



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 2019 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 30th September 2019 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: 6 & 7 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 there under 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: 13th November, 2019

For **J Gupta & Co LLP**
Chartered Accountants
FRN: 314010E/E300029
LLP No. AAM-2652
UDIN: 19012208AAAAAC3042


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 2019

Sl no	Particulars	Half year ending 30/09/2019	Half year ending 30/09/2018	Year to date figure for the current period ended 30/09/2019	Year ended 31/03/2019
		(Rs. In lakhs)			
		Reviewed			Audited
1	Revenue from Operations	1226419	1077553	1226419	2048397
	Other Operating Income	24791	22370	24791	49477
	Other Income	34625	20137	34625	60875
	Total Revenue	1285835	1120060	1285835	2158749
2	Expenses				
	Purchase of Power & Transmission Charges	1092304	965182	1092304	1823203
	Employee Benefit Expenses	52899	58163	52899	101551
	Finance Cost	73047	73160	73047	144660
	Depreciation	48072	47010	48072	92641
	Other Expenses	71768	60236	71768	124270
	Total Expenses	1338090	1203751	1338090	2286325
3	Profit/(Loss) exceptional & extraordinary item and Tax (1-2)	(52255)	(83691)	(52255)	(127577)
4	Exceptional Items	0	0	0	0
5	Profit/(Loss) before exceptional item and Tax (3-4)	(52255)	(83691)	(52255)	(127577)
6	Extraordinary items	0	0	0	0
7	Profit/(loss) before net movements in Regulatory Deferral account balance & Tax (5+6)	(52255)	(83691)	(52255)	(127577)
8	Net movements in Regulatory Deferral account balance related to Profit & Loss account	54328	81288	54328	123054
9	Profit/(loss) after net movements in Regulatory Deferral account balance & Tax (7+8)	2074	(2403)	2074	(4522)
10	Tax expenses				
	Current Tax	628	0	628	0
	Deferred Tax	0	0	0	0
11	Net Profit/(loss) for the period & net movements in Regulatory Deferral account balance (9-10)	1446	(2403)	1446	(4522)
12	Other Comprehensive Income-Items that will not be reclassified to Profit & Loss account				
	Remeasurement of post employment benefit obligation	578	4788	578	11294
	Income Tax relating to post employment benefit obligation	101	792	101	1978
	Other Comprehensive Income for the year net of tax	477	3996	477	9316
13	Total Comprehensive Income for the period (11+12) [Comprising Profit/(Loss) and other Comprehensive Income for the period	1923	1593	1923	4793
14	Paid up Debt Capital	1370962	1326978	1370962	1264638
15	Reserves excluding Revaluation Reserves per last Balance Sheet (As	25891	19621	25891	27444
16	Debt Redemption Reserve	13282	11615	13282	12449
17	Earnings Per Share (EPS)				
	Basic & diluted EPS before extraordinary items and Net movement of Regulatory Deferral account balance (Rs) (not annualised)	(2.21)	(3.64)	(2.21)	(5.54)
	Basic & diluted EPS after extraordinary items and Net movement of Regulatory Deferral account balance (Rs) (not annualised)	0.06	(0.10)	0.06	(0.20)
18	Debt Equity Ratio	4.75	4.79	4.75	4.15
19	Debt Service Coverage Ratio	1.33	1.48	1.33	1.52
20	Interest Service Coverage Ratio	1.73	1.71	1.73	1.72
21	Net Worth	233428	222130	233428	231181

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
LLP No. AAM-2652

H.K.Datta
Partner
Membership no. 012208



For West Bengal State Electricity Distribution Company Limited

(Santanu Basu)

Chairman and Managing Director

Place: Kolkata
Date: 13 th November 2019

WEST BENGAL STATE ELECTRICITY DISTRIBUTION COMPANY LIMITED

Balance Sheet as at 30 th September 2019

Particulars	Note No	As at 30 th Sep 2019	As at 30 th Sep 2018	As at 31 st Mar 2019
		(' in lakhs)		
ASSETS				
1 Non-Current Assets				
(a) Property,Plant and Equipment	(1)	1,966,605	1,837,145	1,927,492
(b) Capital Work-in-progress	(1)	341,416	161,912	216,262
(c) Other Intangible assets	(1)	3,986	2,909	3,063
(d) Financial Assets				
(i) Investments	(2)	0	1,837	
(ii) Trade receivables	(3)	17,729	17,770	12,992
(iii) Other Financial Assets	(4)	1,135	1,063	1,859
(e) Other non-current assets	(5)	355,624	271,453	310,820
Total Non-Current Assets		2,686,495	2,294,089	2,472,488
2 Current Assets				
(a) Inventories	(6)	39,807	27,975	37,168
(b) Financial Assets				
(i) Trade receivables	(7)	784,377	722,843	615,466
(ii) Cash and Cash equivalents	(8)	57,102	57,779	86,112
(iii) Bank Balances other than (ii) above	(9)	66,912	69,374	75,992
(iv) Loans	(10)	2,005	2,235	2,130
(v) Other Financial Assets	(11)	51,880	52,336	50,776
(c) Other Current assets	(12)	69,744	47,377	13,825
(d) Assets Classifide As Held for Sale	(13)	721	0	521
Total Current Assets		1,072,548	979,919	881,990
Total Assets		3,759,043	3,274,008	3,354,478
Regulatory deferral account Debit Balance	(14)	1,368,400	1,272,306	1,314,072
Total Assets and Regulatory deferral account Debit Balance		5,127,443	4,546,314	4,668,550
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share Capital	(15)	236,588	229,624	231,686
(b) Other Equity				
(i) Reserve and Surplus	(16)	25,891	19,621	27,444
Total Equity		262,479	249,245	259,130
Deferred Government Grants & Consumers' Contributions		1,707,154	1,414,889	1,599,955
Liabilities				
1 Non-Current liabilities				
(a) Financial liabilities				
(i) Borrowings	(18)	497,628	581,360	521,631
(ii) Trade payables	(19)	1,502	3,088	2,326
(iii) Security Deposit from Consumers	(20)	392,724	345,437	361,818
(iv) Other Financial liabilities	(21)	18,747	3,773	33,510
(b) Deferred Tax liabilities (Net)				
(i) Provisions	(22)	0	0	0
(c) Other non-current liabilities				
(i) Provisions	(23)	31,664	-	29,895
Total Non-Current liabilities		942,265	933,658	949,180
2 Current liabilities				
(a) Financial liabilities				
(i) Borrowings	(24)	669,327	541,453	522,893
(ii) Trade payables	(25)	722,527	557,926	595,472
(iii) Security Deposit from Consumers	(26)	7,570	5,125	13,340
(iv) Other Financial liabilities	(27)	457,657	415,689	425,607
(b) Employee Benefit obligations				
(i) Provisions	(28)	20,062	307,772	22,235
(c) Provisions	(29)	216,671	-	230,990
(d) Other current liabilities	(30)	121,732	120,557	49,748
Total Current liabilities		2,215,546	1,948,521	1,860,285
Total liabilities		3,157,810	2,882,180	2,809,465
Total Equity ,liabilities & Deferred Government Grants & Consumers' Contributions		5,127,443	4,546,314	4,668,550

Statement of Changes in Equity For the period ended 30 th September 2019

(' in lakhs)

A. Equity share capital

As at 31 March 2018	229,624
Changes in equity share capital	
As at 30th Sep 2018	229,624
Changes in equity share capital	2,062
As at 31 March 2019	231,686
Changes in equity share capital	4,902
As at 30th Sep 2019	236,588

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 2018	443	15,500	10,782	(8,697)	18,028
Loss for the year				(4,521)	(4,521)
Other comprehensive income				9,316	9,316
Total	443	15,500	10,782	(3,903)	22822
Allotment made against Pending allotment of Share Application money of earlier year	(443)				(443)
Transfer to debenture redemption reserve	-	-	1,667	(1,667)	-
Retained earnings of NTESCL merged during the year	-	-	-	1,320	1,320
Share Application money Received (Pending allotment)	3,745	-	-	-	3,745
Balance at 31 March 2019	3,745	15,500	12,449	(4,250)	27,444
Profit for the year				1,446	1,446
Other comprehensive income				477	477
Total	3745	15,500	12,449	(2,327)	29367
Allotment made against Pending allotment of Share Application money of earlier year	(3,745)				(3,745)
Transfer to debenture redemption reserve			833	(833)	-
Reserve for Unforeseen Exigencies-DPL		269			269
Balance at 31 March 2019	-	15,769	13,282	(3,160)	25,891

**Notes to reviewed Financial Results for the half year ended
30th September 2019 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 13th November 2019 and approved by the Board of Directors in its meeting held on the same day.
3. The limited review of the unaudited financial results for the half year ended on 30th September, 2019 was carried out by the Statutory Auditor of the Company as required under Regulation 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
4. As per notification number: 328/PO/O/C-VI/1E-60/13 (Pt-VA) dated: 26.12.2018 and memo Number: 333-PO/O/C-IV/IE-60/13 (Pt-viii) dated: 31.12.2018 of the Department of Power & NES, Govt. of West Bengal (GoWB), and reference number WBERC/A-6/14/3286 Dated: 31.12.2018 of the West Bengal Electricity Regulatory Commission (WBERC), the entire business of distribution of electricity and related activities of Durgapur Projects Limited (DPL) was transferred to WBSEDCL. By virtue of aforementioned orders, WBSEDCL is doing entire business of distribution of electricity of DPL from 01.01.2019 as per existing tariff of DPL. Value of Assets and liabilities of associate business of DPL has been transferred to WBSEDCL by DPL through order number: 244/PO/O/C-IV/1E-60/13 (Pt-VA) dated: 23/09/2019 of the Department of Power & NES, of Govt. of West Bengal (GoWB). Entire value of assets and liabilities has been considered in the half yearly Financial Statement ended on 30th September 2019 of WBSEDCL.
5. Other comprehensive income of Rs 578 lakhs (Corresponding period of the previous year Rs 4788 lakhs) comprises of gain/(loss) arises out of actuarial valuation on employee benefit has been taken out from employee cost and shown separately as per requirement of Ind AS.



6. 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 54328 lakhs (corresponding period of the previous year Rs 81288 lakhs) has been considered as per Regulation in the half yearly financial statement ended on 30th September 2019 as net movement in Regulatory Deferral account for Fuel & Power Purchase Cost Adjustment (FPPCA) and Annual Performance Review (APR) for the period from April 2019 to September 2019 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.

7. Distribution Loss:

Particulars	6 months ended 30/09/2019	6 months ended 30/09/2018	Year ended 31/03/2019
Input to WBSEDCL System (MU)	22527.132	20071.43	36120.60
* Unit utilised in WBSEDCL System (MU)	16958.657	14315.461	27823.47
Distribution Loss (MU)	5568.48	5755.97	8297.14
Distribution Loss (%)	24.72	28.68	22.97
Remarks: * Unit utilised in WBSEDCL system includes Sales to Own Consumers, Sales to Licensee, wheeling & Consumption in own premises			

As indicated above, out of total Distribution loss of 5568.48 MU for the half year ended 30.09.2019 (corresponding period of the previous year 5755.97 MU), 3942.25 MU (corresponding period of the previous year 3512.50 MU) was allowable through Tariff mechanism and the same was already inbuilt in average tariff. The cost of balance distribution loss of 1626.23 MU (corresponding period of the previous year 2243.47 MU) has been considered in



the Financial Statement as Regulatory Receivables as per Tariff Regulation after adjustment of Return on Equity (ROE). This Distribution loss comprises of both Technical and Distribution Losses.

In view of above, framework for the preparation and presentation of Financial Statements in accordance with Indian Accounting Standards (Ind AS) has been complied with regards to matching of receipt and distributed quantity through Regulatory norms.

8. 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.

9. Latest credit rating of listed Bonds is 'CARE BBB-' Negative.

10. The Company is engaged in the Business of Distribution of Electricity and insignificant generation of Hydro and Solar-Electricity. Considering insignificant generation, segment reporting is done on annual basis.

11. 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.

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

13. Ratios are calculated on annualized basis.

For J. Gupta & Co LLP
Chartered Accountants
FR No. 314010E/E300029
LLP No. AAM-2652
UDIN: 19012208AAAAAC3042



(H.K.Datta)

Partner

(Membership No: 012208)

Place: Kolkata

Date: 13th November, 2019

For West Bengal State Electricity
Distribution Company Limited



(Santanu Basu)

Chairman and Managing Director