

SEC : 12365

14 November, 2018

Manager (Listing)
National Stock Exchange of India Limited
Exchange Plaza, 5th Floor, Plot No. C/1,
G- Block, Bandra – Kurla Complex,
Bandra (East),
Mumbai – 400 051

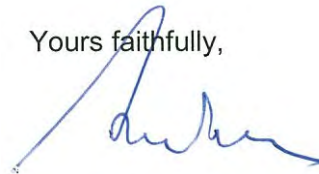
The Secretary
Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001

The Secretary
The Calcutta Stock Exchange Limited
7, Lyons Range,
Kolkata – 700 001

Dear Sir,

Further to our letter dated 31 October, 2018, we enclose for your record copies of the Statement of Audited Financial Results (Standalone and Consolidated) of the Company approved by the Board of Directors of the Company at its meeting held today alongwith the Auditors' Reports for the year ended 31 March, 2018.

Yours faithfully,



COMPANY SECRETARY

Encl:

INDEPENDENT AUDITOR'S REPORT

To the Members of CESC Limited

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of CESC Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") its associates and joint ventures, comprising of the consolidated Balance Sheet as at March 31, 2018, the consolidated Statement of Profit and Loss (including other comprehensive income), the consolidated Cash Flow Statement, the consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements") in which is incorporated the financial statements of CESC Infrastructure Limited ("CIL"), merged with the Holding Company pursuant to the scheme of arrangement with effect from October 1, 2017 being the appointed date, derived from the audited financial statements for the year ended March 31, 2018 and 6 months period ended September 30, 2017 audited by another firm of the Chartered Accountants (refer clause 2 in other matter paragraph below).

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirement of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated cash flows and consolidated statement of changes in equity of the Group including its Associates and Joint Ventures in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with the Companies (Indian Accounting Standard) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and of its associates and joint ventures 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 of its associates and joint ventures and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. While conducting the 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, issued by the Institute of Chartered Accountants of India, as 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 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 Ind AS 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 accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (1) and (2) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, associates joint ventures and CIL, the aforesaid consolidated Ind AS 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, its associates and joint ventures as at March 31, 2018, their consolidated profit including other comprehensive income, and their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

Emphasis of Matter

We draw attention to Note 53 to the consolidated Ind AS financial statements of the Group, in respect of Composite Scheme of Arrangement amongst the Company and few of its subsidiary companies, which was approved vide Order issued by National Company Law Tribunal ('NCLT') dated March 28, 2018 received by the Company on 5th October 2018 (the Scheme). The NCLT Order made the demerger of the Generation undertaking effective after approval of the Power Purchase Agreement (PPA) between the Company and Haldia Energy Limited by West Bengal Electricity Regulatory Commission (WBERC) (still pending), and rest of the scheme from the appointed date, viz., 1 October 2017. Consequently, rest of the scheme, comprising demerger of Retail undertaking 1 and the IT undertaking, and merger of three subsidiary companies, namely CESC Infrastructure Limited, Spencers Retail Limited (post demerger of Retail undertaking 2 as per the scheme) and Music World Limited, have been implemented from the appointed date as per the NCLT Order rather than from the effective date for the demerger and first day of the previous period for the merger. Our opinion is not qualified in respect of this matter.

Other Matter

- 1) We did not audit the financial statements and other financial information, in respect of 27 subsidiaries, whose Ind AS financial statements include total assets of Rs 12817.76 crore and net assets of Rs 2964.90 crore as at March 31, 2018, and total revenues of Rs 7632.84 crore and net cash inflows of Rs 335.51 crore for the year ended on that date. These financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. The consolidated Ind AS financial statements also include the Group's share of net profit of Rs. 49.73 crore for the year ended March 31, 2018, as considered in the consolidated financial statements, in respect of a associates and a joint venture, whose financial statements, other financial information have been audited by other auditors and whose reports have been furnished to us by the



Management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, associates and joint ventures, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, associates, and joint ventures, is based solely on the report(s) of such other auditors.

- 2) We did not audit the financial statements and other financial information of CIL included in the standalone Ind AS financial statements of the Holding Company whose financial statements and other financial information reflect total assets of Rs.3821.08 crore as at March 31, 2018 and total revenues of Rs. 1.52 crore for the 6 months period ended on that date. The financial statements and other financial information of the said entity have been audited by the another firm of Chartered Accountants whose report have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of the transferor Company, is based solely on the report of such auditors. Our opinion is not modified in respect of this matter.
- 3) The consolidated Ind AS financial statements of the Company for the year ended March 31, 2017, included in these consolidated Ind AS financial statements, have been audited by the predecessor auditor who expressed an unmodified opinion on those statements on May 18, 2017.

Our opinion above on the consolidated Ind AS 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.

Report on Other Legal and Regulatory Requirements

As required by section 143 (3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, associates and joint ventures, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

- (a) We / the other auditors whose reports we have relied upon, have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated Ind AS financial statements;
- (b) In our opinion proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
- (c) The consolidated Balance Sheet, consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the consolidated Cash Flow Statement and consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;
- (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standard) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2018 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies, associate companies and joint ventures incorporated in India, none of the directors of



S.R. BATLIBOI & Co. LLP

Chartered Accountants

the Group's companies, its associates and joint ventures incorporated in India is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act;

- (f) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries, associates and joint ventures incorporated in India, the managerial remuneration for the year ended March 31, 2018 has been paid / provided by the Holding Company, its subsidiaries, associates and joint ventures incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (g) 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, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, associates joint ventures and CIL, as noted in the 'Other matter' paragraph:
- i. The consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, its associates and joint ventures – Refer Note 32 to the consolidated Ind AS financial statements;
 - ii. The Group, its associates and joint ventures did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2018.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiaries, associates joint ventures incorporated in India during the year ended March 31, 2018.

For **S.R. Batliboi & CO. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005


per **Kamal Agarwal**

Partner

Membership Number: 058652

Place of Signature: Kolkata

Date: November 14, 2018



Annexure 1 to the Independent auditor's report of even date on the consolidated financial statements of CESC Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated Ind AS financial statements of CESC Limited as of and for the year ended March 31, 2018, we have audited the internal financial controls over financial reporting of CESC Limited (hereinafter referred to as the "Holding Company") which includes the internal financial controls over financial reporting of CESC Infrastructure Limited ("CIL"), its subsidiary companies, its associate companies and joint ventures, which are companies incorporated in India, as of that date audited by other firm of Chartered Accountants.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiary companies, its associate companies and joint ventures, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, both, issued by Institute of Chartered Accountants of India, and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.



We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements.

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Consolidated Ind AS Financial Statements

A company's internal financial control over financial reporting with reference to these consolidated Ind AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these consolidated Ind AS financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting With Reference to these Consolidated Ind AS Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these consolidated Ind AS financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company, its subsidiary companies, its associate companies and joint ventures, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements and such internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated Ind AS financial



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statements of the Holding Company, insofar as it relates to these 14 subsidiary companies, 1 associate companies, 1 joint venture and CIL, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiary, associate, joint venture and entity incorporated in India.

For **S.R. Batliboi & CO. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005


per **Kamal Agarwal**
Partner

Membership Number: 058652

Place of Signature: Kolkata

Date: November 14, 2018





CIN :L31901WB1978PLC031411

Registered Office: CESC House,Chowringhee Square, Kolkata 700 001

Email ID: cesclimited@rp-sg.in; Website: www.cesc.co.in
Tel: (033) 6499 0049; Fax: (033) 22124262

Statement of Consolidated Financial Results for the Year Ended 31 March 2018

(Rs.in crore)

PARTICULARS	Year ended 31.03.2018 (Audited)	Year ended 31.03.2017 (Audited)
	(1)	(2)
Income from operations		
Revenue from operations	10,275	8,363
Other income	252	230
Total Income	10,527	8,593
Expenses		
Cost of electrical energy purchased for Power Business	2,004	948
Cost of fuel for Power Business	2,891	2,527
Cost of material consumed for Retail Business	-	7
Purchase of stock in trade for Retail Business	12	29
Employee benefit expenses	970	873
Finance costs	1,303	1,372
Depreciation and amortisation expenses	751	715
Other expenses	1,467	1,240
Total expenses	9,398	7,711
Profit before share in profit of associate and tax	1,129	882
Share of profit in associate	50	48
Profit before regulatory income / (expense) and tax	1,179	930
Regulatory (income) / expenses (net)	(67)	(46)
Profit before tax from continuing operations	1,246	976
Tax Expenses :-		
Current Tax	344	331
Deferred Tax (income)/ expense	(102)	39
Regulatory (income)/ expense - Deferred Tax	114	(49)
Total tax expense	356	321
Profit after tax from continuing operations	890	655
Profit before tax for the year from discontinued operations	107	214
Tax expenses of discontinued operations	22	59
Profit after tax from discontinued operations	85	155
Profit after Tax	975	810
Other comprehensive income (Net of income tax)		
<i>Items that will not be reclassified to profit or loss</i>		
Remeasurement of defined benefit plan	(22)	(51)
Income Tax on above	5	11
Gain on Fair Valuation of investment	30	2
Deferred Tax expense on above	(8)	-
Regulatory (income)/Expense - Deferred Tax	2	-
<i>Items that will be reclassified to profit or loss (for discontinued operation)</i>		
Net changes in fair value of cashflow hedges	(36)	21
Exchange difference on translation of foreign operations	31	(69)
Total Comprehensive Income	977	724
<i>Profit attributable to</i>		
Owners of the equity	912	691
Non-controlling interest	63	119
	975	810
<i>Other comprehensive income attributable to</i>		
Owners of the equity	(2)	(65)
Non-controlling interest	4	(21)
	2	(86)
<i>Total comprehensive income attributable to</i>		
Owners of the equity	910	626
Non-controlling interest	67	98
	977	724
Paid-up Equity Share Capital (Shares of Rs. 10 each)	133	133
Earnings Per Share (EPS) (Rs.) - refer note 6 (ii) (Face value of Rs. 10 each)		
Basic & Diluted from continuing operations	67.01	49.73
Basic & Diluted from discontinued operations	1.84	2.39
Basic & Diluted from continuing and discontinued operations	68.85	52.12

Notes to financial results :

1 Statement of Assets and Liabilities

(Rs.in crore)

Particulars	As at	
	31.03.2018	31.03.2017
	Audited	Audited
	(1)	(2)
ASSETS		
Non-current Assets		
Property, Plant and Equipment	23,628	24,316
Capital work-in-progress	217	391
Investment Property	56	56
Goodwill	-	2,011
Other Intangible assets	169	244
Intangible assets under development	-	1
Investment accounted under equity method	423	405
Financial Assets		
(i) Investments	245	17
(ii) Loans	31	126
(iii) Others	57	175
Deferred Tax Assets (Net)	1	408
Other non-current assets	154	392
Total	24,981	28,542
Current assets		
Inventories	583	845
Financial Assets		
(i) Investments	506	687
(ii) Trade receivables	1,538	1,560
(iii) Cash and cash equivalents	881	1,255
(iv) Bank balances other than (iii) above	313	351
(v) Loans	15	26
(vi) Others	74	479
Current Tax Assets (Net)	21	64
Other current Assets	508	410
Total	4,439	5,677
Regulatory deferral account balances	3,567	3,654
TOTAL ASSETS	32,987	37,873
EQUITY AND LIABILITIES		
Equity		
(i) Equity Share capital	133	133
(ii) Other Equity	8,287	10,489
Total equity attributable to equity holders of the Company	8,420	10,622
Non-controlling interest	69	1,210
Total	8,489	11,832
LIABILITIES		
Non-current Liabilities		
Financial Liabilities		
(i) Borrowings	11,048	11,590
(ii) Trade Payables	41	11
(iii) Other financial liabilities	8	38
Provisions	295	280
Deferred tax liabilities (net)	3,641	3,887
Consumers' Security Deposits	1,507	1,619
Other non-current liabilities	189	56
Total	16,729	17,481
Current Liabilities		
Financial Liabilities		
(i) Borrowings	2,200	2,372
(ii) Trade Payables	691	790
(iii) Other financial liabilities	2,009	2,284
Other current liabilities	607	644
Provisions	88	95
Current Tax Liabilities (net)	62	15
Total	5,657	6,200
Regulatory deferral account balances	2,112	2,360
TOTAL EQUITY AND LIABILITIES	32,987	37,873


- 2 In order to lay specific focus on its operations and investments in the areas, inter alia, of power distribution, generation, organised retail (Retail Undertaking) and other sundry areas including business process outsourcing & property (IT Undertaking) by way of due alignment, the Board of Directors of CESC Limited ("Parent", "the Company") at its meeting held on 18th May, 2017 had approved, subject to necessary approvals, a composite scheme of arrangement (Scheme) under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 involving the Parent and nine of its subsidiaries. The Scheme provided for restructuring of the Parent and its undertakings referred to in the Scheme into four listed entities, focussed on the above referred four verticals, the appointed date being 1st October 2017 ("the Appointed Date").
- The Company on 5th October, 2018 has received from Hon'ble National Company Law Tribunal (NCLT) (the appropriate authority), the certified copy of their order dated 28 March, 2018 sanctioning the Scheme, subject to a condition that demerger of the Generation Undertaking shall be effective upon approval of the Hon'ble West Bengal Electricity Regulatory Commission to the Power Purchase Agreement (PPA) between the Company and Haldia Energy Limited (One of the Scheme Companies). Pending the said approval, the Board of Directors at its meeting held on 12 October, 2018 has decided to give effect to the remaining parts of the Scheme from the Appointed Date in terms of the order of Hon'ble NCLT, whereby, the said Retail Undertaking and IT Undertaking have been demerged into two entities as stipulated in the Scheme. CESC shareholders registered in its books as on 31 October, 2018, the Record Date fixed for the purpose, are entitled to additional equity shares in those two entities viz, RP-SG Retail Limited and RP-SG Business Process Services Limited in the ratios stipulated in the Scheme. Further, CESC Infrastructure Limited, Spencers Retail Limited (after demerger as per Scheme) and Music World Ltd have been merged with CESC from the Appointed Date.
- The above financial results have been compiled duly considering the accounting impact of the implemented Scheme, as referred to hereinbefore. Consequently, Profit After Tax for year ended 31st March 2018 as contained above stands at Rs 975 crore against Rs 1,115 crore as published earlier. Total assets and total equity and liabilities as on 31st March, 2018 on a consolidated basis stands at Rs 32,987 crore and Rs 32,987 crore respectively against Rs 38,510 crore and Rs 38,510 crore, respectively, as published earlier. The numbers published earlier, referred to hereinbefore, were computed without considering the impact of the Scheme.
- 3 In the above financial results of the Group, earnings from revenue from operations in respect of the Parent is determined in accordance with the relevant orders of the West Bengal Electricity Regulatory Commission (WBERC), the regulator. The effect of adjustments relating to advance against depreciation, cost of fuel and purchase of power and those having bearing on revenue account, as appropriate, based on the Company's understanding of the applicable available regulatory provisions and available orders of the competent authorities have been included in Regulatory (income) / expense, which may, however, necessitate further adjustments upon receipt of subsequent orders/directions in this regard, including finalisation of the underlying issues relating to mining of coal from Sarisatoli coal mine, which commenced from April, 2015.
- 4 Part A of Schedule II to the Companies Act, 2013 (the 'Act'), inter alia, provides that depreciable amount of an asset is the cost of an asset or other amount substituted for cost. Part B of the said Schedule deals with the useful life or residual value of an asset as notified for accounting purpose by a Regulatory Authority constituted under an act of Parliament or by the Central Government for calculating depreciation to be provided for such asset irrespective of the requirement of Schedule II. In terms of applicable Regulations under the Electricity Act, 2003, depreciation on tangible assets, other than freehold land, is provided on straight line method on a pro-rata basis at the rates specified therein, forming the basis for determining the Company's tariff by West Bengal Electricity Regulatory Commission, which is also required to be used for accounting purposes as specified in the said Regulations. Based on legal opinions and accounting opinions obtained, the Parent continues with the consistently followed practice of recouping the additional charge of depreciation relating to the increase in value arising from fair valuation on the date of transition to Ind-AS from Retained Earnings, which for the year ended 31 March 2018 amounts to Rs.311 crores (previous year Rs.342 crores).
- 5 The above results were reviewed by the Audit Committee and taken on record by the Board of Directors at their respective meetings held on 14 November, 2018.
- 6 (i) Other expenses contained in columns (1) to (2) include interest on security deposit of, Rs.108 crore and Rs.110 crore for the respective periods.
- ii) EPS without Regulatory (income) /expenses from continuing operation contained in Columns (1) to (2) in the above financial results works out to Rs 63.04 and Rs 47.03 for the respective periods.


7 Segment information

Particulars	Rs. in crore	
	As at 31.03.2018 Audited	As at 31.03.2017 Audited
Segment Revenue		
Continuing operations		
Power	10,199	8,312
Others	76	51
Discontinued operations (refer note 2)		
Retail	1,100	1,976
Property	51	88
Process outsourcing	1,756	3,554
Total	13,182	13,981
Segment Results before tax and finance cost		
Continuing operations		
Power	2,446	2,268
Others	(33)	(53)
Total	2,413	2,215
(i) Finance costs	(1,303)	(1,372)
(ii) Unallocated - Income	86	85
(ii) Share of profit in associate	50	48
Profit before tax, non controlling interest and other comprehensive income	1,246	976
Profit/(loss) before tax from discontinued operations	107	214
Segment Assets		
a. Power	32,435	33,146
b. Retail	-	567
c. Property	-	498
d. Process outsourcing	-	1,191
e. Others	23	46
f. Unallocated	529	2,435
Total	32,987	37,873
Segment Liability		
a. Power	6,148	5,717
b. Retail	-	336
c. Property	-	60
d. Process outsourcing	-	283
e. Others	-	110
f. Unallocated	18,350	19,535
Total	24,498	26,041

- 8 Figures for the previous periods have been regrouped / reclassified wherever necessary to conform to current period's classification.

By Order of the Board


 Rabi Chowdhury
 Managing Director - Generation


 Debashish Banerjee
 Managing Director - Distribution

INDEPENDENT AUDITOR'S REPORT

To the Members of CESC Limited

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of CESC Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information in which is incorporated the financial statements of CESC Infrastructure Limited ("CIL" " Transferor Company"), merged with the Company pursuant to the scheme of arrangement with effect from October 1, 2017 being the appointed date (Refer note 52 to the standalone financial statements), derived from the audited financial statements for the year ended March 31, 2018 and 6 months period ended September 30, 2017 audited by another firm of the Chartered Accountants (refer clause 1 in other matter paragraph below).

Management's Responsibility for the Standalone Ind AS 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS 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 Ind AS 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 of the standalone Ind AS financial statements in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India, as 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 standalone Ind AS financial statements are free from material misstatement.



An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS 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 standalone Ind AS 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 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 standalone Ind AS financial statements. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor for the Transferor Company in terms of their report referred to in clause 1 of the Other Matters Paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, and based on the report of the other auditor on the Ind AS financial statements/ financial information for the Transferor Company referred to in clause 1 of the Other Matters Paragraph below, the standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Emphasis of Matter

We draw attention to Note 52 to the standalone Ind AS financial statements of the Company, in respect of Composite Scheme of Arrangement amongst the Company and few of its subsidiary companies, which was approved vide Order issued by National Company Law Tribunal ('NCLT') dated March 28, 2018 received by the Company on 5th October 2018 (the Scheme). The NCLT Order made the demerger of the Generation undertaking effective after approval of the Power Purchase Agreement (PPA) between the Company and Haldia Energy Limited by West Bengal Electricity Regulatory Commission (WBERC) (still pending), and rest of the scheme from the appointed date, viz., 1 October 2017. Consequently, rest of the scheme, comprising demerger of Retail undertaking 1 and the IT undertaking, and merger of three subsidiary companies, namely CESC Infrastructure Limited, Spencers Retail Limited (post demerger of Retail undertaking 2 as per the scheme) and Music World Limited, have been implemented from the appointed date as per the NCLT Order rather than from effective date for the demergers and first day of the previous period presented for the mergers. Our opinion is not qualified in respect of this matter.

Other Matters

- 1) We did not audit the financial statements and other financial information of transferor Company included in the accompanying standalone Ind AS financial statements of the Company whose financial statements and other financial information reflect total assets of Rs.3821.08 crore as at March 31, 2018 and total revenues of Rs. 1.52 crore for the 6 months period ended on that date. The financial statements and other financial information of the said entity have been



audited by other firm of Chartered Accountants whose report have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of the transferor Company, is based solely on the report of such auditors. Our opinion is not modified in respect of this matter.

- 2) The Ind AS financial statements of the Company for the year ended March 31, 2017, included in these standalone Ind AS financial statements, have been audited by the predecessor auditor who expressed an unmodified opinion on those statements on May 18, 2017.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, and based on the report of the other auditor for the Transferor Company referred to in clause 1 of the Other Matters Paragraph above we give in the Annexure 1 a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. 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 purpose of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and report of other auditors on financial statements / financial information for the transferor Company as referred in clause 1 in other matter paragraph above;
 - (c) The Balance Sheet, Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account and the financial statements / financial information of the Transferor Company audited by the other auditor referred to in clause 1 of the Other Matters Paragraph above;
 - (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, from being appointed as a director in terms of section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report dated November 14, 2018 in "Annexure 2" to this report;



S.R. BATLIBOI & Co. LLP

Chartered Accountants

- (g) In our opinion, the managerial remuneration for the year ended March 31, 2018 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (h) 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, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the report of the other auditor on the financial statements/ financial information for the Transferor Company referred to in clause 1 of the Other Matters Paragraph above:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 31 to the standalone Ind AS financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **S.R. Batliboi & CO. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005


per **Kamal Agarwal**

Partner

Membership Number: 058652

Place of Signature: Kolkata

Date: November 14, 2018

Annexure 1 referred to in paragraph 1 of the section on “Report on other legal and regulatory requirements” of our report on even date

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

(b) All fixed assets except those in transmission and distribution system for which we have been informed that physical verification is not possible, have been physically verified by the management according to phased programme designed to cover all items over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the management during the year and no material discrepancies were noticed on such verification.

(c) According to the information and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment are held in the name of the company.
- ii. The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on such physical verification. Inventories lying with third parties have substantially been confirmed by them as at March 31, 2018 and no material discrepancies were noticed in respect of such confirmations.
- iii. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- iv. In our opinion and according to the information and explanations given to us, the Company has not advanced loans to directors / to a company in which the Director is interested to which provisions of section 185 of the Companies Act 2013 apply and hence not commented upon. Provisions of section 186 of the Companies Act 2013 in respect of loans and advances given, investments made and, guarantees and securities given have been complied with by the company.
- v. The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- vi. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the generation and distribution of electricity, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.



vii. (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other statutory dues applicable to it.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, sales-tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(c) According to the records of the Company, the dues of income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax and cess on account of any dispute, are as follows:

Name of the Statute	Nature of the Dues	Amount (Rs. In crores)	Period to which the amount relates	Forum where the dispute is pending
West Bengal Sales Tax Act, 1962	Sales Tax on Meter Rent	0.30	1992-93	Hon'ble High Court of Calcutta.
The Customs Act, 1962	Customs Duty	19.38	2011-12 and 2012-13	Customs, Excise and Service Tax Appellate Tribunal.

viii. In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to bank. The Company did not have any outstanding loans or borrowings in respect of a financial institution or Government or dues to debenture holders during the year.

ix. In our opinion and according to the information and explanations given by the management, the Company has utilized the monies raised by way of term loans for the purposes for which they were raised. The Company has not raised monies by way of initial public offer or further public offer or debt instruments.

x. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the company or no material fraud on the company by the officers and employees of the Company has been noticed or reported during the year.

xi. According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

xii. In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.

S.R. BATLIBOI & Co. LLP

Chartered Accountants

- xiii. According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the company and, not commented upon.
- xv. According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.
- xvi. According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For S. R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005


Per **Kamal Agarwal**
Partner

Membership No.: 058652



Place of Signature: Kolkata

Date: November 14, 2018

Annexure 2 to the Independent Auditor's Report of even date on the standalone Ind AS financial statements of CESC Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of CESC Limited ("the Company") as of March 31, 2018 which includes the internal financial controls over financial reporting of CESC Infrastructure Limited (Transferor Company) audited by another firm of Chartered Accountants (Refer Other Matters Paragraph below) in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these standalone Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting with reference to these standalone Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these standalone Ind AS financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.



We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor for the Transferor Company in terms of their report referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these standalone Ind AS financial statements.

Meaning of Internal Financial Controls Over Financial Reporting with reference to these financial statements

A company's internal financial control over financial reporting with reference to these standalone Ind AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these standalone Ind AS financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting with reference to these standalone Ind AS financial statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these standalone Ind AS financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to these standalone Ind AS financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these standalone Ind AS financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion and based on the report of the other auditor on adequacy and operating effectiveness over financial reporting of the transferor company, referred to in other matter paragraph above, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these standalone Ind AS financial statements and such internal financial controls over financial reporting with reference to these standalone Ind AS financial statements were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.



S.R. BATLIBOI & Co. LLP

Chartered Accountants

Other Matters

We did not audit the adequacy and operating effectiveness of internal financial controls over financial reporting of the Transferor Company for the period October 1, 2017 to March 31, 2018. The adequacy and operating effectiveness of internal financial controls over financial reporting of the Transferor Company for the aforesaid period, has been audited by other auditor, whose report has been furnished to us and our opinion in so far as it relates to the adequacy and operating effectiveness of internal financial controls over financial reporting included in respect of the Transferor Company, and our report in so far as it relates to the Transferor Company is based solely on the report of the other auditor.

Our opinion is not modified in respect of this matter.

For **S.R. Batliboi & CO. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

Per **Kamal Agarwal**

Partner

Membership No.: 058652

Place of Signature: Kolkata

Date: November 14, 2018





CIN :L31901WB1978PLC031411
Registered Office: CESC House, Chowringhee Square, Kolkata 700 001

Email ID: cesclimited@rp-sg.in; Website: www.cesc.co.in
Tel: (033) 6499 0049; Fax: (033) 22124262

Statement of Standalone Financial Results for the Year Ended 31 March 2018

(Rs. in crore)

Particulars	Year ended 31.03.2018 (Audited)	Year ended 31.03.2017 (Audited)
	(1)	(2)
Income from operations		
Revenue from operations	7,786	7,220
Other income	168	137
Total Income	7,954	7,357
Expenses		
Cost of electrical energy purchased	2,958	2,614
Cost of fuel	1,402	1,359
Purchase of Stock -in-trade	11	-
Employee benefit expenses	860	780
Finance costs	484	448
Depreciation and amortisation expenses	426	401
Other expenses	920	846
Total expenses	7,061	6,448
Profit from continuing operations before regulatory income and tax	893	909
Regulatory (income) / expenses (net)	(209)	(190)
Profit before tax , from continuing operations	1,102	1,099
Tax Expenses :-		
Current Tax	238	238
Deferred Tax	69	49
Regulatory (income)/Expense - Deferred Tax	(69)	(49)
Total tax expense	238	238
Profit for the year from continuing operations	864	861
Profit/(loss) before tax from discontinued operations	(4)	3
Tax credit / (expenses) of discontinued operations	1	(1)
Profit/(loss) for the year from discontinued operations	(3)	2
Profit for the year	861	863
Other comprehensive income (Net of income tax)		
<i>Items that will not be reclassified to profit or loss</i>		
Remeasurement of defined benefit plan	(16)	(39)
Gain on fair Valuation of investment	8	-
Deferred Tax expenses on above	(2)	-
Regulatory (income)/Expense - Deferred Tax	2	-
Other Comprehensive Income for the year	(8)	(39)
Total Comprehensive Income for the year	853	824
Paid-up Equity Share Capital (Face value of Rs.10 each)	133	133
Earnings Per Share (EPS) (refer note 4(ii))		
Basic & Diluted from continuing operations	65.23	64.94
Basic & Diluted from discontinued operations	(0.22)	0.15
Basic & Diluted from continuing and discontinued operations	65.01	65.09

Notes to financial results :

1

Statement of Assets and Liabilities

(Rs. in crore)

Particulars	As at	As at
	31.03.2018	31.03.2017
	Audited	Audited
	(1)	(2)
ASSETS		
Non-current Assets		
Property, Plant and Equipment	14,594	14,596
Capital work-in-progress	127	188
Investment Property	56	56
Intangible assets	137	217
Financial Assets		
(i) Investments	4,193	4,086
(ii) Loans	33	54
(iii) Others	217	2,385
Other non-current assets	134	190
Total	19,491	21,772
Current assets		
Inventories	387	379
Financial Assets		
(i) Investments	506	506
(ii) Trade receivables	1,041	968
(iii) Cash and cash equivalents	436	683
(iv) Bank balances other than (iii) above	287	242
(v) Others	97	146
Other current Assets	262	115
Total	3,016	3,039
Regulatory deferral account balances	3,522	3,620
TOTAL ASSETS	26,029	28,431
EQUITY AND LIABILITIES		
Equity		
(i) Equity Share capital	133	133
(ii) Other Equity	9,314	13,191
Total	9,447	13,324
LIABILITIES		
Non-current Liabilities		
Financial Liabilities		
(i) Borrowings	3,667	3,772
(ii) Trade Payables		
(a) Total outstanding dues to Micro Enterprises & Small Enterprises	-	-
(b) Total outstanding dues of Creditors other than Micro Enterprises & Small Enterprises	41	10
(iii) Other financial liabilities	6	7
Provisions	267	235
Deferred tax liabilities (net)	3,487	3,555
Consumers' Security Deposits	1,506	1,618
Other non-current liabilities	166	55
Total	9,160	9,252
Current Liabilities		
Financial Liabilities		
(i) Borrowings	1,293	1,435
(ii) Trade Payables		
(a) Total outstanding dues to Micro Enterprises & Small Enterprises	7	6
(a) Total outstanding dues of Creditors other than Micro Enterprises & Small Enterprises	481	371
(iii) Other financial liabilities	3,121	1,330
Other current liabilities	538	438
Provisions	84	71
Current Tax Liabilities (net)	62	11
Total	5,586	3,662
Regulatory deferral account balances	1,836	2,193
TOTAL EQUITY AND LIABILITIES	26,029	28,431

2 In the above standalone financial results of the Company, revenue from operations have been arrived at based on the relevant orders of the West Bengal Electricity Regulatory Commission. The effect of adjustments relating to advance against depreciation, cost of fuel and purchase of power and those having bearing on revenue account, as appropriate, based on the Company's understanding of the applicable available regulatory provisions and available orders of the competent authorities have been included in Regulatory Income / (expense), which may, however, necessitate further adjustments upon receipt of subsequent orders/directions in this regard, including finalisation of the underlying issues relating to mining of coal from Sarisatoli coal mine commenced from April, 2015.

3 Part A of Schedule II to the Companies Act, 2013 (the Act), inter alia, provides that depreciable amount of an asset is the cost of an asset or other amount substituted for cost. Part B of the said Schedule deals with the useful life or residual value of an asset as notified for accounting purpose by a Regulatory Authority constituted under an act of Parliament or by the Central Government for calculating depreciation to be provided for such asset irrespective of the requirement of Schedule II. In terms of applicable Regulations under the Electricity Act, 2003, depreciation on tangible assets other than freehold land is provided on straight line method on a pro-rata basis at the rates specified therein, forming the basis for determining Company's tariff by the West Bengal Electricity Regulatory Commission (Commission), which is also required to be used for accounting purpose as specified in the said Regulations. Based on legal opinions and accounting opinions obtained, the Company continues with the consistently followed practice of recouping additional charge of depreciation relating to the increase in value of assets arising from fair valuation on the date of transition to Ind AS from Retained Earnings, which for the year ended 31 March 2018 amounts to Rs.306.25 crore (year ended 31 March 2017 Rs 318.41 crore)

4 (i) Other expenses contained in columns (1) to (2) in the above financial results include interest on security deposit of Rs.108 crore and Rs.110 crore respectively.

(ii) EPS without Regulatory income/(expenses) contained in Columns (1) to (2) in the above financial results works out to Rs 52.81 and Rs 53.81 for the respective years.

5 In order to lay specific focus on its operations and investments in the areas, inter alia, of power distribution, generation, organised retail (Retail Undertaking) and other sundry areas including business process outsourcing & property (IT Undertaking) by way of due alignment, the Board of Directors of CESC Limited ("Parent", "the Company") at its meeting held on 18th May, 2017 had approved, subject to necessary approvals, a composite scheme of arrangement (Scheme) under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 involving the Parent and nine of its subsidiaries. The Scheme provided for restructuring of the Parent and its undertakings referred to in the Scheme into four listed entities, focussed on the above referred four verticals, the appointed date being 1st October 2017("the Appointed Date").

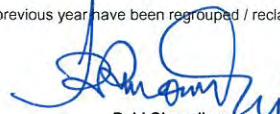
The Company on 5th October, 2018 has received from Hon'ble National Company Law Tribunal (NCLT) (the appropriate authority), the certified copy of their order dated 28 March, 2018 sanctioning the Scheme, subject to a condition that demerger of the Generation Undertaking shall be effective upon approval of the Hon'ble West Bengal Electricity Regulatory Commission to the Power Purchase Agreement (PPA) between the Company and Haldia Energy Limited (One of the Scheme Companies) . Pending the said approval, the Board of Directors at its meeting held on 12 October, 2018 has decided to give effect to the remaining parts of the Scheme from the Appointed Date in terms of the order of Hon'ble NCLT, whereby, the said Retail Undertaking and IT Undertaking have been demerged into two entities as stipulated in the Scheme. CESC shareholders registered in its books as on 31 October, 2018, the Record Date fixed for the purpose, are entitled to additional equity shares in those two entities viz, RP-SG Retail Limited and RP-SG Business Process Services Limited in the ratios stipulated in the Scheme. Further, CESC Infrastructure Limited, Spencers Retail Limited (after demerger as per Scheme) and Music World Ltd have been merged with CESC from the Appointed Date.

The above financial results have been compiled duly considering the accounting impact of the implemented Scheme, as referred to hereinbefore. Consequently, Profit After Tax for the year ended 31st March 2018 as contained in column (1) above stands at Rs 861 crore against Rs.871 crore as published earlier. Total assets and total equity and liabilities as on 31st March, 2018 on a standalone basis stand at Rs 26029 crore and Rs 26029 crore respectively against Rs 29272 crore and Rs 29272 crore, respectively, as published earlier. The numbers published earlier, referred to hereinbefore, were computed without considering the impact of the Scheme.

6 The Company is primarily engaged in generation and distribution of electricity and does not operate in any other reportable segment.

7 The above results were reviewed by the Audit Committee and taken on record by the Board of Directors at their respective meetings held on 14th November, 2018 .

8 Figures for the previous year have been regrouped / reclassified wherever necessary to conform to current year's classification.


By Order of the Board
Rabi Chowdhury
Managing Director -Generation


Debasish Banerjee
Managing Director-Distribution

Dated : November 14 , 2018

14 November, 2018

Manager (Listing)
National Stock Exchange of India Limited
Exchange Plaza, 5th Floor, Plot No. C/1,
G- Block, Bandra – Kurla Complex,
Bandra (East),
Mumbai – 400 051

The Secretary
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai 400 001

The Secretary
The Calcutta Stock Exchange Limited
7, Lyons Range,
Kolkata – 700 001

Dear Sirs,

**Declaration pursuant to Regulation 33 (3) (d) of the Securities & Exchange Board of India
(Listing Obligations and Disclosure Requirements) Regulations, 2016.**

I, Rajarshi Banerjee, Executive Director & CFO of CESC Limited (CIN L31901WB1978PLC031411) having its Registered Office at CESC House, Chowringhee Square, Kolkata-700 001 hereby declare that, the Statutory Auditors of the Company, Messers. S. R. Batliboi & Co LLP (FRN No. 301003E/E300005) have issued an Audit Report with unmodified opinion on Financial Statements of the Company (Standalone & Consolidated) for the year ended on 31 March, 2018.

This Declaration is given in compliance to Regulation 33(3)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended by the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2016, vide notification No. SEBI/LAD-NRO/GN/2016-17/001 dated May 25, 2016 and Circular no. CIR/CFD/CMD/56/2016 dated May 27, 2016.

Kindly take this declaration on your record.

Yours sincerely,
For CESC Limited


Rajarshi Banerjee
Executive Director & CFO.