



Limited Review Report to the Board of Directors of West Bengal State Electricity Distribution Company Limited for the Half Year ended on 31st March 2020 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 31st March 2020 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.



For **J Gupta & Co LLP**
Chartered Accountants
FRN: 314010E/E300029
LLP No. AAM-2652
UDIN: 20012208AAAAAE1298


CA H K Datta
Partner
M.No.012208

Place: Kolkata
Date: 23rd June, 2020

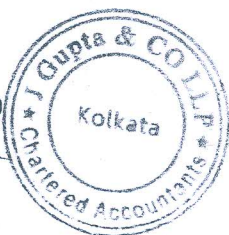
WEST BENGAL STATE ELECTRICITY DISTRIBUTION COMPANY LIMITED
Unaudited Financial Results for the Half Year ended 31st March 2020

Sl no	Particulars	Half year ending 31/03/2020	Half year ending 31/03/2019	Year to date figure for the current period ended 31/03/2020	Year ended 31/03/2019
		(Rs. In lakhs)			
		Reviewed		Audited	
1	Revenue from Operations	1000876	970300	2227295	2048397
	Other Operating Income	31043	25218	55834	49477
	Other Income	67134	39251	101759	60875
	Total Revenue	1099053	1034769	2384888	2158749
2	Expenses				
	Purchase of Power & Transmission Charges	925066	810765	2017370	1823203
	Employee Benefit Expenses	112804	42193	165703	101551
	Finance Cost	72562	69745	145609	144660
	Depreciation	49859	45626	97931	92641
	Other Expenses	66996	64360	138764	124270
	Total Expenses	1227287	1032689	2565377	2286325
3	Profit/(Loss) exceptional & extraordinary item and Tax (1-2)	(128234)	2080	(180489)	(127577)
4	Exceptional Items	0	0	0	0
5	Profit/(Loss) before exceptional item and Tax (3-4)	(128234)	2080	(180489)	(127577)
6	Extraordinary items	0		0	0
7	Profit/(loss) before net movements in Regulatory Deferral account balance & Tax (5+6)	(128234)	2080	(180489)	(127577)
8	Net movements in Regulatory Deferral account balance related to Profit & Loss account	185117	(3777)	239445	123054
9	Profit/(loss) after net movements in Regulatory Deferral account balance & Tax (7+8)	56883	(1697)	58956	(4522)
10	Tax expenses				
	Current Tax	1612	0	2240	0
	Deferred Tax	0	0	0	0
11	Net Profit/(loss) for the period & net movements in Regulatory Deferral account balance (9-10)	55271	(1697)	56716	(4522)
12	Other Comprehensive Income-Items that will not be reclassified to Profit & Loss account				
	Remeasurement of post employment benefit obligation	(51003)	6506	(50425)	11294
	Income Tax relating to post employment benefit obligation	(101)	1269	0	1978
	Other Comprehensive Income for the year net of tax	(50902)	5237	(50425)	9316
13	Total Comprehensive Income for the period (11+12) [Comprising Profit/(Loss) and other Comprehensive Income for the period	4369	3540	6291	4793
14	Paid up Debt Capital	1406010	1264638	1406010	1264638
15	Reserves excluding Revaluation Reserves (As per last Balance Sheet)	30259	27776	30259	27444
16	Debenture Redemption Reserve	14116	12449	14116	12449
17	Earnings Per Share (EPS)				
	Basic & diluted EPS before extraordinary items and Net movement of Regulatory Deferral account balance (Rs) (not annualised)	(7.64)	0.10	(7.64)	(5.54)
	Basic & diluted EPS after extraordinary items and Net movement of Regulatory Deferral account balance (Rs) (not annualised)	2.40	(0.08)	2.40	(0.20)
18	Debt Equity Ratio	4.96	4.14	4.96	4.15
19	Debt Service Coverage Ratio	1.52	1.53	1.52	1.52
20	Interest Service Coverage Ratio	1.85	1.74	1.85	1.72
21	Net Worth	236911	231513	236911	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

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

Place: Kolkata
Date: 23rd June 2020

WEST BENGAL STATE ELECTRICITY DISTRIBUTION COMPANY LIMITED

Balance Sheet as at 31st March 2020

Particulars		Note No	As at 31st March 2020	As at 31st March 2019	
			(Rs. in lakhs)		
ASSETS					
1 Non-Current Assets					
(a)	Property, Plant and Equipment	(1)	22,29,304	19,27,492	
(b)	Capital Work-in-progress	(1)	2,32,302	2,16,262	
(c)	Other Intangible assets	(1)	4,460	3,063	
(d) Financial Assets					
(i)	Investments	(2)	-	-	
(ii)	Trade receivables	(3)	43,262	12,992	
(iii)	Other Financial Assets	(4)	1,136	1,859	
(e)	Other non-current assets	(5)	3,17,365	2,80,056	
Total Non-Current Assets			28,27,829	24,41,724	
2 Current Assets					
(a)	Inventories	(6)	78,946	67,932	
(b) Financial Assets					
(i)	Trade receivables	(7)	6,20,293	6,15,466	
(ii)	Cash and Cash equivalents	(8)	64,296	86,112	
(iii)	Bank Balances other than (ii) above	(9)	91,434	75,992	
(iv)	Loans	(10)	2,006	2,130	
(v)	Other Financial Assets	(11)	89,547	50,776	
(c)	Other Current assets	(12)	15,549	13,825	
(d)	Assets Classifide As Held for Sale	(13)	947	521	
Total Current Assets			9,63,018	9,12,754	
Total Assets			37,90,847	33,54,478	
Regulatory deferral account Debit Balance		(14)	15,53,517	13,14,072	
Total Assets and Regulatory deferral account Debit Balance			53,44,364	46,68,550	
EQUITY AND LIABILITIES					
Equity					
(a)	Equity Share Capital	(15)	2,36,589	2,31,686	
(b) Other Equity					
(i)	Reserve and Surplus	(16)	30,259	27,444	
Total Equity			2,66,848	2,59,130	
Deferred Government Grants & Consumers' Contributions			(17)	17,96,139	15,99,955
Liabilities					
1 Non-Current liabilities					
(a) Financial liabilities					
(i)	Borrowings	(18)	6,52,548	5,21,631	
(ii)	Trade payables	(19)	812	2,326	
(iii)	Security Deposit from Consumers	(20)	3,94,591	3,61,818	
(iv)	Other Financial liabilities	(21)	36,796	33,510	
(b) Deferred Tax liabilities (Net)			(22)	-	
(c) Other non-current liabilities					
(i)	Provisions	(23)	39,556	29,895	
Total Non-Current liabilities			11,24,303	9,49,180	
2 Current liabilities					
(a) Financial liabilities					
(i)	Borrowings	(24)	5,86,036	5,22,893	
(ii)	Trade payables	(25)	7,72,129	5,95,472	
(iii)	Security Deposit from Consumers	(26)	13,770	13,340	
(iv)	Other Financial liabilities	(27)	4,13,752	4,25,607	
(b)	Employee Benefit obligations	(28)	18,915	22,235	
(c)	Provisions	(29)	3,08,059	2,30,990	
(d)	Other current liabilities	(30)	44,413	49,748	
Total Current liabilities			21,57,074	18,60,285	
Total liabilities			32,81,377	28,09,465	
Total Equity ,liabilities & Deferred Government Grants & Consumers' Contributions			53,44,364	46,68,550	

Statement of Changes in Equity For the period ended 31st March 2020

(Rs. in lakhs)

A. Equity share capital

As at 31 March 2018	2,29,624
Changes in equity share capital	2,062
As at 31 March 2019	2,31,686
Changes in equity share capital	4,903
As at 31st March 2020	2,36,589

B. Other equity

Particulars	Reserve and surplus				Total
	Share Application money received (pending allotment)	Reserve for Unforeseen Exigencies	Debenture Redemption Reserve	Retained earnings	
	(Rs. in lakhs)				
Balance at 31 March 2018	443	15,500	10,782	(8,697)	18,028
Loss for the year				(4,522)	(4,522)
Other comprehensive income				9,316	9,316
Total	443	15,500	10,782	(3,903)	22,822
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				56,716	56,716
Other comprehensive income				(50,425)	(50,425)
Total	3,745	15,500	12,449	2,041	33,735
Allotment made against Pending allotment of Share Application money of earlier year	(3,745)				(3,745)
Transfer to debenture redemption reserve			1,667	(1,667)	-
Reserve for Unforeseen Exigencies		321		(52)	269
Balance at 31 st March 2020	-	15,821	14,116	322	30,259

**Notes to reviewed Financial Results for the half year ended
31st March 2020 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 23rd June 2020 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 31st March, 2020 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 Financial Statement ended on 31st March 2020 of WBSEDCL.
5. Other comprehensive income of (-) Rs 50425 lakhs (Corresponding period of the previous year Rs 11294 lakhs) comprises of gain/(loss) arising 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 185117 lakhs (corresponding period of the previous year (-) Rs 3777 lakhs) has been considered as per Regulation in the half yearly financial statement ended on 31st March 2020 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 March 2020 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 31/03/2020	6 months ended 31/03/2019	Year ended 31/03/2020
Input to WBSEDCL System (MU)	16119.09	16049.23	38646.22
Unit utilised in WBSEDCL System (MU)#	14397.36	13510.01	31356.02
Distribution Loss (MU)	1721.73	2539.22	7290.20
Distribution Loss (%)	10.68	15.82	18.86
Remarks: #Unit utilised in WBSEDCL system includes Sales to Own Consumers, Sales to Licensee from distribution system, wheeling of power & Consumption in own premises			

As indicated above, out of total Distribution loss (both technical and power distribution) of 7290.20 MU for the financial year ended 31.03.2020 (8295.19 MU as on 31.03.2019), 6620.19 MU (5895.65 MU as on 31.03.2019) was allowable through Tariff mechanism on normative basis and the same is already in built in average tariff . The cost of balance distribution loss of 670 MU (2399.54 MU as on 31.03.2019) has been considered in the Financial Statement as Regulatory Receivables as per Tariff Regulation being adjustable with Return on Equity (ROE).



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 B; Stable.
10. 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.
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:20012208AAAAAE1298

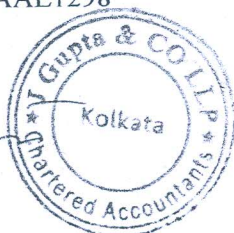

(H.K.Datta)

Partner

(Membership No: 012208)

Place: Kolkata

Date: 23rd June, 2020



For West Bengal State Electricity
Distribution Company Limited


(Santanu Basu)

Chairman and Managing Director

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