

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF HALDIA ENERGY LIMITED

Report on the Financial Statements

1. We have audited the accompanying financial statements of **Haldia Energy 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.

Auditors' Responsibility

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



7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

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

Report on Other Legal and Regulatory Requirements

9. As required by 'the Companies (Auditor's Report) Order, 2015', issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
10. As required by Section 143 (3) of the Act, we report that:
- We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - On the basis of the written representations received from the directors as on March, 31, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on March, 31, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
 - With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
 - The Company has disclosed the impact, if any, of pending litigations as at March, 31, 2015 on its financial position in its financial statements.
 - The Company has made provisions as at March, 31, 2015, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.
 - 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 Batliboi, Purohit & Darbari
Chartered Accountants
Firm Registration Number: 303086E



(CA P J Bhide)
Partner
Membership Number 004714

Kolkata
Dated: 18/05/2015



Annexure to Independent Auditors' Report

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

Page 1 of 2

- 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 noted 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 goods and 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. We have broadly reviewed the books of account maintained by the Company in respect of products where, pursuant to the rules made by the Central Government of India, the maintenance of cost records has been specified under sub-section (1) of Section 148 of the Act, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- 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, sales tax, service tax, duty of customs, value added tax, cess 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, sales tax, service tax, duty of customs, value added tax or cess 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 incurred cash losses in the financial year ended on that date and in the immediately preceding financial year.



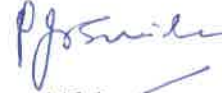
Annexure to Independent Auditors' Report

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

Page 2 of 2

- ix. According to the records of the Company examined by us and the information and explanations 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.
- 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 were applied for the purpose 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 Batliboi, Purohit & Darbari
Chartered Accountants
Firm Registration Number: 303086E



(CA P J Bhide)
Partner
Membership Number 004714

Kolkata

Dated: 18/05/2015



Balance Sheet as at 31st March, 2015

Particulars	Note No	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2.1	10,334,410,490	7,304,410,490
Reserves and surplus	2.2	(913,530,585)	(605,487,400)
Non-current liabilities			
Long-term borrowings	2.3	28,842,032,558	28,353,223,058
Long term provisions	2.4	7,734,098	3,577,217
Current Liabilities			
Trade payables	2.33	204,092,314	-
Short-term borrowings	2.5	846,336,717	-
Other current liabilities	2.6	9,513,382,365	5,740,564,651
Short-term provisions	2.7	596,168	27,412
Total		48,835,054,125	40,796,315,428
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	2.8	45,831,270,356	799,062,677
Capital work-in-progress	2.9	451,492,696	36,816,907,854
Non current investments	2.10	83,000	-
Long term loans and advances	2.11	894,090,937	1,111,485,133
Current assets			
Inventories	2.12	416,130,354	-
Trade receivables	2.13	437,754,056	-
Cash and bank balances	2.14	182,187,265	1,586,077,427
Short-term loans and advances	2.15	121,088,165	53,598,267
Other current assets	2.16	500,957,296	429,184,070
Total		48,835,054,125	40,796,315,428

Significant Accounting Policies

1

Notes 1 - 2.34 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

For and on behalf of the Board of Directors

CA P.J. Bhide
Partner

Membership No.: 004714

Place: Kolkata

Date: 18/05/2015

Director

Managing Director

Sayak Chatterjee
Company Secretary

Chief Financial Officer



Haldia Energy Limited

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

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

Particulars	Note No	2014-15 ₹	2013-14 ₹
Revenue from operations	2.18	1,727,414,492	-
Other income	2.19	-	60,000
Total Revenue		1,727,414,492	60,000
Expenses			
Cost of fuel	2.20	757,446,778	-
Employee benefit expenses	2.21	60,583,771	6,799,310
Finance costs	2.22	894,053,644	168,020,190
Depreciation and amortisation expenses	2.23	235,052,689	-
Other expenses	2.24	88,320,795	8,826,595
Total Expenses		2,035,457,677	183,646,095
Profit before tax		(308,043,185)	(183,586,095)
Tax expenses:			
Current		-	-
Deferred (net)		-	-
Profit/(Loss) for the year		(308,043,185)	(183,586,095)
Earnings per equity share: (Face Value of ₹ 10 per share)			
Basic and Diluted		(0.42)	(0.26)
Significant Accounting Policies	1		
Notes 1 - 2.34 form an integral part of the Accounts			

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

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

CA P.J. Bhide
Partner
Membership No.: 004714
Place: Kolkata
Date: 18/05/2015

For and on behalf of the Board of Directors

Director

Managing Director

Sayak Chatterjee
Company Secretary

Chief Financial Officer



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

Particulars	For the year 2014-15		For the year 2013-14	
	₹	₹	₹	₹
Cash Flow from Operating Activities				
Net Profit/(Loss) before taxation	(308,043,185)		(183,586,095)	
Adjustment for :				
Depreciation	235,052,689		-	
Interest expense	894,053,644		168,020,190	
Asset written off	-		20,437	
Foreign exchange rate variation	70,351,200		-	
Operating Profit/(Loss) before Working Capital Changes	891,414,348		(15,545,468)	
Receivables	(570,331,408)		5,870,502,238	
Payables	167,717,598		1,223,345,192	
Net Cash from Operating Activities		488,800,538		7,078,301,962
Cash Flow from Investing Activities				
Purchase of fixed assets	(17,145,790)		(50,722,177)	
Purchase of capital work in progress	(5,909,565,197)		(19,328,142,405)	
Purchase of investment	(83,000)		-	
Dividend Income	19,202,562		54,354,144	
Interest received	14,292,085		13,903,277	
Net Cash from Investing Activities		(5,893,299,340)		(19,310,607,161)
Cash Flow from Financing Activities				
Issue of share capital	3,030,000,000		174,810,460	
Proceeds from secured loan	4,706,984,835		13,828,420,513	
Interest paid	(3,736,376,195)		(2,693,998,732)	
Net Cash from Financing Activities		4,000,608,640		11,309,232,241
Net Increase/(decrease) of Cash & Cash Equivalents		(1,403,890,162)		(923,072,958)
Cash & Cash Equivalents - Opening Balance		1,586,077,427		2,509,150,385
Cash & Cash Equivalents - Closing Balance		182,187,265		1,586,077,427

Notes:

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

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

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

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

CA P.J. Bhide
Partner
Membership Number 004714

Place: Kolkata
Date: 18/05/2015



For and on behalf of the Board

Director
Managing Director

Sayak Chatterjee
Company Secretary
Chief Financial Officer

NOTE-1 SIGNIFICANT ACCOUNTING POLICIES

The operations of the Company are governed by the Electricity Act, 2003 and various Regulations and/or policies framed thereunder by the appropriate authorities. Accordingly, in preparing the financial statements the relevant provisions of the said Act, Regulations etc. have been duly considered.

1) Accounting Convention

The financial statements have been prepared in accordance with the generally accepted accounting principles in India under 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 and the Regulations under the Electricity Act, 2003, to the extent applicable.

The assets and liabilities have been classified as current and non-current as per the Company's operating cycle and other criteria set out in the schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current-non-current classification of assets and liabilities.

2) Basis of Accounting

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

3) Expenditure During Construction

The Company had commissioned a 2x300 MW Thermal Power Plant at Haldia near Kolkata in the state of West Bengal. Unit 1 of the Project had commenced commercial production from 28th January, 2015 and Unit 2 had also commenced commercial production from 21st February, 2015. Accordingly, project expenses together with incidental expenses have been capitalized as follows:

- a) Expenses incurred till 27th January 2015 pertaining to Unit 1 of the Project along with related common facilities have been capitalized on that date.
- b) Expenses incurred till 20th February 2015 pertaining to Unit 2 of the Project along with related common facilities have been capitalized on that date.

Indirect Expenses for sundry infrastructural work are disclosed as "Miscellaneous Project Expenses" under Capital Work – in – Progress and are 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.

4)

a) Tangible Fixed Assets

Tangible Assets are stated at cost of acquisition together with any incidental expenses related to acquisition and appropriate borrowing costs. The cost also includes pre-operative expenses and where applicable, expenses during trial run after netting off income arising from temporary use of funds pending utilization.

Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalized and depreciated over the useful life of the principal item of the relevant assets.

In case of assets put to use, where final settlement of bills with contractors is yet to be effected, capitalization is done on provisional basis subject to necessary adjustment in the year of final settlement.



b) Depreciation/Amortisation:

In terms of applicable Regulations under the Electricity Act, 2003, depreciation on tangible assets other than freehold land is provided on straight line method on a pro-rata basis at the rates specified therein.

Leasehold Land and Leasehold Building are amortised on a straight-line basis over the unexpired period of the lease.

c) Impairment

An impairment loss is recognized where applicable, when the carrying value of assets of cash generating unit exceeds its market value or value in use, whichever is higher.

5) Leasing

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

6) Investments

Current investments are stated at lower of cost and fair value and Non-Current Investments are stated at cost. Provision is made where there is a decline, other than temporary, in the value of Non-Current Investment.

7) Inventories

Inventories of stores and spares and fuel 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. Obsolete, slow moving and defective inventories are identified at the time of physical verification of inventories and where necessary, adjustment is made for such items.

8) Revenue Recognition

The Company generally follows mercantile system of accounting and recognizes revenue as per AS-9 on "Revenue Recognition" issued by The Institute of Chartered Accountants of India.

Revenue from sale of electricity are net of discount for prompt payment of bills and are accounted for on the basis of billings to the procurer.

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

9) Taxes on Income

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

10) Foreign Exchange Transactions

Transactions in foreign currency are accounted for at the exchange rate prevailing on the date of transactions. Transactions remaining unsettled are translated at the exchange rate prevailing at the end of the financial year. Exchange gain or loss on settlement/translation is recognized in Statement of Profit and Loss. The outstanding loans repayable in Foreign Currency are restated at year end exchange rate. Exchange gain or loss arising in respect of such restatement is accounted for as an income or expense with recognition of the said amount as refundable or recoverable, which will be taken into consideration in determining the Company's future tariff in respect of the amount settled duly considering as appropriate, the impact of the contracts entered into for managing risks thereunder.



11) Employee Benefits

Contribution to Provident Fund is accounted for on accrual basis and contribution to the fund is maintained with the Regional Provident Fund Commissioner, West Bengal. Provisions for Gratuity liability and Leave Encashment liability are made on the basis of actuarial valuation done at the end of the year by independent actuary.

12) Finance Costs

Finance Costs comprise interest expenses, applicable gain/loss on foreign currency borrowings in appropriate cases and other borrowing costs. Such Finance Costs attributable to acquisition and/or construction of qualifying assets are capitalized as a part of costs of such assets upto the date where such assets are ready for their intended use. The balance Finance Costs are charged off to revenue. Finance costs in case of foreign currency borrowings are accounted for as appropriate, duly considering the impact of the contracts entered into for managing risks therefor.



Haldia Energy Limited

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

Note - 2.1

SHARE CAPITAL

Particulars	As at 31st March, 2015	As at 31st March, 2014
	₹	₹
Authorised Share Capital		
1,250,000,000 (31.03.14:900,000,000) Equity Shares of ₹ 10 each	12,500,000,000	9,000,000,000
Issued, Subscribed and Paid - up Capital		
1,033,441,049 (31.03.14:730,441,049) Equity Shares of ₹ 10 each, fully paid up	10,334,410,490	7,304,410,490

(a) Terms/rights attached to equity shares

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

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

Particulars	As at 31st March, 2015		As at 31st March, 2014	
	No of Shares	Amount (₹)	No of Shares	Amount (₹)
Shares outstanding at the beginning of the year	730,441,049	7,304,410,490	712,960,003	7,129,600,030
Add: Equity Shares issued during the year	303,000,000	3,030,000,000	17,481,046	174,810,460
Shares outstanding at the end of the year	1,033,441,049	10,334,410,490	730,441,049	7,304,410,490

(c) 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 Infrastructure Limited	1,033,441,049	100	730,441,049	100

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

Note -2.2

RESERVES AND SURPLUS

Particulars	As at 31st March, 2015	As at 31st March, 2014
	₹	₹
Capital Reserve	41	41
General Reserve	117,072	117,072
Surplus		
Debit Balance In the Statement of Profit and Loss at the beginning of the year	(605,604,513)	(422,018,418)
Add: (Loss) for the year	(308,043,185)	(183,586,095)
Debit Balance in the Statement of Profit and Loss at the end of the year	(913,647,698)	(605,604,513)
Total	(913,530,585)	(605,487,400)



Haldia Energy Limited

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

Note - 2.3**LONG TERM BORROWINGS**

Particulars	As at 31st March, 2015	As at 31st March, 2014
	₹	₹
(A) Secured Term Loans		
(1) Rupee Loans :		
(i) Banks	22,780,000,000	16,350,000,000
(2) Foreign currency loans from banks	7,613,510,487	9,811,134,120
	<u>30,393,510,487</u>	<u>26,161,134,120</u>
(B) Unsecured Term Loans		
(1) Rupee Loans :		
(i) Banks	4,700,000,000	4,700,000,000
	<u>4,700,000,000</u>	<u>4,700,000,000</u>
	<u>35,093,510,487</u>	<u>30,861,134,120</u>
Less: Current maturities of long term borrowings transferred to other current liabilities (Refer Note - 2.6)	6,251,477,929	2,507,911,062
	<u>28,842,032,558</u>	<u>28,353,223,058</u>

Nature of Security :

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

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

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

Maturity Profile	Balance Outstanding as on 31.03.2015	
	Rupee Term Loan from Banks	Foreign Currency Loans
Loans with residual maturity of upto 1 year	-	5,721,710,487
Loans with residual maturity between 1 and 3 years	3,000,000,000	1,891,800,000
Loans with residual maturity between 3 and 5 years	1,700,000,000	-
Loans with residual maturity between 5 and 10 years	-	-
Loans with residual maturity beyond 10 years	22,780,000,000	-
Total	27,480,000,000	7,613,510,487



Haldia Energy Limited

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

NOTE - 2.4**LONG TERM PROVISIONS**

Particulars	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
Provision for employee benefits		
Gratuity	2,494,837	1,034,512
Leave encashment	5,239,261	2,542,705
	<u>7,734,098</u>	<u>3,577,217</u>

NOTE - 2.5**SHORT TERM BORROWINGS**

Particulars	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
Secured		
Loans repayable on demand		
Overdraft from Banks	846,336,717	-
	<u>846,336,717</u>	<u>-</u>

(1) The above loans are secured with first charge by way of hypothecation of Company's current assets.

NOTE - 2.6**OTHER CURRENT LIABILITIES**

Particulars	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
Current maturities of long term borrowings transferred (Refer Note - 2.3)	6,251,477,929	2,507,911,062
Interest accrued but not due	168,299,125	188,219,828
Liability on capital account	2,995,517,018	3,032,602,423
Other payables	98,088,293	11,831,338
	<u>9,513,382,365</u>	<u>5,740,564,651</u>

NOTE - 2.7**SHORT-TERM PROVISIONS**

Particulars	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
Provision for employee benefits		
Gratuity	19,900	9,574
Leave encashment	576,268	17,838
	<u>596,168</u>	<u>27,412</u>



NOTE - 2.8
TANGIBLE ASSETS

PARTICULARS	GROSS BLOCK AT COST				DEPRECIATION/AMORTISATION				NET BLOCK	
	As at 1st April, 2014 ₹	Additions/ Adjustments ₹	Withdrawals/ Adjustments ₹	As at 31st March, 2015 ₹	As at 1st April, 2014 ₹	Additions/ Adjustments ₹	Withdrawals/ Adjustments ₹	As at 31st March, 2015 ₹	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
Land										
Freehold	1,542,617	580,063	-	2,122,680	-	-	-	2,122,680	1,542,617	
Leasehold	803,199,568	169,038,779	-	972,238,347	30,045,242	9,165,408	-	933,027,697	773,154,326	
Buildings and Structures	12,417,260	4,067,432,277	-	4,079,849,537	1,045,948	23,669,728	-	4,055,133,861	11,371,312	
Plant & Equipment	-	34,323,239,337	-	34,323,239,337	-	178,161,388	-	34,145,077,949	-	
Power Evacuation System	-	5,978,993,276	-	5,978,993,276	-	26,694,053	-	5,952,299,223	-	
Furniture & Fixtures	4,186,792	4,353,832	-	8,540,624	391,889	314,650	-	7,834,085	3,794,903	
Office Equipment	9,559,773	11,234,820	-	20,794,593	1,222,908	1,220,001	-	18,351,684	8,336,865	
Vehicles	893,498	977,075	-	1,870,573	30,844	269,727	-	1,570,002	862,654	
Railway Siding	-	720,329,083	-	720,329,083	-	4,475,908	-	715,853,175	-	
TOTAL	831,799,508	45,276,178,542	-	46,107,978,050	32,736,831	243,970,863	-	45,831,270,356	799,062,677	
Previous Year	781,131,126	50,722,177	53,795	831,799,508	25,547,606	9,357,290	2,168,065	799,062,677	-	



Haldia Energy Limited**Registered Office: Barick Bhawan, 6th Floor, 8 Chittaranjan Avenue, Kolkata-700072****NOTE -2.9****CAPITAL WORK-IN-PROGRESS**

	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
CAPITAL WORK - IN - PROGRESS PENDING ALLOCATION AS UNDER		
Plant and equipment	-	25,325,034,088
Railway siding	347,296,807	549,930,041
Intake water system	-	609,298,311
Power evacuation system	-	4,154,156,624
Project overheads	-	160,327,914
Building & structures	-	56,304,425
Consultancy services	22,888,398	387,892,383
Land development and other site enabling activities	75,682,348	300,761,757
Finance charge & interest during construction(net)	-	4,701,858,209
Miscellaneous project expenses	5,625,143	538,573,914
Depreciation/ amortisation	-	32,770,188
	451,492,696	36,816,907,854
Previous Year	36,816,907,854	14,522,651,100



Haldia Energy Limited

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

NOTE - 2.10**NON CURRENT INVESTMENTS**

Particulars	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
Other Investments- Unquoted		
Investment in Equity Instruments of Wigeon Commtrade Pvt Ltd	33,000	-
Investment in Equity Instruments of Water Hyacinth Commosale Pvt Ltd.	50,000	-
	<u>83,000</u>	<u>-</u>

NOTE - 2.11**LONG TERM LOANS AND ADVANCES**

Particulars	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
(Unsecured, considered good)		
Capital advances	887,307,148	1,107,423,592
Security deposit	3,366,421	1,978,549
Other advances	3,417,368	2,082,992
	<u>894,090,937</u>	<u>1,111,485,133</u>

NOTE - 2.12**INVENTORIES**

Particulars	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
Fuel	395,485,470	-
Stores & spares	20,644,884	-
	<u>416,130,354</u>	<u>-</u>

NOTE - 2.13**TRADE RECEIVABLES**

Particulars	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
Secured, considered good		
Outstanding for a period less than 6 months	437,754,056	-
	<u>437,754,056</u>	<u>-</u>



Haldia Energy Limited

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

NOTE - 2.14

CASH AND BANK BALANCES

Particulars	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
(a) Cash and cash equivalents		
Balance with banks in current account	80,230,720	1,157,795,353
Bank deposits with original maturity upto 3 months	-	240,000,000
Cash in hand	153,384	136,760
(b) Other bank balances		
Bank deposits with original maturity more than 3 months [Refer note (c) below]	101,803,161	188,145,314
	<u>182,187,265</u>	<u>1,586,077,427</u>

(c) Bank deposit with original maturity more than 3 months under Other bank balances includes ₹ 10,695,000/- (31.03.2014: ₹ 40,000/-) having original maturity more than 12 months as on reporting date.

NOTE - 2.15

SHORT TERM LOANS AND ADVANCES

Particulars	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
Advance tax	28,785	-
Other advances (Unsecured, considered good)	71,059,380	3,598,267
Advance to fellow subsidiary	50,000,000	50,000,000
	<u>121,088,165</u>	<u>53,598,267</u>

NOTE - 2.16

OTHER CURRENT ASSETS

Particulars	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
Receivable towards claims and services rendered - considered good	11,424,774	2,986,634
Interest accrued on bank deposits	1,793,525	2,849,245
Deferred payment	487,738,997	423,348,191
	<u>500,957,296</u>	<u>429,184,070</u>

NOTE - 2.17

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

a) Estimated amount of contracts remaining to be executed on Capital Account and not provided for ₹ 68,466,512 /- (Previous year: ₹ 3,644,971,312 /-)

b) The Company has challenged the vires of the West Bengal Tax on Entry of Goods Into Local Areas Act, 2012 and has obtained an Order from the Hon'ble High Court at Calcutta adjourning the matter sine die. Accordingly, no provision for entry tax has been made for the total estimated liability of ₹ 158,052,410 /- (net). In the event of any adverse decision in the matter, the Company will submit an application before the Hon'ble West Bengal Electricity Regulatory Commission for admission of such amount as an allowable cost.



Haldia Energy Limited

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

NOTE - 2.18**REVENUE FROM OPERATIONS**

Particulars	2014-15 ₹	2013-14 ₹
Earnings from sale of electricity	1,716,388,778	-
Other operating revenue	11,025,714	-
	<u>1,727,414,492</u>	<u>-</u>

Tariff Petitions in terms of the West Bengal Electricity Regulatory Commission (Terms and Conditions of Tariff) (Amendment) Regulations, 2013 have been filed for the financial years 2014-15 to 2016-17. Pending approval of such tariff, earnings from sale of electricity for the period 28th January, 2015 to 31st March, 2015 has been billed and accounted for on the basis of provisional rate as per Tariff Order dated 4th March, 2015 of CESC Limited (the Procurer) for the year 2014-15. The provisional rate will be duly adjusted on receipt of the Tariff Order from the Hon'ble Commission.

NOTE - 2.19**OTHER INCOME**

Particulars	2014-15 ₹	2013-14 ₹
Interest income	16,284,891	16,752,522
Dividend Income	19,202,562	54,354,144
Other non operating income	74,035,878	60,000
	<u>109,523,331</u>	<u>71,166,666</u>
Less: Allocated to capital work in progress	109,523,331	71,106,666
	<u>-</u>	<u>60,000</u>

NOTE - 2.20**COST OF FUEL**

Particulars	2014-15 ₹	2013-14 ₹
Consumption of coal		
Quantity	Tonnes	241,344
Value		688,233,996
Consumption of oil		
Quantity	Kilolitres	1,364
Value		69,212,782
		<u>757,446,778</u>

Cost of fuel includes freight ₹ 229,258,427/- (Previous year : ₹ Nil)

Cost of fuel includes loss ₹ Nil (Previous year : ₹ Nil) due to exchange fluctuations.

NOTE - 2.21**EMPLOYEE BENEFIT EXPENSES**

Particulars	2014-15 ₹	2013-14 ₹
Salaries and wages	169,994,171	116,654,686
Contribution to provident fund	4,316,101	2,124,228
Staff welfare expenses	3,878,189	2,077,287
	<u>178,188,461</u>	<u>120,856,201</u>
Less: Allocated to capital work in progress	117,604,690	114,056,891
	<u>60,583,771</u>	<u>6,799,310</u>



Haldia Energy Limited
Registered Office: Barick Bhawan, 6th Floor, 8 Chittaranjan Avenue, Kolkata-700072

**NOTE-2.21 - CONTD
EMPLOYEE BENEFITS**

Defined Contribution Plan

The Company maintains a Provident Fund with the Regional Provident Fund authorities where contributions are made by the Company as well as by the employees. An amount of ₹ 1,343,445/- (31st March, 2014 ₹ 81,722/-) has been charged off to Statement of Profit and Loss.

Defined Benefit Plan

The Company also provides for gratuity and leave encashment benefit to the employees. Annual actuarial valuations at the end of each year are carried out by independent actuary in compliance with Accounting Standard 15 (Revised 2005) on "Employee Benefits", as per Projected Unit Credit Method.

Amount recognised in the Balance Sheet are as follows:

	Gratuity						Leave Encashment						Amount in ₹
	31st March						31st March						
	2015	2014	2013	2012	2011	2010	2014	2013	2012	2011	2010		
Present value of non-funded obligation	1,044,086	1,044,086	914,628	547,166	124,321	2,560,543	2,560,543	2,428,014	1,402,695	703,168			
Net Liability	1,044,086	1,044,086	914,628	547,166	124,321	2,560,543	2,560,543	2,428,014	1,402,695	703,168			
Amount recognised in the Profit and Loss Statement and charged to													
Current Service cost	540,294	476,112	356,229	197,828	106,133	114,885	136,039	83,881	51,212	253,877			
Interest cost	96,056	74,999	47,877	9,946	1,230	233,154	193,493	117,509	55,287	34,128			
Net actuarial (gain)/loss recognised during the year	834,301	(421,653)	(36,644)	215,071	1,584	2,959,475	(60,305)	943,409	617,195	(11,441)			
Total	1,470,651	129,458	367,462	422,845	108,947	3,307,514	269,227	1,144,799	723,694	276,564			
Reconciliation of opening and closing balances of the present value of the obligations:													
Opening defined benefit obligation	1,044,086	914,628	547,166	124,321	15,374	2,560,543	2,428,014	1,402,695	703,168	426,604			
Current Service cost	540,294	476,112	356,229	197,828	106,133	114,885	136,039	136,039	51,212	253,877			
Interest cost	96,056	74,999	47,877	9,946	1,230	233,154	193,493	193,493	55,287	34,128			
Actuarial (Gain)/Loss	834,301	(421,653)	(36,644)	215,071	1,584	2,959,475	(60,305)	(60,305)	617,195	(11,441)			
Benefits paid						(52,528)	(136,698)	(119,480)	(24,167)				
Closing Defined Benefit Obligation	2,514,737	1,044,086	914,628	547,166	124,321	5,815,529	2,560,543	1,552,442	1,402,695	703,168			
Principal Actuarial Assumption Used:													
Discount Rates	7.93%	8.20%	8.75%	8.00%	8.00%	7.93%	8.20%	8.75%	8.00%	8.00%			
Expected Salary increase rates	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%			
Mortality Rates						LIC (1994-96) mortality tables							

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

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



Haldia Energy Limited

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

NOTE - 2.22

FINANCE COST

Particulars	2014-15 ₹	2013-14 ₹
Interest expenses	3,788,165,511	2,668,337,469
Other borrowing costs	116,509,809	213,881,091
Applicable net loss on foreign currency transactions & translation	371,728,249	384,504,686
	<u>4,276,403,569</u>	<u>3,266,723,246</u>
Less: Allocated/transferred to capital work in progress & deferred payment	3,382,349,925	3,098,703,056
	<u>894,053,644</u>	<u>168,020,190</u>

NOTE - 2.23

DEPRECIATION AND AMORTISATION EXPENSES

Particulars	2014-15 ₹	2013-14 ₹
Depreciation/amortisation on tangible assets	243,970,863	7,222,583
Less: Allocated to capital work in progress	<u>8,918,174</u>	<u>7,222,583</u>
	<u>235,052,689</u>	<u>-</u>

NOTE - 2.24

OTHER EXPENSES

Particulars	2014-15 ₹	2013-14 ₹
Consumption of stores and spares	3,517,415	-
Repairs		
--Plant and machinery	22,685,246	-
Rent	14,652,193	8,091,841
Power and fuel	189,410,094	52,801,330
Travelling and conveyance expenses	24,754,896	11,965,143
Communication expenses	1,134,315	997,199
Security expenses	17,691,596	9,552,807
Housekeeping expenses	10,597,963	6,183,694
Insurance	23,195,048	276,968
Remuneration to auditors		
--Statutory audit	280,900	140,450
--Tax audit	56,180	33,708
--Other services	84,268	-
Rates and taxes	1,640,498	558,763
Advertisements	3,593,063	4,165,607
Safety	87,887	803,261
Printing & stationery	412,260	617,217
Fees to other authorities	2,433,698	1,831,862
Legal and professional charges	10,836,413	3,885,420
Foreign exchange restatement	70,351,200	-
Miscellaneous expenses	34,729,753	8,908,971
Assets written off	-	20,437
	<u>432,144,886</u>	<u>110,834,678</u>
Less: Allocated to capital work in progress	343,824,091	102,008,083
	<u>88,320,795</u>	<u>8,826,595</u>



Haldia Energy Limited

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

i) Values of raw materials and stores and spare parts consumed (excluding on capital account)

Particulars	2014-15		2013-14	
	₹	%	₹	%
Raw Material				
Imported	183,643,355	27	-	-
Indigenous	573,803,423	73	-	-
	757,446,778	100	-	-
Stores and spare parts				
Imported	-	-	-	-
Indigenous	3,517,415	100	-	-
	3,517,415	100	-	-



Haldia Energy LimitedRegistered Office: Barick Bhawan, 6th Floor, 8 Chittaranjan Avenue, Kolkata – 700072**Note - 2.25****C.I.F VALUE OF IMPORTS**

Particulars	2014-15 Amount (₹)	2013-14 Amount (₹)
Fuel	278,911,493	-
Capital Goods	186,132,394	9,142,615,385
Spares	1,822,895	-

Note - 2.26**EXPENDITURE IN FOREIGN CURRENCY**

Particulars	2014-15 Amount (₹)	2013-14 Amount (₹)
Travelling	68,846	1,118,211
Finance Costs	193,974,041	144,736,790
Advance/Milestone for Equipment Supply	339,450,356	166,871,078
Advance for Technical Services (net)	-	(22,512)
Fee for Technical Services	106,674,309	-

Note - 2.27**EARNINGS PER SHARE:****Computation of earnings per share**

Particulars	2014-15	2013-14
Profit/(Loss) After Tax (₹) (A)	(308,043,185)	(183,586,095)
Weighted Average No. of Equity Shares for basic and diluted EPS (B)	731,271,186	713,007,896
Basic and Diluted Earnings Per Share of ₹10/- [(A)/(B)] (₹)	(0.42)	(0.26)

Note - 2.28**DISCLOSURE IN RESPECT OF RELATED PARTIES:**

	Nature of Relationships	Name of Related Parties
i)	CESC Infrastructure Limited	Direct Holding Company
ii)	CESC Limited	Ultimate Holding Company
iii)	Spencer's Retail Limited, Music World Retail Limited, Au Bon Pain Café India Limited, Nalanda Power Company Limited, Dhariwal Infrastructure Limited, Surya Vidyut Limited, CESC Properties Limited, CESC Projects Ltd, Metromark Green Commodities Pvt. Ltd, Bantal Singapore Pte.Ltd , Papu Hydropower Projects Limited, Pachi Hydropower Projects Limited, Spen Liq 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, First Source Solutions S.A. (Argentina), One Advantage LLC, USA, Ranchi Power Distribution Company Pvt Ltd, Sheesham Commercial Private Limited, Wigeon Commotrade Private Limited, Water Hyacinth Commosale Private Limited, Crescent Power Limited.	Fellow Subsidiary Company
	Mr. Madan Gopal Gupta (from 01-10-2014)	Managing Director
	Mr. Sudipta Kumar Mukherjee (till 30-09-2014)	Key Management Personnel



Haldia Energy Limited

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

Details of transaction between the company and related parties are given under:

Type of Transaction	Ultimate Holding Company		Direct Holding Company		Subsidiaries/Fellow Subsidiaries		Key Management Personnel	
	31.03.15 (₹)	31.03.14 (₹)	31.03.15 (₹)	31.03.14 (₹)	31.03.15 (₹)	31.03.14 (₹)	31.03.15 (₹)	31.03.14 (₹)
Advance against Equity shares received.	-	-	3,030,000,000	174,810,460	-	-	-	-
Issue of fully paid up Equity shares.	-	-	3,030,000,000	174,810,460	-	-	-	-
Amount received On account of sale of Investments	-	-	-	5,605,189,540	-	-	-	-
Advance Against Equity Paid -Water Hyacinth Commosale Private Limited - Wigeon Commotrade Private Limited	-	-	-	-	850,000	-	-	-
	-	-	-	-	5,000,000	-	-	-
Contractual Remuneration - CESC Limited - CESC Infrastructure Limited - CESC Properties Limited - Ranchi Power Distribution Limited	47,517,520	62,653,882	-	-	-	-	-	-
	-	-	18,515,759	6,057,058	-	-	-	-
	-	-	-	-	981,437	553,999	-	-
	-	-	-	-	953,882	-	-	-
Other expenses - CESC Limited - CESC Infrastructure Limited - CESC Properties Limited	24,611,260	99,823,343	-	-	-	-	-	-
	-	-	2,971,773	-	-	-	-	-
	-	-	-	-	-	121,380	-	-
Expenses Recoverable - CESC Limited - CESC Infrastructure Limited	562,272	473,162	-	-	-	-	-	-
	-	-	-	94,658	-	-	-	-



Haldia Energy Limited

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

- CESC Properties Limited	-	-	-	-	456,993	360,829	-	-
- Surya Vidyut Limited	-	-	-	-	-	154753	-	-
Income from sale/services								
- CESC Limited	2,037,754,056	-	-	-	-	-	-	-
Sale Proceeds Received								
- CESC Limited	1,600,000,000	-	-	-	-	-	-	-
Reimbursement for contractual remuneration and expenses made during the year.								
- CESC Limited	246,900,306	-	-	-	-	-	-	-
- CESC Infrastructure Limited	-	-	6,057,058	-	-	-	-	-
- CESC Properties Limited	-	-	-	-	-	-	-	-
- Surya Vidyut Limited	-	-	-	-	154,753	-	-	-
Salary Paid Madan Gopal Gupta	-	-	-	-	-	-	4,650,000	-
Salary Paid Sudipta Kumar Mukherjee	-	-	-	-	-	-	2,078,109	3,298,116
Balance								
Debit:	366,660,710	-	-	-	55,011,006	49,840,203	-	-
Credit:	-	246,427,144	21,487,532	5,962,400	-	-	-	-

Note - 2.29

The outstanding Foreign currency loans of ₹ 7,613,510,487/- (Previous year: ₹ 9,811,134,120/-) disclosed in Note: 2.3, stands hedged in Indian Rupee.

Note - 2.30
QUANTITATIVE INFORMATION

		Million kWh	
		2014-15	2013-14
1	Total number of units generated during the year	380	-
2	Total number of units consumed in Generating Stations	42	-
3	Total number of units sent out	338	-
4	Total number of units delivered	335	-



Haldia Energy LimitedRegistered Office: Barick Bhawan, 6th Floor, 8 Chittaranjan Avenue, Kolkata – 700072**Note - 2.31**

The Company has set up and commissioned a 2x300 MW thermal power plant. Both the units of the plant has commenced commercial production, Unit 1 from 28th January, 2015 and Unit 2 from 21st February, 2015. The Company does not operate in any other segment.

Note - 2.32**DEFERRED TAX**

Particulars	As at 31st March,2015 ₹	As at 31st March,2014 ₹
Deferred Tax Liabilities		
Excess of tax depreciation over book depreciation	3,416,237,994	-
Deferred Tax Assets		
Unabsorbed business Loss (to the extent of deferred tax liability)	3,416,237,994	-
Net	-	-


Note - 2.33

Trade payables include ₹ Nil (31.03.2014: ₹ Nil) due to Micro and Small Enterprises, as defined in the Micro, Small and Medium Enterprises Development Act, 2006, based on information available with the Company.

Note - 2.34

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

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


CA P.J. Bhide
Partner
Membership Number: 004714

Place: Kolkata

Date: 18/05/2015

For and on behalf of the Board of Directors


Director
Managing Director
Soyak Chatterjee
Company Secretary
Chief Financial Officer