary increase rates	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
Mortality Rates								

LIC (1994-96) mortality tables

The estimates of future salary increase considered in the actuarial valuation takes into account factors like inflation, seniority, promotion and other relevant factors. The above benefits are non-funded

The contribution expected to be made by the Company for the year ending 31 March 2013 cannot be readily ascertained and therefore not disclosed.



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NOTE-2.17

FINANCE COST

Particulars	2012-13 Rs.	2011-12 Rs.
Interest Expense	1,462,014,243	576,038,819
Other borrowing costs	134,620,595	167,322,634
Applicable net loss on foreign currency transactions & translation	107,548,129	-
	<u>1,704,182,967</u>	<u>743,361,453</u>
Less: Allocated to Capital work in Progress Refer note 2.9	<u>1,490,506,256</u>	<u>539,242,272</u>
	<u>213,676,711</u>	<u>204,119,181</u>

NOTE-2.18

DEPRECIATION AND AMORTISATION EXPENSES

Particulars	2012-13 Rs.	2011-12 Rs.
Depreciation/amortisation on tangible assets	6,214,618	5,339,795
	<u>6,214,618</u>	<u>5,339,795</u>
Less: Allocated to Capital work in Progress Refer note 2.9	<u>6,214,618</u>	<u>5,339,795</u>
	-	-

NOTE-2.19

OTHER EXPENSES

Particulars	2012-13 Rs.	2011-12 Rs.
Rent	9,598,052	5,082,819
Power and fuel	31,257,352	865,813
Travelling and Conveyance Expenses	9,461,296	5,844,678
Communication Expenses	450,380	1,267,804
Security Expenses	8,379,148	7,668,828
Housekeeping Expenses	5,620,221	3,757,508
Insurance	76,405	44,353,473
Remuneration to Auditors		
--Statutory Audit	112,360	89,888
--Tax Audit	37,079	33,708
-- Other Services	9,102	13,789
Internal Audit Fee	112,360	56,180
Rates and Taxes	28,927	-
Advertisements	726,687	1,695,539
Repairs & Maintenance	383,653	-
Safety	240,032	-
Printing & Stationery	818,309	361,323
Fees to Other Authorities	863,299	3,237,876
Legal and Professional Charges	5,463,068	7,881,634
General Charges	1,096,222	1,636,444
	<u>74,733,952</u>	<u>83,847,304</u>
Less: Allocated to Capital work in Progress Refer note 2.9	<u>67,743,084</u>	<u>60,746,982</u>
	<u>6,990,868</u>	<u>23,100,322</u>



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		<u>Rs.</u>	
2.20	C.I.F value of imports	2012-13	2011-12
	Capital Goods	2,501,336,508	-
2.21	Expenditure in foreign currency:	2012-13	2011-12
	Travelling	303,126	290,110
	Finance Costs	64,036,186	-
	Advance/milestone for Equipment Supply	151,038,117	1,069,902,857
	Technical Services	-	27,367,632

2.22 Earnings per Share:**Computation of earnings per share.**

Particulars		2012-13	2011-12
Profit / (Loss) After Tax (Rs.)	(A)	(240,403,647)	(173,622,024)
Weighted Average Nos of Equity Shares for Basic and Diluted EPS (B)		712,960,003	712,960,003
Basic and Diluted Earnings Per Share of Rs 10/-=[(A)/(B)] (Rs.)		(0.34)	(0.24)

2.23 Disclosure in respect of Related Parties:**Related Parties and their relationships As on 31.03.2013**

Name of Related Parties	Nature of Relationship
CESC Infrastructure Limited	Direct Holding Company
CESC Limited	Ultimate Holding Company
Spencer's Retail Limited, Music World Retail Limited, Au Bon Pain Café India Limited, Nalanda Power Company Limited, Dhariwal Infrastructure Ltd, Surya Vidyut Limited, CESC Properties Limited, CESC Projects Ltd, Metromark Green Commodities Pvt. Ltd, Bantal Singapore Pte.Ltd , Papu Hydro Power Projects Limited(15 th May,2012), Pachi Hydro Power Projects Limited(15 th May,2012), Spenliq Private Limited, Firstsource Solutions Limited (w.e.f 5th December, 2012), Firstsource Group USA, Inc. (w.e.f 5th December, 2012), Firstsource BPO Ireland Ltd. (w.e.f 5th December, 2012), Firstsource Solutions UK Ltd. (w.e.f 5th December, 2012), Anunta Tech Infrastructure Services Ltd. (w.e.f 5th December, 2012), Firstsource-Dialog Solutions Pvt. Ltd. (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 S.A. (Argentina) (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 Pvt Ltd (w.e.f 12 th November,2012).	Fellow Subsidiary Companies



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Mahuagarhi Coal Company Private Limited	Fellow Associate
Mr. Sudipta Kumar Mukherjee	Key Management Personnel

Related Parties and their relationships As on 31.03.2012

Name of Related Parties	Nature of Relationship
CESC Infrastructure Limited	Direct Holding Company
CESC Limited	Ultimate Holding Company
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, Bantal Singapore Pte.Ltd (w.e.f. 30 th May,2011), CESC Projects Limited (w.e.f. 13 th June, 2011)	Fellow Subsidiary Company
Dhariwal Infrastructure Limited	Subsidiary of Haldia Energy Limited (till 20 th December, 2011) and Subsidiary of CESC Infrastructure Limited (w.e.f 21 st December, 2011)
Surya Vidyut Limited	Subsidiary of Haldia Energy Limited (till 20 th December, 2011) and Subsidiary of CESC Limited (w.e.f 21 st December, 2011)
Mr. Sudipta Kumar Mukherjee	Key Management Personnel

Details of transaction between the company and related parties and status of outstanding balance

Nature of transaction	Ultimate Holding Company		Direct Holding Company		Subsidiaries/Fellow Subsidiaries		Key Management Personnel	
	31.03.13 (Rs)	31.03.12 (Rs)	31.03.13 (Rs)	31.03.12 (Rs)	31.03.13 (Rs)	31.03.12 (Rs)	31.03.13 (Rs)	31.03.12 (Rs)
Advance against Equity shares received.	-	-	-	-	-	-	-	-
Advance against Equity shares funded	-	-	-	-	-	-	-	-
Advance against equity shares paid.	-	-	-	-	-	-	-	-
Due of fully paid up equity shares.	-	-	-	-	-	-	-	-
Description of fully paid up Equity shares.	-	-	-	-	-	-	-	-



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Investments and Advances sold.		42,358,000		6,955,189,540		-	-	-	-
Amount received on account of sale of investments			1,350,000,000						
Contractual remuneration	51,076,309	32,191,727		-	-	-	-	-	-
Other expenses.	816,124	1,703,371		-	-	-	-	-	-
Reimbursement for contractual remuneration and expenses made during the year.	306,838	23,942,717							
Salary Paid- Sudipta Kumar Mukherjee.								2,735,862	2,226,000
Balance									
Debit:			5,605,189,540	6,955,189,540	50,000,000	50,000,000	-	-	-
Credit:	84,423,081	32,837,486							

Advance to Subsidiaries/Fellow Subsidiaries

Name of Company	31.03.2013	31.03.2012
	Amount (Rs)	Amount (Rs)
CESC Properties Limited	50,000,000	50,000,000

2.24

The outstanding foreign currency loans of Rs. 3,278,208,921/- (Previous year: Rs. Nil) disclosed in Note: 2.3, stands hedged in Indian Rupee.

2.25

The company is presently in the process of setting up of a power plant. The Company is yet to commence commercial production and does not operate in any other segment.



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2.26 Since the company has not commenced power generation, Deferred Tax Asset has not been recognized.

2.27 Other long term liabilities as per Note 2.4 represent these arising out of different contracts including that for managing foreign currency risks.

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

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

CA P.J. Bhide -
Partner
Membership Number 004714



Place: Kolkata
Date:

27 MAY 2013

For and on behalf of the Board

Director

Director

Manager

Secretary