

INDEPENDENT AUDITORS' REPORT

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

Report on the Consolidated Financial Statements

We have audited the accompanying Consolidated financial statements of **South City Projects (Kolkata) Limited** ("herein after referred as the holding Company") and its subsidiaries ("the holding company and its subsidiaries together referred to as the group") which comprise the Consolidated Balance Sheet as at 31st March 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information ("herein after referred to as the Consolidated Financial Statement").

Management's Responsibility for the Consolidated Financial Statements

The Holding 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 consolidated financial statements that give a true and fair view of the Consolidated financial position, Consolidated financial performance and Consolidated cash flows of the Group including its subsidiaries 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. The respective Board of Directors of the companies included in the Group and of its subsidiaries are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group 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 which have been used for the purpose of preparation of the Consolidated Financial Statement by the directors of the holding company as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated 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 consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to

the Holding Company's preparation of the consolidated 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 for expressing an opinion on the effectiveness of such control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and other auditors in terms of their reports referred to other matter paragraphs below is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 Consolidated State of Affairs of the Group and its subsidiaries as at 31st March, 2015, and its Consolidated Profit and Loss and its Consolidated Cash Flows for the period ended on that date.

Other Matters

We did not audit the financial statements / financial information of one foreign subsidiary, whose financial statements / financial information reflect total assets of Rs. 418.44 crores as at 31st March, 2015, total revenues of Rs. 0.18 crores and net cash flows amounting to Rs. 0.59 crores for the year ended on that date, as considered in the consolidated financial statements. Said financial statements / financial information are audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the foreign subsidiary, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid, foreign Subsidiary, is based solely on such audited financial statements/financial information of other auditor. Our opinion on the consolidated financial statements, and our report on other Legal and Regulatory requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements/financial information certified by the management.

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, based on the comments in the auditors' reports of the Holding company and subsidiary companies incorporated in India, we give in the Annexure a statement on the matters specified in paragraph 3 and 4 of the order, to the extent applicable.

As required by Section 143 (3) of the Act, we report, to the extent applicable, 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 of the aforesaid Consolidate Financial Statement.
- (b) In our opinion, proper books of account as required by law relating to the preparation of the aforesaid Consolidated Financial Statement have been kept so far as it appears from our examination of those books and the reports of other auditor.

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
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- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of Consolidated Financial Statement.
- (d) In our opinion, the aforesaid consolidated 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 of the holding Company as on 31st March, 2015 taken on record by the Board of Directors of the holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the group companies and its subsidiaries is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Group has disclosed the impact of pending litigations on its financial position in its Consolidated Financial Statements - Refer Note No.2.29.
- ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There is no such sum which is required to be transferred, to the Investor Education and Protection Fund by the holding Company and its subsidiaries incorporated in India.

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



S.K. AGRAWAL
Partner

Membership No: 9067

Place: Kolkata
Dated: 28th August, 2015

Annexure to the Independent Auditors' Report

1. (a) The Group has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

(b) The fixed assets have been physically verified by the management at reasonable intervals. According to the information and explanations given to us, no material discrepancies between book records and the physical inventories have been noticed on such verification.
2. (a) As explained to us, inventories were physically verified during the year by the management at reasonable intervals.

(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Group and nature of its business.

(c) In our opinion and according to the information and explanations given to us, the Group has maintained proper records of its inventory and no material discrepancies were noticed on physical verification.
3. The Group has granted unsecured loans to companies covered in the register maintained under section 189 of the Companies Act, 2013. The maximum amount involved during the year was Rs.1, 110,224,884 and the yearend balance of such loan granted is Rs.501, 841,620.

(a) In the case of the loans granted to the body corporate listed under section 189 of the Act, the borrowers have been regular in the payment of the interest as stipulated. The terms of arrangement do not stipulate any repayment schedule and the loans are repayable on demand. Accordingly, paragraph 3(iii)a of the order is not applicable to the Group in respect of repayment of the principal amount.

(b) There are no overdue balances of more than one lakh in respect of the loan granted to the body corporate listed in the register maintained under section 189 of the act.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Group and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal controls. We have not observed any continuing failure to correct major weaknesses in the internal control system.
5. The Group has not accepted any deposits as defined under section 73 of the Companies Act, 2013, from the public.
6. We have broadly reviewed the books of accounts maintained by the Holding Company pursuant to the rules prescribed by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for maintenance of cost records and are of the opinion that prima facie the prescribed accounts and records have been made and maintained.
7. (a) According to the information and explanations given to us in respect of statutory and other dues, the Group 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



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payable in respect of these statutory dues which have remained outstanding as at 31st 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 Group are as follows:

Name of the Company	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
South City Projects (Kolkata) Limited	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

(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 Group does not have any accumulated losses exceeding fifty percent of its net worth at the end of financial year. The Group has not incurred cash losses during the current financial year.



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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 Group has not defaulted in the repayment of dues to financial institution and banks.
10. According to the information given to us, the Holding Company and its subsidiary has given a joint corporate guarantee for loan taken by its step down subsidiary from a financial institution amounting to Rs 113.74 crores (Loan sanction amounts to Rs 275 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 Group were applied by the Group 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 Group was noticed or reported during year.

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



S.K. AGRAWAL
Partner

Membership No: 9067

Place: Kolkata
Dated: 28th August, 2015

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

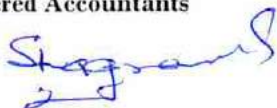
(Amount in Rs.)

Particulars	Note	As at 31.03.2015
EQUITY & LIABILITIES		
Shareholders' Funds		
Share Capital	2.1	4,50,07,000
Reserves and Surplus	2.2	2,13,30,32,932
Minority Interest		5,54,22,874
Non-Current Liabilities		
Long Term Borrowings	2.3	3,13,50,51,342
Other Long Term Liabilities	2.4	41,18,19,880
Long Term Provisions	2.5	1,10,05,330
Current Liabilities		
Short Term Borrowings	2.6	1,75,48,99,255
Trade Payables	2.7	33,23,18,850
Other Current Liabilities	2.8	2,56,07,11,807
Short Term Provisions	2.9	24,48,67,658
TOTAL		10,68,41,36,929
ASSETS		
Non-Current Assets		
Fixed Assets		
Tangible Assets	2.10	1,64,41,58,518
Intangible Assets		77,237
Capital Work in Progress		15,04,443
Intangible Assets under Development		5,74,347
Non-Current Investments	2.11	1,71,10,64,409
Deferred Tax Assets (Net)	2.12	88,40,237
Long Term Loans and Advances	2.13	57,55,84,288
Other Non-Current Assets	2.14	1,25,95,83,162
Current Assets		
Inventories	2.15	3,86,92,80,848
Trade Receivables	2.16	7,47,12,050
Cash and Bank Balances	2.17	25,43,39,275
Short Term Loans and Advances	2.18	1,26,39,12,425
Other Current Assets	2.19	2,05,05,690
TOTAL		10,68,41,36,929
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

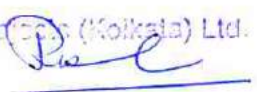
Membership No-9067

Place : Kolkata

Dated : 28th August, 2015

For South City Projects (Kolkata) Ltd.

Company Secretary

South City Projects (Kolkata) Ltd.

Director

SOUTH CITY PROJECTS (KOLKATA) LIMITED

CIN NO. - U21019WB1995PLC071252

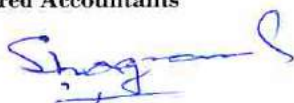
CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2015

(Amount in Rs.)

Particulars	Note	2014-15
INCOME		
Revenue from Operations	2.20	1,36,32,41,521
Other Income	2.21	41,16,23,918
Total Revenue		1,77,48,65,439
EXPENSES		
Purchase of Stock-in-Trade		94,29,264
Construction Cost	2.22	1,14,49,27,371
Changes in Inventories of Finished Goods & Work - In - Progress	2.23	(1,02,96,48,027)
Employee Benefits Expense	2.24	4,05,54,899
Administrative and Other Expenses	2.25	43,90,90,545
Finance Costs	2.26	44,07,60,283
Depreciation and Amortization Expenses	2.27	23,64,72,166
Total Expenses		1,28,15,86,501
Profit Before Tax		49,32,78,938
Tax Expenses		
Current Tax		15,18,29,081
Deferred Tax		(28,14,012)
Income Tax of Earlier Years		75,51,231
Profit after Tax before Minority Interest		33,67,12,638
Share of Minority Interest		52,98,569
Profit for the period		33,14,14,069
Basic & Diluted Earnings Per Share (Face value of Rs. 10 each)	2.28	73.64
Significant Accounting Policies & Notes on Accounts	1 & 2	

In terms of our attached report of even date

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



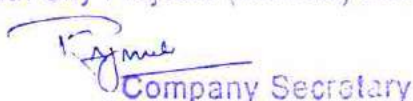
S. K. AGRAWAL
Partner
Membership No-9067
Place : Kolkata

Dated : 28th August, 2015

South City Projects (Kolkata) Ltd.


Director

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
A. CASH FLOW FROM OPERATING ACTIVITIES:	
Net profit before tax before Minority Interest	49,32,78,938
Add: Adjustment for	
Depreciation & Amortization	23,69,25,508
Interest Expense	45,83,03,679
Share Dematerialisation Expenses	36,000
Provision for Gratuity, Leave, Proposed Dividend & Corporate Dividend Tax	(3,21,66,959)
Diminution in the value of Investment	10,92,405
Sundry Balance Written Off	22,81,683
	1,15,97,51,253
Less: Adjustment for	
Dividend Received	95,019
Profit on sale of Investments	14,39,52,378
Share of Minority Interest	(1,19,13,157)
Profit on sale of Fixed Assets	10,20,281
Interest on deposits	37,96,07,639
Operating profit before working capital changes	64,69,89,093
Add: Decrease / (Increase) in Working Capital	
Inventories	(1,15,01,58,790)
Trade & Other Payables	57,08,15,091
Trade Receivables	(2,30,33,239)
Loans & Advances	(46,75,11,351)
Cash used in operations	(42,28,99,196)
Less: Direct Taxes Paid	13,08,94,381
Net Cash used in operating activities	(55,37,93,577)
B. CASH FLOW FROM INVESTING ACTIVITIES:	
Dividend Received	95,019
Interest Received	37,96,07,639
Investment in Fixed Deposit (Net)	14,58,009
Sale of Fixed assets	16,91,409
Sale of Investments	1,50,55,48,558
	1,88,84,00,633
Less: Purchase of Fixed Assets	3,98,43,539
Purchase of Investment	1,96,59,43,837
Share Dematerialisation Expenses	36,000
Net cash flow from investing activities	(11,74,22,746)
C. CASH FLOW FROM FINANCING ACTIVITIES:	
Procurement of loan(Net)	1,35,68,81,632
Dividend & Dividend Distribution Tax	(24,37,62,148)
Interest paid	(45,83,03,679)
Net cash flow from financing activities	65,48,15,805
D. FOREIGN CURRENCY TRANSLATION RESERVE:	7,96,15,174
Net changes in cash and cash equivalents (A+B+C+D)	6,32,14,656
* # Cash and Cash Equivalents - Opening Balance	18,95,95,961
* # Cash and Cash Equivalents - Closing Balance	25,28,10,616
* 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.

Director

For South City Projects (Kolkata) Ltd.

Company Secretary

South City Projects (Kolkata) Limited

Notes to Consolidated Financial Statements for the year ended 31st March 2015

1. Significant Accounting Policies on Consolidated Accounts

I. Principles of Consolidation

The Consolidated Financial Statements relate to **South City Projects (Kolkata) Limited** ("the Company"), its Subsidiary Companies and interest in Joint Ventures (referred to as "the Group"). The Subsidiary has been consolidated as per Accounting Standards on Accounting for Consolidated Financial Statements (AS 21) prescribed under Section 133 of the Companies Act, 2013 ("Act") read with Rule 7 of the Companies (Accounts) Rules and Financial Reporting of interest in Joint Venture in Consolidated Financial Statements (AS 27) respectively notified in Companies (Accounting Standards) Rules 2006. The Consolidated Financial Statements have been prepared on the following basis:-

a. The Consolidated financial statements have been combined on line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating all significant intra-group transactions / balances and resulting unrealised profits or losses.

b. Investments in Joint Ventures have been accounted as per Accounting Standard (AS) 27 "Financial Reporting of interest in Joint Venture" notified by the Companies (Accounting Standards) rules, 2006.

c. The difference between the Cost of Investment in the subsidiaries over its proportionate shares in the net assets value at the time of acquisition of stake in subsidiaries is recognised in the financial statements as Goodwill or Capital Reserve as the case may be. For this purpose, the Company's share of Net Worth is determined on the basis of latest financial statements prior to the acquisition after making necessary adjustments for material events between the date of such financial statements and the date of respective acquisition. Capital Reserve/Goodwill on consolidation is disclosed in the balance sheet.

d. Goodwill arising out of consolidation is not being amortized.

e. Minority interest in the net assets of consolidated subsidiaries consists of:

(a) the amount of equity attributable to minorities at the date on which investment in a subsidiary is made; and

(b) the minority share of movements in equity since the date the parent subsidiary relationship came into existence.

f. Foreign Exchange fluctuations on conversion of accounts of foreign subsidiaries have been taken to "Foreign Currency Translation Reserve" (arising on consolidation).

g. As far as possible the Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's Financial Statements.

h. The Financial Statements of the entities used for the purpose of consolidation are drawn up to the same reporting date as that of the Company.

II. Basis of preparation

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.

III. Use of estimates

The preparation of financial statements, in conformity with the generally accepted accounting principles, requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Differences between actual results and estimates are recognized in the period in which the results are known / materialized.

IV. Fixed Assets

a. Fixed Assets are stated at cost less accumulated depreciation. Interest and other financial charges on loans borrowed specifically for acquisition of capital assets are capitalized till the start of its intended use.

V. Intangible Assets

Intangible assets are recognized, only if it is probable that the future economic benefits that are attributable to the assets will flow to the enterprises and the cost of the assets can be measured reliably. The intangible assets are recorded at cost and are carried at cost less accumulated amortization and accumulated impairment losses, if any. Computer Software is amortized on Straight Line Method over a period of three years.

VI. Depreciation and Amortisation


Depreciation on fixed assets is provided to the extent of depreciable amount on written down value method (WDV) at the rates and in the manner prescribed under schedule II of the Companies Act, 2013.

South City Projects (Kolkata) Ltd.



Director

South City Projects (Kolkata) Ltd.



Director

Notes to Consolidated Financial Statements for the year ended 31st March 2015

VII. Investments

Long term investments are stated at cost. Current investments are stated at cost or fair value whichever is lower. Diminution in value of long term investments other than temporary in nature is charged to Statement of Profit & Loss.

VIII. 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.

IX. Provisions and Contingent Liabilities

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.

X. 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.

XI. Borrowing Costs

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

XII. 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.

XIII. Taxation

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.

XIV. Foreign Currency Transactions

- a) 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.
- b) Income & Expenses are translated at average rate calculated on the basis of rates prevailing at the end of each month.
- c) Non Monetary Items are taken at the value based on rates prevailing at the time of acquisition.
- d) All other assets and liabilities are taken at rates prevailing at the end of the year.

XV. Impairment of Assets

The Company identifies impairable assets at the year end in accordance with the guiding principles of Accounting Standard 28, notified in Companies (Accounting Standards) Rules 2006, for the purpose of arriving at impairment loss thereon being the difference between the book value and recoverable value of relevant assets. Impairment loss, when crystallizes, are charged against revenues for the year.

XVI. Segment Reporting

Based on the guiding principles given in the Accounting Standard - 17 on "Segment Reporting", issued by the Institute of Chartered Accountants of India, the Company's primary segments are Real Estate & Commercial Activities and Geographical Segments are operational in India and Other Countries.

South City Projects (Kolkata) Ltd.



Director

South City Projects (Kolkata) Ltd.



Director

Notes to Consolidated Financial Statements for the year ended 31st March 2015

XVII. Earning 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 of 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 for all dilutive potential equity shares.

XVIII. Cash and Cash Equivalents

Cash and cash equivalents for the purpose of cash flow statement comprise current account bank balance, cash in hand and bank deposit account balance (with maturity of three months or less as at the balance sheet date).

XIX. List of Subsidiaries and Associates

I) List of Subsidiaries (which alongwith South City Projects (Kolkata) Ltd., the parent, constitute the Group) considered in the Consolidated financial statements are as under:-

(a) Indian Subsidiary

Name of Subsidiaries	Country of Incorporation	Extent of Holding
1. Bengal South City Matrix Infrastructure Ltd.	India	88.65%
2. Bengal Annul South City Infrastructure Ltd.	India	61.95%
3. South City Property Management Private Ltd.	India	100.00%
4. South City Developers Private Ltd.	India	98.00%
5. AA Infraproperties Private Ltd.	India	87.50%

(b) Foreign Subsidiary

Name of Associates	Country of Incorporation	Extent of Holding
1. South City Projects FZE	U.A.E.	100.00%

(c) Step - Down Subsidiary

Name of Associates	Country of Incorporation	Extent of Holding
1. Indoreen Developers (Private) Ltd.	Sri Lanka	87.50%

II) List of Subsidiaries and Interest in Joint Ventures (which alongwith South City Projects (Kolkata) Ltd., the parent, constitute the Group) not considered in the Consolidated financial statements are as under:-

(a) Indian Subsidiary

Name of Subsidiaries	Country of Incorporation	Extent of Holding
1. South City International School	India	51.00%


(b) Interest in Joint Venture

Name of Subsidiaries	Country of Incorporation	Extent of Holding
1. Kolkata Metropolitan South City Development Ltd.	India	49.97%
2. Kolkata Metropolitan South City Logistic Ltd.	India	49.97%

South City Projects (Kolkata) Ltd.


Director

South City Projects (Kolkata) Ltd.


Director

SOUTH CITY PROJECTS (KOLKATA) LIMITED

Notes on Consolidated Financial Statements for the year ended 31st March'2015

2.1 SHARE CAPITAL

Particulars	As at 31.03.2015	
	No. of Shares	Amount (Rs.)
Authorised		
50,00,000 Equity Shares of Rs. 10 each	50,00,000	28,95,69,000
Issued, Subscribed & Paid-up		
45,00,700 Equity Shares of Rs. 10 each fully paid up in cash	45,00,700	4,50,07,000
Total	45,00,700	4,50,07,000

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

Particulars	As at 31.03.2015	
	No. of Shares	Amount (Rs.)
Shares outstanding at the beginning of the period	45,00,700	4,50,07,000
Addition during the Year	-	-
Shares outstanding at the end of the period	45,00,700	4,50,07,000

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	
	No. of Shares Held	% of Holding
Shrachi Developers Pvt Ltd	4,50,071	10.00%
Park Chambers Ltd	4,25,105	9.45%
Merlin Projects Ltd	3,90,955	8.69%
Jugal Kishore Khetawat	3,86,334	8.58%
Jugal Kishore Khetawat -Trustee of Khetawat Family Welfare Trust	3,26,335	7.25%
Vinayak Dealers (P) Ltd	2,92,000	6.49%
Pan Emami Cosmed Ltd	2,54,225	5.65%

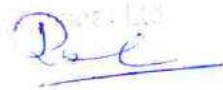
South City Projects (Kolkata) Ltd.



Director



South City Projects (Kolkata) Ltd.



SOUTH CITY PROJECTS (KOLKATA) LIMITED

2.2 RESERVES AND SURPLUS

Particulars	As at 31.03.2015 Amount (Rs.)	
a. Securities Premium Reserve		
Opening Balance	34,60,00,000	
Add: Transferred during the year	(28,00,00,000)	
Balance at the end of the period		6,60,00,000
b. Capital Reserve		64,04,047
c. General Reserve		
Opening Balance	1,55,00,00,000	
Add: Transferred during the year	45,00,00,000	
Balance at the end of the period		2,00,00,00,000
d. Foreign Exchange Translation Reserve		(59,58,180)
e. Surplus		
Opening Balance	42,89,35,144	
Add: Net Profit for the Current Year	33,14,14,069	
Less: Appropriations:		
Transfer to General Reserve	45,00,00,000	
Proposed Dividend	20,25,31,500	
Corporate Dividend Tax	4,12,30,648	
Net Surplus in the Statement of Profit & Loss Account		6,65,87,065
Total		2,13,30,32,932

2.3 LONG TERM BORROWINGS

Particulars	As at 31.03.2015 Amount (Rs.)	
	<u>Current</u>	<u>Non Current</u>
Secured		
Term Loans from Banks	48,19,87,064	2,79,58,07,866
Long Term Maturities of Finance Lease Obligations	8,27,426	6,16,760
Unsecured		
From Body Corporates *	-	33,86,26,715
Total	48,28,14,489	3,13,50,51,341

* The company has taken Loan from Body Corporates @ 13.5% and 15% which is repayable on demand or 5 years from drawdown as per the terms of loan agreement.

South City Projects (Kolkata) Ltd.

 Director

South City Projects (Kolkata) Ltd.

SOUTH CITY PROJECTS (KOLKATA) LIMITED

2. Notes on Consolidated 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	3,48,60,492	7,57,95,944	12%	34	38,55,500	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	69,99,311	1,35,35,032	Base Rate plus 2.25%	31	7,90,000	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	2,13,342	
Kotak Bank	1,17,96,657	3,57,29,489	Base Rate plus 2.25%	41	14,10,629	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	5,62,385	
Kotak Bank	2,54,13,215	7,51,87,276	Base Rate plus 2.25%	40	30,20,833	
				1	24,38,128	
Kotak Bank	6,08,48,307		Base Rate plus 2.25%	7	79,71,971	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	78,57,586	
Kotak Bank	1,73,06,823	1,26,06,567	Base Rate plus 2.25%	19	16,66,692	All present & future current assets & fixed assets of project "South City Galaxy" situated at 2, Justice Chandra Madhav Road, Kolkata.
				1	15,15,289	
Kotak Bank	3,43,24,401	22,57,47,100	Base Rate plus 2.25%	67	53,36,012	Lease rental receivables present & future from PWC SDC, Arcelor Mittal & Outotech of commercial building "South City Pinnacle".
				1	23,64,695	
Axis Bank	29,04,37,857	1,51,25,82,601	Base Rate plus 1.25%	57	Unequal Instalments	(a) First Pari-pasu 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.
Axis Bank - Hongkong		84,46,23,857	3m LIBOR plus 3%	N.A.	On Demand	Secured by guarantee provided by its ultimate parent company - South City Projects (Kolkata) Ltd. And its parent company AA Infraproperties Pvt. Ltd.
TOTAL	48,19,87,064	2,79,58,07,866				
Axis Bank	47,907	-	10.49%	3	16,250	Hypothecation of Topsis Toyota Vehicle.
HDFC Bank	2,49,229	66,384	10.25%	15	22,507	Hypothecation of Bolero SLE Vehicle.
Kotak Bank	4,95,815	5,50,376	10.48%	24	48,510	Hypothecation of Skoda Octavia Elegance Vehicle.
HDFC Bank	34,475	-	8.51%	2	17,421	Hypothecation of TATA Safari Vehicle.
TOTAL	8,27,426	6,16,760				

South City Projects (Kolkata) Ltd.

Director

[Signature]

SOUTH CITY PROJECTS (KOLKATA) LIMITED

2.4 OTHER LONG TERM LIABILITIES

Particulars	As at 31.03.2015 Amount (Rs.)
Others	
Security Deposits	41,16,23,506
Others	1,96,374
Total	41,18,19,880

2.5 LONG TERM PROVISIONS

Particulars	As at 31.03.2015 Amount (Rs.)
Provision for Employee Benefits	
Gratuity	73,37,691
Leave Encashment	36,67,639
Total	1,10,05,330

2.6 SHORT TERM BORROWINGS

Particulars	As at 31.03.2015 Amount (Rs.)
Secured	
Loans from Other Party *	74,50,00,000
Bank Overdraft **	63,91,88,678
Unsecured	
From Body Corporates ***	32,50,00,000
From Directors ***	1,99,00,000
From Related Parties ***	2,11,50,000
Bank Balance Overdrawn	46,60,577
Total	1,75,48,99,255

* 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 Bank Overdraft availed by South City Projects (Kolkata) Ltd. is secured against pledge of Investments in Mutual Funds valuing Rs. 21,00,00,000/- .

The Bank Overdraft availed by Indocean Developers Pvt Ltd. Is secured by Corporate Guarantee provided by its ultimate parent company - South City Projects (Kolkata) Ltd. and its parent company AA Infraproperties Pvt. Ltd.

*** 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.)
Others	
For Goods	28,70,97,013
For Services	4,52,21,837
Total	33,23,18,850

South City Projects (Kolkata) Ltd.

Director

South City Projects (Kolkata) Ltd.

SOUTH CITY PROJECTS (KOLKATA) LIMITED

2.4 OTHER LONG TERM LIABILITIES

Particulars	As at 31.03.2015 Amount (Rs.)
Others	
Security Deposits	41,16,23,506
Others	1,96,374
Total	41,18,19,880

2.5 LONG TERM PROVISIONS

Particulars	As at 31.03.2015 Amount (Rs.)
Provision for Employee Benefits	
Gratuity	73,37,691
Leave Encashment	36,67,639
Total	1,10,05,330

2.6 SHORT TERM BORROWINGS

Particulars	As at 31.03.2015 Amount (Rs.)
Secured	
Loans from Other Party *	74,50,00,000
Bank Overdraft **	63,91,88,678
Unsecured	
From Body Corporates ***	32,50,00,000
From Directors ***	1,99,00,000
From Related Parties (Refer Note No. 2.36) ***	2,11,50,000
Bank Balance Overdrawn	46,60,577
Total	1,75,48,99,255

* 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.

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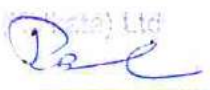
2.7 TRADE PAYABLES

Particulars	As at 31.03.2015 Amount (Rs.)
Micro, Small and Medium Enterprises	
For Goods	-
Others	
For Goods	28,70,97,013
For Services	4,52,21,837
Total	33,23,18,850

South City Projects (Kolkata) Ltd.


 Director

South City Projects (Kolkata) Ltd.



SOUTH CITY PROJECTS (KOLKATA) LIMITED

2.8 OTHER CURRENT LIABILITIES

Particulars	As at 31.03.2015 Amount (Rs.)
Current Maturities of Long Term Debts (Refer Note No. 2.3)	48,19,87,064
Current Maturities of Finance Lease Obligations (Refer Note No. 2.3)	8,27,426
Interest Accrued but not due on Borrowings	31,39,774
Interest Accrued and due on Borrowings	4,91,71,749
Advances from Customers	1,78,21,04,041
Security Deposits	3,92,56,705
Statutory Dues	5,50,53,201
Outstanding Liability for Expenses	14,91,71,847
Total	2,56,07,11,807

2.9 SHORT TERM PROVISIONS

Particulars	As at 31.03.2015 Amount (Rs.)
Provision for Employee Benefits	
Gratuity	7,60,823
Leave Encashment	3,44,687
Others	
Provision for Dividend	20,25,31,500
Corporate Dividend Tax	4,12,30,648
Total	24,48,67,658

South City Projects (Kolkata) Ltd.



Director

South City Projects (Kolkata) Ltd.



Director

CONSOLIDATED FIXED ASSET STATEMENT

Notes on Consolidated 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 Deduction /Adjustments during the year	Upto 31-03-15	As at 31-03-15
TANGIBLE ASSETS									
Land			-	-		-	-	-	-
Leasehold Land	10,87,81,389			10,87,81,389	76,91,655	14,90,156		91,81,811	9,95,99,578
Building									
Operating Lease	1,97,46,44,350			1,97,46,44,350	74,34,98,698	5,63,62,813		79,98,61,511	1,17,47,82,839
Others	14,23,418	6,29,12,503		6,43,35,921	4,90,380	67,61,505	-	72,51,885	5,70,84,036
Plant & Equipment	46,02,01,963	38,34,866	(6,71,128)	46,33,65,701	18,68,53,182	6,55,90,863	(4,93,329)	25,19,50,716	21,14,14,985
Electrical Installation & Equipment	19,05,74,077			19,05,74,077	7,71,89,313	5,16,42,950		12,88,32,263	6,17,41,814
Furniture & Fittings	4,78,51,973	81,74,083	4,30,620	5,64,56,676	1,72,72,332	1,04,19,652	29,448	2,77,21,432	2,87,35,244
Vehicles									
Finance Lease	18,76,491	-	-	18,76,491	12,70,285	2,16,462		14,86,747	3,89,744
Others	56,27,913		6,63,207	62,91,120	22,66,304	12,43,730	2,03,476	37,13,510	25,77,610
Office Equipments	9,00,15,115	27,25,319	87,440	9,28,27,874	4,15,96,414	4,33,84,998	13,794	8,49,95,206	78,32,668
Total (A)	2,88,09,96,689	7,76,46,771	5,10,139	2,95,91,53,599	1,07,81,28,563	23,71,13,129	(2,46,611)	1,31,49,95,081	1,64,41,58,518
INTANGIBLE ASSETS									
Software	36,24,826	-	-	36,24,826	34,88,599	58,990		35,47,589	77,237
Total (B)	36,24,826	-	-	36,24,826	34,88,599	58,990	-	35,47,589	77,237
Capital WIP	4,10,63,288	4,31,107	(3,99,89,952)	15,04,443	-	-	-	-	15,04,443
Total (C)	4,10,63,288	4,31,107	- 3,99,89,952	15,04,443	-	-	-	-	15,04,443
INTANGIBLE ASSETS UNDER DEVELOPMENT									
Total (D)	-	5,74,347	-	5,74,347	-	-	-	-	5,74,347
Total (A+B+C+D)	2,92,56,84,804	7,86,52,224	(3,94,79,813)	2,96,48,57,215	1,08,16,17,162	23,71,72,119	(2,46,611)	1,31,85,42,670	1,64,63,14,545

* Includes Rs. 6,99,952/- in relation to depreciation on the assets acquired for the running projects which has been capitalized and Rs 3,97,69,245/- 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.

South City Projects (Kolkata) Ltd.

Director

2.11 NON - CURRENT INVESTMENTS

Particulars	Face Value	As at 31.03.2015	
		No. of Shares/Units	Amount (Rs.)
1. Trade Investments			
In Equity Shares - Unquoted, fully paid up*			
Bengal Electric Works Ltd.	30	1,500	45,000
Bengal Lamp Ltd.	10	17,833	3,37,015
Berlex India Ltd.	10	1,999	19,990
			4,02,005
Less: Diminution			4,02,005
Total			-
In Equity Shares of Subsidiary Companies - Unquoted, fully paid up			
South City International School	10	15,300	1,53,000
Total			1,53,000
2. Other Investments			
In Equity Shares - Quoted, fully paid up			
Bombay Dyeing & Mfg. Company Ltd.	2	5	560
DLF Ltd.	2	1	504
Godrej Industries Ltd.	1	1	177
Hindustan Construction Company Ltd.	1	2	102
Housing Development & Infra Ltd.	10	1	410
Indiabulls Infrastructure & Power Ltd.	2	2	31
Indiabulls Real Estate Ltd.	2	1	283
Omaxe Ltd.	10	1	127
Parsvnath Developers Ltd.	5	2	117
Purvankara Projects Ltd.	5	1	191
Reliance Industries Ltd.	10	10,000	1,01,29,402
Sobha Developers Ltd.	10	1	273
Unitech Ltd.	2	1	166
			1,01,32,343
Less: Diminution			18,70,936
Total			82,61,407
In Debentures - Unquoted, fully paid up			
Vijaybhan Investments & Consultancy Pvt. Ltd.	1,000	7,650	76,50,000
In Units of Mutual Fund - Quoted, fully paid up **			
UTI Fixed Term Income Fund - Series XI-V (G)	10	1,00,00,000	10,00,00,000
Birla Sun Life Fixed Term Plan-Series ER (G)	10	2,00,00,000	20,00,00,000
Birla Sun Life FTP - Corporate Bond Series (G)	10	2,10,00,000	21,00,00,000
Kotak FMP Series 122 (G)	10	1,20,00,000	12,00,00,000
Reliance Corporate Bond Fund (G)	10	1,83,77,623	20,00,00,000
Birla Sunlife Medium Term Plan (G)	10	59,16,565	10,00,00,000
Franklin India Corp Bond Opportunities Fund (G)	10	82,55,392	11,50,00,000
Hdfc Corporate Debt Opportunities Fund - R - (G)	10	1,78,49,174	20,00,00,000
Hdfc Corporate Debt Opportunities Fund - D - (G)	10	44,38,251	5,00,00,000
ICICI Prudential Mutual Fund (G)	10	93,73,038	20,00,00,000
Franklin India Corp Bond Opportunities Fund (G)	10	1,43,01,548	20,00,00,000
Total			1,69,50,00,000
Grand Total			1,71,10,64,407
Aggregate amount of Quoted Investments			1,70,51,32,343
Aggregate market value of Quoted Investments			1,64,79,46,092
Aggregate amount of Unquoted Investments			82,05,005
Aggregate provision for Diminution in value of Investments			22,72,941

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

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

South City Projects (Kolkata) Ltd.



Director

South City Projects (Kolkata) Ltd.



SOUTH CITY PROJECTS (KOLKATA) LIMITED

2.12 DEFERRED TAX ASSETS (Net)

Particulars	As at 31.03.2015 Amount (Rs.)
Deferred Tax Liabilities	-
Deferred Tax Assets	
Tax impact due to difference between tax depreciation and book depreciation	23,58,755
Tax impact of expenses charged off in financial statements but allowance under tax law deferred :-	
Provision for Gratuity	23,14,494
Provision for Leave Encashment	12,96,703
Municipal Tax	28,70,285
Total	88,40,237

2.13 LONG TERM LOANS AND ADVANCES

Particulars	As at 31.03.2015 Amount (Rs.)
(Unsecured Considered Good, unless otherwise stated)	
Security Deposits	2,23,86,827
Loans & Advances to Related Parties *	
Considered Good	25,20,96,028
Considered Doubtful	6,77,98,664
Less : Provision for Doubtful Advances	(6,77,98,664)
Other Loans & Advances	
Advances against Property Development	21,44,09,662
Advances for Taxes (Net off Provisions)	6,46,83,626
Others	2,20,08,145
Total	57,55,84,288

* Loans & Advances to Related Parties pertain to :

Subsidiary Companies (Considered Good) :

South City International School

128517276

Joint Venture Companies (Considered Good) :

Kolkata Metropolitan South City Development Ltd.

120295748

Kolkata Metropolitan South City Logistic Ltd.

3283004

2.14 OTHER NON - CURRENT ASSETS

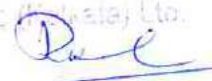
Particulars	As at 31.03.2015 Amount (Rs.)
(Unsecured and Considered Good)	
Trade Receivable	5,10,33,420
Others	1,20,85,49,742
Total	1,25,95,83,162

South City Projects (Kolkata) Ltd.




Director

South City Projects (Kolkata) Ltd.



Director

SOUTH CITY PROJECTS (KOLKATA) LIMITED

2.15 INVENTORIES

Particulars	As at 31.03.2015 Amount (Rs.)
(As valued & certified by the Management)	
Construction Work - in - progress	
Land	73,92,73,257
Others	2,80,13,44,098
Finished Goods	32,86,63,493
Total	3,86,92,80,848

2.16 TRADE RECEIVABLES

Particulars	As at 31.03.2015 Amount (Rs.)
(Unsecured and Considered Good)	
Trade Receivables outstanding for a period exceeding six months from the date they are due for payment	39,34,399
Others	7,07,77,651
Total	7,47,12,050

2.17 CASH AND BANK BALANCES

Particulars	As at 31.03.2015 Amount (Rs.)
A. Cash & Cash Equivalants	
Cash in hand	4,90,826
Balances with banks*	19,69,61,304
Term Deposits (maturity of three months or less)	
For Margin	6,37,853
For Others	4,76,20,633
B. Other Bank Balances	
Term Deposits for Margin (maturity of twelve months or less)	86,28,659
Total	25,43,39,275

* 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.)
(Unsecured and Considered Good)	
Security Deposits	82,17,814
Loans & Advances to Related Parties (Refer Note 2.36)	
Subsidiary Companies	9,18,566
Others	1,50,00,000
Other Loans & Advances	
Loans	48,05,74,068
Advances to Employees	15,62,343
Prepaid Expenses	42,95,723
Balance with Government Authorities	5,14,01,575
Advances for Projects, Expenses etc.	70,19,42,336
Total	1,26,39,12,425

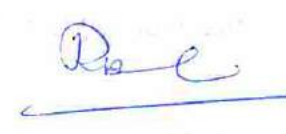
Loans & Advances to Subsidiary Companies pertain to :
South City International School

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South City Projects (Kolkata) Ltd.



Director

SOUTH CITY PROJECTS (KOLKATA) LIMITED

2.19 OTHER CURRENT ASSETS

Particulars	As at 31.03.2015 Amount (Rs.)
Interest Receivable	1,88,55,920
Others	16,49,770
Total	2,05,05,690

2.20 REVENUE FROM OPERATIONS

Particulars	2014-15 Amount (Rs.)
Revenue from Land & Constructed Properties	26,01,25,620
Rent	89,27,62,886
Maintenance Services	19,53,22,307
Others	1,50,30,708
Total	1,36,32,41,521


2.21 OTHER INCOME

Particulars	2014-15 Amount (Rs.)
Interest Income	13,56,42,009
Dividend	
From Non - Current Investments	95,019
Net Gain on Sale of Investments	
From Current Investments	-
From Non - Current Investments	14,48,43,850
Profit/(Loss) on sale of Fixed Assets	2,75,185
Loan from Holding Company Written Off	11,22,85,450
Miscellaneous Income	1,84,82,405
Total	41,16,23,918

2.22 CONSTRUCTION COST

Particulars	2014-15 Amount (Rs.)
Salaries, Wages & Bonus	5,42,58,992
Contribution to Provident & Other Funds	2,28,868
Staff Welfare Expenses	12,837
Power & Fuel	27,06,625
Repairs	
Building	-
Others	2,56,889
Insurance	6,64,029
Rates & Taxes	46,34,024
Land	9,69,16,492
Materials Consumed	11,78,41,085
Construction Expenses	61,23,65,912
Other Operating Expenses	5,85,85,733
Consultancy & Retainership Charges	7,07,17,064
Finance Costs & Other Borrowing Costs	12,57,38,821
Total	1,14,49,27,371

South City Projects (Kolkata) Ltd.



Director

South City Projects (Kolkata) Ltd.



Director

SOUTH CITY PROJECTS (KOLKATA) LIMITED

2.23 CHANGES IN INVENTORIES OF FINISHED GOODS & WORK - IN - PROGRESS

Particulars	2014-15 Amount (Rs.)
Inventories (at close)	
Finished Goods	32,86,90,521
Construction Work -in-progress	
Land	2,46,22,145
Others	4,28,50,49,094
Total (A)	3,88,27,02,410
Inventories (at commencement)	
Finished Goods	2,85,00,609
Construction Work -in-progress	
Land	9,21,69,589
Others	3,21,70,32,327
Total (B)	2,85,30,54,383
Net Balance [(B)-(A)]	(1,02,96,48,027)

2.24 EMPLOYEE BENEFITS EXPENSES

Particulars	2014-15 Amount (Rs.)
Salaries, Wages & Bonus	3,90,07,011
Contribution to Provident & Other Funds	14,80,100
Staff Welfare Expenses	67,788
Total	4,05,54,899

2.25 ADMINISTRATIVE AND OTHER EXPENSES

Particulars	2014-15 Amount (Rs.)
Power & Fuel	8,62,99,540
Repairs	
Building	1,15,94,297
Others	30,87,656
Maintenance	2,61,77,095
House Keeping Charges	2,22,96,806
Security Charges	1,97,91,072
Insurance	16,33,336
Rates & Taxes	8,58,73,387
Legal & Profession Charges	2,47,92,798
Director's Remuneration	15,40,000
CSR Expenses	69,32,185
Compensation paid	9,62,20,000
Miscellaneous Expenses	5,28,52,373
Total	43,90,90,545

2.26 FINANCE COSTS

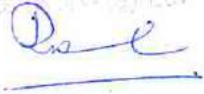
Particulars	2014-15 Amount (Rs.)
Interest Expenses	40,94,16,435
Other Borrowing Costs	3,13,43,848
Total	44,07,60,283

South City Projects (Kolkata) Ltd



Director

South City Projects (Kolkata) Ltd



SOUTH CITY PROJECTS (KOLKATA) LIMITED

2.27 DEPRECIATION AND AMORTIZATION EXPENSES

Particulars	2014-15 Amount (Rs.)
Depreciation on Tangible Assets	23,64,13,176
Depreciation on Intangible Assets	58,990
Total	23,64,72,166

2.28 EARNINGS PER SHARE (EPS)

Particulars	2014-15 Amount (Rs.)
Net Profit After Tax (Rs.)	33,14,14,069
Weighted Average Number of Equity Shares (Nos.)	45,00,700
Basic & Diluted Earnings Per Share (Rs.)	73.64
Face Value Per Share (Rs.)	10.00

2.29 CONTINGENT LIABILITIES AND COMMITMENTS

Particulars	2014-15 Amount (Rs.)
Contingent Liabilities	
a) Claims against the Company not acknowledged as debt : Service Tax Demands (Net of Advances)	15,37,43,519
b) Guarantees given	1,47,53,91,990
Commitments	
Estimated amount of capital contracts (for construction) remaining to be executed	8,96,58,974

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South City Projects (Kolkata) Ltd.

[Signature]

Director

South City Projects (Kolkata) Ltd.

[Signature]

Director

2.30 RELATED PARTY TRANSACTIONS:**A. Parties where control exists:****Subsidiary Companies**

1. South City International School

B. Joint Venture:

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

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

- i) Shri Jugal Kishore Khetawat
- ii) Shri Parimal Ajmera

Designation

Non - Executive Director
Company Secretary

2. Directors

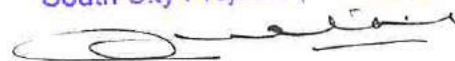
- iii) Shri Shrawan Kumar Todi
- iv) Shri Pradeep Kumar Sureka
- v) Shri Rajendra Kumar Bachhawat
- vi) Shri Sushil Kumar Mohita
- vii) Shri Hari Mohan Marda
- viii) Shri Ram Krishna Agarwal

Non - Executive Director
Non - Executive Director
Non - Executive Director
Non - Executive Director
Independent Director
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 Infraspace 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	31.03.15	31.03.15	31.03.15	31.03.15
Sitting Fees	-	-	1,90,000	-	1,90,000
Remuneration & Commission	-	-	33,15,536	-	33,15,536
Rendering of Services	-	-	-	3,81,051	3,81,051
Loan Given	21,51,65,499	-	-	-	21,51,65,499
Loan Received	-	-	20,65,00,000	8,61,50,000	29,26,50,000
Advances Paid	-	-	1,00,000	-	1,00,000
Advances for Purchase of land	-	4,38,461	-	-	4,38,461
Recovery of Electric & Other Charges	-	-	-	-	-
Interest Received	2,05,74,751	-	-	26,67,123	2,32,41,874
Interest Paid	-	-	52,88,304	32,93,137	85,81,441
Receipt Towards Loan Given	25,79,21,499	-	-	1,00,00,000	26,79,21,499
Payment of Loan Received	-	-	20,36,00,000	7,50,00,000	27,86,00,000
Receipt Towards Advances Paid	-	4,62,66,667	1,00,000	-	4,63,66,667
Expenses Incurred	62,07,219	-	13,19,210	-	75,26,429
Provision for Advance in Subsidiary	-	-	-	-	-
Corporate Guarantees Given	-	-	-	-	-
Balance As on 31 st March 2015					
A - Investment	1,53,000	-	-	-	1,53,000
B - Loan Given	12,85,17,276	-	-	1,50,00,000	14,35,17,276
C - Loan Received	-	-	1,99,00,000	2,11,50,000	4,10,50,000
D - Advance for Land	-	12,35,78,752	-	-	12,35,78,752
E - Debtors	-	-	-	-	-
F - Debtors for Recovery of Electricity & Others	9,18,566	-	-	-	9,18,566
G - Advances Paid	-	-	-	-	-
H - Provision for advance in Subsidiary	-	-	-	-	-
I - Creditors for Expenses & Others	-	-	2,60,040	-	2,60,040
K - Corporate Guarantees Given	-	-	-	-	-

South City Projects (Kolkata) Ltd.

Director

South City Projects (Kolkata) Ltd.

Director

2.31 Additional Information pursuant to Schedule III of the Companies Act, 2013

Name of the entity	Net Assets, ie., total assets minus total liabilities		Share in Profit/loss	
	As % of consolidated net assets	Amount	As % of consolidated Profit/loss	Amount
1	2	3	4	5
South City Projects Kolkata Ltd	87.21%	2,84,90,04,210	79.33%	48,23,33,764
Subsidiaries				
Indian				
Bengal Anmol South City Infrastructure Ltd	0.59%	1,92,82,436	2.69%	1,63,79,043
Bengal South City Matrix Infra Ltd	0.05%	15,32,534	0.00%	(25,206)
AA Infraproperties Pvt Ltd	4.06%	13,27,79,511	4.77%	2,90,05,627
South City Developers Pvt Ltd	0.00%	19	0.12%	7,10,191
South City Property Management Pvt Ltd	0.16%	51,33,847	0.65%	39,45,993
Foreign				
South City Projects FZE	0.00%	57,274	18.46%	11,22,62,976
Indocean Developers Pvt Ltd	7.93%	25,89,97,249	-6.01%	(3,65,65,622)
Total	100.00%	3,26,67,87,079	100.00%	60,80,46,766
a) Adjustments		(1,03,33,24,273)		(27,13,34,127)
b) Minority Interests :-				
Subsidiaries				
Indian				
Bengal Anmol South City Infrastructure Ltd		73,36,967		62,32,226
Bengal South City Matrix Infra Ltd		1,73,943		(2,861)
AA Infraproperties Pvt Ltd		5,17,47,886		36,25,703
South City Developers Pvt Ltd		(14,453)		14,204
South City Property Management Pvt Ltd		-		-
Foreign				
South City Projects FZE		-		-
Indocean Developers Pvt Ltd		(38,21,469)		(45,70,703)
Total Asset and Profit as per Balance Sheet		2,17,80,39,932		33,14,14,069
* Subsidiary				
Not Considered In Consolidation				
South City International School		(3,54,14,557)		(33,07,825)
** Joint Ventures				
Not Considered In Consolidation				
Indian				
Kolkata Metropolitan South City Logistics Ltd		97,14,079		(26,600)
Kolkata Metropolitan South City Development Ltd		96,85,427		(28,186)
*The accounts of subsidiary South City International School, a company registered under Section 25 of the Companies Act, 1956 and corresponding to Section 8 of the Companies Act, 2013 is not considered in the preparation of the above consolidated statement as per Para 11b of Accounting Standard-21, as there is a long term restriction to transfer funds to its holding company .				
**As per Para 28a of Accounting Standard-27 the Joint venture is not considered in the preparation of the above statement as the control of South City Projects (Kolkata) Limited is intended to be temporary in nature due to Project under construction is under litigation. In view of this, the company has kept in abeyance, the payment of subscription amount of Rs. 99.94 Lacs .				

South City Projects (Kolkata) Ltd.

South City Projects (Kolkata) Ltd.

Director

Director

SOUTH CITY PROJECTS (KOLKATA) LIMITED

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

2.33 Defined Benefit : As per actuarial valuations as on March 31st 2015 and recognized in the Consolidated Financial Statements in respect of Employees benefit schemes.


	2014-15	
	Consolidated Gratuity Unfunded	Consolidated Leave Encashment Unfunded
A Components of Employer Expenses		
1 Current Service Cost	11,22,567	5,58,139
2 Interest Cost	4,85,606	2,49,640
3 Expected Return on Plan assets	-	-
4 Past Service Cost	-	-
5 Actuarial Losses/ (Gains)	5,89,448	9,26,013
6 Total Expenses recognized in the Statement of Profit & Loss	21,97,621	17,33,792
B Net asset/(liability) recognized in balance sheet as at 31st March 2015		
1 Present value of Defined Benefit Obligation	73,57,747	40,12,326
2 Fair value of plan assets	-	-
3 Funded Status [Surplus/(deficit)]	(73,57,747)	(40,12,326)
4 Net asset/(liability) recognized in balance sheet	(73,57,747)	(40,12,326)
C Change in Defined Benefit Obligation during the year ended 31st March 2015		
1 Present value of DBO at beginning of the period	53,95,625	27,73,770
2 Current Service Cost	11,22,567	5,58,139
3 Interest Cost	4,85,606	2,49,640
3 Acquisitions	-	-
5 Actuarial Losses/ (Gains)	5,89,448	9,26,013
6 Past Service Cost	-	-
7 Benefits Paid	3,12,909	(4,95,236)
8 Present value of DBO at the end of period	79,06,155	40,12,326
D Change in Fair Value of Assets		
1 Plan Assets at beginning of period	-	-
2 Expected Return on Plan Assets	-	-
3 Actuarial gain/(loss) on plan assets	-	-
4 Actual company contributions	2,35,499	4,95,236
5 Benefits paid	(2,35,499)	(4,95,236)
6 Plan assets at the end of period	-	-
E Actuarial Assumptions		
1 Discount Rate (%)	7.80% p.a.	7.80% p.a.
2 Rate of increase in salaries		
3 Expected Rate of return on Plan Assets	N.A.	N.A.
4 Mortality	IALM 06-08 Ultimate	IALM 06-08 Ultimate
5 Withdrawal Rate	2.00% p.a.	2.00% p.a.

South City Projects (Kolkata) Ltd.



Director

South City Projects (Kolkata) Ltd.



SOUTH CITY PROJECTS (KOLKATA) LIMITED

2.34 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. 3,55,54,188/- vis a vis previous year's practice.

2.35 SEGMENT INFORMATION

- a. 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.
- b. The Company's operations predominantly relate to Real Estate Projects Development and Rental Activities.
- c. The Company's activities are mainly in India and Sri Lanka and hence geographical segments disclosure is considered.
- d. Segment Revenue, Segment Results, Segment Assets and Segment Liabilities include the respective amounts identifiable to each of the segments.
- e. The net expenses and income, which are not directly attributable to a particular Business Segment, are shown as unallocated corporate cost and income respectively.
- f. 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.



SOUTH CITY PROJECTS (KOLKATA) LIMITED

g. Details of Business Segment information is presented below :

Particulars	Real Estate Projects Development	Commercial Activities	Unallocated	Total
	2014-15	2014-15	2014-15	2014-15
Revenue				
Total External Revenue	27,69,34,439	1,08,63,07,082	-	1,36,32,41,521
Inter Segment Revenue	-	-	-	-
Unallocated Corporate Revenue	-	-	-	-
Total Revenue (Net)	27,69,34,439	1,08,63,07,082	-	1,36,32,41,521
Results				
Segment Results	(3,95,89,868)	80,32,02,232	-	76,36,12,363
Unallocated Corporate Revenue	-	-	-	-
Unallocated Corporate Expenses	-	-	47,24,895	47,24,895
Operating Profit	(3,95,89,868)	80,32,02,232	(47,24,895)	75,88,87,469
Other Income	11,35,10,662	1,15,11,062	-	12,50,21,724
Unallocated Other Income	-	-	15,09,60,186	15,09,60,186
Interest Income	(25,03,65,954)	62,92,415	-	(24,40,73,539)
Unallocated Interest Income	-	-	37,97,15,548	37,97,15,548
Financial Expenses	1,21,88,247	19,46,88,411	-	20,68,76,658
Unallocated Financial Expenses	-	-	23,38,83,624	23,38,83,624
Profit Before Tax	(23,30,12,224)	44,31,26,469	28,31,64,694	49,32,78,939
Current Tax	2,18,29,081	-	13,00,00,000	15,18,29,081
Deferred Tax	-	-	(28,14,010)	(28,14,010)
Income Tax of Earlier Years	1,72,839	-	73,78,392	75,51,231
Net Profit after Tax	(25,50,14,144)	44,31,26,469	14,86,00,311	33,67,12,636
Other Information				
Segment Assets	5,94,59,47,354	3,14,87,92,536	-	9,09,47,39,890
Unallocated Corporate Assets	-	-	1,52,49,61,520	1,52,49,61,520
Total Assets	5,94,59,47,354	3,14,87,92,536	1,52,49,61,520	10,61,97,01,410
Segment Liabilities	3,83,06,29,301	1,74,85,92,041	-	5,57,92,21,342
Unallocated Corporate Liabilities	-	-	2,87,14,52,777	2,87,14,52,777
Total Liabilities	3,83,06,29,301	1,74,85,92,041	2,87,14,52,777	8,45,06,74,119
Capital Expenditure Incurred	7,43,89,013	32,98,331	-	7,76,87,344
Unallocated Capital Expenditure Incurred	-	-	9,64,880	9,64,880
Depreciation and Amortisation	4,43,78,817	18,31,90,828	89,02,521	23,64,72,166
Total Assets exclude	-	14,10,85,039	(1,99,16,332)	12,11,68,707
Advance Tax & TDS	(5,64,85,081)	14,10,85,039	-	8,45,99,958

h. Details of Geographical Segment information is presented below :

Particulars	India	Others	TOTAL
	2014-15	2014-15	2014-15
Segment Revenue	1,66,07,30,440	11,41,34,999	1,77,48,65,439
Segment Assets	2,57,42,44,154	4,18,45,97,702	6,75,88,41,856
Segment Liability	4,52,51,30,938	3,92,55,43,182	8,45,06,74,120

2.36 In pursuant to Section 129 of the Companies Act, 2013 company has consolidated for the first time and as per transitional provisions of Accounting Standard 21 On the first occasion that consolidated financial statements are presented to the members, comparative figures for the previous period need not be presented in the consolidated financial statement.

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

For South City Projects



South City Projects (Kolkata) Ltd.

