

RANCHI POWER DISTRIBUTION COMPANY PRIVATE LIMITED

DIRECTORS' REPORT

The Directors present the First Report and Audited Accounts of Ranchi Power Distribution Company Private Limited for the period ended 31 March 2013.

FINANCIAL RESULTS

	₹
	2012-13
Profit / (Loss) before Taxation	(1,56,93,496)
Provision for Income Tax	Nil
Profit / (Loss) before Taxation	(1,56,93,496)
Balance carried down to Balance Sheet	(1,56,93,496)

OPERATIONS

The Company was incorporated on 12 November 2012 as a wholly owned subsidiary of CESC Limited to take up distribution franchising in Ranchi Circle of Jharkhand State Electricity Board. The Distribution Franchisee Agreement (DFA) was executed between the Company and Jharkhand State Electricity Board on 5 December 2012, with CESC Limited as the confirming party. The Company would be responsible for operation and maintenance of the distribution system, capital investments for network augmentation and improvement, metering, billing and collection activities and consumer service in the Ranchi Circle.

The distribution area comprises Ranchi and Khunti Districts of Jharkhand covering around 7,800 square kilometers and approximately 3.5 lakh consumers. Preparatory work is currently in progress.

SHARE CAPITAL

During the period under review, issued, subscribed and paid up capital of the Company was raised from ₹ 5,00,000 to ₹ 1,00,00,000 by issue and allotment of 9,50,000 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. Talukdar 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 period ended 31 March 2013, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii) appropriate accounting policies have been selected and applied consistently, and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31 March 2013 and of the loss for the period from 12 November 2012 to 31 March 2013;
- iii) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) the annual accounts for the period ended 31 March 2013 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, 27 May 2013

Auditors' Report to the Members of Ranchi Power Distribution Company Private Limited

We have audited the accompanying financial statements of Ranchi Power Distribution Company Private 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.

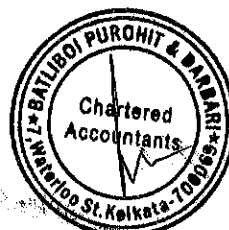
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform 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 period 12th November 2012 to 31st March 2013 and



c) in the case of the Cash Flow Statement, of the cash flows for the period 12th November 2012 to 31st March 2013.

1. As required by the Companies (Auditors' Report) (Amendment) Order, 2004 ("theOrder") 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.

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



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

Hemal Mehta
Partner
M. No. 063404

Place: Kolkata
Dated: 27th May 2013

The Annexure referred to in paragraph 1 of the Our Report of even date to the members of Ranchi Power Distribution Company Private 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 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 (Auditors' 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, 2013, we report that no funds raised on short-term basis have been used for long-term investment by the Company.

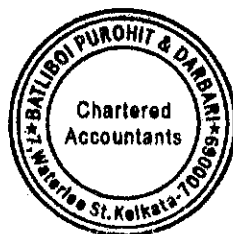
18. The Company has not made any preferential allotment of shares during the year.

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



A handwritten signature in black ink that appears to read "Hemal Mehta".

Hemal Mehta
Partner
M. No. 063404

Place: Kolkata
Dated: 27th May 2013

Ranchi Power Distribution Company Private Limited**Registered Office: Barick Bhawan, 8, Chittaranjan Avenue, Kolkata-700072****Balance Sheet as at 31st March, 2013**

Particulars	Note No.	31st March, 2013
		Rs.
I. EQUITY AND LIABILITIES		
Shareholders' Funds		
Share Capital	2.1	1,00,00,000
Reserves and Surplus	2.2	(1,56,93,496)
		(56,93,496)
Non Current Liabilities		
Long-term provisions	2.3	8,363
		8,363
Current liabilities		
Other current liabilities	2.4	1,24,34,953
Short-term provisions	2.5	5,350
		1,24,40,303
TOTAL		67,55,169
II. ASSETS		
Non-current assets		
Fixed assets		
Tangible assets	2.6	28,47,506
		28,47,506
Deferred tax assets (net)	2.7	-
Long-term loans and advances	2.8	4,18,350
		4,18,350
Current assets		
Cash and bank balances	2.9	34,89,313
TOTAL		67,55,169

Significant Accounting Policies

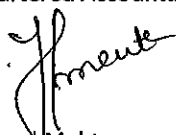
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Notes 1 - 2.17 form an integral part of the Accounts.



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

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

Chartered Accountants

Hemal Mehta
Partner
Membership.No. 063404

For and on behalf of the Board of Directors


Director

Director

Kolkata

Date: 27 May 2013

Ranchi Power Distribution Company Private Limited

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

Profit and Loss Statement for the period 12th November 2012 to 31st March, 2013

Particulars	Note No.	12th November 2012 to 31st March 2013 Rs.
Total Revenue		-
Expenses		
Employee benefit expense	2.11	41,17,721
Depreciation and amortisation expenses	2.12	19,556
Other expenses	2.13	1,15,56,219
Total expenses		1,56,93,496
Profit / (Loss) before tax		(1,56,93,496)
Tax expense		
Current		-
Deferred		-
Profit / (Loss) for the year		(1,56,93,496)
Earnings per equity share (Face value of Rs.10 per share)		
Basic	2.15	(244.12)
Diluted	2.15	(244.12)

Significant Accounting Policies

1

Notes 1 - 2.17 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


Hemal Mehta
Partner
Membership.No. 063404



For and on behalf of the Board of Directors


Director


Director

Kolkata

Date: 27 May 2013

Ranchi Power Distribution Company Private Limited

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

Cash Flow Statement for the period 12th November 2012 to 31st March, 2013

Particulars	12th November 2012 to 31st March 2013
	Rs.
Cash flow from Operating Activities	
Profit/(Loss) before Taxation	(1,56,93,496)
Adjustments for:	
Depreciation/Amortisation	19,556
Provision for Gratuity	5,350
Provision for Leave Encashment	8,363
Operating Profit before Working Capital changes	(1,56,60,227)
Adjustments for:	
Receivables	(4,18,349)
Payables	1,24,34,953
Net cash flow from Operating Activities	(36,43,624)
Cash flow from Investing Activities	
Purchase of Fixed Assets / Capital Work in Progress	(28,67,062)
Net cash flow used in Investing Activities	(28,67,062)
Cash flows from Financing Activities	
Proceeds from issue of Equity Shares	1,00,00,000
Net cash flow from Financing Activities	1,00,00,000
Net Increase/(Decrease) in cash and cash equivalents	34,89,313
Cash and Cash equivalents - Opening Balance	-
Cash and Cash equivalents - Closing Balance	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 .

2. The Company was incorporated on 12th November, 2012 and hence Cash Flow Statement has been prepared from the date of incorporation to 31st March, 2013. These being the Company's first financial statements, there are no corresponding figures for the previous period.

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

For and on behalf of the Board of Directors

For Batliboi, Purohit & Darbari

Firm Registration Number:303086E

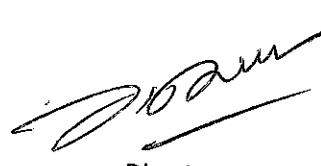
Chartered Accountants


Hemal Mehta

Partner

Membership.No. 063404




Director


Director



RANCHI POWER DISTRIBUTION COMPANY PRIVATE 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. 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.

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. Impairment loss, if any, ascertained as per the Accounting Standard 28 "Impairment of Assets" as per the Company is recognised.

Depreciation/Amortisation:

Depreciation is provided on straight line method at the rates specified in Schedule XIV to the Companies Act, 1956.

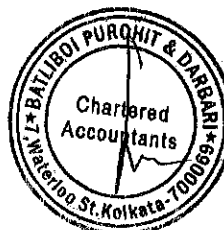
iv) Taxation

Provision for current tax is made on the basis of estimated taxable income for the year.

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

Although the Employees' Provident Funds and Miscellaneous Act, 1952 is not applicable to the Company, the Company is in the process of making an application for voluntary registration with the Regional Provident Fund authorities for voluntary coverage whereupon contributions by the Company as well as by the employees will be made. 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.



Note 2.1 Share Capital

Particulars	As at 31st March, 2013 Rs.
Authorised share capital 10,00,000 equity shares of Rs 10 each	1,00,00,000
Issued, subscribed and paid - up capital 10,00,000 equity shares of Rs. 10 each, fully paid up.	1,00,00,000
	1,00,00,000

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, 2013	
	No. of shares	% of holding
CESC Limited	10,00,000	100

CESC Limited is also the holding Company of Ranchi Power Distribution Company Private 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, 2013	
	No of Shares	Value (Rs)
Shares outstanding at the beginning of the year	-	-
Add: Equity Shares Issued during the year	10,00,000	1,00,00,000
Shares outstanding at the end of the year	10,00,000	1,00,00,000

Note 2.2 Reserves and Surplus

Particulars	As at 31st March, 2013 Rs.
Surplus in the statement of Profit and Loss	-
Debit Balance at the beginning of the year	-
Add: Profit / (Loss) for the year	(1,56,93,496)
Debit Balance at the end of the year	(1,56,93,496)



Note 2.3 Long-term provisions

Particulars	As at 31st March, 2013 Rs.
Provision for employee benefit Provision for Leave Encashment	8,363
	8,363

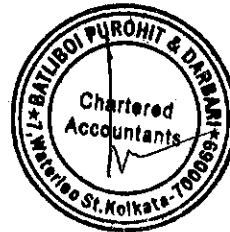
Note 2.4 Other current liabilities

Particulars	As at 31st March, 2013 Rs.
Payable to Holding Company	1,20,08,584
Audit fees payable	22,472
Statutory dues payable	69,489
Others payables	3,34,407
	1,24,34,953

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, 2013 Rs.
Provision for employee benefit Provision for gratuity	5,350
	5,350



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

Note: 2.6 Tangible assets

PARTICULARS	GROSS BLOCK AT COST OR VALUATION		DEPRECIATION/AMORTISATION		NET BLOCK As at 31st March, 2013 Rs.
	As at 1st April, 2012 Rs.	Additions / Adjustments Rs.	As at 1st April, 2012 Rs.	Additions / Adjustments Rs.	
Plant & Machinery	-	8,05,110	-	2,775	8,02,335
Office equipment	-	17,91,108	-	8,781	17,82,327
Computers	-	2,70,844	-	8,000	2,62,844
	-	28,67,062	-	19,556	28,47,506
Previous Year	-	-	-	-	-



Ranchi Power Distribution Company Private Limited**Registered Office: Barick Bhawan, 8, Chittaranjan Avenue, Kolkata-700072****Note 2.7 Deferred Taxes**

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

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

Note 2.8 Long term loans and advances

Particulars	As at 31st March, 2013 Rs.
(Unsecured, considered good)	
Security Deposits	4,18,350
	4,18,350

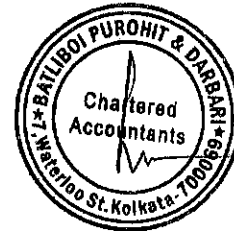
Note 2.9 Cash and Bank Balances

Particulars	As at 31st March, 2013 Rs.
Cash and cash equivalents	
Balance with banks	34,41,830
Cash on hand	47,483
	34,89,313

Note: 2.10

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. 1,50,000/.



Note 2.11 Employee benefit expenses

Particulars	12th Nov 2012 to 31st March 2013	
	Rs.	
Salaries and bonus	40,88,544	
Staff welfare expenses	29,177	
	41,17,721	

a) Employee Benefits

Defined Contribution Plan

Although the Employees' Provident Funds and Miscellaneous Act, 1952 is not applicable to the Company, the Company is in the process of making an application for voluntary registration with the Regional Provident Fund authorities for voluntary coverage whereupon contributions by the Company as well as by the employees will be made. During the year the Company has made a provision of Rs. 17,932 towards Company contribution to provident fund which has been charged off to Profit and Loss Statement.

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) recognised in the Balance Sheet are as follows:

	Rs.	
	12th Nov 2012 to 31st March 2013	
	Gratuity	Leave Encashment
Present value of funded obligation	5,350	-
Fair Value of Plan Assets	-	-
Present value of un-funded obligation	-	8,363
Net Liability /(Asset)	5,350	8,363
Experience (Gain)/ Loss adjustment on plan liabilities	-	-
Experience Gain/(Loss) adjustment on plan assets	-	-
Experience (Gain) adjustment on plan liabilities due to change in assumptions	-	-

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

	Rs.	
	12th Nov 2012 to 31st March 2013	
	Gratuity	Leave Encashment
Current Service Cost	5,350	8,363
Interest Cost	-	-
Expected Return on Plan Assets	-	-
Actuarial Loss/(Gain)	-	-
Past service cost	-	-
Total	5,350	8,363



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

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

	Rs.	
	12th Nov 2012 to 31st March 2013	
	Gratuity	Leave Encashment
Opening defined benefit obligation	-	-
Current Service Cost	5,350	8,363
Interest Cost	-	-
Actuarial Loss/(Gain)	-	-
Benefits paid	-	-
Closing Defined Benefit Obligation	5,350	8,363

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

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

Actual Return on Plan Assets (Rs.) - -

Principal Actuarial Assumption Used:

	12th Nov 2012 to 31st March 2013
Discount Rates	8.20%
Expected Return on Plan Assets	8.20%
Mortality Rates	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.

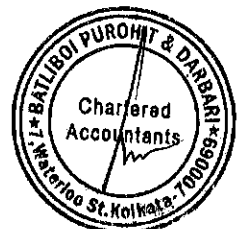
The contribution expected to be made by the Company for the year ending 31st March, 2014 cannot be readily ascertainable and therefore not disclosed.

Note 2.12 Depreciation and Amortisation Expenses

Particulars	12th Nov 2012 to 31st March 2013
	Rs.
Depreciation on tangible assets	19,556
	19,556

Note 2.13 Other expenses

Particulars	12th Nov 2012 to 31st March 2013
	Rs.
Rent	5,20,000
Travelling and Conveyance	20,51,969
Communication Charges	20,251
Professional Fee	65,26,261
Tendering cost	2,00,000
Filing fees and other charges	1,59,000
Promotions/Advertisements	11,00,000
Audit fees	22,472
Printing and Stationery	38,264
Guest House expenses	2,56,203
Security expenses	1,01,990
Vehicle Expenses	4,36,419
General Expenses	1,23,390
	1,15,56,219



RANCHI POWER DISTRIBUTION COMPANY PRIVATE LIMITED**Registered office: Barick Bhawan, 8, Chittaranjan Avenue, Kolkata - 700072****Note: 2.14****Related Party Disclosure****Related Parties and their relationship**

Name of Related Parties	Nature of Relationship
CESC Limited	Holding Company
Spencer's Retail Limited, Music World Retail Limited, Au Bon Pain Café India Limited, Nalanda Power Company Limited, Dhariwal Infrastructure Limited, Haldia Energy Limited, CESC Projects Limited , CESC Properties Limited, Metromark Green Commodities Private Limited, CESC Infrastructure Limited, Noida Power Company Limited (from 23rd July, 2012 to 18th March,2013), Surya Vidyut Limited, Bantal Singapore Pte.Ltd , Papu Hydro Power Projects Limited, Pachi Hydro Power Projects Limited, Spen liq 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 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)	Fellow Subsidiary Companies
Mahuagarhi Coal Company Private Limited	Joint Venture of Holding Company with 50% interest

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

Rs.	
Nature of Transaction	Holding Company
Advance received against equity shares	1,00,00,000
Allotment of Equity Shares	1,00,00,000
Expenses Incurred	1,20,08,584
Balance as at 31.03.2013	
Credit	1,20,08,584
Debit	-



RANCHI POWER DISTRIBUTION COMPANY PRIVATE LIMITED

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

Note: 2.15

Computation of earnings per share

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

Note: 2.16

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

Note: 2.17

The Company was incorporated on 12th November, 2012 and hence Profit and Loss Statement has been prepared from the date of incorporation to 31st March, 2013. These being the Company's first financial statements, there are no corresponding figures for the previous period.

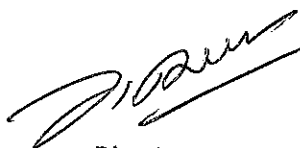
For Batliboi, Purohit & Darbari
Firm Registration Number: 303086E
Chartered Accountants



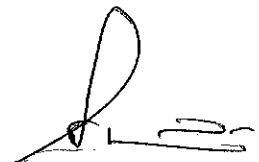
Hemal Mehta
Membership. No. 063404
Partner



For and behalf of the Board of Directors



Director



Director

Place: Kolkata
Date: 27th May 2013