

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CESC PROPERTIES LIMITED

Report on the Financial Statements

1. We have audited the accompanying financial statements of **CESC Properties Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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



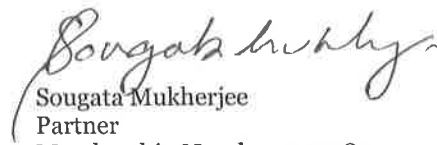
Opinion

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

Report on Other Legal and Regulatory Requirements

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

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


Sougata Mukherjee
Partner
Membership Number 057084

Kolkata
May 21, 2015

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Annexure to Independent Auditors' Report

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

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.

(b) The fixed assets of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.
- ii. (a) The inventory has been physically verified by the Management during the year. In our opinion, the frequency of verification is reasonable.

(b) In our opinion, the procedures of physical verification of inventory followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.

(c) On the basis of our examination of the inventory records, in our opinion, the Company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a) and (iii)(b) of the said Order are not applicable to the Company.
- iv. In our opinion, and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of services. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us, we have neither come across, nor have been informed of, any continuing failure to correct major weaknesses in the aforesaid internal control system.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under to the extent notified.
- vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including provident fund, , income tax, , service tax, duty of customs and other material statutory dues, as applicable, with the appropriate authorities.

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income-tax, service-tax and duty of customs which have not been deposited on account of any dispute.

(c) There are no amounts required to be transferred by the Company to the Investor Education and Protection Fund in accordance with the provisions of the Companies Act, 1956 and the rules made thereunder.
- viii. The accumulated losses of the Company did not exceed fifty percent of its net worth as at March 31, 2015 and it has not incurred cash losses in the financial year ended on that date but has incurred cash losses in the immediately preceding financial year
- ix. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of dues to any financial institution or bank or debenture holders as at the balance sheet date.



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Annexure to Independent Auditors' Report

Referred to in paragraph 9 of the Independent Auditors' Report of even date to the members of CESC Properties Limited on the financial statements for the year ended March , 31, 2015
Page 2 of 2

- x. In our opinion, and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year. Accordingly, the provisions of Clause 3(x) of the Order are not applicable to the Company
- xi. In our opinion, and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained.
- xii. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

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



Sougata Mukherjee
Partner
Membership Number 057084

Kolkata
May 21, 2015

(CB)

Balance Sheet as at 31st March, 2015

Particulars	Note No.	31st March, 2015	31st March, 2014
		Rs.	Rs.
I. EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2.1	2,495,100,000	2,070,100,000
Reserves and Surplus	2.2	(196,701,055)	(241,051,188)
		<u>2,298,398,945</u>	<u>1,829,048,812</u>
Non-current liabilities			
Long-Term Borrowings	2.3	1,874,660,601	2,009,275,838
Other Long-Term Liabilities	2.4	295,425,261	269,696,714
Long-Term Provisions	2.5	3,875,143	1,963,305
		<u>2,173,961,005</u>	<u>2,280,935,857</u>
Current liabilities			
Trade Payables	2.6	13,717,572	4,905,804
Other Current Liabilities	2.7	524,539,392	528,261,913
Short-Term Provisions	2.8	30,554	19,277
		<u>538,287,518</u>	<u>533,186,994</u>
TOTAL		<u>5,010,647,469</u>	<u>4,643,171,663</u>
II. ASSETS			
Non-current assets			
Fixed Assets			
Tangible assets	2.9	3,989,642,307	3,908,903,593
Intangible assets	2.10	2,077,366	376,228
Capital work-in-progress	2.11	518,317,113	54,665,184
		<u>4,510,036,786</u>	<u>3,963,945,005</u>
Non-Current Investments	2.12	11,529,000	11,529,000
Deferred tax assets (net)	2.13	-	-
Long-Term loans and advances	2.14	72,275,475	173,749,721
		<u>83,804,475</u>	<u>185,278,721</u>
Current assets			
Inventories	2.15	1,697,651	-
Trade Receivables	2.16	39,187,253	57,874,035
Cash and Bank balances	2.17	243,619,370	331,762,775
Short-Term loans and advances	2.18	94,314,936	97,902,842
Other Current assets	2.19	37,986,998	6,408,285
TOTAL		<u>5,010,647,469</u>	<u>4,643,171,663</u>

Notes forming part of Financial Statements.

1 - 2.33

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

For Lovelock & Lewes

Firm Registration Number: 301056E

Chartered Accountants

Sougata Mukherjee

Partner

Membership No.: 057084


Kolkata

Date: 21st May, 2015

For and on behalf of the Board of Directors


 CFO & Company Secretary
SNEHANSU DUTTA


 Managing Director
DILIP K. SEN


 Director
RAJARSHI BANERJEE

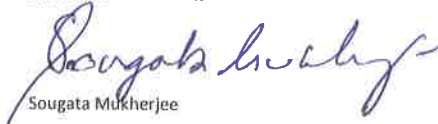
CESC Properties Limited
Registered Office: CESC House, Chowringhee Square, Kolkata - 700001
CIN: U70101WB2006PLC108175
Telephone: +91 33 2225 6040
Email: cescproperties@rp-sg.in

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

Particulars	Note No.	2014-15	2013-14
		Rs.	Rs.
Income			
Revenue from Operations	2.21	796,166,077	136,270,058
Other Income	2.22	21,401,436	31,547,568
Total Revenue		817,567,513	167,817,626
Expenses			
Employee benefit expenses	2.23	44,786,366	16,211,996
Finance costs	2.24	258,520,822	131,208,758
Depreciation and amortisation expenses	2.25	100,069,676	35,427,240
Other expenses	2.26	368,157,515	183,773,774
Total expenses		771,534,379	366,621,768
Profit/(Loss) before tax		46,033,134	(198,804,142)
Tax expense			
Current		1,683,000	-
Deferred	2.13	-	-
Profit/(Loss) for the year		44,350,134	(198,804,142)
Earnings per share (Face value of Rs.10 per share)			
Basic and Diluted	2.28	0.21	(1.53)
Notes forming part of Financial Statements	1 - 2.33		

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

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


Sougata Mukherjee
Partner
Membership No.: 057084
Kolkata
Date: 21st May, 2015

For and on behalf of the Board of Directors


CFO & Company Secretary
SNEHANU DUTTA


Managing Director
DILIP K. SEN


Director
RAJARSHI BANERJEE

(GB)

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

	2014-15	2013-14
	Rs.	Rs.
Cash flow from Operating Activities		
Profit/(Loss) before tax	46,033,134	(198,804,142)
Adjustments for:		
Depreciation and Amortisation	100,069,676	35,427,240
Finance Costs	258,520,822	131,208,758
Interest Income	(21,401,436)	(31,547,568)
Operating Profit before Working Capital changes	383,222,196	(63,715,712)
Adjustments for:		
Trade and Other Receivables	(8,584,885)	(83,409,896)
Trade and Other Payables	169,624,632	335,832,164
Net cash flow from Operating Activities	544,261,943	188,706,555
Cash flow from Investing Activities		
Purchase of Fixed Assets / Capital Work in Progress	(722,939,361)	(1,001,511,247)
Interest Income Received	16,213,150	32,874,813
Net cash flow used in Investing Activities	(706,726,211)	(968,636,434)
Cash flows from Financing Activities		
Proceeds from issue of Equity Shares	425,000,000	600,000,000
Proceeds from Long Term Borrowing	-	500,000,000
Repayment of Long Term Borrowing	(90,724,162)	-
Finance Costs paid	(259,954,975)	(278,725,586)
Net cash flow from Financing Activities	74,320,863	821,274,414
Net Increase/(Decrease) in Cash and Cash equivalents	(88,143,405)	41,344,535
Cash and Cash equivalents - Opening Balance	331,762,775	290,418,240
Cash and Cash equivalents - Closing Balance	243,619,370	331,762,775

Notes:

1. The Cash Flow Statement has been prepared under the 'Indirect Method' as given in the Accounting Standard on Cash Flow Statements (AS- 3) as per Companies Accounting Standard Rules, 2006 .

2. Cash and Cash equivalents comprise:

	2014-15	2013-14
Balance with banks		
In Current Account	115,527,358	221,368,028
Bank deposit with original maturity upto 3 months	100,000,000	19,509,041
Cash on hand	67,280	51,620
Other Bank Balances		
Bank deposit with original maturity more than 3 months	21,123,449	45,915,342
Escrow Account	6,901,283	44,918,744
	243,619,370	331,762,775


3. Previous year's figures have been regrouped /rearranged wherever necessary.

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

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

For and on behalf of the Board of Directors

(CS)


Sougata Mukherjee
Partner
Membership No.: 057084
Kolkata
Date: 21st May 2015


Managing Director
DILIP K. SEN

CFO & Company Secretary
SNEHANU DUTTA


Director
RAJARSHI BANERJEE

CESC Properties Limited
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CIN: U70101WB2006PLC108175
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Email: cescproperties@rp-sg.in

1. Significant Accounting Policies

1.1) Accounting Convention

i) Accounting Convention

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

1.2) Tangible Assets

a) Cost

Tangible Assets are stated at cost of acquisition net of cenvat credit and include any incidental expenses for acquisition / installation. Impairment loss, if any, ascertained as per the Accounting Standard 28 "Impairment of Assets" as per the Company is recognised. Profit or loss on disposal of tangible asset is recognised in the Statement of Profit and Loss.

b) Depreciation and Amortisation

Leasehold Land is amortised on a straight-line basis over the period of the lease.

Depreciation on Tangible Assets is provided on straight line method based on useful lives and residual values as prescribed in Part C of Schedule II of the Companies Act, 2013.

CSB



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1.3) Intangible Assets

a) Cost

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

b) Amortisation

Software cost is amortised over a period of three years on a straight-line basis.

1.4) Investments

Non current Investments are stated at cost. Provision is made where there is a decline, other than temporary, in the value of non-current investments.

1.5) Inventories

Inventories of stores and spares are valued at lower of cost and net realizable value. Cost is calculated on weighted average basis and comprises expenditure incurred in the normal course of business in bringing such inventories to their location and condition.

1.6) Employee Benefits

Provident Fund is accounted for on accrual basis and is contributed to the fund maintained with the Regional Provident Fund Commissioner, West Bengal. Provision for gratuity liability and leave encashment liability, which are unfunded, are made on the basis of actuarial valuation done at the end of the year by an independent actuary.

1.7) Foreign Currency Transactions

Transactions in foreign currency are accounted for at the exchange rate prevailing on the date of transaction. Transactions remaining unsettled are translated at the exchange rate prevailing at the end of the financial year. Exchange gain or loss arising on settlement / translation is recognised in the Statement of Profit and Loss.



CS

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1.8) Borrowing Costs

Borrowing costs attributable to acquisition and/or construction of qualifying assets are capitalised as a part of costs of such assets up to the date where such assets are ready for their intended use. Other borrowing costs are charged off to the Statement of Profit and Loss. Any income from temporary investment of the borrowings is reduced from the cost of such borrowings.

1.9) Leasing

Lease rentals in respect of assets taken under operating lease are charged to revenue.

1.10) Taxes on Income

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

Deferred Tax is recognized, subject to consideration of prudence, on timing difference, being the difference between taxable income and accounting income, which originate in one period and is capable of reversal in one or more subsequent year as per Accounting Standard 22 - "Accounting for Taxes on Income" as per Companies (Accounting Standards) Rules, 2006. Deferred tax asset is not recognized unless there is reasonable certainty and in case of brought forward loss and unabsorbed depreciation there is virtual certainty that sufficient future taxable income will be available against which such deferred tax asset can be realized.

1.11) Revenue Recognition

Revenue is recognised when it is earned and no significant uncertainty exists as to its realisation or collection. Income from Mall Operations are recognised based on contractual rights. Interest is recognised on time proportion basis. Dividend income is recognised when the right to receive the same is established.

1.12) Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognised but are disclosed in the Notes to financial statements. Contingent Assets are neither recognised nor disclosed in the financial statements.

(6)



Note 2.1 Share Capital

Particulars	As at	As at
	31st March, 2015 Rs.	31st March, 2014 Rs.
Authorised share capital 25,00,00,000 equity shares of Rs 10 each	2,500,000,000	2,500,000,000
Issued, subscribed and paid - up capital 24,95,10,000 (Previous year: 20,70,10,000) equity shares of Rs. 10 each, fully paid up	2,495,100,000	2,070,100,000
	2,495,100,000	2,070,100,000

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, 2015		As at 31st March, 2014	
	No. of shares	% of holding	No. of shares	% of holding
CESC Limited	249,510,000	100	207,010,000	100

CESC Limited is also the holding Company of CESC Properties 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, 2015		As at 31st March, 2014	
	No. of Shares	Value (Rs.)	No. of Shares	Value (Rs.)
Shares outstanding at the beginning of the year	207,010,000	2,070,100,000	130,010,000	1,300,100,000
Add: Equity Shares issued during the year	42,500,000	425,000,000	77,000,000	770,000,000
Shares outstanding at the end of the year	249,510,000	2,495,100,000	207,010,000	2,070,100,000

Note 2.2 Reserves and Surplus

Particulars	As at	As at
	31st March, 2015 Rs.	31st March, 2014 Rs.
Surplus /(Deficit) in the Statement of Profit and Loss		
Debit Balance at the beginning of the year	(241,051,188)	(42,247,046)
Add: Profit / (Loss) for the year	44,350,134	(198,804,142)
Debit Balance at the end of the year	(196,701,054)	(241,051,188)

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Note 2.3 Long-Term Borrowings

Particulars	As at 31st March, 2015 Rs.	As at 31st March, 2014 Rs.
Secured		
Term loans from Bank	2,009,275,838	2,100,000,000
Less: Current Maturities of long term borrowings transferred to Other Current Liabilities (Refer Note 2.7)	134,615,237	90,724,162
	1,874,660,601	2,009,275,838

Nature of security

The above term loan is secured by way of hypothecation with an exclusive charge on all movable fixed assets, current assets and scheduled receivables of the Company with respect to their Mall Project, both present and future, and also with equitable assignment of all rights under the Development Agreement executed with CESC Limited.

Maturity profile of Long Term Borrowings outstanding as on 31st March, 2015	Rupee Term Loan From Bank (Rs.)
Loan with residual maturity of around 9 years repayable in monthly instalments	2,009,275,838
Total	2,009,275,838

Interest rates of Rupee Term Loan from Bank are based on spread over Bank's benchmark rate.

Note 2.4 Other Long - Term Liabilities

Particulars	As at 31st March, 2015 Rs.	As at 31st March, 2014 Rs.
Security Deposits from Tenants	293,945,450	265,702,812
Advance from Tenants	1,479,811	3,993,902
	295,425,261	269,696,714

Note 2.5 Long-Term Provisions

Particulars	As at 31st March, 2015 Rs.	As at 31st March, 2014 Rs.
Provision for employee benefits		
Provision for leave encashment	2,454,029	1,238,887
Provision for gratuity	1,421,114	724,418
	3,875,143	1,963,305

Note 2.6 Trade Payables

Particulars	As at 31st March, 2015 Rs.	As at 31st March, 2014 Rs.
Trade Payables	13,717,572	4,905,804
	13,717,572	4,905,804

There is no amount due to Micro and Small Enterprises as referred in the Micro, Small and Medium Enterprises Development Act, 2006 based on the information available with the Company.

Note 2.7 Other Current Liabilities

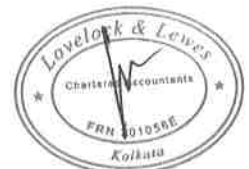
Particulars	As at 31st March, 2015 Rs.	As at 31st March, 2014 Rs.
Current Maturities of Long term debt (Refer Note 2.3)	134,615,237	90,724,162
Liabilities on Capital Account	74,243,571	253,584,218
Advance from Haldia Energy Limited	50,000,000	50,000,000
Interest Accrued but not due	671,600	2,105,753
Audit fees payable	1,000,000	800,000
Professional and Consultancy fees payable	1,155,146	4,146,691
Statutory dues payable	85,943,926	41,235,258
Advance from Tenants	3,010,703	6,374,769
Others payables	173,899,209	79,291,062
	524,539,392	528,261,913

Other payables includes creditors towards contractual obligations.

Note 2.8 Short-Term Provisions

Particulars	As at 31st March, 2015 Rs.	As at 31st March, 2014 Rs.
Provision for employee benefits		
Provision for leave encashment	18,598	11,644
Provision for gratuity	11,956	7,633
	30,554	19,277

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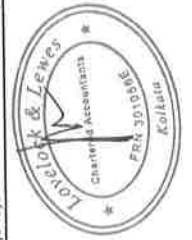
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Note 2.9 Tangible assets

PARTICULARS	GROSS BLOCK AT COST			DEPRECIATION/AMORTISATION			NET BLOCK	
	As at 1st April, 2014 Rs.	Additions / Adjustments Rs.	Withdrawal/ Adjustments Rs.	As at 1st April, 2014 Rs.	Additions / Adjustments Rs.	Withdrawal/ Adjustments Rs.	As at 31st March, 2015 Rs.	As at 31st March, 2014 Rs.
Freehold Land	-	29,279,250	-	-	-	-	29,279,250	-
Leasehold Land	102,972,000	-	-	5,816,009	1,144,133	-	96,011,858	97,155,991
Leasehold Building	3,098,637	-	-	636,004	50,508	-	2,412,125	2,462,633
Building	3,104,850,915	140,105,537	-	20,557,867	50,376,289	-	3,174,022,296	3,084,293,048
Plant & Machinery	730,084,107	10,802,759	-	14,280,274	46,844,642	-	679,761,950	715,803,833
Furniture & Fixture	3,101,625	448,301	352,881	81,223	319,815	-	2,796,007	3,020,402
Office equipment	2,608,370	219,450	-	183,569	627,227	-	2,017,024	2,424,801
Vehicles	2,138,267	-	-	653,309	292,358	-	1,192,600	1,484,958
Computers	3,259,668	1,166,966	-	1,001,741	1,275,696	-	2,149,197	2,257,927
Previous Year	3,952,113,589	182,022,263	352,881	43,209,996	100,930,668	-	3,989,642,307	3,908,903,593
	110,108,984	3,842,004,605	-	7,155,262	37,188,692	(1,133,958)	3,908,903,593	

Note 2.10 Intangible assets

PARTICULARS	GROSS BLOCK AT COST			AMORTISATION			NET BLOCK	
	As at 1st April, 2014 Rs.	Additions / Adjustments Rs.	Withdrawal/ Adjustments Rs.	As at 1st April, 2014 Rs.	Additions / Adjustments Rs.	Withdrawal/ Adjustments Rs.	As at 31st March, 2015 Rs.	As at 31st March, 2014 Rs.
Computer software	1,907,981	2,034,787	-	1,531,753	333,649	-	2,077,366	376,228
Previous Year	1,685,986	221,995	-	1,343,642	333,649	-	2,077,366	376,228
	1,907,981	2,034,787	-	1,531,753	333,649	-	2,077,366	376,228
	1,907,981	2,034,787	-	1,531,753	333,649	-	2,077,366	376,228



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Note 2.11 Capital work-in-progress

Particulars	As at 31st March, 2014 Rs.	Additions / Adjustments Rs.	Transfer to Fixed Assets Rs.	As at 31st March, 2015 Rs.
Civil Work and Mechanical, Electrical and Plumbing Services	37,100,181	-	37,100,181	-
Consultancy Charges	3,523,100	11,048,512	9,095,866	5,475,746
Depreciation and Amortisation	7,061,294	1,194,641	-	8,255,935
Miscellaneous Project Expenditure	6,980,609	8,690,834	6,980,609	8,690,834
Others	-	582,823,479	86,928,881	495,894,598
	54,665,184	603,757,466	140,105,537	518,317,113

Note 2.12 Non-Current Investments

Particulars	As at 31st March, 2015 Rs.	As at 31st March, 2014 Rs.
Other than Trade Investments - Unquoted		
At Cost :		
Investments in equity instrument of Subsidiary company		
20,000 equity shares of Rs 10 each, fully paid up of Metromark Green Commodities Private Limited	11,529,000	11,529,000
	11,529,000	11,529,000

a) The non-current investment is long term in nature.

b) Based on market value of assets held by the Company's subsidiary and assessment of its business prospect, the management does not foresee any diminution other than temporary, in the value of the Company's non-current investment.

Note 2.13 Deferred Tax Assets (Net)

Particulars	As at 31st March, 2015 Rs.	As at 31st March, 2014 Rs.
Deferred Tax Liability		
Depreciation difference	207,921,119	108,982,762
Deferred Tax Asset		
Unabsorbed Business Loss/depreciation	(207,921,119)	(108,982,762)

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

Note 2.14 Long Term loans and advances

Particulars	As at 31st March, 2015 Rs.	As at 31st March, 2014 Rs.
(Unsecured, considered good)		
Advance to related party		
Share Application money to Subsidiary	25,000,000	25,000,000
Security Deposit to CESC Ltd	1,524,907	1,524,907
Capital advance	44,301,831	146,864,574
Security Deposits	283,518	167,460
Advance / Loan to employees	1,165,219	192,780
	72,275,475	173,749,721



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Note 2.15 Inventories

Particulars	As at 31st March, 2015 Rs.	As at 31st March, 2014 Rs.
Stores & Spares	1,697,651	-
	1,697,651	-

Note 2.16 Trade Receivables

Particulars	As at 31st March, 2015 Rs.	As at 31st March, 2014 Rs.
Secured, considered good		
a) Outstanding for a period exceeding six months from due date Secured, considered good	5,783,787	-
b) Other receivables Secured, considered good	33,403,466	57,874,035
	39,187,253	57,874,035

Note 2.17 Cash and Bank Balances

Particulars	As at 31st March, 2015 Rs.	As at 31st March, 2014 Rs.
(a) Cash and cash equivalents		
Balance with banks in Current Account	115,527,358	221,368,028
Cash on hand	67,280	51,620
Deposits		
Bank deposit with original maturity upto 3 months	100,000,000	19,509,041
(b) Other bank balances		
Bank deposit with original maturity more than 3 months (Bank deposit includes Rs 2,00,00,000 (previous year Rs Nil) in the form of lien marked Fixed Deposit to Lender)	21,123,449	45,915,342
Escrow Account	6,901,283	44,918,744
	243,619,370	331,762,775

Note 2.18 Short Term loans and advances

Particulars	As at 31st March, 2015 Rs.	As at 31st March, 2014 Rs.
(Unsecured, considered good)		
Cenvat Credit	15,421,856	81,920,431
Advance to Fellow subsidiary companies	1,631,221	314,550
Advance/Loan to employees	331,980	135,840
Advance taxes (Income tax) (Net of provision for taxation Rs 16,83,000/-, Previous year Rs. Nil)	68,304,295	13,006,447
Miscellaneous Advance to body Corporate	5,030,611	-
Other advances	3,594,973	2,525,574
	94,314,936	97,902,842

Note 2.19 Other Current assets

Particulars	As at 31st March, 2015 Rs.	As at 31st March, 2014 Rs.
Unbilled Revenue	13,822,563	-
Receivable towards recovery of expenses from tenants	15,570,151	3,002,287
Interest Accrued on Bank Deposit	8,594,284	3,405,998
	37,986,998	6,408,285

Note: 2.20

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

- a) Claim against Company not acknowledged as Debt: Rs Nil (Previous Year Rs. 2,92,95,309).
- b) Estimated amount of contracts remaining to be executed on Capital Account and not provided for: Rs. 15,21,59,198 /- (31st March, 2014: Rs. 41,82,09,632), net of advance Rs. 56,88,031/-(31st March, 2014: Rs. 14,68,64,574).

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Note 2.21 Revenue from Operations

Particulars	2014-15	2013-14
	Rs.	Rs.
Revenue from Mall Operations		
License Fees	62,238,909	8,398,726
Equipment Usage Charges	300,940,778	42,634,379
Signage Usage Charges	184,656,499	28,547,551
Revenue Share from Occupants of the Mall	39,287,811	18,762,588
Maintenance Services	168,949,623	35,759,005
Car Parking Receipts	31,394,462	2,167,809
Event Based Fee	8,697,995	-
	796,166,077	136,270,058

Note 2.22 Other Income

Particulars	2014-15	2013-14
	Rs.	Rs.
Interest Income	21,401,436	33,193,244
Other non-operating income	-	11,292,156
	21,401,436	44,485,400
Less: Allocated to Capital Account <i>Ref Note 2.11</i>	-	12,937,832
	21,401,436	31,547,568

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Note 2.23 Employee benefit expenses

Particulars	2014-15	2013-14
	Rs.	Rs.
Salaries and bonus	50,899,394	35,878,860
Contribution to provident and other funds	1,066,445	900,997
Staff welfare expenses	1,511,361	1,052,392
	53,477,200	37,832,249
Less: Allocated to Capital Account Ref Note 2.11	8,690,834	21,620,253
	44,786,366	16,211,996

a) 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. Contribution towards the Fund comprises an amount of Rs. 3,56,324 (31 March, 2014 – Rs. 5,27,156) included in Miscellaneous Project Expenditure which has been capitalised and an amount of Rs. 10,66,445 (31 March, 2014: 3,73,841) which has been charged off to Statement of Profit and Loss.

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.

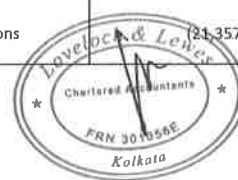
Net (Liability)/Asset recognised in the Balance Sheet are as follows:

Particulars	2014-15	
	Rs.	
	Gratuity	Leave Encashment
Present value of funded obligation	1,433,070	2,472,627
Fair Value of plan assets	-	-
Present value of un-funded obligation	-	-
Net (Liability)/Asset	(1,433,070)	(2,472,627)
Experience (Gain)/Loss adjustment on plan liabilities	166,022	760,898
Experience Gain/(Loss) adjustment on plan assets	-	-
Experience (Gain)/Loss adjustment on plan liabilities due to change in assumptions	191,439	304,994

Particulars	2013-14		2012-13	
	Rs.			
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Present value of funded obligation	-	-	616,093	-
Fair Value of plan assets	-	-	352,350	-
Present value of un-funded obligation	732,051	1,250,531	-	920,452
Net (Liability)/Asset	(732,051)	(1,250,531)	(263,743)	(920,452)
Experience (Gain)/ Loss adjustment on plan liabilities	(72,741)	325,006	136,592	378,443
Experience Gain/(Loss) adjustment on plan assets	(14,446)	-	2,413	-
Experience (Gain)/ Loss adjustment on plan liabilities due to change in assumptions	(87,869)	(140,025)	37,620	54,174

Particulars	2011-12		2010-11	
	Rs.			
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Present value of funded obligation	402,441	-	264,646	-
Fair Value of plan assets	321,781	-	293,864	-
Present value of un-funded obligation	-	586,354	-	373,304
Net (Liability)/Asset	(80,660)	(586,354)	29,218	(373,304)
Experience (Gain)/ Loss adjustment on plan liabilities	41,518	275,210	30,829	119,290
Experience Gain/(Loss) adjustment on plan assets	3,379	-	3,220	-
Experience (Gain) adjustment on plan liabilities due to change in assumptions	(21,357)	(29,531)	(2,190)	(2,803)

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Amount recognized in Statement of Profit and Loss are as follows:

Particulars	2014-15		2013-14		Rs.
	Gratuity	Leave Encashment	Gratuity	Leave Encashment	
Current Service Cost	276,209	74,018	226,048	69,621	
Interest Cost	67,349	113,604	50,520	75,477	
Expected Return on plan assets	-	-	(14,446)	-	
Actuarial Losses/(Gains)	357,461	1,065,892	(146,164)	184,981	
Past service cost	-	-	-	-	
Total	701,019	1,253,514	115,958	330,079	

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

Particulars	2014-15		2013-14		Rs.
	Gratuity	Leave Encashment	Gratuity	Leave Encashment	
Opening defined benefit obligation	732,051	1,250,531	616,093	920,452	
Current Service Cost	276,209	74,018	226,048	69,621	
Interest Cost	67,349	113,604	50,520	75,477	
Actuarial Losses/(Gains)	357,461	1,065,892	(160,610)	184,981	
Benefits paid	-	(31,418)	-	-	
Closing Defined Benefit Obligation	1,433,070	2,472,627	732,051	1,250,531	

Principal Actuarial Assumption Used:

	2014-15	2013-14
Discount Rates	7.84%	9.20%
Rate on increase in salaries	5.00%	5.00%
Mortality Rates	Indian Assured Lives Mortality (2006-08)Ultimate	Indian Assured Lives Mortality (2006-08)Ultimate

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

The contribution expected to be made by the Company for the year ending 31st March, 2016 cannot be readily ascertainable and therefore not disclosed.

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Note 2.24 Finance costs

Particulars	2014-15	2013-14
	Rs.	Rs.
Interest expense	258,520,822	248,132,876
Other Borrowing Costs	-	15,168,600
	258,520,822	263,301,476
Less: Allocated to Capital Account <i>Ref Note 2.11</i>	-	132,092,718
	258,520,822	131,208,758

Note 2.25 Depreciation and amortisation expenses

Particulars	2014-15	2013-14
	Rs.	Rs.
Depreciation / amortisation on tangible assets	100,930,668	36,054,734
Amortisation on intangible assets	333,649	188,111
	101,264,317	36,242,845
Less: Allocated to Capital Account <i>Ref Note 2.11</i>	1,194,641	815,605
	100,069,676	35,427,240

Note 2.26 Other expenses

Particulars	2014-15	2013-14
	Rs.	Rs.
Consumption of Stores and Spares	7,479,902	2,748,481
Repairs		
- Building	3,909,705	322,325
- Plant & Machinery	8,964,199	1,160,227
- Others	8,744,099	2,031,896
User Fee	110,000,000	110,000,000
Electricity	70,534,181	28,760,902
Rent (includes lease rent of Rs 3,10,483; Previous Year: Rs. 3,500) [Refer Note below]	1,120,719	1,899,500
Insurance	4,241,512	1,786,124
Professional Fee	19,138,712	51,390,569
Travelling & Conveyance	3,398,085	3,017,910
Communication Expense	516,288	288,616
Auditor's Remuneration		
- Statutory Audit Fee	1,000,000	800,000
- Tax Audit Fee	200,000	200,000
- Other Services	20,000	-
Printing & Stationery	1,241,742	614,971
Manpower Service charges	64,610,632	33,302,246
Bank Charges	212,262	30,483
General Charges	242,877	466,657
Brokerage	4,205,412	29,703,331
Rates & Taxes	38,121,522	31,771,340
Promotion Expenses	28,112,215	18,106,196
Miscellaneous Office Expense	3,191,963	3,718,883
	379,206,027	322,120,657
Less: Allocated to Capital Account <i>Ref Note 2.11</i>	11,048,512	138,346,883
	368,157,515	183,773,774

Note : The Company has taken land, vehicles and office premises under operating lease having tenure upto 90 years, 3 years and 21 years. There is no specific obligation for renewal of these agreements. There is an escalation clause of 12% p.a every three years in case of lease for office premises.

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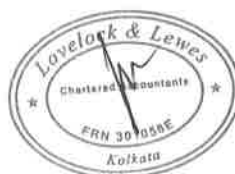
Note: 2.27

Related Party Disclosures

Related Parties and their relationships

Nature of relationship	Name of related parties
i Holding Company	CESC Limited
ii Subsidiary Company	Metromark Green Commodities Private Limited
iii Fellow Subsidiary Company's	Spencer's Retail Limited, Ranchi Power Distribution Company Limited, Music World Retail Limited, Au Bon Pain Café India Limited, Nalanda Power Company 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, One Advantage LLC, Firstsource Solutions S.A., MedAssist Holding LLC, Water Hyacinth Commosale Pvt. Ltd (w.e.f 29 th January, 2015), Sheesham Commercial Pvt. Ltd w.e.f (29 th January, 2015), Wigeon Commotrade Pvt. Ltd (w.e.f 12 th February, 2015), Crescent Power Ltd (w.e.f 30 th March, 2015)
iv Key Management Personnel	Mr. Dilip Kumar Sen, Managing Director

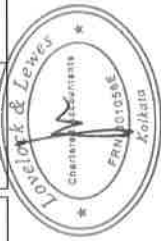
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Transactions with Related Parties

Nature of Transaction	Holding Company		Subsidiary Company		Fellow Subsidiary Company		Key Management Personnel	
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
Advance Received for Share Subscription								
CESC Limited	(425,000,000)	(600,000,000)						
Allotment of Shares								
CESC Limited	425,000,000	770,000,000						
Security Deposit								
CESC Limited		1,157,322						
Spencers Retail Limited						(7,976,791)		
Au Bon Pain Café Ltd						(1,233,184)		
Income from Sale / Services								
Spencers Retail Limited					38,204,298	17,430,186		
Au Bon Pain Café Ltd					3,702,464	1,340,303		
Expense Incurred								
CESC Limited	128,402,708	42,360,243						
Spencers Retail Limited					122,329			
User Fee Incurred								
CESC Limited	110,000,000	110,000,000						
Recovery of Expenses								
CESC Limited (net)	19,684,323	11,746,572						
CESC Infrastructure Limited					604,415	235,275		
Haldia Energy Limited					(524,444)	(314,550)		
Dhariwal Infrastructure Ltd					(792,227)			
Spencers Retail Limited					(5,376,093)			
Au Bon Pain Café Ltd					(423,563)			
Remuneration Paid								
Mr D. K Sen							5,024,000	2,610,000
Mr P. K Chaudhuri								189,300
Balance as at Year End								
Debit	164,815,906	252,968,724	25,000,000	25,000,000	56,683,937	54,059,499		
Credit								



(Handwritten initials)

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Note: 2.28

Earnings per Share (EPS):

Computation of earning per share

		2014-15	2013-14
(i)	Number of Equity Shares at the beginning of the year	20,70,10,000	13,00,10,000
(ii)	Number of Equity Shares issued during the year	4,25,00,000	7,70,00,000
(iii)	Number of Equity Shares at the end of the year	24,95,10,000	20,70,10,000
(iv)	Weighted average number of Equity Shares outstanding for the year for Basic EPS (A)	20,71,26,438	13,02,20,959
(v)	Face Value of each Equity Share (in Rs.)	10	10
(vi)	Profit/ (Loss) attributable to Equity Shareholders (Rs.) (B)	4,43,50,134	(19,88,04,142)
	Profit/ (Loss) per share – Basic and Diluted(B/A)	0.21	(1.53)

Note: 2.29

Expenditure in Foreign Currency

Particulars	2014-15	2013-14
	Rs	Rs
Consultancy Fee	3,85,804	120,54,446

Note: 2.30

C.I.F value of Imports

Particulars	2014-15	2013-14
	Rs	Rs
Capital Goods	18,12,500	-

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Note 2.31:

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

Assets	Existing Rate of Depreciation	Revised Rate of Depreciation
Building	1.63%	1.58%
Plant & Machinery	4.75%	6.33%
Furniture & Fixture	6.33%	9.50%
Office equipment	6.33%	19.00%
Vehicles	9.50%	11.88%
Computers	16.21%	31.67%

Pursuant to the revision, the written down value of the assets have been depreciated over the remaining revised estimated useful life. Accordingly, the depreciation charge for the year is higher by Rs. 118,47,144/- with corresponding impact on the profit for the year.

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Note: 2.32

The Company is mainly engaged in the business of development and operation of Malls and other real estate properties and does not operate in any other reportable segment.

Note: 2.33

Previous year's figure has been regrouped/ rearranged, wherever necessary.

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



Sougata Mukherjee
Partner
Membership No.057084
Kolkata
21st May 2015

For and on behalf of the Board of Directors



Managing Director
DILIP K. SEN



CFO & Company Secretary
SNEHANV DUTTA



Director
RAJARSHI BANERJEE

CB