

**INDEPENDENT AUDITORS' REPORT**

To  
The Members of **SOUTH CITY PROJECTS (KOLKATA) LIMITED**

**Report on the Standalone Financial Statements**

We have audited the accompanying standalone financial statements of **South City Projects (Kolkata) Limited** ("the Company") which comprise the Balance Sheet as at 31<sup>st</sup> March 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

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

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 standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting 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**

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.



An audit involves performing procedures to obtain audit evidence about the amounts and 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. 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.

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

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 31<sup>st</sup> March, 2015, and its Profit and Loss and its Cash Flows for the period ended on that date.

**Report on Other Legal and Regulatory Requirements**

As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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 standalone 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 31<sup>st</sup> March taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.





# S. K. AGRAWAL & CO.

Chartered Accountants

SUITE NOS : 606-608

THE CHAMBERS, OPP. GITANJALI STADIUM

1865, RAJDANGA MAIN ROAD, KASBA

KOLKATA - 700 107

PHONE : 033-4008 9902 / 9903 / 9904

FAX : 033-40089905, WEBSITE : www.skagrawal.co.in

- (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 information and according to the explanations given to us:
- The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note No.2.29.
  - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - There is no such sum which is required to be transferred, to the Investor Education and Protection Fund by the Company.



Place: Kolkata  
Dated: 28<sup>th</sup> August, 2015

For S. K. AGRAWAL & CO  
Chartered Accountants  
Registration No- 306033E

S.K. AGRAWAL  
Partner  
Membership No: 9067

# S. K. AGRAWAL & CO.

Chartered Accountants

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7. (a) According to the information and explanations given to us in respect of statutory and other dues, the Company has been regular in depositing undisputed statutory dues, including Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Duty of Customs, Excise Duty, Cess and other Statutory dues with the appropriate authorities during the year. According to the information and explanations given to us, there were no undisputed amount payable in respect of these statutory dues which have remained outstanding as at 31<sup>st</sup> March, 2015 for a period of more than six months from the date they become payable.

(b) Statutory dues on account of Income tax and Service tax disputed and not yet deposited by the company are as follows:

Name of the Statute	Nature of Dues	Amount Under Dispute not yet Deposited (Rs.)	Financial Year to which the amount relates	Forum where the dispute is pending
Finance Act	Service Tax	219,584	2002-03 & 2003-04	Joint Commissioner, Service Tax (Appeal), Kolkata
Finance Act	Service Tax	6,627,239	2006-07 to 2010-11	Appellate Tribunal, Kolkata
Finance Act	Service Tax	1,155,263	2010-11	Appellate Tribunal, Kolkata
Finance Act	Service Tax	67,402,432	2007-08 to 2011-12	Appellate Tribunal, Kolkata
Finance Act	Service Tax	994,903	2007-08 to 2011-12	Commissioner, Service Tax, (Appeal), Kolkata
Finance Act	Penalty w.r.t demand Service Tax	819,584	2002-03 & 2003-04	Joint Commissioner, Service Tax (Appeal), Kolkata
Finance Act	Penalty w.r.t demand Service Tax	6,627,239	2006-07 to 2010-11	Appellate Tribunal, Kolkata
Finance Act	Penalty w.r.t demand Service Tax	68,902,432	2007-08 to 2011-12	Appellate Tribunal, Kolkata
Finance Act	Penalty w.r.t demand Service Tax	994,903	2007-08 to 2011-12	Commissioner, Service Tax, (Appeal), Kolkata
Income Tax Act, 1961	Income Tax	5,025,060	2009-10	Appellate Tribunal, Kolkata





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(c) According to information and explanations given to us, no amount is required to be transferred to Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act 1956 (1 of 1956) and rules made there under.

8. The Company does not have accumulated losses as at the end of the year and the Company has not incurred cash losses during the current and the immediately preceding financial year.
9. Based on our audit procedures and on the basis of information and explanations given by the management, we are of the opinion that the Company has not defaulted in the repayment of dues to financial institution and banks.
10. According to the information given to us, the Company has given corporate guarantees for loan taken by its subsidiary and step down subsidiary from a financial institution amounting to Rs 113.74 crores.
11. To the best of our knowledge and belief and according to the information and explanations given to us, term loans availed by the Company were applied by the Company for the purposes for which the loans were obtained.
12. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company was noticed or reported during year.



Place: Kolkata  
Dated: 28<sup>th</sup> August, 2015

For S. K. AGRAWAL & CO.  
Chartered Accountants  
Registration No- 306033E

S.K. AGRAWAL  
Partner  
Membership No: 9067

# **ANNUAL ACCOUNTS**

**2014-15**

**South City Projects (Kolkata) Ltd.**

**SOUTH CITY PROJECTS (KOLKATA) LIMITED**  
**CIN NO. - U21019WB1995PLC071252**  
**BALANCE SHEET AS AT 31st MARCH, 2015**

(Amount in Rs.)

Particulars	Note	As at 31.03.2015	As at 31.03.2014
<b>EQUITY &amp; LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	2.1	45,007,000	45,007,000
Reserves and Surplus	2.2	2,803,997,210	2,565,425,594
<b>Non-Current Liabilities</b>			
Long Term Borrowings	2.3	1,951,800,768	1,734,514,302
Other Long Term Liabilities	2.4	400,663,967	397,950,484
Long Term Provisions	2.5	9,865,978	7,088,042
<b>Current Liabilities</b>			
Short Term Borrowings	2.6	1,456,823,568	955,852,958
Trade Payables	2.7	318,494,919	379,085,861
Other Current Liabilities	2.8	1,715,227,777	1,405,739,556
Short Term Provisions	2.9	244,520,463	237,589,050
<b>TOTAL</b>		<b>8,946,401,650</b>	<b>7,728,252,847</b>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
<b>Fixed Assets</b>			
Tangible Assets	2.10	1,569,740,694	1,791,109,934
Intangible Assets		77,237	136,227
Capital Work in Progress		1,504,443	1,073,336
Intangible Assets under Development		574,347	-
Non-Current Investments	2.11	1,980,363,909	1,288,458,657
Deferred Tax Assets (Net)	2.12	8,840,237	6,026,225
Long Term Loans and Advances	2.13	2,720,197,973	2,476,336,947
Other Non-Current Assets	2.14	59,156,650	55,337,461
<b>Current Assets</b>			
Inventories	2.15	1,672,623,761	1,280,980,265
Trade Receivables	2.16	72,983,369	102,778,496
Cash and Bank Balances	2.17	126,518,343	78,376,423
Short Term Loans and Advances	2.18	715,107,297	646,630,621
Other Current Assets	2.19	18,713,390	1,008,255
<b>TOTAL</b>		<b>8,946,401,650</b>	<b>7,728,252,847</b>
Significant Accounting Policies & Notes on Accounts	1 & 2		

In terms of our attached report of even date

For, S. K. AGRAWAL & COMPANY.  
Chartered Accountants

S. K. AGRAWAL  
Partner  
Membership No-9067  
Place : Kolkata.



Dated : 28th August, 2015

**South City Projects (Kolkata) Ltd.**

**Director**

**South City Projects (Kolkata) Ltd.**

**Director**

**For South City Projects (Kolkata) Ltd.**

**Company Secretary**



**SOUTH CITY PROJECTS (KOLKATA) LIMITED**  
**CIN NO. - U21019WB1995PLC071252**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH,2015**

(Amount in Rs.)

Particulars	Note	2014-15	2013-14
<b>INCOME</b>			
Revenue from Operations	2.20	1,190,590,456	1,482,725,937
Other Income	2.21	550,707,246	304,122,769
<b>Total Revenue</b>		<b>1,741,297,702</b>	<b>1,786,848,706</b>
<b>EXPENSES</b>			
Construction Cost	2.22	398,003,883	639,711,381
Changes in Inventories of Finished Goods & Work - In - Progress	2.23	(391,643,496)	(32,628,535)
Employee Benefits Expense	2.24	39,992,243	31,073,036
Administrative and Other Expenses	2.25	410,094,513	323,539,041
Finance Costs	2.26	440,760,283	395,306,448
Depreciation and Amortization Expenses	2.27	227,192,132	182,435,358
<b>Total Expenses</b>		<b>1,124,399,558</b>	<b>1,539,436,729</b>
<b>Profit Before Tax</b>		<b>616,898,144</b>	<b>247,411,977</b>
<b>Tax Expenses</b>			
Current Tax		130,000,000	50,000,000
Deferred Tax		(2,814,012)	2,534,466
Income Tax of Earlier Years		7,378,392	737,121
<b>Profit for the year</b>		<b>482,333,764</b>	<b>194,140,390</b>
<b>Basic &amp; Diluted Earnings Per Share (Face value of Rs. 10 each)</b>	2.28	<b>107.17</b>	<b>43.14</b>
Significant Accounting Policies & Notes on Accounts	1 & 2		

In terms of our attached report of even date

For, S. K. AGRAWAL & COMPANY.  
Chartered Accountants

S. K. AGRAWAL  
Partner  
Membership No-9067  
Place : Kolkata

Dated : 28th August,2015



South City Projects (Kolkata) Ltd.

Director

South City Projects (Kolkata) Ltd.

Director

For South City Projects (Kolkata) Ltd.

Company Secretary



**SOUTH CITY PROJECTS (KOLKATA) LIMITED**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015**

/ Amount in Rs. /

Particulars	March 31, 2015	March 31, 2014
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Net profit before tax	616,898,144	247,411,977
Add: Adjustment for		
Depreciation & Amortization	227,413,013	180,067,145
Interest Expense	450,303,679	395,306,448
Share Dematerialisation Expenses	36,000	31,742
Provision for Gratuity, Leave, Proposed Dividend & Corporate Dividend Tax	9,709,349	237,733,815
Diminution in the value of Investment	1,092,405	-
Loss on sale of Fixed Assets	-	152,685
Sundry Balances Written Off	2,281,603	9,391,312
	1,315,734,273	1,070,095,124
Less: Adjustment for		
Dividend Received	95,019	90,056
Profit on sale of Investments	138,943,837	4,253,427
Profit on sale of Fixed Assets	275,185	-
Reversal of Diminution in value of Investment	-	1,570,232
Sundry Balances Written Back	-	1,952,923
Interest on deposits	379,607,639	254,656,885
<b>Operating profit before working capital changes</b>	796,812,593	807,563,601
Add: Decrease / (Increase) in Working Capital		
Inventories	(391,043,496)	(32,628,534)
Trade & Other Payables	249,329,079	521,906,349
Trade Receivables	8,270,804	(10,774,134)
Loans & Advances	(321,240,760)	(435,746,888)
<b>Cash used in operations</b>	341,528,220	850,370,394
Less: Direct Taxes Paid	128,475,335	112,990,879
<b>Net Cash used in operating activities</b>	213,052,885	737,329,515
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Dividend Received	95,019	90,056
Interest Received	379,607,639	254,656,885
Investment in Fixed Deposit (Net)	1,450,009	14,354,497
Sale of Fixed assets	296,043	2,858,213
Sale of Investments	1,361,596,180	2,204,640,336
	1,743,052,850	2,476,599,987
Less: Purchase of Fixed Assets	2,011,095	83,679,931
Purchase of Investment	1,915,650,000	2,560,039,250
Share Dematerialisation Expenses	36,000	31,742
<b>Net cash flow from investing activities</b>	(179,644,285)	(167,150,936)
<b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Procurement of loan(Net)	718,257,076	41,406,704
Dividend & Dividend Distribution Tax	(243,762,140)	(236,951,728)
Interest paid	(458,303,679)	(395,306,448)
<b>Net cash flow from financing activities</b>	16,191,249	(590,851,472)
<b>Net changes in cash and cash equivalents (A+B+C)</b>	49,599,929	(20,672,893)
* # Cash and Cash Equivalents - Opening Balance	75,389,755	96,062,648
* # Cash and Cash Equivalents - Closing Balance	124,989,684	75,389,755
* Represents Cash and Bank Balances as indicated in Note 2.17		
# Fixed Deposits maturing after 90 days for Rs. 15,28,659/- (Previous Year Rs. 29,86,668/-)		

In terms of our attached report of even date

For, S.K. AGRAWAL & COMPANY.  
Chartered Accountants

S. K. AGRAWAL  
Partner  
Membership No-9067  
Place : Kolkata  
Dated : 28th August, 2015



South City Projects (Kolkata) Ltd.

*[Signature]*

Director

South City Projects (Kolkata) Ltd.

*[Signature]*

Director

For South City Projects (Kolkata) Ltd.

*[Signature]*  
Company Secretary

## **SOUTH CITY PROJECTS (KOLKATA) LIMITED**

### **1 Significant Accounting Policies**

#### **1.1 Basis of preparation of Financial Statements**

These accounts have been prepared under historical cost convention in accordance with generally accepted accounting principles and provisions of the Companies Act, 2013 and the Accounting Standards as prescribed under Section 133 of the Companies Act, 2013 (the 'Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 to the extent notified.

All the assets & liabilities have been classified as current or non current as per the company's normal operating cycle and the other criteria set out in the Schedule III of the Companies Act, 2013.

#### **1.2 Fixed Assets**

Fixed assets are stated at cost of acquisition including all direct costs relating to the acquisition and installation of fixed assets.

#### **1.3 Depreciation & Amortization**

##### **Tangible Assets :**

Depreciation is provided on written down value method as per useful life provided in Part C of Schedule II of the Companies Act, 2013.

##### **Intangible Assets :**

Computer Software is amortized on Straight Line Method over a period of three years .

#### **1.4 Foreign Exchange Transactions**

Transactions made during the year in foreign currency are recorded at the exchange rate prevailing at the time of transaction. Realized gains and losses on foreign exchange transactions are recognized in the Statement of Profit & Loss under respective heads of account. Transactions in foreign exchange which are covered by forward contracts are accounted for at the contracted rates, the difference between the contracted rate and the exchange rate at the date of transaction is recognised in the Statement of Profit & Loss . Difference relating to transactions involving more than one financial year are carried over the period of transaction. Monetary Assets and Liabilities in foreign currency that are outstanding at the year end and not covered by forward contracts are translated at the year end exchange rates.

#### **1.5 Inventories**

- a Finished Goods are valued at cost or net realisable value whichever is lower.
- b Construction Work in Progress are valued at cost and includes cost of land, construction costs, allocated interest and expenses incidental to the implementation and promotion of the project undertaken by the Company.

#### **1.6 Revenue Recognition**

- a Construction Work in Progress reflects the cost incurred for project pending completion. The same is charged to revenue in the year in which income from sale of such project is recognized, which is in accordance with AS 9.
- b Other revenues are recognised on accrual basis.
- c Dividend income is accounted for when right to receive the same is established.
- d Lease income is recognised in the Statement of Profit & Loss on a straight - line basis over the lease term.

#### **1.7 Investments**

Long term Investments are valued at cost. Diminutions in value of investment other than temporary in nature are provided for. Current investments are valued at lower of cost or fair value.



**South City Projects (Kolkata) Ltd.**

  
Director

**South City Projects (Kolkata) Ltd.**

  
Director



## SOUTH CITY PROJECTS (KOLKATA) LIMITED

### 1.8 Contingent Liabilities & Provisions

Provisions are recognized when the Company has a legal and constructive obligation as a result of a past event, for which it is probable that a cash outflow will be required and reliable estimate can be made of the amount of the obligation. Contingent liabilities are disclosed when the Company has a possible obligation or a present obligation and it is probable that a cash outflow will not be required to settle the obligation.

### 1.9 Retirement Benefits

- a Contribution to Provident Fund is made at a predetermined rate and charged to revenue on accrual basis.
- b Provision for Leave encashment and Gratuity is made on the basis of actuarial valuation as at the year end as per the requirements of Accounting Standard - 15 (Revised 2005) on "Employee Benefits"
- c Actuarial gains and losses comprise experience adjustments and the effect of changes in the actuarial assumptions and are recognized immediately in the Statement of Profit and Loss as income or expense.

### 1.10 Borrowing Costs

Borrowing cost that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. All other borrowing costs are charged to revenue.

### 1.11 Income Tax

Income Tax Expense is accounted for in accordance with AS-22 "Accounting for Taxes on Income" which includes current and deferred taxes. Current tax is provided on the taxable income using the applicable tax rates and tax laws. Deferred tax assets and liabilities arising on account of timing difference between taxable income and accounting income for the year, which are capable of reversal in subsequent period are recognized using tax rates and tax laws, which have been enacted or substantially enacted by the balance sheet date. Deferred tax assets are recognized only to the extent that there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized.

### 1.12 Earnings per Share

Basic earnings per share are calculated by dividing the net profit / loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period are adjusted for the events such as bonus issue and share split.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of equity shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

### 1.13 Impairment of Assets

The Company identifies impairable assets at the year end in accordance with the guiding principles of Accounting Standard 28, issued by the Institute of Chartered Accountants of India, for the purpose of arriving at impairment loss, when crystallizes, are charged against revenues for the year.



South City Projects (Kolkata) Ltd.

A handwritten signature in blue ink, appearing to be "S. K. Agrawal", written over a horizontal line.

Director

South City Projects (Kolkata) Ltd.

A handwritten signature in blue ink, appearing to be "S. K. Agrawal", written over a horizontal line.

Director

## 2.1 SHARE CAPITAL

Particulars	As at 31.03.2015		As at 31.03.2014	
	No. of Shares	Amount (Rs.)	No. of Shares	Amount (Rs.)
<b>Authorised</b> 50,00,000 Equity Shares of Rs. 10 each	5,000,000	50,000,000	5,000,000	50,000,000
<b>Issued, Subscribed &amp; Paid-up</b> 45,00,700 Equity Shares of Rs. 10 each fully paid up in cash	4,500,700	45,007,000	4,500,700	45,007,000
<b>Total</b>	4,500,700	45,007,000	4,500,700	45,007,000

## a. Reconciliation of the shares outstanding at the beginning and the end of the reporting period.

Particulars	As at 31.03.2015		As at 31.03.2014	
	No. of Shares	Amount (Rs.)	No. of Shares	Amount (Rs.)
Shares outstanding at the beginning of the period	4,500,700	45,007,000	4,500,700	45,007,000
Addition during the Year	-	-	-	-
Shares outstanding at the end of the period	4,500,700	45,007,000	4,500,700	45,007,000

## b. Terms / rights attached to equity shares.

The company has only one class of equity share having a par value of Rs. 10/- per share. Each holder of equity share is entitled to one vote per share. The company declares and pay dividend in Indian Rupees. The Dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting.

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.

## c. Shareholders holding more than 5% shares in the Company.

Name of Shareholder	As at 31.03.2015		As at 31.03.2014	
	No. of Shares Held	% of Holding	No. of Shares Held	% of Holding
Shrachi Developers Pvt Ltd.	450,071	10.00%	450,071	10.00%
Park Chambers Ltd	425,105	9.45%	425,105	9.45%
Merlin Projects Ltd	390,955	8.69%	390,955	8.69%
Jugal Kishore Khetawat	386,334	8.58%	326,334	7.25%
Jugal Kishore Khetawat -Trustee of Khetawat Family Welfare Trust	326,335	7.25%	326,335	7.25%
Vinayak Dealers (P) Ltd	292,000	6.49%	292,000	6.49%
Pan Emami Cosmed Ltd	254,225	5.65%	254,225	5.65%



South City Projects (Kolkata) Ltd.

  
Director

South City Projects (Kolkata) Ltd.

  
Director



**2.1 SHARE CAPITAL**

Particulars	As at 31.03.2015		As at 31.03.2014	
	No. of Shares	Amount (Rs.)	No. of Shares	Amount (Rs.)
<b>Authorised</b>				
50,00,000 Equity Shares of Rs. 10 each	5,000,000	50,000,000	5,000,000	50,000,000
<b>Issued, Subscribed &amp; Paid-up</b>				
45,00,700 Equity Shares of Rs. 10 each fully paid up in cash	4,500,700	45,007,000	4,500,700	45,007,000
<b>Total</b>	<b>4,500,700</b>	<b>45,007,000</b>	<b>4,500,700</b>	<b>45,007,000</b>

**a. Reconciliation of the shares outstanding at the beginning and the end of the reporting period.**

Particulars	As at 31.03.2015		As at 31.03.2014	
	No. of Shares	Amount (Rs.)	No. of Shares	Amount (Rs.)
Shares outstanding at the beginning of the period	4,500,700	45,007,000	4,500,700	45,007,000
Addition during the Year	-	-	-	-
Shares outstanding at the end of the period	4,500,700	45,007,000	4,500,700	45,007,000

**b. Terms / rights attached to equity shares.**

The company has only one class of equity share having a par value of Rs. 10/- per share. Each holder of equity share is entitled to one vote per share. The company declares and pay dividend in Indian Rupees. The Dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting.

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.

**c. Shareholders holding more than 5% shares in the Company.**

Name of Shareholder	As at 31.03.2015		As at 31.03.2014	
	No. of Shares Held	% of Holding	No. of Shares Held	% of Holding
Shrachi Developers Pvt Ltd	450,071	10.00%	450,071	10.00%
Park Chambers Ltd	425,105	9.45%	425,105	9.45%
Merlin Projects Ltd	390,955	8.69%	390,955	8.69%
Jugal Kishore Khetawat	326,334	8.58%	326,334	7.25%
Jugal Kishore Khetawat -Trustee of Khetawat Family Welfare Trust	326,335	7.25%	326,335	7.25%
Vinayak Dealers (P) Ltd	292,000	6.49%	292,000	6.49%
Pan Emami Cosmed Ltd	254,225	5.65%	254,225	5.65%



South City Projects (Kolkata) Ltd.

Director

South City Projects (Kolkata) Ltd.

Director

## 2.1 SHARE CAPITAL

Particulars	As at 31.03.2015		As at 31.03.2014	
	No. of Shares	Amount (Rs.)	No. of Shares	Amount (Rs.)
<b>Authorised</b>				
50,00,000 Equity Shares of Rs. 10 each	5,000,000	50,000,000	5,000,000	50,000,000
<b>Issued, Subscribed &amp; Paid-up</b>				
45,00,700 Equity Shares of Rs. 10 each fully paid up in cash	4,500,700	45,007,000	4,500,700	45,007,000
<b>Total</b>	<b>4,500,700</b>	<b>45,007,000</b>	<b>4,500,700</b>	<b>45,007,000</b>

## a. Reconciliation of the shares outstanding at the beginning and the end of the reporting period.

Particulars	As at 31.03.2015		As at 31.03.2014	
	No. of Shares	Amount (Rs.)	No. of Shares	Amount (Rs.)
Shares outstanding at the beginning of the period	4,500,700	45,007,000	4,500,700	45,007,000
Addition during the Year	-	-	-	-
Shares outstanding at the end of the period	4,500,700	45,007,000	4,500,700	45,007,000

## b. Terms / rights attached to equity shares.

The company has only one class of equity share having a par value of Rs. 10/- per share. Each holder of equity share is entitled to one vote per share. The company declares and pay dividend in Indian Rupees. The Dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting.

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.

## c. Shareholders holding more than 5% shares in the Company.

Name of Shareholder	As at 31.03.2015		As at 31.03.2014	
	No. of Shares Held	% of Holding	No. of Shares Held	% of Holding
Shrachi Developers Pvt Ltd	450,071	10.00%	450,071	10.00%
Park Chambers Ltd	425,105	9.45%	425,105	9.45%
Merlin Projects Ltd	390,955	8.69%	390,955	8.69%
Jugal Kishore Khetawat	386,334	8.58%	326,334	7.25%
Jugal Kishore Khetawat -Trustee of Khetawat Family Welfare Trust	326,335	7.25%	326,335	7.25%
Vinayak Dealers (P) Ltd	292,000	6.49%	292,000	6.49%
Pan Emami Cosmed Ltd	254,225	5.65%	254,225	5.65%



South City Projects (Kolkata) Ltd.

  
Director

South City Projects (Kolkata) Ltd.

  
Director



## 2.2 RESERVES AND SURPLUS

Particulars	As at 31.03.2015 Amount (Rs.)	As at 31.03.2014 Amount (Rs.)
<b>a. Securities Premium Reserve</b>		
Opening Balance	66,000,000	66,000,000
Add: Transferred during the year	-	-
Balance at the end of the period	66,000,000	66,000,000
<b>b. General Reserve</b>		
Opening Balance	1,550,000,000	1,050,000,000
Add: Transferred during the year	450,000,000	500,000,000
Balance at the end of the period	2,000,000,000	1,550,000,000
<b>c. Surplus</b>		
Opening Balance	949,425,594	1,492,236,932
Add: Net Profit for the Current Year	482,333,764	194,140,390
Less: Appropriations:		
Transfer to General Reserve	450,000,000	500,000,000
Proposed Dividend	202,531,500	202,531,500
Corporate Dividend Tax	41,230,648	34,420,228
Net Surplus in the Statement of Profit & Loss Account	737,997,210	949,425,594
<b>Total</b>	<b>2,803,997,210</b>	<b>2,565,425,594</b>

## 2.3 LONG TERM BORROWINGS

Particulars	As at 31.03.2015 Amount (Rs.)		As at 31.03.2014 Amount (Rs.)	
	<b>Current</b>	<b>Non Current</b>	<b>Current</b>	<b>Non Current</b>
<b>Secured</b>				
Term Loans from Banks	481,987,064	1,951,184,008	628,683,447	1,733,104,592
Long Term Maturities of Finance Lease Obligations	792,951	616,760	858,459	1,409,710
<b>Total</b>	<b>482,780,014</b>	<b>1,951,800,768</b>	<b>629,541,906</b>	<b>1,734,514,302</b>



South City Projects (Kolkata) Ltd.

Director

South City Projects (Kolkata) Ltd.

Director

# **SOUTH CITY PROJECTS (KOLKATA) LIMITED**

## **2. Notes on Financial Statements for the year ended 31st March 2015**

Bank from whom Loan is availed	Current Portion of Loan as on 31.03.2015 (Rs.)	Non Current Portion of Loan as on 31.03.2015 (Rs.)	Interest (p.a. basis)	Pending Instalments as on 31.03.2015	Instalment Amount (Rs.)	Security Provided to avail Loan
Kotak Bank	34,860,492	75,795,944	12%	34	3,855,500	Assignment of lease rental from 4th, 5th, 6th & 7th floors measuring about 110216 sq. ft. along with 90 Car parking & 7 Two wheeler parkings at South City "Pinnacle" situated at XI-1, Block EP, Sector V, Salt Lake, Kolkata - 700 091.
Kotak Bank	6,999,311	13,535,032	Base Rate plus 2.25%	31	790,000	Assignment of lease rental from 16,265 sq. ft. on 12th floor at South City "Pinnacle" situated at XI-1, Block EP, Sector V, Salt Lake, Kolkata - 700 091 and further secured by mortgage of the said space.
				1	213,342	
Kotak Bank	11,796,657	35,729,489	Base Rate plus 2.25%	41	1,410,629	Assignment of lease rental from 8th, 9th, 10th & 13th floors measuring about 99,002 sq. ft. along with 82 Covered Car Parking Spaces & 15 Two Wheeler Parking Spaces on the Ground floor & Basement at South City "Pinnacle" situated at XI-1, Block EP, Sector V, Salt Lake, Kolkata - 700 091.
				1	562,385	
Kotak Bank	25,413,215	75,187,276	Base Rate plus 2.25%	40	3,020,833	
				1	2,438,128	
Kotak Bank	60,848,307	-	Base Rate plus 2.25%	7	7,971,971	Assignment of Lease Rental from 4th to 7th Floor, 8th, 9th, 10th & 12 th & 13th Floor along with allotted Car Parking Spaces at South City Pinnacle, Sector V, Salt Lake along with Equitable Mortgage of Open Land & construction thereon of ongoing residential project "South City Galaxy" situated at 2, Justice Chandra Madhav Road, Kolkata.
				1	7,857,586	
Kotak Bank	17,306,823	12,606,567	Base Rate plus 2.25%	19	1,666,692	All present & future current assets & fixed assets of project "South City Galaxy" situated at 2, Justice Chandra Madhav Road, Kolkata.
				1	1,515,389	
Kotak Bank	34,324,401	225,747,100	Base Rate plus 2.25%	67	5,336,012	Lease rental receivables present & future from PWC SDC, Arcelor Mittal & Outotech of commercial building "South City Pinnacle".
				1	2,364,695	
Axis Bank	290,437,857	1,512,582,601	Base Rate plus 1.25%	57	Unequal Instalments	(a) First Pari-passu charge by way of equitable mortgage over the property to shared only with the SBLC facility of 275 crores provided by the bank; (b) First charge over the cash flows of the property; (c) First charge over the Designated Account & DSRA.
<b>TOTAL</b>	<b>481,987,064</b>	<b>1,951,184,008</b>				
Axis Bank	47,907	0	10.49%	3	16,250	Hypothecation of Toppel Toyota Vehicle.
HDFC Bank	249,229	66,384	10.25%	15	22,507	Hypothecation of Bolero SLE Vehicle.
Kotak Bank	495,815	550,376	10.48%	24	48,510	Hypothecation of Skoda Octavia Elegance Vehicle.
<b>TOTAL</b>	<b>792,951</b>	<b>616,760</b>				



South City Projects (Kolkata) Ltd.

Director

South City Projects (Kolkata) Ltd.

Director



## 2.4 OTHER LONG TERM LIABILITIES

Particulars	As at 31.03.2015 Amount (Rs.)	As at 31.03.2014 Amount (Rs.)
Others		
Security Deposits	400,663,967	397,950,484
<b>Total</b>	<b>400,663,967</b>	<b>397,950,484</b>

## 2.5 LONG TERM PROVISIONS

Particulars	As at 31.03.2015 Amount (Rs.)	As at 31.03.2014 Amount (Rs.)
Provision for Employee Benefits		
Gratuity	6,339,846	4,638,668
Leave Encashment	3,526,132	2,449,374
<b>Total</b>	<b>9,865,978</b>	<b>7,088,042</b>

## 2.6 SHORT TERM BORROWINGS

Particulars	As at 31.03.2015 Amount (Rs.)	As at 31.03.2014 Amount (Rs.)
Secured		
Loans from Other Party *	745,000,000	380,000,000
Bank Overdraft **	345,545,281	219,832,343
Unsecured		
From Body Corporates ***	325,000,000	325,000,000
From Directors ***	19,900,000	17,000,000
From Related Parties (Refer Note No. 2.36) ***	21,150,000	10,000,000
Bank Balance Overdrawn	228,287	4,020,615
<b>Total</b>	<b>1,456,823,568</b>	<b>955,852,958</b>

\* The above loan is secured against pledge of Investments in Mutual funds out of which Rs. 35,00,00,000/- is payable by Apr'2015 along with interest @ 11.50% p.a. and the balance Rs. 39,50,00,000/- is payable by Feb'2016 along with interest @ 10.25% p.a.

\*\* The above Bank Overdraft is secured against pledge of Investments in Mutual Funds valuing Rs. 21,00,00,000/-.

\*\*\* The above Unsecured Loan amounting Rs.36,60,50,000/- is carrying interest @ 15% p.a. and is repayable on demand.

## 2.7 TRADE PAYABLES

Particulars	As at 31.03.2015 Amount (Rs.)	As at 31.03.2014 Amount (Rs.)
Micro, Small and Medium Enterprises		
For Goods	-	28,476
Others		
For Goods	282,792,419	286,315,272
For Services	35,702,500	92,742,113
<b>Total</b>	<b>318,494,919</b>	<b>379,085,861</b>

The details of amounts outstanding to Micro, Small & Medium Enterprises based on available information with the Company is as under:

Particulars	As at 31.03.2015 Amount (Rs.)	As at 31.03.2014 Amount (Rs.)
Amount of further interest remaining due and payable in succeeding years	-	28,476
<b>Total</b>	<b>-</b>	<b>28,476</b>



South City Projects (Kolkata) Ltd.

Director

South City Projects (Kolkata) Ltd.

Director

## 2.8 OTHER CURRENT LIABILITIES

Particulars	As at 31.03.2015 Amount (Rs.)	As at 31.03.2014 Amount (Rs.)
Current Maturities of Long Term Debts (Refer Note No. 2.3)	481,987,064	628,683,447
Current Maturities of Finance Lease Obligations (Refer Note No. 2.3)	792,951	858,459
Interest Accrued but not due on Borrowings	3,139,774	2,530,922
Interest Accrued and due on Borrowings	21,116,297	20,840,388
Advances from Customers	1,136,538,146	641,071,326
Security Deposits	12,589,979	27,602,271
Statutory Dues	26,437,175	53,573,903
Outstanding Liability for Expenses	32,626,391	30,576,840
<b>Total</b>	<b>1,715,227,777</b>	<b>1,405,739,556</b>

## 2.9 SHORT TERM PROVISIONS

Particulars	As at 31.03.2015 Amount (Rs.)	As at 31.03.2014 Amount (Rs.)
<b>Provision for Employee Benefits</b>		
Gratuity	469,493	394,632
Leave Encashment	288,822	242,690
<b>Others</b>		
Provision for Dividend	202,531,500	202,531,500
Corporate Dividend Tax	41,230,648	34,420,228
<b>Total</b>	<b>244,520,463</b>	<b>237,589,050</b>



South City Projects (Kolkata) Ltd.

Director

South City Projects (Kolkata) Ltd.

Director



**SOUTH CITY PROJECTS (KOLKATA) LIMITED**

Notes on Financial Statements For the year ended 31st March '2015  
2.10 FIXED ASSETS

Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	As at 1-04-14	Additions	Deduction / Adjustments	Total as at 31-03-15	As at 1-04-14	For the year *	On Deductions / Adjustments during the year	Upto 31-03-15	As at 31-03-15	As at 31-03-14
TANGIBLE ASSETS										
Leasehold Land	108,781,389	-	-	108,781,389	7,691,655	1,490,156	-	9,181,811	99,599,578	101,089,734
Building										
Operating Lease	1,974,644,350	-	-	1,974,644,350	743,498,698	56,362,813	-	799,861,511	1,174,782,839	1,231,145,652
Others	1,423,418	-	-	1,423,418	490,380	43,557	-	533,937	889,481	933,038
Plant & Equipment	459,644,768	3,828,309	(684,065)	462,789,012	186,809,142	65,457,481	(493,899)	251,772,724	211,016,288	272,835,626
Electrical Installation & Equipment										
Furniture & Fittings	190,574,077	-	-	190,574,077	77,189,313	51,642,950	-	128,832,263	61,741,814	113,384,764
Vehicles										
Finance Lease	37,231,045	1,071,764	-	38,302,809	16,707,718	8,329,319	-	25,037,037	13,315,772	20,573,327
Others										
	652,989	-	-	652,989	415,857	83,315	-	499,172	153,817	237,132
	5,627,913	-	663,207	6,291,120	2,266,304	1,243,730	203,476	3,713,510	2,577,610	3,361,609
Office Equipments	88,802,072	1,105,568	-	89,907,640	41,253,020	42,991,125	-	84,244,145	5,663,495	47,549,052
Total (A)	2,867,432,021	6,005,641	(20,858)	2,873,416,804	1,076,322,087	227,644,446	(290,423)	1,303,676,110	1,569,740,694	1,791,109,934
Previous Year	2,787,849,971	82,592,948	3,010,898	2,867,432,021	896,161,275	182,529,025	2,368,213	1,876,332,087	1,791,109,934	1,891,688,696
INTANGIBLE ASSETS										
Software	3,624,826	-	-	3,624,826	3,488,599	58,990	-	3,547,589	77,237	136,227
Total (B)	3,624,826	-	-	3,624,826	3,488,599	58,990	-	3,547,589	77,237	136,227
Previous Year	3,505,686	119,140	-	3,624,826	3,476,774	11,825	-	3,488,599	136,227	28,912
Capital WIP	1,073,336	431,107	-	1,504,443	-	-	-	-	1,504,443	1,073,336
Total (C)	1,073,336	431,107	-	1,504,443	-	-	-	-	1,504,443	1,073,336
Previous Year	-	1,073,336	-	1,073,336	-	-	-	-	1,073,336	-
INTANGIBLE ASSETS UNDER DEVELOPMENT										
		574,347	-	574,347	-	-	-	-	574,347	-
Total (D)	-	574,347	-	574,347	-	-	-	-	574,347	-
Previous Year	-	-	-	-	-	-	-	-	-	-
Total (A+B+C+D)	2,872,130,183	7,011,095	(20,858)	2,879,130,420	1,079,810,686	227,703,436	(290,423)	1,307,223,699	1,571,896,721	1,792,319,497
Total Previous Year	2,791,355,657	83,785,424	3,010,898	2,872,130,183	899,638,049	182,540,850	2,368,213	1,879,810,686	1,792,319,497	1,891,717,608

\* Includes Rs. 5,11,304/- in relation to depreciation on the assets acquired for the running projects which has been capitalized and Rs 3,27,48,903/- on over aged Fixed Assets as per Schedule II of the Companies Act 2013 which has been charged to Statement of Profit & Loss.

Note : Various components/equipments and facilities forming part of Building (Mall & IT Park) have been reclassified as on 01.04.2014.



**South City Projects (Kolkata) Ltd.**

**Director**  
**South City Projects (Kolkata) Ltd.**

**Director**



## 2.11 NON - CURRENT INVESTMENTS

Particulars	Face Value	As at 31.03.2015		As at 31.03.2014	
		No. of Shares/Units	Amount (Rs.)	No. of Shares/Units	Amount (Rs.)
<b>1. Trade Investments</b>					
<b>In Equity Shares - Unquoted, fully paid up*</b>					
Bengal Electric Works Ltd.	30	1,500	45,000	1,500	45,000
Bengal Lamp Ltd.	10	17,833	337,015	17,833	337,015
Berlex India Ltd.	10	1,999	19,990	1,999	19,990
			402,005		402,005
Less: Diminution			402,005		357,005
<b>Total</b>			-		45,000
<b>In Equity Shares of Subsidiary Companies - Unquoted, fully paid up</b>					
South City Property Management Private Ltd.	10	10,200	102,000	10,200	102,000
AA Infra Properties Pvt. Ltd. **	10	358,750	3,587,500	358,750	3,587,500
Bengal South City Matrix Infrastructure Ltd.	10	177,300	1,773,000	177,300	1,773,000
Bengal Anmol South City Infrastructure Ltd.	10	123,900	1,239,000	123,900	1,239,000
South City International School	10	15,300	153,000	15,300	153,000
South City Developers Pvt Ltd	10	9,800	98,000	9,800	98,000
	150000/- Dirhams	1	-	1	-
<b>Total</b>			6,952,500		6,952,500
<b>In Preference Shares of Subsidiary Companies - Unquoted, fully paid up</b>					
AA Infra Properties Pvt. Ltd.	10	1,750,000	262,500,000	1,750,000	262,500,000
<b>2. Other Investments</b>					
<b>In Equity Shares - Quoted, fully paid up</b>					
Bombay Dyeing & Mfg. Company Ltd.	2	5	560	5	560
DLF Ltd.	2	1	504	1	504
Godrej Industries Ltd.	1	1	177	1	177
Hindustan Construction Company Ltd.	1	2	102	2	102
Housing Development & Infra Ltd.	10	1	410	1	410
Indiabulls Infrastructure & Power Ltd.	2	2	31	2	31
Indiabulls Real Estate Ltd.	2	1	283	1	283
Omaxe Ltd.	10	1	127	1	127
Parsvnath Developers Ltd.	5	2	117	2	117
Purvankara Projects Ltd.	5	1	191	1	191
Reliance Industries Ltd.	10	10,000	10,129,402	10,000	10,129,402
Sobha Developers Ltd.	10	1	273	1	273
Unitech Ltd.	2	1	166	1	166
			10,132,344		10,132,343
Less: Diminution			1,870,936		823,529
<b>Total</b>			8,261,409		9,308,814
<b>In Debentures - Quoted, fully paid up</b>					
Barclays Investments & Loans (India) Ltd.	100000	-	-	3,500	350,000,000
<b>In Debentures - Unquoted, fully paid up</b>					
Vijaybhan Investments & Consultancy Pvt. Ltd.	1,000	7,650	7,650,000	-	-
<b>In Units of Mutual Fund - Quoted, fully paid up ***</b>					
UTI Fixed Term Income Fund - Series XI-V (G)	10	10,000,000	100,000,000	10,000,000	100,000,000
Birla Sun Life Fixed Term Plan-Series ER (G)	10	20,000,000	200,000,000	20,000,000	200,000,000
Birla Sun Life FTP - Corporate Bond Series (G)	10	21,000,000	210,000,000	21,000,000	210,000,000
Kotak FMP Series 122 (G)	10	12,000,000	120,000,000	12,000,000	120,000,000
Reliance Corporate Bond Fund (G)	10	18,377,623	200,000,000	-	-
Reliance Liquid Fund Treasury Plan (G)	1	-	-	6,813	20,033,761
Birla Sunlife Medium Term Plan (G)	10	5,916,565	100,000,000		



South City Projects (Kolkata) Ltd.

Director

South City Projects (Kolkata) Ltd.

Director



**SOUTH CITY PROJECTS (KOLKATA) LIMITED**

Franklin India Corp Bond Opportunities F	10	8,255,392	115,000,000	-	-
Hdfc Corporate Debt Opportunities Fund -	10	17,849,174	200,000,000	-	-
Hdfc Corporate Debt Opportunities Fund -	10	4,438,251	50,000,000	-	-
ICICI Prudential Mutual Fund (G)	10	9,373,038	200,000,000	-	-
Kotak Floater Short Term (G)	10	-	-	4,800	9,618,582
Franklin India Corp Bond Opportunities F	10	14,301,548	200,000,000	-	-
<b>Total</b>			<b>1,695,000,000</b>		<b>659,652,343</b>
<b>Grand Total</b>			<b>1,980,363,909</b>		<b>1,288,458,657</b>
Aggregate amount of Quoted Investments			1,705,132,344		1,019,784,686
Aggregate market value of Quoted Investments			1,848,853,947		1,180,571,250
Aggregate amount of Unquoted Investments			277,504,505		269,854,505
Aggregate provision for Diminution in value of Investments			2,272,941		1,180,534

\* The shares are pending transfer in Company's name.

\*\* 30 % of shares held in AA Infraproperties Ltd pledged with AXIS Bank Ltd, for providing corporate guarantee on behalf of Indocean Developers (Private) Ltd.(Step Down Subsidiary).

\*\*\* Represents securities pledged with Banks and Others as security against Loans and Guarantees taken by the company and joint development companies .

**2.12 DEFERRED TAX ASSETS (Net)**

Particulars	As at 31.03.2015 Amount (Rs.)	As at 31.03.2014 Amount (Rs.)
<b>Deferred Tax Liabilities</b>		-
<b>Deferred Tax Assets</b>		
Tax impact due to difference between tax depreciation book depreciation	2,358,755	331,252
Tax impact of expenses charged off in financial but allowance under tax law deferred :-		
Provision for Gratuity	2,314,494	1,710,819
Provision for Leave Encashment	1,296,703	915,033
Municipal Tax	2,870,285	3,069,121
<b>Total</b>	<b>8,840,237</b>	<b>6,026,225</b>

**2.13 LONG TERM LOANS AND ADVANCES**

Particulars	As at 31.03.2015 Amount (Rs.)	As at 31.03.2014 Amount (Rs.)
(Unsecured Considered Good, unless otherwise stated)		
Security Deposits	17,490,630	17,925,495
Loans & Advances to Related Parties *		
Considered Good	2,353,512,568	2,123,024,620
Considered Doubtful	67,798,664	67,798,664
Less : Provision for Doubtful Advances	(67,798,664)	(67,798,664)
Other Loans & Advances		
Advances against Property Development	206,017,923	162,775,915
Advances for Taxes (Net off Provisions)	121,168,707	162,469,391
Others	22,008,145	10,141,526
<b>Total</b>	<b>2,720,197,973</b>	<b>2,476,336,947</b>



South City Projects (Kolkata) Ltd.

  
Director

South City Projects (Kolkata) Ltd.

  
Director

**SOUTH CITY PROJECTS (KOLKATA) LIMITED**

\* Loans & Advances to Related Parties pertain to :

Subsidiary Companies (Considered Good) :

Bengal Anmol South City Infrastructure Ltd.	239,940,098	206,985,870
Bengal South City Matrix Infrastructure Ltd.	13,268,001	13,228,001
South City International School	128,517,276	152,756,000
South City Developers Pvt. Ltd.	1,191,798	2,070,679
AA Infraproperties Pvt. Ltd.	1,847,016,643	1,578,577,112

Subsidiary Companies (Considered Doubtful) :

South City Projects FZE	67,798,664	67,798,664
-------------------------	------------	------------

Joint Venture Companies (Considered Good) :

Kolkata Metropolitan South City Development Ltd.	120,295,748	119,884,729
Kolkata Metropolitan South City Logistic Ltd.	3,283,004	49,522,229

**2.14 OTHER NON - CURRENT ASSETS**

Particulars	As at 31.03.2015 Amount (Rs.)	As at 31.03.2014 Amount (Rs.)
(Unsecured and Considered Good)		
Trade Receivable	51,033,420	55,337,461
Others	8,123,230	-
<b>Total</b>	<b>59,156,650</b>	<b>55,337,461</b>

**2.15 INVENTORIES**

Particulars	As at 31.03.2015 Amount (Rs.)	As at 31.03.2014 Amount (Rs.)
(As valued & certified by the Management)		
Construction Work - in - progress		
Land	728,072,674	647,026,208
Others	919,710,719	605,480,316
Finished Goods	24,840,368	28,473,741
<b>Total</b>	<b>1,672,623,761</b>	<b>1,280,980,265</b>

**2.16 TRADE RECEIVABLES**

Particulars	As at 31.03.2015 Amount (Rs.)	As at 31.03.2014 Amount (Rs.)
(Unsecured and Considered Good)		
Trade Receivables outstanding for a period exceeding six months from the date they are due for payment	2,205,718	730,848
Others	70,777,651	102,047,648
<b>Total</b>	<b>72,983,369</b>	<b>102,778,496</b>



**South City Projects (Kolkata) Ltd.**

*[Signature]*

**Director**

**South City Projects (Kolkata) Ltd.**

*[Signature]*

**Director**



## 2.17 CASH AND BANK BALANCES

Particulars	As at 31.03.2015 Amount (Rs.)	As at 31.03.2014 Amount (Rs.)
<b>A. Cash &amp; Cash Equivalents</b>		
Cash in hand	286,447	276,386
Balances with banks*	76,444,751	27,556,623
Term Deposits (maturity of three months or less)		
For Margin	637,853	7,147,568
For Others	47,620,633	40,409,178
<b>B. Other Bank Balances</b>		
Term Deposits for Margin (maturity of twelve months or less)	1,528,659	2,986,668
<b>Total</b>	<b>126,518,343</b>	<b>78,376,423</b>

\* Includes Rs. 4,40,00,000/- maintained as DSRA Account with Axis Bank for Term Loan availed.

## 2.18 SHORT TERM LOANS AND ADVANCES

Particulars	As at 31.03.2015 Amount (Rs.)	As at 31.03.2014 Amount (Rs.)
(Unsecured and Considered Good)		
Security Deposits	6,446,010	10,000
Loans & Advances to Related Parties (Refer Note 2.36)		
Subsidiary Companies	10,844,630	1,227,614
Others	15,000,000	-
Other Loans & Advances		
Loans	480,496,785	541,736,447
Advances to Employees	1,509,018	3,128,151
Prepaid Expenses	4,283,750	1,534,172
Balance with Government Authorities	10,166,849	4,907,469
Advances for Projects, Expenses etc.	186,360,255	94,086,768
<b>Total</b>	<b>715,107,297</b>	<b>646,630,621</b>

Loans & Advances to Subsidiary Companies pertain to:

South City International School	918,566	660,012
AA Infraproperties Pvt Ltd	1,107	26,954
Indocean Developers Pvt. Ltd.	9,924,957	540,648

## 2.19 OTHER CURRENT ASSETS

Particulars	As at 31.03.2015 Amount (Rs.)	As at 31.03.2014 Amount (Rs.)
Interest Receivable	18,713,390	551,932
Others	-	456,323
<b>Total</b>	<b>18,713,390</b>	<b>1,008,255</b>



South City Projects (Kolkata) Ltd.

Director

South City Projects (Kolkata) Ltd.

Director

## 2.20 REVENUE FROM OPERATIONS

Particulars	2014 - 15 Amount (Rs.)	2013 - 14 Amount (Rs.)
Revenue from Land & Constructed Properties	98,399,069	461,050,892
Rent	892,762,886	841,022,080
Maintenance Services	195,322,307	176,423,342
Others	4,106,194	4,229,623
<b>Total</b>	<b>1,190,590,456</b>	<b>1,482,725,937</b>

## 2.21 OTHER INCOME

Particulars	2014 - 15 Amount (Rs.)	2013 - 14 Amount (Rs.)
Interest Income	386,555,027	270,171,926
Dividend		
From Non - Current Investments	95,019	90,056
Net Gain on Sale of Investments		
From Current Investments	-	4,253,427
From Non - Current Investments	138,943,838	4,253,427
Profit/(Loss) on sale of Fixed Assets	275,185	(152,685)
Reversal of Diminution in value of Investments	-	1,578,232
Commission Received	11,373,900	3,090,692
Reversal of Provision for Loss in Subsidiary	-	5,536,610
Foreign Exchange Fluctuation	-	1,303,390
Miscellaneous Income	13,464,277	18,251,121
<b>Total</b>	<b>550,707,246</b>	<b>304,122,769</b>

## 2.22 CONSTRUCTION COST

Particulars	2014 - 15 Amount (Rs.)	2013 - 14 Amount (Rs.)
Salaries, Wages & Bonus	5,805,142	6,035,858
Contribution to Provident & Other Funds	228,868	125,238
Staff Welfare Expenses	-	600
Power & Fuel	1,996,442	2,678,802
Repairs		
Building	-	1,298
Others	190,671	33,884
Insurance	579,385	809,166
Rates & Taxes	4,614,024	7,184,502
Land	81,046,466	165,580,461
Materials Consumed	98,356,748	111,341,198
Construction Expenses	162,983,878	309,402,169
Other Operating Expenses	16,797,009	10,304,052
Consultancy & Retainership Charges	7,861,854	3,277,032
Finance Costs	17,543,396	22,937,121
<b>Total</b>	<b>398,003,883</b>	<b>639,711,381</b>



South City Projects (Kolkata) Ltd.

Director

South City Projects (Kolkata) Ltd.

Director



## 2.23 CHANGES IN INVENTORIES OF FINISHED GOODS &amp; WORK - IN - PROGRESS

Particulars	2014 - 15 Amount (Rs.)	2013 - 14 Amount (Rs.)
Inventories (at close)		
Finished Goods	24,840,368	28,473,741
Construction Work -in-progress		
Land	728,072,674	647,026,208
Others	919,710,719	605,480,316
Total (A)	1,647,783,393	1,252,506,524
	1,672,623,761	1,280,980,265
Inventories (at commencement)		
Finished Goods	28,473,741	27,861,774
Construction Work -in-progress		
Land	647,026,208	481,445,747
Others	605,480,316	739,044,209
Total (B)	1,252,506,524	1,220,489,956
	1,280,980,365	1,248,351,730
Net Balance [(B)-(A)]	(391,643,496)	(32,628,535)

## 2.24 EMPLOYEE BENEFITS EXPENSES

Particulars	2014 - 15 Amount (Rs.)	2013 - 14 Amount (Rs.)
Salaries, Wages & Bonus	38,444,355	30,090,038
Contribution to Provident & Other Funds	1,480,100	883,456
Staff Welfare Expenses	67,788	99,542
Total	39,992,243	31,073,036

## 2.25 ADMINISTRATIVE AND OTHER EXPENSES

Particulars	2014 - 15 Amount (Rs.)	2013 - 14 Amount (Rs.)
Power & Fuel	86,299,540	80,436,794
Repairs		
Building	11,594,297	16,082,285
Others	3,087,656	9,677,901
Maintenance	26,177,095	27,797,641
House Keeping Charges	22,296,806	18,694,802
Security Charges	19,791,072	18,373,813
Insurance	1,633,336	2,075,687
Rates & Taxes	85,853,837	63,635,409
Legal & Profession Charges	23,201,805	19,992,967
Director's Remuneration	1,540,000	-
Donation	-	18,054,000
CSR Expenses	6,932,185	-
Compensation paid	96,220,000	-
Waiver of Management Fees Received	-	15,000,000
Miscellaneous Expenses	25,466,884	33,717,742
Total	410,094,513	323,539,041



South City Projects (Kolkata) Ltd.

Director

South City Projects (Kolkata) Ltd.

Director

## 2.26 FINANCE COSTS

Particulars	2014 - 15 Amount (Rs.)	2013 - 14 Amount (Rs.)
Interest Expenses	409,416,435	390,086,339
Other Borrowing Costs	31,343,848	5,220,109
<b>Total</b>	<b>440,760,282</b>	<b>395,306,448</b>

## 2.27 DEPRECIATION AND AMORTIZATION EXPENSES

Particulars	2014 - 15 Amount (Rs.)	2013 - 14 Amount (Rs.)
Depreciation on Tangible Assets	227,133,142	182,423,533
Depreciation on Intangible Assets	58,990	11,825
<b>Total</b>	<b>227,192,132</b>	<b>182,435,358</b>

## 2.28 EARNINGS PER SHARE (EPS)

Particulars	As at 31.03.2015	As at 31.03.2014
Net Profit After Tax (Rs.)	482,333,764	194,140,390
Weighted Average Number of Equity Shares (Nos.)	4,500,700	4,500,700
Basic & Diluted Earnings Per Share (Rs.)	107.17	43.14
Face Value Per Share (Rs.)	10.00	10.00

## 2.29 CONTINGENT LIABILITIES AND COMMITMENTS

Particulars	As at 31.03.2015 Amount (Rs.)	As at 31.03.2014 Amount (Rs.)
<b>Contingent Liabilities</b>		
a) Claims against the Company not acknowledged as debt :		
Service Tax Demands (Net of Advances)	153,743,519	155,243,519
Income Tax (Net of Advances)	-	5,025,060
b) Guarantees given	1,475,391,990	786,712,055
<b>Commitments</b>		
Estimated amount of capital contracts (for construction) remaining to be executed	89,658,974	119,663,862

## 2.30 EARNINGS IN FOREIGN CURRENCY

Particulars	As at 31.03.2015 Amount (Rs.)	As at 31.03.2014 Amount (Rs.)
Commission Received	11,373,900	3,087,700
<b>Total</b>	<b>11,373,900</b>	<b>3,087,700</b>

## 2.31 EXPENDITURE IN FOREIGN CURRENCY

Particulars	As at 31.03.2015 Amount (Rs.)	As at 31.03.2014 Amount (Rs.)
Travelling Expenses	231,870	235,906
Others	-	4,170,535
<b>Total</b>	<b>231,870</b>	<b>4,406,441</b>



South City Projects (Kolkata) Ltd.

Director

South City Projects (Kolkata) Ltd.

Director



## 2.32 VALUE OF IMPORT ON CIF BASIS DURING THE YEAR

Particulars	As at 31.03.2015 Amount (Rs.)	As at 31.03.2014 Amount (Rs.)
Raw Materials	7,789,485	2,040,715
Capital Goods	-	820,917
Total	7,789,485	2,861,632

## 2.33 PAYMENT TO AUDITORS

Particulars	As at 31.03.2015 Amount (Rs.)	As at 31.03.2014 Amount (Rs.)
As Auditor		
For Statutory Auditor	125,000	140,450
For Tax Audit	30,000	33,708
In Other Capacity		
For Certification	25,000	90,028
For Other Services	-	84,270
Total	180,000	348,456

## 2.34 INTEREST IN JOINT VENTURES

a. The Company's interests, as venturer, in jointly controlled entities are:

Particulars	Kolkata Metropolitan South City Development Ltd.		Kolkata Metropolitan South City Logistics Ltd.	
	As at 31.03.2015	As at 31.03.2014	As at 31.03.2015	As at 31.03.2014
Countries of Incorporation	India	India	India	India
Principal Activities	Real Estate	Real Estate	Real Estate	Real Estate
Percentage of Ownership Interest	49.97%	49.97%	49.97%	49.97%

b. The Company's interests in Joint Ventures are reported as Long term Loans & Advances. The Company's share of each of assets, liabilities, net worth, income and expenses related to interest in these Joint Ventures are:

Particulars	Kolkata Metropolitan South City Development Ltd.		Kolkata Metropolitan South City Logistics Ltd.	
	As at 31.03.2015	As at 31.03.2014	As at 31.03.2015	As at 31.03.2014
Assets	64,978,191	64,784,423	6,500,339	29,619,792
Outside Liabilities	60,136,374	59,930,531	1,643,935	24,752,375
Net Worth	4,841,817	4,853,892	4,856,404	4,867,417
Income	-	-	-	-
Expenditure	12,076	10,917	11,013	45,280



South City Projects (Kolkata) Ltd.

Director

South City Projects (Kolkata) Ltd.

Director

## 2 Notes on Financial Statements for the year ended 31st March 2015

2.35 Defined Benefit : As per actuarial valuations as on March 31st 2015 and recognized in the financial statements in Plans. respect of Employees benefit schemes.

	2014-15		2013-2014	
	Gratuity Unfunded	Leave Encashment Unfunded	Gratuity Unfunded	Leave Encashment Unfunded
<b>A Components of Employer Expenses</b>				
1 Current Service Cost	1,023,211	508,553	796,374	105,974
2 Interest Cost	452,997	242,286	385,176	239,719
3 Expected Return on Plan assets	-	-	-	-
4 Past Service Cost	-	-	-	-
5 Actuarial Losses/ (Gains)	535,330	792,937	(341,449)	(5,677)
6 Total Expenses recognized in the Statement of Profit & Loss	2,011,538	1,543,776	840,101	340,016
<b>B Net asset/(liability) recognized in balance sheet as at 31st March 2015</b>				
1 Present value of Defined Benefit Obligation	6,809,339	3,814,954	5,033,300	2,692,064
2 Fair value of plan assets	-	-	-	-
3 Funded Status [Surplus/(deficit)]	(6,809,339)	(3,814,954)	(5,033,300)	(2,692,064)
4 Net asset/(liability) recognized in balance sheet	(6,809,339)	(3,814,954)	(5,033,300)	(2,692,064)
<b>C Change in Defined Benefit Obligation during the year ended 31st March 2015</b>				
1 Present value of DBO at beginning of the period	5,033,300	2,692,064	4,279,737	2,663,540
2 Current Service Cost	1,023,211	508,553	796,374	105,974
3 Interest Cost	452,997	242,286	385,176	239,719
3 Acquisitions	-	-	-	-
5 Actuarial Losses/ (Gains)	535,330	792,937	(341,449)	(5,677)
6 Past Service Cost	-	-	-	-
7 Benefits Paid	(235,499)	(420,886)	(86,538)	(311,492)
8 Present value of DBO at the end of period	6,809,339	3,814,954	5,033,300	2,692,064
<b>D Change in Fair Value of Assets</b>				
1 Plan Assets at beginning of period	-	-	-	-
2 Expected Return on Plan Assets	-	-	-	-
3 Actuarial gain/(loss) on plan assets	-	-	-	-
4 Actual company contributions	235,499	420,886	86,538	311,492
5 Benefits paid	(235,499)	(420,886)	(86,538)	(311,492)
6 Plan assets at the end of period	-	-	-	-
<b>E Actuarial Assumptions</b>				
1 Discount Rate (%)	7.80% p.a.	7.80% p.a.	9.00% p.a.	9.00% p.a.
2 Rate of increase in salaries	8.00% p.a.	8.00% p.a.	8.00% p.a.	8.00% p.a.
3 Expected Rate of return on Plan Assets	N.A.	N.A.	N.A.	N.A.
4 Mortality	IALM 06-08 Ultimate	IALM 06-08 Ultimate	IALM 06-08 Ultimate	IALM 06-08 Ultimate
5 Withdrawal Rate	2.00% p.a.	2.00% p.a.	2.00% p.a.	2.00% p.a.



South City Projects (Kolkata) Ltd.

Director

South City Projects (Kolkata) Ltd.

Director



**2.36 RELATED PARTY TRANSACTIONS:****A. Parties where control exists:**

Subsidiary Companies	% of Holding
1. South City Projects FZE	100.00%
2. Bengal South City Matrix Infrastructure Ltd.	88.65%
3. Bengal Anmol South City Infrastructure Ltd.	61.95%
4. South City Property Management Private Ltd.	100.00%
5. South City Developers Private Ltd.	98.00%
6. South City International School	51.00%
7. AA Infraproperties Private Ltd.	87.50%

**Step Down Subsidiary Companies**

1. Indoceant Developers (Private) Ltd.	87.50%
--	--------

**B. Joint Venture:**

1. Kolkata Metropolitan South City Development Ltd.	49.97%
2. Kolkata Metropolitan South City Logistic Ltd.	49.97%

**C. Other Related Parties:****1. Key Management Personnel**

Name	Designation
i) Shri Jugal Kishore Khetawat	Non - Executive Director
ii) Shri Parimal Ajmera	Company Secretary

**2. Directors**

iii) Shri Shrawan Kumar Todi	Non - Executive Director
iv) Shri Pradeep Kumar Sureka	Non - Executive Director
v) Shri Rajendra Kumar Bachhawat	Non - Executive Director
vi) Shri Sushil Kumar Mohita	Non - Executive Director
vii) Shri Hari Mohan Marda	Independent Director
viii) Shri Ram Krishna Agarwal	Independent Director

**3. Entities where Key Management Personnel & their relatives have significant influence with whom transactions have taken place during the year**

- i) South City Garden Property Management Private Ltd.
- ii) South City Belair Property Management Private Ltd.
- iii) Khetawat Towers Private Ltd.
- iv) Khetawat Family Welfare Trust
- v) Rameswara Developers Private Ltd.
- vi) RTL Logistics Ltd.
- vii) Rameswara Infraspac LLP
- viii) South City Nirman LLP



South City Projects (Kolkata) Ltd.

  
Director

South City Projects (Kolkata) Ltd.

  
Director

**SOUTH CITY PROJECTS (KOLKATA) LIMITED**

**D. Transactions**

Particulars	Subsidiaries		Joint Venture		Directors and Key Management Personnel		Entities where Key Management Personnel and their relatives have significant influence		Total	
	31.03.15	31.03.14	31.03.15	31.03.14	31.03.15	31.03.14	31.03.15	31.03.14	31.03.15	31.03.14
Sitting Fees	-	-	-	-	190,000	-	-	-	190,000	-
Remuneration & Commission	-	-	-	-	3,315,536	-	-	-	3,315,536	-
Rendering of Services	11,373,900	3,087,700	-	-	-	-	381,051	-	11,754,951	3,087,700
Loan Given	334,966,285	382,083,730	-	-	-	-	-	29,320,959	334,966,285	411,404,689
Loan Received	-	-	-	-	206,500,000	78,143,424	86,150,000	13,500,000	292,650,000	91,643,424
Advances Paid	12,764,129	4,966,019	-	-	100,000	-	-	-	12,864,129	4,966,019
Advances for Purchase of land	-	-	438,461	70,342	-	-	-	-	438,461	70,342
Recovery of Electric & Other Charges	1,989,591	9,427,952	-	-	-	-	-	-	1,989,591	9,427,952
Interest Received	273,069,361	207,492,213	-	-	-	-	2,667,123	320,959	275,736,484	207,813,172
Interest Paid	-	13,910,668	-	-	5,288,304	1,599,675	3,293,187	273,082	8,581,441	15,783,425
Receipt Towards Loan Given	303,573,674	164,659,623	-	-	-	-	10,000,000	29,000,000	313,573,674	193,659,623
Repayment of Loan Received	-	-	-	-	203,600,000	62,583,131	75,000,000	3,773,082	278,600,000	66,356,213
Receipt Towards Advances Paid	169,109	10,596,293	46,266,667	100,000,000	100,000	-	-	-	46,436,882	110,596,293
Expenses Incurred	6,207,219	5,057,967	-	-	1,319,210	632,982	-	-	7,526,429	5,690,949
Provision for Advance in Subsidiary	-	(6,840,000)	-	-	-	-	-	-	-	(6,840,000)
Corporate Guarantees Given	1,137,390,000	452,487,500	-	-	-	-	-	-	1,137,390,000	452,487,500
Balance As on 31 st March 2015										
A - Investment	269,452,500	269,452,500	-	-	-	-	-	-	269,452,500	269,452,500
B - Loan Given	2,215,474,017	1,938,318,982	-	-	-	-	15,000,000	25,832,192	2,230,474,017	1,964,151,174
C - Loan Received	-	-	-	-	19,900,000	17,000,000	21,150,000	10,000,000	41,050,000	27,000,000
D - Advance for Land	-	-	123,578,752	169,406,958	-	-	-	-	123,578,752	169,406,958
E - Debtors	9,924,957	540,648	-	-	-	-	-	-	9,924,957	540,648
F - Debtors for Recovery of Electricity & Others	955,257	660,012	-	-	-	-	-	-	955,257	660,012
G - Advances Paid	83,168,071	81,804,691	-	-	-	-	-	-	83,168,071	81,804,691
H - Provision for advance in Subsidiary	67,798,664	67,798,664	-	-	-	-	-	-	67,798,664	67,798,664
I - Creditors for Expenses & Others	-	12,519,601	-	-	260,040	-	-	-	260,040	12,519,601
K - Corporate Guarantees Given	1,137,390,000	452,487,500	-	-	-	-	-	-	1,137,390,000	452,487,500

**South City Projects (Kolkata) Ltd.**



**Director**

**South City Projects (Kolkata) Ltd.**

**Director**



2.37 The business model of the Company is to execute the projects itself or through Special Purpose Vehicles (SPV's) i.e. subsidiaries or otherwise.

2.38 The Company and M/s. Merlin Projects Ltd. acting together in a consortium called "South City Merlin Consortium" has been awarded 4.40 Acres of land in a competitive bid invited by the Kolkata Metropolitan Development Authority (KMDA) for the development of Residential and Commercial cum Office Complex, for a sum of Rs. 109.14 Crores (Bid Amount) on a joint venture basis. As per terms of Memorandum of Understanding (MOU) between the South City Merlin Consortium and KMDA, company has paid 10% of the bid amount to the KMDA along with an earnest money deposit of Rs. 50.00 lacs on execution of MOU. As the entire project was to be carried out on a joint venture basis, a new company was floated in the name and style of M/s. Kolkata Metropolitan South City Development Ltd. (KMSCDL) with authorised share capital of Rs. 1 Crore. The company has agreed to subscribe 4,99,700 Equity Shares of Rs. 10/- each aggregating to Rs. 49,97,000/- by signing the Memorandum of Association of aforesaid KMSCDL. However, the matter is under litigation. In view of this, the company has kept in abeyance the payment of subscription amount of Rs. 49.97 Lacs. Further, it was found that due to inadvertence from KMDA, erroneous description of the land was given in the above mentioned MOU. As such a Supplemental MOU dated 16/11/2011 was executed where in total area of land was revised to 3.67 Acres. However, for the time being it has been decided to restrict the project to 83 cottahs only as per letter dated 28/31 July 2012 of KMDA.

2.39 The Company and M/s. Merlin Projects Ltd. acting together in a consortium called "South City Merlin Consortium" was awarded 4.313 Acres of land in a competitive bid invited by the Kolkata Metropolitan Development Authority (KMDA) for the development of IT - Logistic Centre for a sum of Rs. 143.77 Crores (Bid Amount) on a joint venture basis. As per terms of Memorandum of Understanding (MOU) between the South City Merlin Consortium and KMDA, company has paid 10% of the bid amount to the KMDA along with an earnest money deposit of Rs. 25.00 lacs on execution of MOU. As the entire project was to be carried out on a joint venture basis, a new company was floated in the name and style of M/s. Kolkata Metropolitan South City Logistic Ltd. (KMSCLL) with authorised share capital of Rs. 1 Crore. The company has agreed to subscribe to 499700 Equity Shares of Rs. 10/- each aggregating to Rs. 49,97,000/- by signing the Memorandum of Association of aforesaid KMSCLL. As the proposed project was not technically and financially viable, the company approached KMDA to withdraw from the project. KMDA vide their letter dated 28/31 July 2012 accepted the company's exit proposal to exit and requested it to take necessary steps to dissolve the JV company. Out of the advances given, a sum of Rs. 10 Crores was refunded during the financial year 2013-14 and balance of Rs. 4.63 Crores has been received in the financial year 2014-15.

2.40 Following change in assumption of life span of fixed assets under Schedule II of Companies Act, 2013, over aged fixed assets have been reduced to their residual values and the consequent reduction amounting to Rs. 3,97,69,245/- has been charged to "Depreciation and Amortisation Expenses" in the Statement of Profit and Loss. In addition to above, remaining items of Fixed Assets have been subjected to depreciation charge based on the revised useful lives prescribed in Part C of Schedule II of Companies Act, 2013 which led to decrease in profit by Rs. 3,54,98,126/- vis a vis previous year's practice.

2.41 As per Section 135 of the Companies Act, 2013, a CSR Committee has been formed by the company and has contributed Rs. 69.32 lacs on the Social Upliftment Programmes as prescribed in Schedule VII of the Companies Act, 2013.

#### 2.42 SEGMENT INFORMATION

- The Company has disclosed Business Segment as primary segment. Segments have been identified taking into account the nature of the products, the differing risks and returns, the organisation structure and internal reporting system.
- The Company's operations predominantly relate to Real Estate Projects Development and Rental Activities.
- The Company's activities are restricted within India and hence no separate geographical segment disclosure is considered necessary.
- Segment Revenue, Segment Results, Segment Assets and Segment Liabilities include the respective amounts identifiable to each of the segments.
- The net expenses and income, which are not directly attributable to a particular Business Segment, are shown as unallocated corporate cost and income respectively.
- Assets and Liabilities that can not be allocated between the segments are shown as a part of unallocated corporate assets and liabilities respectively.



South City Projects (Kolkata) Ltd.

Director

South City Projects (Kolkata) Ltd.

Director



**SOUTH CITY PROJECTS (KOLKATA) LIMITED**

B. Details of Business Segment information is presented below :

Particulars	Road Estate Project Development		Commercial Activities		Unallocated		Total
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2013-14
<b>Revenue</b>							
Total External Revenue	104,283,374	465,548,675	1,086,307,082	1,017,177,261	-	-	1,402,725,936
Inter Segment Revenue	-	-	-	-	-	-	-
Unallocated Corporate Revenue	-	-	-	-	-	-	-
<b>Total Revenue (Net)</b>	<b>104,283,374</b>	<b>465,548,675</b>	<b>1,086,307,082</b>	<b>1,017,177,261</b>	<b>-</b>	<b>-</b>	<b>1,402,725,936</b>
<b>Results</b>							
<b>Segment Results</b>							
Unallocated Corporate Revenue	(64,334,034)	(188,163,107)	803,202,232	749,386,483	-	-	561,223,376
Unallocated Corporate Expenses	-	-	-	-	-	-	-
<b>Operating Profit</b>	<b>(64,334,034)</b>	<b>(188,163,107)</b>	<b>803,202,232</b>	<b>749,386,483</b>	<b>-</b>	<b>-</b>	<b>40,192,364</b>
Other Income	1,680,972	2,379,295	11,511,062	15,291,640	-	-	521,031,012
Unallocated Other Income	-	-	-	-	150,960,186	16,279,900	17,670,943
<b>Interest Income</b>	<b>547,064</b>	<b>1,390,974</b>	<b>6,292,415</b>	<b>14,431,720</b>	<b>-</b>	<b>-</b>	<b>15,822,694</b>
Unallocated Interest Income	-	-	-	-	379,715,548	254,349,232	254,349,232
Financial Expenses	12,188,247	2,203,577	194,688,411	197,654,115	-	-	206,876,638
Unallocated Financial Expenses	-	-	-	-	233,883,624	195,448,755	195,448,755
<b>Profit Before Tax</b>	<b>(109,393,018)</b>	<b>(188,985,739)</b>	<b>443,126,469</b>	<b>401,409,701</b>	<b>383,164,694</b>	<b>34,988,014</b>	<b>247,411,976</b>
Current Tax	-	-	-	50,000,000	130,000,000	-	50,000,000
Deferred Tax	-	-	-	-	(2,814,012)	2,534,466	2,534,466
Income Tax of Earlier Years	-	-	-	-	7,378,392	737,121	737,121
<b>Net Profit after Tax</b>	<b>(109,393,018)</b>	<b>(188,985,739)</b>	<b>443,126,469</b>	<b>351,409,701</b>	<b>148,600,111</b>	<b>31,716,427</b>	<b>194,140,389</b>
<b>Other Information</b>							
<b>Segment Assets</b>							
Unallocated Corporate Assets	4,151,478,885	4,148,935,489	3,148,792,585	2,765,237,084	-	-	7,380,271,430
<b>Total Assets</b>	<b>4,151,478,885</b>	<b>4,148,935,489</b>	<b>3,148,792,585</b>	<b>2,765,237,084</b>	<b>1,524,961,520</b>	<b>651,610,883</b>	<b>651,610,883</b>
<b>Segment Liabilities</b>							
Unallocated Corporate Liabilities	1,477,352,622	1,116,216,621	1,748,392,041	2,040,841,292	-	-	8,405,332,939
<b>Total Liabilities</b>	<b>1,477,352,622</b>	<b>1,116,216,621</b>	<b>1,748,392,041</b>	<b>2,040,841,292</b>	<b>-</b>	<b>-</b>	<b>3,157,057,913</b>
Capital Expenditure Incurred	2,747,883	11,970	3,298,331	79,293,162	-	-	1,960,762,342
Unallocated Capital Expenditure Incurred	-	-	-	-	2,871,452,777	1,960,762,342	6,097,397,439
Depreciation and Amortisation	35,098,783	2,369,323	183,190,828	180,046,035	964,880	4,480,292	5,117,920,254
<b>Total Assets exclude</b>	<b>-</b>	<b>(249,520,827)</b>	<b>141,085,039</b>	<b>374,185,989</b>	<b>(19,916,332)</b>	<b>37,804,229</b>	<b>124,665,162</b>
Advance Tax & TDS	-	(249,520,827)	141,085,039	374,185,989	-	-	141,085,039
Unallocated Advances Tax & TDS	-	-	-	-	(19,916,332)	37,804,229	37,804,229

2.43 Previous year's figures have been re-grouped/ re-classified/ re-arranged/ re-arranged, wherever necessary, to make them comparable to those of the current year.

In terms of our attached report of even date.

For, S.K. AGRAWAL & COMPANY,

Chartered Accountants

*Shagun*  
S. K. AGRAWAL  
Partner

Membership No-9067

Place : Kolkata



**South City Projects (Kolkata) Ltd.**

*[Signature]*

**Director**

**For South City Projects (Kolkata) Ltd.**

**South City Projects (Kolkata) Ltd.**

*[Signature]*

**Director**

*[Signature]*  
Company Secretary

Dated : 28th August, 2015