



J Gupta & Co LLP
Chartered Accountants

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Limited Review Report to the Board of Directors of West Bengal State Electricity Distribution Company Limited for the Half Year ended on 30th September, 2018 pursuant to the requirement of regulation 52(1) of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015

1. We have reviewed the accompanying statement of unaudited financial results of West Bengal State Electricity Distribution Company Limited ('the Company') for the half year ended September, 2018 attached herewith, being submitted by the Company pursuant to the requirement of regulation 52(1) of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015. The preparation and fair presentation of this Statement is the responsibility of the Management and has been approved by the Board of Directors of the company. Our responsibility is to issue a report on the statement based on our review.
2. We conducted our review of the statement in accordance with the standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Based on our review conducted as above, **Subject to note:5 in annexure-N** nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable Indian Accounting Standards (Ind. AS) prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder or by the Institute of Chartered Accountants of India and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of regulation 52(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, including the manner in which it is to be disclosed, or that it contains any material misstatement.



Place: Kolkata
Date: 12th November, 2018

For **J Gupta & Co LLP**
Chartered Accountants
FRN:314010E/E300029

CA H K Datta
Partner
M.No.012208

WEST BENGAL STATE ELECTRICITY DISTRIBUTION COMPANY LIMITED

Unaudited Financial Results for the Half Year ended 30th September 2018

Sl no	Particulars	Half year ending 30/09/2018	Half year ending 30/09/2017	Year to date figure for the current period ended 30/09/2018	Year ended 31/03/2018
(Rs. In lakhs)					
		Reviewed		Audited	
1	Revenue from Operations	1077553	998761	1077553	1892302
	Other Operating Income	22370	21827	22370	45453
	Other Income	20137	19206	20137	47472
	Total Revenue	1120060	1039794	1120060	1985227
2	Expenses	0	0		
	Purchase of Power & Transmission Charges	965182	892673	965182	1613990
	Employee Benefit Expenses	58163	71183	58163	105426
	Finance Cost	73160	76794	73160	154283
	Depreciation	47010	45619	47010	92750
	Other Expenses	60236	56113	60236	117028
	Total Expenses	1203751	1142382	1203751	2083477
3	Profit/(Loss) exceptional & extraordinary item and Tax (1-2)	(83691)	(102587)	(83691)	(98250)
4	Exceptional Items	0	0	0	0
5	Profit/(Loss) before exceptional item and Tax (3-4)	(83691)	(102587)	(83691)	(98250)
6	Extraordinary items	0	0	0	0
7	Profit/(loss) before net movements in Regulatory Deferral account balance & Tax (5+6)	(83691)	(102587)	(83691)	(98250)
8	Net movements in Regulatory Deferral account balance related to Profit & Loss account	81288	92877	81288	94220
9	Profit/(loss) after net movements in Regulatory Deferral account balance & Tax (7+8)	(2403)	(9710)	(2403)	(4030)
10	Tax expenses				
	Current Tax	0	0	0	0
	Deferred Tax	0	0	0	0
11	Net Profit/(loss) for the period & net movements in Regulatory Deferral account balance (9-10)	(2403)	(9710)	(2403)	(4030)
12	Other Comprehensive Income-Items that will not be reclassified to Profit & Loss account				
	Remeasurement of post employment benefit obligation	4788	11779	4788	9752
	Income Tax relating to post employment benefit obligation	792	760	792	1637
	Other Comprehensive Income for the year net of tax	3996	11019	3996	8115
13	Total Comprehensive Income for the period (11+12) [Comprising Profit/(Loss) and other Comprehensive Income for the period	1593	1309	1593	4085
14	Paid up Debt Capital	1326978	1403522	1326978	1325691
15	Reserves excluding Revaluation Reserves (As per last Balance Sheet)	19621	14932	19621	18028
16	Debenture Redemption Reserve	11615	10071	11615	10782
17	Earnings Per Share (EPS)				
	Basic & Diluted EPS before extraordinary items and Net movement of Regulatory Deferral account balance (Rs) (not annualised)	(3.64)	(4.55)	(3.64)	(4.35)
	Basic & Diluted EPS after extraordinary items and Net movement of Regulatory Deferral account balance (Rs) (not annualised)	(0.10)	(0.43)	(0.10)	(0.18)
18	Debt Equity Ratio	4.79	5.41	4.79	4.93
19	Debt Service Coverage Ratio	1.48	0.86	1.48	1.48
20	Interest Service Coverage Ratio	1.71	1.63	1.71	1.66
21	Net Worth	222130	215035	222130	221370

Notes as per Annexure N attached
In terms of our Report of even date

For J Gupta & Co LLP
Chartered Accountants
FR No. 314010E/E300029

H. K. Datta
Partner
Membership no. 012208



For West Bengal State Electricity Distribution Company
Limited

(Rajesh Pandey)

Chairman and Managing Director

Rajesh Pandey, IAS
CMD, WBSE Distribution Co. Ltd.
(A Govt. of West Bengal Enterprise)

Place: Kolkata
Date: 12 th November 2018

WEST BENGAL STATE ELECTRICITY DISTRIBUTION COMPANY LIMITED

Balance Sheet as at 30 th Sep 2018

Particulars	Note No	As at 30 th Sep 2018	As at 30 th Sep 2017	As at 31 st Mar 2018	
		(₹ in lakhs)			
		Un-Audited	Audited	Audited	
ASSETS					
1 Non-Current Assets					
(a) Property, Plant and Equipment	(1)	1,837,145	1,782,104	1,829,316	
(b) Capital Work-in-progress	(1)	161,912	131,725	117,036	
(c) Other Intangible assets	(1)	2,909	1,584	3,449	
(d) Financial Assets					
(i) Investments	(2)	1,837	1,837	1,837	
(ii) Other Financial Assets	(3)	1,063	876	746	
(e) Other non-current assets	(4)	271,453	99,100	168,770	
Total Non-Current Assets		2,276,319	2,017,326	2,121,154	
2 Current Assets					
(a) Inventories	(5)	27,975	23,470	22,226	
(b) Financial Assets					
(i) Trade receivables	(6)	506,652	498,093	470,336	
(ii) Cash and Cash equivalents	(7)	57,779	69,205	80,680	
(iii) Bank Balances other than (ii) above	(8)	69,374	147,062	146,632	
(iv) Loans	(9)	2,235	2,135	2,205	
(v) Other Financial Assets	(10)	286,297	261,245	199,300	
(c) Other Current assets	(11)	47,377	66,286	19,939	
Total Current Assets		997,689	1,067,496	941,318	
Total Assets		3,274,008	3,084,822	3,062,472	
Regulatory deferral account Debit Balance		(12)	1,272,306	1,189,675	1,191,018
Total Assets and Regulatory deferral account Debit Balance			4,546,314	4,274,497	4,253,490
EQUITY AND LIABILITIES					
Equity					
(a) Equity Share Capital	(13)	229,624	225,674	229,624	
(b) Other Equity					
(i) Reserve and Surplus	(14)	19,621	14,932	18,028	
Total Equity			249,245	240,606	247,652
Liabilities					
1 Non-Current liabilities					
(a) Financial liabilities					
(i) Borrowings	(15)	581,360	587,450	582,481	
(ii) Trade payables	(16)	3,088	18,432	6,708	
(iii) Security Deposit from Consumers	(17)	345,437	298,462	318,523	
(iv) Other Financial liabilities	(18)	3,773	3,272	3,361	
(b) Deferred Tax liabilities (Net)	(19)	0	0	0	
(c) Government Grants	(20)	1,007,090	846,615	922,678	
(d) Other non-current liabilities					
(i) Consumers' Contribution towards Capital Assets	(21)	374,048	331,318	350,033	
Total Non-Current liabilities			2,314,796	2,085,569	2,163,764
2 Current liabilities					
(a) Financial liabilities					
(i) Borrowings	(22)	541,453	644,751	588,118	
(ii) Trade payables	(23)	557,926	484,124	485,497	
(iii) Security Deposit from Consumers	(24)	5,125	7,145	12,410	
(iv) Other Financial liabilities	(25)	415,689	319,919	313,817	
(b) Employee Benefit obligations	(26)	307,772	327,862	315,323	
(c) Government Grants	(27)	23,840	15,540	24,064	
(d) Other current liabilities	(28)	130,468	148,981	82,825	
Total Current liabilities			1,982,273	1,948,322	1,822,054
Total liabilities			4,297,069	4,033,891	4,005,838
Total Equity & liabilities			4,546,314	4,274,497	4,253,490

Statement of Changes in Equity For the year ended 30 th Sep 2018

(₹ in lakhs)

A. Equity share capital					
As at 31 March 2017					225,674
Changes in equity share capital					-
As at 30 Sep 2017					225,674
Changes in equity share capital					3,950
As at 31 March 2018					229,624
Changes in equity share capital					-
As at 30 Sep 2018					229,624
B. Other equity					
Particulars	Reserve and surplus				Total
	Share Application money received (pending allotment)	Reserve for Unforeseen Exigencies	Debenture Redemption Reserve	Retained earnings	
					(₹ in lakhs)
Balance at 31 March 2017	-	15,500	9,115	(11,115)	13,500
Loss for the year	-	-	-	(4,030)	(4,030)
Other comprehensive income	-	-	-	8,115	8,115
Total	-	15,500	9,115	(7,030)	17,585
Transfer to debenture redemption reserve	-	-	1,667	(1,667)	-
Share Application money Received (Pending allotment)	443	-	-	-	443
Balance at 31 March 2018	443	15,500	10,782	(8,697)	18,028
Balance at 31 March 2017	-	15,500	9,115	(11,115)	13,500
Loss for the half year ended 30 Sep 2017	-	-	-	(9,710)	(9,710)
Other comprehensive income	-	-	-	11,019	11,019
Total	-	15,500	9,115	(9,806)	14,809
Transfer to debenture redemption reserve	-	-	956	(833)	123
Balance at 30 Sep 2017	-	15,500	10,071	(10,639)	14,932
Balance at 31 March 2018	443	15500	10782	(8,697)	18028
Loss for the half year ended 30 Sep 2018	-	-	-	(2,403)	(2,403)
Other comprehensive income	-	-	-	3,996	3,996
Total	443	15500	10782	(7,104)	19621
Transfer to debenture redemption reserve	-	-	833	(833)	-
Balance at 30 Sep 2018	443	15500	11615	(7,937)	19621

**Notes to reviewed Financial Results for the half year ended
30th September 2018 of West Bengal State Electricity
Distribution Company Limited**

Annexure :N

1. The Company is a Government Company and the entire paid-up share capital is being held by the Governor of West Bengal and His nominees. The Company commenced its operation from 1st April 2007.
2. The above results were reviewed and recommended by the Audit Committee of the Board of Directors in its meeting held on 12th November 2018 and approved by the Board of Directors in its meeting held on 12th November 2018.
3. The limited review of the unaudited financial results for the half year ended on 30th September, 2018 as required under Regulation 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 was carried out by the Statutory Auditor of the Company
4. Other comprehensive income of Rs 4788 lakhs (corresponding period of the previous year Rs 11779 lakhs) comprises of gain arises out of actuarial valuation on employee benefit has been taken out from employee cost and shown separately as per requirement of Ind AS.
5. Excess Power Purchase Cost due to distribution loss over the normative loss of 17.50% will be disallowed to the extent as specified in the Regulation 2.8.6.1 of the Hon'ble WBERC. However, in terms of same Regulation excess distribution loss over the normative loss will also be allowed after adjustment of Return on Equity (ROE). This is entirely as per past practices and in conformity with Regulatory norms and practices. Thus, net sum of Rs 81288 lakhs (corresponding period of the previous year Rs 92877 lakhs) has been considered as per Regulation in the half yearly accounts of 2018-19 as net movement in Regulatory Deferral account for Fuel & Power Purchase Cost Adjustment (FPPCA) and Annual Performance Review (APR) for the period from April 2018 to September 2018 for which necessary petition will be submitted to the WBERC in due course.

It is presumed that favourable orders for the full amount will be available. In



the event of any variation in the orders of WBERC, adjustment of net profits and net movement in Regulatory Deferral account balance may be necessitated to the extent of such variation.

6. Total value of secured, redeemable, non-convertible bonds issued by the company on private placement basis is Rs 100000 lakhs. These securities are listed with Bombay Stock Exchange in Wholesale Debt Market. Debenture Redemption Reserve has been created.

7. Latest credit rating of listed Bonds is 'CARE BBB+'.

8. The Company is engaged in the Business of Distribution of Electricity and insignificant generation of Hydro and Solar-Electricity and hence segment reporting is not required.

9. Formula used for computation of Ratios: Debt Service Coverage Ratio: Net Operating Profit/Total Debt Services and Interest Service Coverage Ratio: Net Operating Profit/Gross Interest Expenses.

10. The previous period's figures have been regrouped / reclassified / remeasured wherever necessary to confirm current period's classification.

11. Ratios are calculated on annualized basis.

For J Gupta & Co LLP
Chartered Accountants
FR No. 314010E/E300029


(H. K. Datta)

Partner

(Membership No: 012208)

Place: Kolkata

Date: 12th November, 2018



For West Bengal State Electricity
Distribution Company Limited



(Rajesh Pandey)

Chairman and Managing Director

Rajesh Pandey, IAS
CMD, WBSE Distribution Co. Ltd.
(A. Govt. of West Bengal Enterprise)