

**NALANDA POWER COMPANY LIMITED**

**DIRECTORS' REPORT**

Your directors present their Fifth Annual Report together with the Audited Accounts for the year ended 31 March, 2014.

**Financial Results**

|   | (Rs.)       |             |
|---|-------------|-------------|
|   | 2013-14     | 2012-13     |
| (Loss) / Profit before Taxation                   | (6,06,115)  | (37,20,082) |
| Provision for Income Tax for the Current year     | Nil         | Nil         |
| (Loss) / Profit after Tax                         | (6,06,115)  | (37,20,082) |
| Balance Profit brought forward from previous year | (78,73,179) | (41,53,097) |
| Balance carried down to Balance Sheet             | (84,79,294) | (78,73,179) |

**Operations**

The Company is, another 100% subsidiary of CESC, has signed an MoU with the Bihar State Electricity Board (BSEB) for development of a 2,000 MW power project in Bhagalpur district of Bihar, in two phases of 1,000 MW each. Further progress will be taken up upon receiving clarity on the land acquisition process which has changed consequent to the new legislation and securing sources of long-term coal supply over the life of the plant.

**Share Capital**

During the year under review the company had issued 4,50,000 new equity shares of Rs. 10/- each to CESC Limited, its holding company resulting the revised issued and paid up share capital to Rs. 1,35,00,000/- from Rs. 90,00,000/-.

**Dividend**

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

**Directors**

Mr. P. K. Basu retires by rotation and, being eligible, offers himself for re-appointment.

**Particulars of Employees**

The provisions of Section 217(2A) of the Companies Act, 1956 ('the Act') are not attracted as there is no employee in the Company.

**Public Deposits**

The Company has neither received nor accepted any deposits within the meaning of Section 58A of the Act and Rules made thereunder.

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

During the year under review, your Company has not carried out any commercial activity and hence not consumed energy of any significant level. There was not much scope for taking any measures for energy conservation or for making any additional investment for reduction of energy consumption. There was no technology absorption nor any foreign exchange earnings or outgo during the year.

#### **Director's Responsibility Statement**

Pursuant to Section 217(2AA) of the Companies Act, 1956, 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 year;
- 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.

#### **Compliance Certificate**

Pursuant to Section 383A of the Companies Act, 1956 a certificate from M/s M. Rathi & Co. Company Secretary in practice, is attached and forms part of this Report.

#### **Auditors**

Messrs P. K. Das & Associates, 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/ J. Chakrabarty  
Director

Sd/. P. Neogi  
Director

26.5.2014

**INDEPENDENT AUDITORS' REPORT**

**To the Members of Nalanda Power Company Limited**

**Report on the Financial Statements**

1. We have audited the accompanying financial statements of Nalanda Power Company Limited (the "Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year ended on that date, and a summary of significant accounting policies and other explanatory information, which we have signed under reference to this report.

**Management's Responsibility for the Financial Statements**

2. The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 (the "Act") read with the General Circular 15/2013 dated 13<sup>th</sup> September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditors' Responsibility**

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Management, as well as evaluating the overall presentation of the financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

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

(a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2014;



# P. K. DAS & ASSOCIATES

Chartered Accountants

78/2A, Block-E, New Alipore

Kolkata - 700 053

Phone : 2396 3988 / 2397 4978

E-mail : pdas50@yahoo.com

## INDEPENDENT AUDITORS' REPORT

To the Members of Nalanda Power Company Limited

(b) in the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and

(c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

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

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

(a) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit;

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;

(c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this report comply with the Accounting Standards notified under the Companies Act, 1956 read with the General Circular 15/2013 dated 13<sup>th</sup> September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013.

(e) On the basis of written representations received from the directors as on 31<sup>st</sup> March, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

For P.K.Das & Associates  
Firm Registration Number: 308082 E  
Chartered Accountants



*Pradyot Das*  
Pradyot Das  
Partner

(Membership Number 13861)

Kolkata

26<sup>th</sup> May, 2014

# P. K. DAS & ASSOCIATES

Chartered Accountants

78/2A, Block-E, New Alipore

Kolkata - 700 053

Phone : 2396 3988 / 2397 4978

E-mail : pdas50@yahoo.com

## Annexure to Auditors' Report

Referred to in paragraph 7 of the Auditors' Report of even date to the members of Nalanda Power Company Limited the financial statements as of and for the year ended 31<sup>st</sup> March 2014

- i. (a) The Company is maintaining proper records to show full particulars including quantitative details and situation of its fixed assets.  
(b) The fixed assets of the Company have been physically verified by the management during the year and no discrepancies between the book records and the physical inventory, have been noticed on such verification. In our opinion the frequency of physical verification is reasonable  
(c) In our opinion and according to the information and explanations given to us, a substantial part of fixed assets has not been disposed off by the Company during the year.
- ii. The Company has no Inventory and accordingly sub-clause (ii)(a), (b) and (c) of the Order are not applicable.
- iii. (a) The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the Register maintained under Section 301 of the Act. Therefore, the provisions of clause (iii) (b), (c), (d), (f) and (g) of Paragraph 4 of the Order are not required for disclosure.
- 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 acquisition of Fixed assets including Capital Work-in-Progress and no purchases of inventory and no sale of energy /services have been made during the year under review. 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 internal control system during the course of our audit.
- v. In our opinion and according to the information and explanations given to us, there are no contracts or arrangements that need to be entered in the Register maintained under section 301 of the Act. Accordingly, clause (v) (b) of the Order is not applicable.
- vi. The Company has not accepted any Deposits from the public within the meaning of Sections 58A and 58AA of the Act and the Rules framed thereunder.
- vii. In our opinion and according to the information and explanations given to us, the company has an Internal Audit System commensurate with the size of the company and the nature of its business.
- viii. As the Company has not yet commenced operation, provision under clause (d) of sub-section (I) of Section 209 of the Act in regard to the maintenance of the cost records, in our opinion, is not applicable.
- ix. In our opinion and according to the information and explanations given to us and the records of the Company examined by us, the incidence of depositing undisputed statutory dues in respect of Provident Fund, Investors' Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues did not arise during the year under review.



# P. K. DAS & ASSOCIATES

Chartered Accountants

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Kolkata - 700 053

Phone : 2396 3988 / 2397 4978

E-mail : pdas50@yahoo.com

## Annexure to Auditors' Report

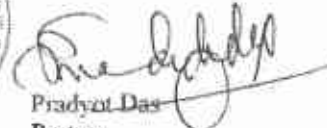
Referred to in paragraph 7 of the Auditors' Report of even date to the members of Nalanda Power Company Limited the financial statements as of and for the year ended 31<sup>st</sup> March 2014

- x. The accumulated losses of the Company are more than fifty percent of its net worth at the end of the financial year. The Company has incurred cash loss during the year. In the immediately preceding financial year also, the Company had incurred cash loss.
- xi. The Company has not issued any Debenture and also has not taken any loan from financial institutions or banks. Accordingly, clause (xi) of the Order is not applicable.
- xii. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Therefore, clause (xii) of the Order is not applicable.
- xiii. The provisions of any special statute as specified under clause (xiii) of the Order are not applicable to the Company.
- xiv. In our opinion and according to the information and explanation given to us, the Company is not a dealer or trader in shares, securities, debentures and other investments.
- xv. In our opinion, and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year.
- xvi. In our opinion and according to the information and explanation given to us, the Company has not availed of any Term Loan during the year.
- xvii. On the basis of an overall examination of the Balance Sheet of the Company, in our opinion and according to the information and explanations given to us, there are no funds raised on a short term basis which have prima facie been used for long term investments.
- xviii. The Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Act during the year.
- xix. Clause (xix) of the Order in regard to the issue of Debenture is not applicable.
- xx. The Company has not raised any money by public issue during the year.
- xxi. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanation given to us, we have neither come across any instance 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.

Kolkata  
26<sup>th</sup> May, 2014



For P.K.Das & Associates  
Firm Registration Number: 308082 E  
Chartered Accountants

  
Pradyot Das  
Partner

(Membership Number 13861)

**NALANDA POWER COMPANY LIMITED**Registered Office : 6, Church Lane, 1<sup>st</sup> Floor, Kolkata - 700 001**BALANCE SHEET AS AT 31ST MARCH, 2014**

|  | Note No | As at 31 March, 2014<br>Rupees | As at 31 March, 2013<br>Rupees |
|--|---------|--------------------------------|--------------------------------|
| <b>I. EQUITY AND LIABILITIES</b>                 |         |                                |                                |
| <b>Shareholders' funds</b>                       |         |                                |                                |
| Share Capital                                    | 2       | 1,35,00,000                    | 90,00,000                      |
| Reserves and Surplus                             | 3       | (84,79,294)                    | (78,73,179)                    |
| <b>Share application money pending allotment</b> | 4       | -                              | 45,00,000                      |
| <b>Current Liabilities</b>                       |         |                                |                                |
| Other Current Liabilities                        | 5       | 73,110                         | 3,16,584                       |
| <b>TOTAL</b>                                     |         | <b>50,93,816</b>               | <b>59,43,405</b>               |
| <b>II. ASSETS</b>                                |         |                                |                                |
| <b>Non-current assets</b>                        |         |                                |                                |
| Fixed assets-                                    |         |                                |                                |
| Capital work-in-progress                         | 6       | 45,96,680                      | 45,96,680                      |
| <b>Current assets</b>                            |         |                                |                                |
| Cash and bank balances                           | 7       | 4,97,136                       | 13,46,725                      |
| <b>TOTAL</b>                                     |         | <b>50,93,816</b>               | <b>59,43,405</b>               |
| Significant accounting policies                  | 1       |                                |                                |
| Other additional information                     | 9-13    |                                |                                |

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

For P K Das & Associates  
Chartered Accountants  
Firm Registration No. 308082E  
Pradyot Das  
Partner

Membership No. 13861

Place: Kolkata

Date: 26<sup>th</sup> May, 2014

For and on behalf of the Board of Directors

  
Director  
Director

**NALANDA POWER COMPANY LIMITED**


Registered Office : 6, Church Lane, 1<sup>st</sup> Floor, Kolkata - 700 001


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

|   | Note No | 2013-14<br>Rupees | 2012-13<br>Rupees  |
|---|---------|-------------------|--------------------|
| Revenue   |         | -                 | -                  |
| Expenses  |         |                   |                    |
| Other expenses  | 8       | 6,06,115          | 37,20,082          |
| Total expenses  |         | <u>6,06,115</u>   | <u>37,20,082</u>   |
| Profit / (Loss) before tax                                |         | (6,06,115)        | (37,20,082)        |
| Tax expense   |         |                   |                    |
| Current   |         | -                 | -                  |
| Deferred  |         | -                 | -                  |
| Profit / (Loss) for the year                              |         | <u>(6,06,115)</u> | <u>(37,20,082)</u> |
| Earnings per equity share (Face value of Rs.10 per share) |         |                   |                    |
| Basic   |         | (0.67)            | (4.13)             |
| Significant accounting policies                           | 1       |                   |                    |
| Other additional information                              | 9-13    |                   |                    |

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

For P K Das & Associates  
Chartered Accountants  
Firm Registration No. 3080224

  
Pradyot Das  
Partner  
Membership No. 13861



For and on behalf of the Board of Directors

  
Director

  
Director

Place: Kolkata

Date: 26<sup>th</sup> May, 2014



## **NALANDA POWER COMPANY LIMITED**

Registered Office : 6 Church Lane, 1<sup>st</sup> Floor, Kolkata - 700001

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### **NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES**

#### **Accounting Convention**

These Financial Statements have been prepared to comply in all material respects with all the applicable accounting principles in India, including standards notified under section 211(3C) of the Companies Act, 1956 and the relevant provisions of the Companies Act, 1956 & Companies Act 2013 to the extent applicable. A summary of important accounting policies which have been applied consistently are set out below.

#### **(a) Expenditure during Construction**

The Company is in the process of setting up a 2000 MW Thermal Power Plant at Pirpainti Anchal near Bhagalpur in the State of Bihar. 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 and to be capitalized subsequently.

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

#### **(b) Fixed Assets:**

Fixed Assets are valued at cost of acquisition less depreciation.

#### **(c) Depreciation:**

Depreciation on all Fixed Assets is calculated at the rates specified in Schedule XIV to the Companies Act, 1956 on Straight Line Method.

#### **(d) 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.

#### **(e) Taxation :**

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

Deferred Tax is recognized, subject to consideration of prudence, on timing difference, being the difference between Taxable Income and Accounting Income, which originate in one period and are capable of reversal in one or more subsequent years as per Accounting Standard AS-22 under the Companies (Accounting Standards) Rules 2006.



**NALANDA POWER COMPANY LIMITED**Registered Office : 6, Church Lane, 1<sup>st</sup> Floor, Kolkata - 700 001**NOTE 2 - SHARE CAPITAL**

| Particulars  | As at                                  | As at                                  |
|--|--|--|
|  | 31 <sup>st</sup> March, 2014<br>Rupees | 31 <sup>st</sup> March, 2013<br>Rupees |
| <b>Authorised Share Capital</b><br>5,000,000 (Previous Year: 5,000,000) Equity Shares of Rs. 10 each                                   | 5,00,00,000                            | 5,00,00,000                            |
| <b>Issued, subscribed and fully paid - up Capital</b><br>1,350,000 (Previous Year : 900,000) Equity Shares of Rs.10 each fully paid up | 1,35,00,000                            | 90,00,000                              |
| <b>Total</b>   | <b>1,35,00,000</b>                     | <b>90,00,000</b>                       |

**a) Terms/rights attached to equity shares:**

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

**b) Details of shareholders holding more than 5% shares in the company**

| Name of the shareholder | As at 31st March, 2014 |     | As at 31st March, 2013 |     |
|-------------------------|------------------------|-----|------------------------|-----|
|                         | No. of shares          | %   | No. of shares          | %   |
| CESC Limited            | 13,50,000              | 100 | 9,00,000               | 100 |

Entire Share Capital of the company is held by CESC Limited the Holding Company

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

| Particulars                                     | As at 31st March, 2014 |                    | As at 31st March, 2013 |                  |
|---|------------------------|--------------------|------------------------|------------------|
|   | No. of Shares          | Amount (Rs.)       | No. of Shares          | Amount (Rs.)     |
| Shares outstanding at the beginning of the year | 9,00,000               | 90,00,000          | 9,00,000               | 90,00,000        |
| Add: Equity shares Issued on 31-03-2014         | 4,50,000               | 45,00,000          | -                      | -                |
| Shares outstanding at the end of the year       | <b>13,50,000</b>       | <b>1,35,00,000</b> | <b>9,00,000</b>        | <b>90,00,000</b> |



**NALANDA POWER COMPANY LIMITED**Registered Office : 6, Church Lane, 1<sup>st</sup> Floor, Kolkata - 700 001**NOTE 3 - RESERVES AND SURPLUS**

| Particulars  | As at<br>31 <sup>st</sup> March, 2014<br>Rupees | As at<br>31 <sup>st</sup> March, 2013<br>Rupees |
|--|---|---|
| Deficit as per Statement of Profit and Loss                                |   |   |
| Debit balance in Statement of Profit and Loss at the beginning of the year | (78,73,179)                                     | (41,53,097)                                     |
| Add: Loss for the year   | (6,06,115)                                      | (37,20,082)                                     |
| Debit balance in Statement of Profit and Loss at the end of the year       | <b>(84,79,294)</b>                              | <b>(78,73,179)</b>                              |

**NOTE 4 - SHARE APPLICATION MONEY PENDING ALLOTMENT**

| Particulars                               | As at<br>31 <sup>st</sup> March, 2014<br>Rupees | As at<br>31 <sup>st</sup> March, 2013<br>Rupees |
|---|---|---|
| Share application money pending allotment | -   | 45,00,000                                       |
|   | -   | <b>45,00,000</b>                                |

During the year 450,000 shares of Rs. 10/ each has been allotted to CESC Limited

**NOTE 5 - OTHER CURRENT LIABILITIES**

| Particulars    | As at<br>31 <sup>st</sup> March, 2014<br>Rupees | As at<br>31 <sup>st</sup> March, 2013<br>Rupees |
|----------------|---|---|
| Audit fees     | 28,090  | 22,472  |
| Statutory dues | 4,000   | 5,500   |
| Others         | 41,020  | 2,88,612  |
|                | <b>73,110</b>                                   | <b>3,16,584</b>                                 |

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.



**NALANDA POWER COMPANY LIMITED**Registered Office : 6, Church Lane, 1<sup>st</sup> Floor, Kolkata - 700 001**NOTE 6 - CAPITAL WORK IN PROGRESS**

| Particulars                           | As at<br>31 <sup>st</sup> March, 2014<br>Rupees | As at<br>31 <sup>st</sup> March, 2013<br>Rupees |
|---------------------------------------|---|---|
| <b>Miscellaneous Project Expenses</b> |   |   |
| Coal Movement Study                   | 3,35,020  | 3,35,020  |
| Land Acquisition Study                | 10,31,442                                       | 10,31,442                                       |
| Pre-feasibility Report                | 8,90,640  | 8,90,640  |
| Environment Impact Assessment Study   | 16,89,578                                       | 16,89,578                                       |
| Statutory Payments                    | 6,50,000  | 6,50,000  |
|                                       | <b>45,96,680</b>                                | <b>45,96,680</b>                                |

**NOTE 7 - CASH AND BANK BALANCES**

| Particulars                             | As at<br>31 <sup>st</sup> March, 2014<br>Rupees | As at<br>31 <sup>st</sup> March, 2013<br>Rupees |
|---|---|---|
| Cash and Cash Equivalents               |   |   |
| Balances with Banks in current accounts | 4,97,136  | 13,46,725                                       |
|   | <b>4,97,136</b>                                 | <b>13,46,725</b>                                |



**NALANDA POWER COMPANY LIMITED**

Registered Office : 6, Church Lane, 1<sup>st</sup> Floor, Kolkata - 700 001

**NOTE 8 - OTHER EXPENSES**

| Particulars                       | 2013-14<br>Rupees | 2012-13<br>Rupees |
|-----------------------------------|-------------------|-------------------|
| Consultancy and Professional Fees | 5,29,020          | 8,23,350          |
| Filing Fee                        | -                 | 2,04,646          |
| Travelling Expenses               | 19,400            | 1,25,843          |
| Audit Fee                         | 28,090            | 22,472            |
| Certification Fees                | -                 | 2,780             |
| Rates and Taxes                   | -                 | 4,300             |
| Printing and Stationary           | 1,050             | -                 |
| Donation                          | -                 | 25,00,000         |
| Miscellaneous Expenses            | 28,555            | 36,691            |
|                                   | <b>6,06,115</b>   | <b>37,20,082</b>  |



## NALANDA POWER COMPANY LIMITED

Registered Office : 6 Church Lane, 1<sup>st</sup> Floor, Kolkata - 700001

**Note 9** Disclosures as required under Accounting Standard AS-18 under the Companies Accounting Standards Rules 2006 on "Related Party Disclosures" :

(a) Related party and their relationship :

| <u>Name of related party</u>  | <u>Nature of relationship</u> |
|---|-------------------------------|
| CESC Limited  | Holding Company               |
| Spencer's Retail Limited, CESC Properties Limited, Metromark Green Commodities Pvt. Ltd., Music World Retail Limited, Au Bon Pain Café India Limited, CESC Projects Limited, Dhariwal Infrastructure Ltd, Haldia Energy Ltd, CESC Infrastructure Ltd, Surya Vidyut Limited, Bantal Singapore Pte.Ltd , Papu Hydropower Projects Limited, Pachi Hydropower Projects Limited, Spenliq Private Limited, Firstsource Solutions Limited, Firstsource Group USA, Inc., Firstsource BPO Ireland Ltd, Firstsource Solutions UK Ltd., Anunta Tech Infrastructure Services Ltd., Firstsource-Dialog Solutions Pvt. Ltd., MedAssist Holding, Inc., Firstsource Business Process Services, LLC, Firstsource Solutions USA, LLC, Firstsource Advantage, LLC ,Firstsource Transaction Services, LLC, Firstsource Solutions SA (Argentina)*, Twin Lakes Property LLC, (Twinlakes-I)*, Twin Lakes Property LLC (Twinlakes-II) *, Ranchi Power Distribution Company Limited, | Fellow Subsidiary Companies   |

\* w.e.f. 31-12-2013

# Dissolved during the year

(b) Disclosure of transactions between the Company and Related Party and status of outstanding balance :

|   | <u>Current Year</u> | <u>Previous Year</u> |
|---|---------------------|----------------------|
|   | <u>(Rupees)</u>     | <u>(Rupees)</u>      |
| Advance against equity received from CESC Limited during the year and remained outstanding as on 31 <sup>st</sup> March, 2013 | NIL                 | 4,500,000            |
| Issue of Equity Share Capital   | 4,500,000           |                      |

**Note 10** Disclosures as required under Accounting Standard AS-20 under the Companies Accounting Standards Rules 2006 on "Earnings Per Share" :

|  | <u>Current Year</u> | <u>Previous Year</u> |
|--|---------------------|----------------------|
| Loss after tax                                   | (Rs.6,06,115)       | (Rs.3,720,082)       |
| Weighted average number of Equity Shares for EPS | 901,233             | 900,000              |
| Nominal Value Per Equity Shares                  | Rs.10               | Rs.10                |
| Earning per Equity Share - Basic                 | (Rs.0.67)           | (Rs.4.13)            |



**NALANDA POWER COMPANY LIMITED**

Registered Office : 6 Church Lane, 1<sup>st</sup> Floor, Kolkata - 700001


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**Note 11** The Company is presently in the process of setting up of a power plant and yet to commence commercial production. The company does not operate in any other segment.

**Note 12** Since the Company has not commenced commercial production, Deferred Tax has not been recognised.

**Note 13** Previous year figures have been re-classified/regrouped wherever necessary.

For P.K.Das & Associates  
Firm Registration Number: 308082 E  
Chartered Accountants

  
Pradyot Das  
(Partner)  
Membership Number 13861  
Kolkata, 26<sup>th</sup> May, 2014



For and on behalf of the Board of Directors

  
Director

  
Director

# NALANDA POWER COMPANY LIMITED

Registered Office : 6, Church Lane, 1<sup>st</sup> Floor, Kolkata - 700 001

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2014

|   | 2013-2014<br>Rupees | 2012-2013<br>Rupees |
|---|---------------------|---------------------|
| <b>A. Cash flow from Operating Activities</b>                 |                     |                     |
| (Loss) before taxation  | (606,115)           | (3,720,082)         |
| <b>Adjustments for :-</b>                                     |                     |                     |
| Depreciation  | -                   | -                   |
| (Loss)/Profit on sale of assets                               | -                   | -                   |
| Operating profit / (loss) before working capital changes      | (606,115)           | (3,720,082)         |
| Trade and Other Receivables                                   | -                   | 1,010               |
| Increase/ Decrease in Current Liabilities                     | (243,474)           | 277,300             |
| <b>Net cash flow from Operating Activities</b>                | <b>(849,589)</b>    | <b>(3,441,772)</b>  |
| <b>B. Cash flow from Investing Activities</b>                 |                     |                     |
| Sale of Fixed Assets  | -                   | -                   |
| Decrease / (Increase) in Capital Work-in-Progress             | -                   | -                   |
| <b>Net cash flow from Investing Activities</b>                | <b>-</b>            | <b>-</b>            |
| <b>C. Cash flow from Financing Activities</b>                 |                     |                     |
| Share Application money pending allotment                     | -                   | 4,500,000           |
| <b>Net cash flow from Financing Activities</b>                | <b>-</b>            | <b>4,500,000</b>    |
| <b>Net increase / (decrease) in cash and cash equivalents</b> | <b>(849,589)</b>    | <b>1,058,228</b>    |
| Cash and cash equivalents - Opening Balance                   | 1,346,725           | 288,497             |
| Cash and cash equivalents - Closing Balance                   | 497,136             | 1,346,725           |

- Notes : (a) The Cash Flow Statement has been prepared under the indirect method as given in the Accounting Standard on Cash Flow Statement (AS-3) issued by The Institute of Chartered Accountants of India.
- (b) Share Application money received during the previous year has been adjusted against the fresh issue of Share Capital during the current year
- (c) Cash and cash equivalents represents bank balances only.

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

For P K Das & Associates  
Chartered Accountants

Firm Registration No. 300082E

  
Pradyot Das  
Partner

Membership No. 13851

Kolkata, 26<sup>th</sup> May 2014

For and on behalf of the Board of Directors

  
Director

  
Director