RP - Sanjiv Goenka Group
Growing Legacies

CESC
LIMITED
Energising Lives • Since 1899

20-01-2021

IDBI Trusteeship Services Limited
Asian Building, Ground Floor,
17, R. Kamani Marg, Ballard Estate,
Mumbai – 400 001

Dear Sir(s),

SEBI REGULATORY PERIODICAL COMPLIANCE REPORT

We refer to your email dated 8 January 2021 requiring us to furnish the aforesaid report for the quarter ended on 31 December 2020 in terms of Regulation 15(1)(c) of the SEBI (Debenture Trustees) Regulations, 1993 and enclose herewith the said report with relevant annexures mentioned therein for your record.

Kindly please acknowledge receipt.

For CESC Limited

SUBHASIS MITRA
Digitally signed by SUBHASIS MITRA
Date: 2021.01.20 20:22:22 +05'30'

Company Secretary
ICSI Membership No. A5736

Encl:

CESC Limited
CIN : L31901WB1978PLC031411 ▫ e-mail : cesclimited@rp-sg.in
Regd. Office : CESC House, Chowringhee Square, Kolkata - 700 001, India
Tel : +91 33 2225 6040 Fax : +91 33 2225 3495 Web : www.cesc.co.in

ANNEXURE - DEB

SEBI REGULATORY PERIODICAL COMPLIANCE REPORT FOR THE QUARTER ENDED 31st December, 2020.

Sr	Requirement	Compliance **(Enclose proof in support of Compliance)**
1.	Issue/Tranche Size (Pl Attach Signed IM/Term Sheet)	2,000 Non-Convertible Debentures ("**NCDs**") having face value of Rs.10,00,000/- each, aggregating to Rs.200,00,00,000/- (Base Issue Size – upto Rs. 25,00,00,000/- with an option to retain oversubscription upto Rs. 175,00,00,000/-) IM attached as Annexure – A.
2	ISIN Numbers	INE486A07267
3	Public/Rights/ Privately Placed	Privately Placed
4	Listed/Unlisted	Listed
5	Names of the Exchanges where Debentures are Listed	National Stock Exchange of India Limited
6	Secured/Unsecured	Secured
7	Name of the Credit Rating Agency	CARE Ratings Limited
8	Rating disclosed in the Offer document	"AA" with stable outlook
9	Rating given in each Financial Year (FY) after closure of Issue (1st FY, 2nd FY, …………..etc.	"AA" with stable outlook obtained on 21 December 2020
10	Date of Opening of Issue	24 December 2020
11	Date of Closure of Issue	24 December 2020
12	Date of Allotment	28 December 2020
13	Date of Dispatch of Debentures/Credit of Debentures to Debenture Holder's Demat Account CDSL/NSDL Letters to be Enclosed	28 December 2020 NSDL credit confirmation attached as Annexure – B.
14	Date of Execution of Debenture Trustee Agreement	23 December 2020
15	Date of Execution of Trust Deed	23 December 2020
16	Date of Creation of Charge	Deed of Hypothecation ("DOH") executed on 23 December 2020. Charge would be created on hypothecated assets as and when deed of hypothecation confirmation would be executed in terms of DOH.
17	Date of Registration of Charge with ROC (ROC Certificate to be enclosed)	Not yet due. Charge filing to be done after execution of deed of hypothecation confirmation as stated in point no. 16 above
18.	Date of Transfer of Funds from Escrow Account to the Issuer's Account (Letter of Bankers to the Issue to be enclosed)	28 December 2020. Email from bank acknowledging credit of funds attached as "Annexure-C"

19	Copy of Listing Agreement to be enclosed	'Since the Company is already listed, no separate Listing Agreement is required. Further, NSE has also granted listing permission for the NCDs after payment of listing fees to them without execution of any separate Listing Agreement. Copy of listing approval attached as "Annexure – D".
20	Number of Debenture Holders on the date of Allotment with ISIN	One debenture holder i.e., CITI Bank N.A. for the NCDs (ISIN: INE486A07267) on the date of the allotment.
21	Number of Debenture Holders at the end of the current quarter.	One
22.	Valuation of properties as done by the Approved Valuer. Name of the Valuer and Amount of Valuation to be given.	Not Applicable
23.	Status of Utilization of Issue Proceeds under Regulation 15(1A)(c) of the SEBI (Debenture Trustees) Regulations, 1993 i) As disclosed in the offer document ii) Actual Utilization iii) Reasons for deviation, if any	 i) for fresh capital expenditure, long-term working capital, reimbursement of capital expenditure incurred, refinance of loans and/or long term working capital borrowing. ii) For the purposes mentioned above. iii) Not Applicable
24.	Date of Statutory Auditor's Certificate for Utilization of Issue Proceeds under Regulation 15(1A)(c) of the SEBI(Debenture Trustees) Regulations, 1993 (Attach the Certificate)	Certificate issued by Messrs. S.S.D. & Associates, Practicing Chartered Accountants (CA), (Independent CA as per DTD) dated 20 January 2021.- attached as "Annexure – E"
25.	Issue wise (In case of Multiple Issues) Creation of Debenture Redemption Reserve as stipulated in the Debenture Trust Deed/Companies Act, 2013/SEBI Guidelines duly supported by Auditor's Certificate	DRR required as per the Companies Act / DRR Created / Investments made: Not Applicable
26.	Evidence of maintenance of the debenture redemption reserve and investment of the monies lying therein as stipulated in the guidelines formulated (or modified or revised) by the central government or any other statutory or regulatory authority;	Not Applicable

<table>
<tr><td>27.</td><td>Schedule and Status of Payment of Interest on due dates (1. Schedule should be for entire Tenure of the Debentures
2. Interest Payment confirmation letter written to IDBI Trusteeship Services Ltd. to be attached)</td><td><table>
<tr><th>Due Date for Payment</th><th>Amount due (Rs. per NCD)</th><th>Actual Date of Payment</th></tr>
<tr><td>23 December 2021</td><td>57,205.48</td><td>Not yet due</td></tr>
<tr><td>15 December 2022</td><td>Coupon as per 12M T Bill + 2.40% p.a. on the outstanding amount of NCDs</td><td>Not yet due</td></tr>
<tr><td>7 December 2023</td><td>Coupon as per 12M T Bill + 2.40% p.a. on the outstanding amount of NCDs</td><td>Not yet due</td></tr>
<tr><td></td><td></td><td></td></tr>
</table></td></tr>
<tr><td>28.</td><td>Schedule & Status of redemption of Debentures on due dates (1. Schedule should be for entire Tenure of the Debentures
2. Redemption Confirmation letter written to IDBI Trusteeship Services Ltd. to be attached)</td><td><table>
<tr><th>Due Date for Payment</th><th>Amount due (Rs. per NCD)</th><th>Actual Date of Payment</th></tr>
<tr><td>7 December 2023</td><td>10,00,000/-</td><td>Not yet due</td></tr>
</table></td></tr>
<tr><td>29</td><td>Amount outstanding as on 31/12/2021</td><td>1. Principal : Rs. 200,00,00,000
2. Interest : No amount due as on 31/12/2021</td></tr>
<tr><td>30.</td><td>Copy of the Certificate under Regulation 57(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, with respect to obligations regarding disclosure of payment of interest or principal of listed debt securities submitted to the stock exchanges and extracts of the disclosure of the same on the website by the issuer.</td><td>Not Applicable</td></tr>
<tr><td>31.</td><td>Extracts of the disclosures with respect to default on interest or redemption amount with respect to the listed debt securities made by the Issuer on its website under Regulation 62(1) of SEBI (LODR) Regulations,2015</td><td>Not Applicable</td></tr>
<tr><td>32</td><td>The Properties secured for the Debentures are adequately insured and policies are in the joint names of the Trustees. Please enclose a copy of Insurance Policy.</td><td>Yes. Copy of Insurance Policy attached as “Annexure – F”</td></tr>
<tr><td>33</td><td>In case of default (Principal & Interest), number of installments defaulted at the end of quarter with amount overdue (give due date wise Principal & Interest separately and reasons therefor)</td><td>Not Applicable</td></tr>
<tr><td>34</td><td>Breach of any Covenants of Debenture Trust Deed/Information Memorandum/Disclosure Document/Term Sheet (Please specify)</td><td>Not Applicable</td></tr>
</table>

<table>
<tr><td>35</td><td>Minimum Security Cover/Asset Cover required as per Information Memorandum/Offer Document under Regulation 56(1)(d) of the SEBI(LODR) Regulations, 2015 (Half Yearly at the end of each Half Year after closure of the Issue (1st HY, 2nd HY, …etc.)</td><td>Shall be submitted with financial results for the half year and annual financial year ended on 31 March 2021.</td></tr>
<tr><td>36.</td><td>A Statement that the assets of the body corporate and of the Guarantor, if any which are available by way of security are sufficient to discharge the claims of the debenture holders as and when they become due. (Security Cover Ratio)</td><td>We confirm that the assets of the Issuer which are available by way of security are sufficient to discharge the claims of the debenture holders as and when they become due</td></tr>
<tr><td>37.</td><td>Redemption Schedule</td><td><table>
<tr><td>Sr.</td><td>Due Date</td><td>Amount of Instalment (Rs per NCD)</td><td>Actual Date of Payment in r/o due dates fallen due</td></tr>
<tr><td>1.</td><td>7 December 2023</td><td>10,00,000/-</td><td>Not yet due</td></tr>
</table></td></tr>
<tr><td>38.</td><td>List containing Names, Addresses and Email Ids of Debenture holders at the end of quarter i.e. as on 31/12/2020, to be enclosed.</td><td>Name : CITI Bank N.A.,
Address: FIFC- 11th Floor, G Block, Plot C-54 And C-55,Bandra (East), Mumbai – 400098
Email Id: h.sunil.rao@citi.com</td></tr>
<tr><td>39.</td><td>The number and nature of Complaints/ grievances received, number of Complaints/grievances resolved and number of Complaints/grievances pending settlement at the end of quarter.
Please enclose list containing the names of Complainants; nature of Complaints, date of resolution of complaints etc.</td><td>Nil</td></tr>
<tr><td>41.</td><td>Any major change in composition of Board of Directors, which may amount to change in control as defined in SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011</td><td>Not Applicable</td></tr>
<tr><td>42.</td><td>Submission Half Yearly Communications to Stock Exchange/s on half yearly basis under Regulation 52(4) and 52(5) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 duly countersigned by the trustee</td><td>Not Applicable as the NCDs were allotted on 28 December 2020.</td></tr>
</table>

43.	Form GNL 2, PAS 3 along with Information Memorandum (in PAS 4) and PAS 5 along with challan filed with the Registrar of Companies. Confirmation the said filing has been done within 30 days from the date of Information Memorandum.	Attached as “Annexure – G”
44.	Form PAS 5 along with Information Memorandum filed with SEBI along with acknowledgement receipt. (if applicable). Confirmation the said filing has been done within 30 days from the date of Information Memorandum.	(Filing of PAS 5 is not applicable) Information Memorandum filed within the statutory time limit.
44.	Form MGT14 in respect of the shareholder and board resolution for issue of debentures along with challan filed with Registrar of Companies	Filed within the statutory time limit. Attached as “Annexure – H”
45.	Accounts for this quarter.	Attached as “Annexure – I”
46.	Financials of the Issuer (as submitted by the Issuer company as per Regulation 56(1)(a) of the SEBI (LODR) Regulations, 2015	Not Applicable. First Financial Year not yet elapsed since the closure of the issue.
47.	Delay or default in payment of interest/principal amount in terms of Regulation 15(1)(q) of SEBI (DT) Regulations, 1993	

Financial Year	Principal/Interest outstanding (in Rs. in Cr)	Due date of Payment	Actual Date of Payment	Status of Payment (Paid on time/Default/Paid with delay	Reasons for delay/non-payment, if any
Not Applicable					

48	Trading Status of the debt security	

At the end of FY	Name of Stock Exchange	Whether Traded/ Delisted/ Suspended
The NCDs were listed on 29 December 2020. This is the first financial year since the listing as above.	National Stock Exchange of India Limited	Traded

49.	Cash flows of the Issuer are adequate for payment of Interest and redemption of Principal with details thereof.	Yes, Cash flows of the Issuer are adequate for payment of Interest and redemption of Principal
50.	i. Certificate from Director/Managing Director of the Issuer company and ii. Certificate from an Independent Chartered Accountant certifying the value of book debts/receivables as on 31st December,	Not Applicable – Receivables are not part of secured assets.

	2020 together with a List of Receivables in the following format:- a) Valuation/Amount of Receivables charged for each Issue b) Less Valuation/Amount of Receivables charged stands repaid c) Less Valuation/Amount of charged Non Performing Receivables d) Net Value of charged Standard/Performing/ No default Receivables e) Security cover for the Debentures i) Certificate from Statutory Auditor giving the value of book debts/receivables for the Financial Year 2019-2020 (As on 31 December, 2020)	
51	Any significant change in the composition of the Board of Directors of the Issuer from the disclosures in the Offer Document at the end of each Financial Year after closure of the issue (1st FY, 2nd FY, 3rd FY ………….etc)	None

For CESC Limited

SUBHASIS MITRA Digitally signed by SUBHASIS MITRA Date: 2021.01.20 20:24:01 +05'30'

Company Secretary
ICSI Membership No. A5376

Serial No. 03/2020-21
Addressed to: Citibank N.A.

CESC Limited

Brief description about the Issuer: CESC Limited
A public limited company incorporated under the Indian Companies Act, 1956
Date of Incorporation: 28 March 1978
Registered Office: CESC House, Chowringhee Square, Kolkata - 700001
CIN: L31901WB1978PLC031411
Corporate Office: RPSG House, 2/4C Judges Court Road, Alipore, Kolkata - 700027
Tel: +913322256040
Fax: + 913322255155
Contact Person: Rajarshi Banerjee, Executive Director and CFO
Website: www.cesc.co.in
E-Mail: secretarial@rpsg.in
Advisor to the Issuer: SMIFS Capital Markets Ltd.

ISSUE OF RATED, LISTED, SECURED, REDEEMABLE NON-CONVERTIBLE DEBENTURES OF FACE VALUE OF INR 10,00,000 EACH, AGGREGATING TO UPTO INR 25,00,00,000 (TWENTY FIVE CRORES ONLY) (WITH AN OPTION TO RETAIN OVERSUBSCRIPTION OF UPTO INR 175,00,00,000 (ONE HUNDRED AND SEVENTY FIVE CRORES ONLY)) (THE "DEBENTURES") TO BE ISSUED ON A PRIVATE PLACEMENT BASIS (THE "ISSUE") UNDER THIS INFORMATION MEMORANDUM DATED 24 DECEMBER 2020.

Information Memorandum
Date: 24 December 2020

I. DISCLAIMER CLAUSE:

THIS INFORMATION MEMORANDUM OF PRIVATE PLACEMENT (HEREINAFTER REFERRED TO AS THE "**INFORMATION MEMORANDUM**" IS NEITHER A PROSPECTUS NOR A STATEMENT IN LIEU OF PROSPECTUS. THE ISSUE OF RATED, SECURED, LISTED, REDEEMABLE NON-CONVERTIBLE DEBENTURES (HEREINAFTER REFERRED TO AS "**DEBENTURES**") IS BEING MADE STRICTLY ON A PRIVATE PLACEMENT BASIS. IT IS NOT INTENDED TO BE CIRCULATED TO MORE THAN 200 (TWO HUNDRED) INVESTORS IN ANY FINANCIAL YEAR, AS ELIGIBLE UNDER THE LAWS OF INDIA TO INVEST IN THESE DEBENTURES ("**ELIGIBLE INVESTORS**"). MULTIPLE COPIES HEREOF GIVEN TO THE SAME ENTITY SHALL BE DEEMED TO BE GIVEN TO THE SAME PERSON AND SHALL BE TREATED AS SUCH. IT DOES NOT CONSTITUTE AND SHALL NOT BE DEEMED TO CONSTITUTE AN OFFER OR AN INVITATION TO SUBSCRIBE TO THE DEBENTURES ISSUED TO THE PUBLIC IN GENERAL. APART FROM THIS INFORMATION MEMORANDUM, NO OFFER DOCUMENT OR PROSPECTUS HAS BEEN PREPARED IN CONNECTION WITH THE OFFERING OF THIS ISSUE OR IN RELATION TO THE COMPANY NOR IS SUCH A PROSPECTUS REQUIRED TO BE REGISTERED UNDER THE APPLICABLE LAWS. ACCORDINGLY, THIS INFORMATION MEMORANDUM HAS NEITHER BEEN DELIVERED FOR REGISTRATION NOR IS IT INTENDED TO BE REGISTERED.

THIS INFORMATION MEMORANDUM HAS BEEN PREPARED TO PROVIDE GENERAL INFORMATION ABOUT THE COMPANY TO POTENTIAL INVESTORS TO WHOM IT IS ADDRESSED AND WHO ARE WILLING AND ELIGIBLE TO SUBSCRIBE TO THE DEBENTURES. THIS INFORMATION MEMORANDUM DOES NOT PURPORT TO CONTAIN ALL THE INFORMATION

THAT ANY POTENTIAL INVESTOR MAY REQUIRE. NEITHER THIS INFORMATION MEMORANDUM NOR ANY OTHER INFORMATION SUPPLIED IN CONNECTION WITH THE DEBENTURES IS INTENDED TO PROVIDE THE BASIS OF ANY CREDIT OR OTHER EVALUATION NOR SHOULD ANY RECIPIENT OF THIS INFORMATION MEMORANDUM CONSIDER SUCH RECEIPT A RECOMMENDATION TO PURCHASE ANY DEBENTURES. EACH INVESTOR CONTEMPLATING THE PURCHASE OF ANY DEBENTURES SHOULD MAKE HIS OWN INDEPENDENT INVESTIGATION OF THE FINANCIAL CONDITION AND AFFAIRS OF THE COMPANY, AND HIS OWN APPRAISAL OF THE CREDITWORTHINESS OF THE COMPANY. POTENTIAL INVESTORS SHOULD CONSULT THEIR OWN FINANCIAL, LEGAL, TAX AND OTHER PROFESSIONAL ADVISORS AS TO THE RISKS AND INVESTMENT CONSIDERATIONS ARISING FROM AN INVESTMENT IN THE DEBENTURES AND SHOULD POSSESS THE APPROPRIATE RESOURCES TO ANALYSE SUCH INVESTMENT AND THE SUITABILITY OF SUCH INVESTMENT TO SUCH INVESTOR'S PARTICULAR CIRCUMSTANCES. IT IS THE RESPONSIBILITY OF INVESTORS TO ALSO ENSURE THAT THEY WILL SELL THESE DEBENTURES IN STRICT ACCORDANCE WITH THIS INFORMATION MEMORANDUM AND OTHER APPLICABLE LAWS, SO THAT THE SALE DOES NOT CONSTITUTE AN OFFER TO THE PUBLIC WITHIN THE MEANING OF THE COMPANIES ACT, 2013. NONE OF THE INTERMEDIARIES OR THEIR AGENTS OR ADVISORS ASSOCIATED WITH THIS ISSUE UNDERTAKE TO REVIEW THE FINANCIAL CONDITION OR AFFAIRS OF THE COMPANY DURING THE LIFE OF THE ARRANGEMENTS CONTEMPLATED BY THIS INFORMATION MEMORANDUM OR HAVE ANY RESPONSIBILITY TO ADVISE ANY INVESTOR OR POTENTIAL INVESTOR IN THE DEBENTURES OF ANY INFORMATION AVAILABLE WITH OR SUBSEQUENTLY COMING TO THE ATTENTION OF THE INTERMEDIARIES, AGENTS OR ADVISORS.

THE COMPANY CONFIRMS THAT, AS OF THE DATE HEREOF, THIS INFORMATION MEMORANDUM CONTAINS INFORMATION THAT IS ACCURATE IN ALL MATERIAL RESPECTS AND DOES NOT CONTAIN ANY UNTRUE STATEMENT OF A MATERIAL FACT, OR OMITS TO STATE ANY MATERIAL FACT, NECESSARY TO MAKE THE STATEMENTS HEREIN THAT WOULD BE, IN THE LIGHT OF CIRCUMSTANCES UNDER WHICH THEY ARE MADE, NOT MISLEADING. NO PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATION NOT CONTAINED OR INCORPORATED BY REFERENCE IN THIS INFORMATION MEMORANDUM OR IN ANY MATERIAL MADE AVAILABLE BY THE COMPANY TO ANY POTENTIAL INVESTOR PURSUANT HERETO AND, IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATION MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE COMPANY. THE INTERMEDIARIES AND THEIR AGENTS OR ADVISORS ASSOCIATED WITH THIS ISSUE HAVE NOT SEPARATELY VERIFIED THE INFORMATION CONTAINED HEREIN. ACCORDINGLY, NO REPRESENTATION, WARRANTY OR UNDERTAKING, EXPRESS OR IMPLIED, IS MADE AND NO RESPONSIBILITY IS ACCEPTED BY ANY SUCH INTERMEDIARY AS TO THE ACCURACY OR COMPLETENESS OF THE INFORMATION CONTAINED IN THIS INFORMATION MEMORANDUM OR ANY OTHER INFORMATION PROVIDED BY THE COMPANY. ACCORDINGLY, ALL SUCH INTERMEDIARIES ASSOCIATED WITH THIS ISSUE SHALL HAVE NO LIABILITY IN RELATION TO THE INFORMATION CONTAINED IN THIS INFORMATION MEMORANDUM OR ANY OTHER INFORMATION PROVIDED BY THE COMPANY IN CONNECTION WITH THE ISSUE.

THE CONTENTS OF THIS INFORMATION MEMORANDUM ARE INTENDED TO BE USED ONLY BY THOSE INVESTORS TO WHOM IT IS ISSUED. IT IS NOT INTENDED FOR DISTRIBUTION TO ANY OTHER PERSON AND SHOULD NOT BE REPRODUCED BY THE RECIPIENT.
EACH COPY OF THIS INFORMATION MEMORANDUM IS SERIALLY NUMBERED AND THE PERSON, TO WHOM A COPY OF THE INFORMATION MEMORANDUM IS SENT, IS ALONE ENTITLED TO APPLY FOR THE DEBENTURES. NO INVITATION IS BEING MADE TO ANY PERSONS OTHER THAN THOSE TO WHOM APPLICATION FORMS ALONG WITH THIS INFORMATION MEMORANDUM HAVE BEEN SENT. ANY APPLICATION BY A PERSON TO WHOM

THE INFORMATION MEMORANDUM AND/OR THE APPLICATION FORM HAS NOT BEEN SENT BY THE COMPANY SHALL BE REJECTED WITHOUT ASSIGNING ANY REASON.

THE PERSON WHO IS IN RECEIPT OF THIS INFORMATION MEMORANDUM SHALL MAINTAIN UTMOST CONFIDENTIALITY REGARDING THE CONTENTS OF THIS INFORMATION MEMORANDUM AND SHALL NOT REPRODUCE OR DISTRIBUTE IN WHOLE OR PART OR MAKE ANY ANNOUNCEMENT IN PUBLIC OR TO A THIRD PARTY REGARDING ITS CONTENTS, WITHOUT THE PRIOR WRITTEN CONSENT OF THE COMPANY.

EACH PERSON RECEIVING THIS INFORMATION MEMORANDUM ACKNOWLEDGES THAT:

– SUCH PERSON HAS BEEN AFFORDED AN OPPORTUNITY TO REQUEST AND TO REVIEW AND HAS RECEIVED ALL ADDITIONAL INFORMATION CONSIDERED BY SUCH PERSON TO BE NECESSARY TO VERIFY THE ACCURACY OF OR TO SUPPLEMENT THE INFORMATION HEREIN; AND
– SUCH PERSON HAS NOT RELIED ON ANY INTERMEDIARY THAT MAY BE ASSOCIATED WITH ISSUANCE OF THE DEBENTURES IN CONNECTION WITH ITS INVESTIGATION OF THE ACCURACY OF SUCH INFORMATION OR ITS INVESTMENT DECISION.

THE COMPANY DOES NOT UNDERTAKE TO UPDATE THE INFORMATION MEMORANDUM TO REFLECT SUBSEQUENT EVENTS AFTER THE DATE OF THE INFORMATION MEMORANDUM AND THUS IT SHOULD NOT BE RELIED UPON WITH RESPECT TO SUCH SUBSEQUENT EVENTS WITHOUT FIRST CONFIRMING ITS ACCURACY WITH THE COMPANY. NEITHER THE DELIVERY OF THIS INFORMATION MEMORANDUM NOR ANY SALE OF DEBENTURES MADE HEREUNDER SHALL, UNDER ANY CIRCUMSTANCES, CONSTITUTE A REPRESENTATION OR CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE COMPANY SINCE THE DATE HEREOF.

THIS INFORMATION MEMORANDUM DOES NOT CONSTITUTE, NOR MAY IT BE USED FOR OR IN CONNECTION WITH, AN OFFER OR SOLICITATION BY ANYONE IN ANY JURISDICTION IN WHICH SUCH OFFER OR SOLICITATION IS NOT AUTHORIZED OR TO ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE SUCH AN OFFER OR SOLICITATION. NO ACTION IS BEING TAKEN TO PERMIT AN OFFERING OF THE DEBENTURES OR THE DISTRIBUTION OF THIS INFORMATION MEMORANDUM IN ANY JURISDICTION WHERE SUCH ACTION IS REQUIRED. THE DISTRIBUTION OF THIS INFORMATION MEMORANDUM AND THE OFFERING AND SALE OF THE DEBENTURES MAY BE RESTRICTED BY LAW IN CERTAIN JURISDICTIONS. PERSONS INTO WHOSE POSSESSION THIS INFORMATION MEMORANDUM COMES ARE REQUIRED TO INFORM THEMSELVES ABOUT AND TO OBSERVE ANY SUCH RESTRICTIONS. THE INFORMATION MEMORANDUM IS MADE AVAILABLE TO POTENTIAL INVESTORS IN THE ISSUE ON THE STRICT UNDERSTANDING THAT IT IS CONFIDENTIAL.

NOTHING IN THIS INFORMATION MEMORANDUM CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN ANY OTHER JURISDICTION WHERE SUCH OFFER OR PLACEMENT WOULD BE IN VIOLATION OF ANY LAW, RULE OR REGULATION.

THE ISSUER HAS PREPARED THIS INFORMATION MEMORANDUM AND THE ISSUER IS SOLELY RESPONSIBLE FOR ITS CONTENTS. THE ISSUER WILL COMPLY WITH ALL LAWS, RULES AND REGULATIONS AND HAS OBTAINED ALL REGULATORY, GOVERNMENTAL AND CORPORATE APPROVALS FOR THE ISSUANCE OF THE DEBENTURES. ALL THE INFORMATION CONTAINED IN THIS INFORMATION MEMORANDUM HAS BEEN PROVIDED BY THE ISSUER OR IS PUBLICLY AVAILABLE INFORMATION.

YOU SHOULD CAREFULLY READ AND RETAIN THIS INFORMATION MEMORANDUM. HOWEVER, YOU ARE NOT TO CONSTRUE THE CONTENTS OF THIS INFORMATION MEMORANDUM AS INVESTMENT, LEGAL, ACCOUNTING, REGULATORY OR TAX ADVICE, AND YOU SHOULD

CONSULT WITH YOUR OWN ADVISORS AS TO ALL LEGAL, ACCOUNTING, REGULATORY, TAX, FINANCIAL AND RELATED MATTERS CONCERNING AN INVESTMENT IN THE DEBENTURES.

DISCLAIMER OF THE SECURITIES AND EXCHANGE BOARD OF INDIA:

AS PER THE PROVISIONS OF SEBI (ISSUE AND LISTING OF DEBT SECURITIES) REGULATIONS, 2008, AS AMENDED FROM TIME TO TIME AND THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015, AS AMENDED FROM TIME TO TIME, A COPY OF THE INFORMATION MEMORANDUM IS NOT REQUIRED TO BE FILED WITH OR SUBMITTED TO SEBI FOR ITS REVIEW/APPROVAL. ACCORDINGLY, THE INFORMATION MEMORANDUM HAS NOT BEEN FILED WITH SEBI. THE DEBENTURES HAVE NOT BEEN RECOMMENDED OR APPROVED BY SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) NOR DOES SEBI GUARANTEE THE ACCURACY OR ADEQUACY OF THE INFORMATION MEMORANDUM OR ANY OTHER OFFER DOCUMENT. IT IS TO BE DISTINCTLY UNDERSTOOD THAT THE INFORMATION MEMORANDUM AND ANY OTHER OFFER DOCUMENTS SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR VETTED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE, OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE INFORMATION MEMORANDUM AND ANY OTHER OFFER DOCUMENT.

DISCLAIMER CLAUSE OF THE STOCK EXCHANGE:

AS REQUIRED, A COPY OF THE INFORMATION MEMORANDUM HAS BEEN SUBMITTED TO NSE FOR HOSTING THE SAME ON ITS WEBSITE. IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUCH SUBMISSION OF THE DOCUMENT WITH NSE OR IN-PRINCIPLE APPROVAL GIVEN BY NSE VIDE ITS LETTER HOSTING THE SAME ON ITS WEBSITE IN TERMS OF THE SEBI (ISSUE AND LISTING OF DEBT SECURITIES) REGULATIONS, 2008, AS AMENDED FROM TIME TO TIME, SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THIS DOCUMENT HAS BEEN CLEARED OR APPROVED BY NSE; NOR DOES IT IN ANY MANNER WARRANT, CERTIFY OR ENDORSE THE CORRECTNESS OR COMPLETENESS OF ANY OF THE CONTENTS OF THE INFORMATION MEMORANDUM; NOR DOES IT WARRANT THAT ISSUER’S DEBENTURES WILL BE LISTED OR CONTINUE TO BE LISTED ON THE WDM SEGMENT OF NSE; NOR DOES IT TAKE RESPONSIBILITY FOR THE FINANCIAL OR OTHER SOUNDNESS OF THIS ISSUER, ITS PROMOTERS, ITS MANAGEMENT OR ANY SCHEME OR PROJECT OF THE ISSUER. EVERY PERSON WHO DESIRES TO APPLY FOR OR OTHERWISE ACQUIRE ANY DEBENTURES OF THIS ISSUER MAY DO SO PURSUANT TO INDEPENDENT INQUIRY, INVESTIGATION AND ANALYSIS AND SHALL NOT HAVE ANY CLAIM AGAINST NSE WHATSOEVER, BY REASON OF ANY LOSS WHICH MAY BE SUFFERED BY SUCH PERSON CONSEQUENT TO OR IN CONNECTION WITH SUCH SUBSCRIPTION/ ACQUISITION WHETHER BY REASON OF ANYTHING STATED OR OMITTED TO BE STATED HEREIN OR ANY OTHER REASON WHATSOEVER.

GENERAL RISKS
Potential investors are advised to read the Information Memorandum carefully before taking an investment decision in this offering. For taking an investment decision, investors must rely on their own examination of the Issuer and the Issue including the risks involved. The Debentures have not been recommended or approved by the Securities and Exchange Board of India (“**SEBI**”) nor does SEBI guarantee the accuracy or adequacy of this document. This Information Memorandum has not been submitted, cleared or approved by SEBI.

ISSUE SCHEDULE

Date of Opening: 24 December 2020
Date of Closing: 24 December 2020
Deemed Date of Allotment: 28 December 2020

CREDIT RATING:

"CARE AA" by CARE Ratings Limited. This rating indicates a high degree of safety regarding timely servicing of financial obligations. Such instruments carry very low credit risk.

The rating is not a recommendation to buy, sell or hold securities and investors should take their own decision. The rating may be subject to revision or withdrawal at any time by the assigning rating agency and each rating should be evaluated independently of any other rating. The ratings obtained are subject to revision at any point of time in the future. The rating agency has the right to suspend, withdraw the rating at any time on the basis of new information, etc.

LISTING:

The Debentures are proposed to be listed on the wholesale debt market segment of NSE Limited ("NSE"). The Issuer has obtained an "in-principle" approval from NSE dated 22 December 2020. Please refer to Annexure VI of the Information Memorandum for a copy of the in-principle approval letter dated 22 December 2020 issued by NSE.

REGISTRAR & SHARE TRANSFER AGENT DETAILS

Registrar & share transfer agent: Link Intime India Private Limited
Address: C 101, 247 Park, LBS Rd, Surya Nagar, Gandhi Nagar, Vikhroli West, Mumbai, Maharashtra – 400083
Phone No.: 022 4918 6000
Fax No.: +9122 49186060
E-mail: debtca@linkintime.co.in

This Information Memorandum prepared for private placement of the Debentures is neither a prospectus nor a statement in lieu of prospectus and does not constitute an offer to the public generally to subscribe for or otherwise acquire the debt securities to be issued by the Company. This is only an information brochure intended for private use. This Information Memorandum includes disclosures in terms of Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 dated June 6, 2008, as amended from time to time.

II. DEFINITIONS AND ABBREVIATIONS

Term	Description
Act	The Companies Act, 2013 (including all rules, circulars and clarifications, issued pursuant thereto, from time to time).
Articles of Association	The Articles of Association of the Issuer, as amended from time to time.
Board of Directors/ BoD/ BOD	Board of Directors of the Issuer and includes any authorized committee, formed or to be formed in this regard.
Business Day	shall means a day (other than a Saturday or a Sunday) on which banks are open for general business in Mumbai.
CDSL	Central Depository Services Limited
Company / Issuer	CESC Limited

Charged Assets	The assets charged or otherwise made the subject of security pursuant to the Transaction Documents.
Debenture(s) / NCDs	Rated, listed, secured, redeemable non-convertible debentures of face value of INR 10,00,000 each, aggregating to upto INR 25,00,00,000 (Twenty five crores only) (with an option to retain oversubscription of upto INR 175,00,00,000 (One hundred and seventy five crores only)) to be issued by the Issuer in dematerialized form pursuant to the Debenture Trust Deed and on the terms provided in the Termsheet provided in this Information Memorandum.
Debenture Trustee	IDBI Trusteeship Services Limited
Debenture Trustee Agreement	The debenture trustee agreement dated on or prior to the date of Debenture Trust Deed entered into between the Company and the Debenture Trustee.
Debenture Trust Deed	The Debenture Trust Deed dated 23 December 2020 executed between the Issuer and the Debenture Trustee setting out the roles and responsibilities of the Debenture Trustee in connection with this issuance of Debentures.
Deemed Date of Allotment	The deemed date of allotment of the Debentures as mentioned in the Termsheet.
Deed of Hypothecation	The deed of hypothecation dated on or around the date of the Debenture Trust Deed executed by the Company in favour of the Debenture Trustee for creation of security (by way of hypothecation) over the Charged Assets in favour of the Debenture Trustee.
Depository Act	The Depository Act, 1996, as amended from time to time.
Depository	A depository registered with SEBI under SEBI (Depository and Participants) Regulations, 2018, as amended from time to time with which the Issuer has made arrangement for dematerializing the Debentures.
Depository Participant/ DP	A Depository Participant as defined under the Depository Act.
Deed of Hypothecation Confirmation	The deed of hypothecation confirmation to be executed between the Company and the Debenture Trustee substantially in the form set out in schedule 3 (*Format of Deed of Hypothecation Confirmation*) of the Deed of Hypothecation.
DP ID	Depository Participant Identification Number.
EBP Circular	Circulars bearing no SEBI/HO/DDHS/CIR/P/2018/05 dated 5 January 2018 and SEBI/HO/DDHS/CIR/P/2018/122 dated 16 August 2018 (each as amended from time to time) issued by SEBI for electronic book mechanism for issuance of debt securities on private placement basis.
Electricity Act	The Electricity Act, 2003, as amended from time to time
Environmental or Social Law	means any applicable law or regulation concerning: (a) occupational health and safety; (b) community welfare, and/or land or property rights; (c) the pollution or protection of the environment; or (d) any emission or substance which is capable of causing harm to any living organism or the environment.

Final Redemption Date	The final redemption date in relation to the Debentures as mentioned in the Termsheet.
Memorandum of Association / Memorandum	The Memorandum of Association of the Issuer, as amended from time to time.
NSDL	National Securities Depository Limited
NSE-EBP	NSE electronic bidding platform for issuance of debt securities on private placement basis.
RBI	Reserve Bank of India
SEBI	Securities and Exchange Board of India
Security Document	(a) The Deed of Hypothecation; (b) the Deed of Hypothecation Confirmation; and (c) any other document that may be designated as a Security Document by the Debenture Trustee and the Company, and "**Security Document**" means any of them.
Tax Act	The (Indian) Income Tax Act, 1961.
Transaction Documents	(a) The Debenture Trust Deed; (b) the Debenture Trustee Agreement; (c) each Security Document; (d) this Information Memorandum; and any other document that may be designated as a Transaction Document by the Debenture Trustee and the Company, and "**Transaction Document**" means any of them.
Termsheet	The term sheet in relation to the issue of Debentures as detailed in clause XXVIII of this Information Memorandum.
WBERC	West Bengal Electricity Regulatory Commission
WDM	Wholesale Debt Market

III. DISCLOSURE REQUIREMENTS UNDER FORM PAS – 4 PRESCRIBED UNDER THE COMPANIES ACT, 2013

The table below sets out the disclosure requirements as provided in PAS-4 and the relevant pages in this Information Memorandum where these disclosures, to the extent applicable, have been provided.

Sr. No.	Disclosure Requirements	Refer clause in this Document
1	**GENERAL INFORMATION**	
a.	Name, address, website and other contact details of the company indicating both registered office and corporate office.	Cover Page, Clause VI

Sr. No.	Disclosure Requirements	Refer clause in this Document
b.	Date of incorporation of the company.	Cover Page
c.	Business carried on by the company and its subsidiaries with the details of branches or units, if any.	Clause VII
d.	Brief particulars of the management of the company.	Clause X (i)
e.	Names, addresses, DIN and occupations of the directors	Clause X (ii)
f.	Management's perception of risk factor	Clause XXIV
g.	Details of default, if any, including therein the amount involved, duration of default and present status, in repayment of:	
i)	Statutory dues;	Clause XII (x)
ii)	Debentures and interest thereon;	Clause XII (x)
iii)	Deposits and interest thereon; and	Clause XII (x)
iv)	Loan from any bank or financial institution and interest thereon.	Clause XII (x)
h.	Names, designation, address and phone number, email ID of the nodal/ compliance officer of the company, if any, for the private placement offer process.	Clause VI
	Any default in Annual filing of the Company under the Companies Act, 2013 or the rules made thereunder.	Clause XXIII
2	**PARTICULARS OF THE OFFER**	
a.	Financial position of the Company for last 3 years.	Clause VII (iii)
b.	Date of passing of board resolution.	Clause XXVIII
c.	Date of passing of resolution in the general meeting, authorizing the offer of securities.	Clause XXVIII
d.	Kinds of securities offered (i.e. whether share or debenture) and class of security, the total number of shares or other securities to be issued.	Clause XXVIII
e.	Price at which the security is being offered including the premium, if any, along with justification of the price.	Clause XXVIII
f.	Amount which the company intends to raise by way of securities.	Clause XXVIII
g.	Terms of raising of securities:	
(i)	Duration, if applicable;	Clause XXVIII
(ii)	Rate of dividend;	Not Applicable
(iii)	Rate of interest;	Clause XXVIII
(iv)	Mode of payment; and	Clause XXVIII
(v)	Mode of repayment.	Clause XXVIII
h.	Proposed time schedule for which the private placement offer cum Application letter is valid.	Page 4 (Issue Schedule)
i.	Purposes and objects of the offer.	Clause XXVIII
j.	Contribution being made by the promoters or directors either as part of the offer or separately in furtherance of such objects.	Clause XXVIII
k.	Principle terms of assets charged as security, if applicable.	Clause XXVIII
l.	The details of significant and material orders passed by the Regulators, Courts and Tribunals impacting the going concern status of the Company and its future operations.	Clause XVII
m.	Mode of payment for subscription: Demand Draft Other Banking Channels	Clause XXV (C)
3	**DISCLOSURES WITH REGARD TO INTEREST OF DIRECTORS,**	

Sr. No.	Disclosure Requirements	Refer clause in this Document
	LITIGATION ETC	
a.	Any financial or other material interest of the directors, promoters or key managerial personnel in the offer and the effect of such interest in so far as it is different from the interests of other persons.	Clause XXVII (a)
b.	Details of any litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against any promoter of the offeree company during the last three years immediately preceding the year of the circulation of the issue of private placement offer cum application letter and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action shall be disclosed.	Clause XXVII (a)
c.	Remuneration of directors (during the current year and last three financial years).	Clause XXVII (a)
d.	Related party transactions entered during the last three financial years immediately preceding the year of issue of private placement offer cum application letter including with regard to loans made or, guarantees given or securities provided.	Clause XXVII (a)
e.	Summary of reservations or qualifications or adverse remarks of auditors in the last five financial years immediately preceding the year of issue of private placement offer cum application letter and of their impact on the financial statements and financial position of the company and the corrective steps taken and proposed to be taken by the company for each of the said reservations or qualifications or adverse remark.	Clause XXVII (a)
f.	Details of any inquiry, inspections or investigations initiated or conducted under the Companies Act or any previous company law in the last three years immediately preceding, the year of issue of private placement offer cum application letter in the case of company and all of its subsidiaries. Also if there were any prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last three years immediately preceding the year of the private placement offer cum application letter and if so, section-wise details thereof for the company and all of its subsidiaries.	Clause XXVII (a)
g.	Details of acts of material frauds committed against the company in the last three years, if any, and if so, the action taken by the company	Clause XXVII (a)
4	**FINANCIAL POSITION OF THE COMPANY**	
a.	The capital structure of the company in the following manner in a tabular form:	
(i)(a)	The authorised, issued, subscribed and paid up capital (number of securities, description and aggregate nominal value);	Clause VIII
(b)	Size of the present offer; and	Clause VIII
(c)	Paid up capital:	Clause VIII
(A)	After the offer; and	Clause VIII
(B)	After conversion of convertible instruments (if applicable);	Clause VIII
(d)	Share premium account (before and after the offer).	Clause VIII
(ii)	The details of the existing share capital of the issuer company in a tabular form, indicating therein with regard to each allotment, the date of allotment, the number of shares allotted, the face value of the shares allotted, the price and the form of consideration.	Clause VIII

Sr. No.	Disclosure Requirements	Refer clause in this Document
	Provided that the issuer company shall also disclose the number and price at which each of the allotments were made in the last one year preceding the date of the private placement offer cum application letter separately indicating the allotments made for considerations other than cash and the details of the consideration in each case.	Clause VIII
b.	Profits of the company, before and after making provision for tax, for the three financial years immediately preceding the date of issue of private placement offer cum application.	Clause VII (iii)
c.	Dividends declared by the company in respect of the said three financial years.	Clause VII (iii)
d.	A summary of the financial position of the company as in the three audited balance sheets immediately preceding the date of issue of circulation of private placement offer cum application letter.	Clause XV
e.	Audited Cash Flow Statement for the three years immediately preceding the date of issue of private placement offer cum application letter.	Clause XV
f.	Any change in accounting policies during the last three years and their effect on the profits and the reserves of the company.	Clause XIV
5	**A DECLARATION BY THE DIRECTORS THAT**	
a.	The company has complied with the provisions of the Act and the rules made thereunder.	Director’s Declaration – Page number 60
b.	The compliance with the Act and the rules does not imply that payment of dividend or interest or repayment of debentures, if applicable, is guaranteed by the Central Government.	Director’s Declaration – Page number 60
c.	The monies received under the offer shall be used only for the purposes and objects indicated in the Private placement Offer cum Application letter.	Director’s Declaration – Page number 60

IV. LIST OF DOCUMENTS TO BE FILED WITH THE STOCK EXCHANGE

The Information Memorandum is prepared in accordance with the provisions of regulations issued by SEBI, RBI and Companies Act, 2013 and in this section, the Issuer has set out the details required as per Schedule I of the SEBI (Issue and Listing of Debt Securities) Regulations, 2008.

List of disclosures to be filed along with the listing application to the stock exchange:

A. Memorandum and Articles of Association and necessary resolution(s) for the allotment of the Debentures;
B. Copy of last three years audited annual reports;
C. Statement containing particulars of, dates of, and parties to all material contracts and agreements;
D. Copy of the certificate from an independent chartered accountant confirming that borrowing limit binding on it under Section 180(1)(c) of the Companies Act, 2013 will not be exceeded upon the allotment of the Debentures;
E. An undertaking from the Issuer stating that the necessary documents for the creation of the charge, where applicable, including the Debenture Trust Deed would be executed within the time frame prescribed in the relevant regulations/act/rules etc. and the same would be uploaded on the website of the designated stock exchange, where the debt securities have been listed, within five working days of execution of the same;
F. An undertaking that permission/consent from the prior creditor for a second or *pari passu* charge being created, where applicable, in favor of the Debenture Trustee to the proposed issue shall be obtained in due course; and
G. Any other particulars or documents that the recognized stock exchange may call for as it deems fit.

V. LIST OF DOCUMENTS TO BE DISCLOSED TO THE DEBENTURE TRUSTEE

List of disclosures to be submitted to the Debenture Trustee in electronic form (soft copy) at the time of allotment of the debt securities:

A. Memorandum and Articles of Association and necessary resolution(s) for the allotment of the Debentures;
B. Copy of last three years' audited annual reports;
C. Statement containing particulars of, dates of, and parties to all material contracts and agreements;
D. Latest audited/limited review half yearly consolidated (wherever available) and standalone financial information (Profit & Loss statement, Balance Sheet and Cash Flow statement) and auditor qualifications, if any;
E. An undertaking to the effect that the Issuer would, until the redemption of the debt securities, submit the details mentioned in point (D) above to the Debenture Trustee within the timelines as mentioned in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 issued by SEBI vide circular No. SEBI/LAD-NRO/GN/2015-16/013 dated September 2, 2015, as amended from time to time, for furnishing / publishing its half yearly/ annual result. Further, the Issuer shall within 180 days from the end of the financial year, submit a copy of the latest annual report to the Debenture Trustee and the Debenture Trustee shall be obliged to share the details submitted under this section with the debenture-holders within two Business Days of their specific request.

VI. NAME AND ADDRESS OF THE FOLLOWING:

(i) Name of the Issuer: CESC Limited
Registered Office:
Address: CESC House, Chowringhee Square, Kolkata - 700001
Phone No.: +91 33 2225 6040
Fax No.: +91 33 2225 3495

Corporate office of the Issuer:
Address: RPSG House, 2/4C Judges Court Road, Alipore, Kolkata - 700027
Phone No.: +91 33 24870125 /24870375
Fax No.: NA

(ii) Compliance officer of the Issuer: Subhasis Mitra, Company Secretary
Address: CESC House, Chowringhee Square, Kolkata – 700001
Email: subhasis.mitra@rpsg.in
Phone No.: +91 33 2225 6040
Fax No.: +91 33 2225 5155

(iii) CFO of the Issuer: Rajarshi Banerjee
Address: CESC House, Chowringhee Square, Kolkata - 700001
Phone No.: +91 33 2225 6040
Fax No.: +91 33 2225 5540

(iv) Debenture Trustee for the Issue: IDBI Trusteeship Services Limited
Address: Asian Building, Gr Floor, 17 R Kamani Marg Ballard Estate, Mumbai - 400001
Phone No.: + 91 22 4080 7000
Fax No.: +91 22 6631 1776

Registrar for the Issue: Link Intime India Private Limited
Address: C 101, 247 Park, LBS Road, Surya Nagar, Gandhi Nagar, Vikhroli West,

Mumbai, Maharashtra - 400083
Phone No.: 022 4918 6000
Fax No.: +9122 49186060

(v) Credit Rating Agency appointed in connection with the Issue: CARE Ratings Limited
Address: 3rd Floor, Prasad Chambers (Shagun Mall Building), 10A Shakespeare Sarani, Kolkata - 700071
Phone No.: +91 33 4018 1600
Fax No.: +91 33 4018 1603

(vi) Auditors of the Issuer: S.R. Batliboi & Co. LLP
Address: 22, Camac Street, 3rd Floor, Block B, Kolkata - 700016
Phone No.: + 91 33 6134 4000
Fax No.: + 9133 22817750

VII. A brief summary of the business/ activities of the Issuer and its line of business containing at least following information:-

i. **Overview**

The Issuer is a 120 year old power utility company engaged in the generation and distribution of electricity across 567 square kilo metres of licensed area in Kolkata, Howrah and in the other adjoining areas of West Bengal. The Company's license expires on 2 September 2038. As on 31 March 2020, the Company supplied electricity to approximately 3.3 million customers, including domestic, industrial and commercial users, with peak demand of 2300 MW+.

As of 30 September 2020, the Company owns and operates five coal-based power plants with an aggregate capacity of 2325 MW in the State of West Bengal and the State of Maharashtra. It also owns and operates a 174 MW wind power plant in the State of Rajasthan, Gujarat, Tamil Nadu and Madhya Pradesh either directly or through its subsidiaries.

In the year ended 31 March 2020, 88% of the units delivered to the Company's distribution system was electricity generated from the Company's own power plants in West Bengal and 12% was electricity purchased from third parties.

The Company owns and operates the distribution network in the cities of Kolkata and Howrah and in the adjoining areas, West Bengal through which it supplies electricity to consumers.

ii. **Corporate Structure**

The subsidiaries, associates and joint ventures of the Company, as on September 30, 2020 are:

S. No.	Name of Subsidiaries, Associates and Joint Ventures of the Company	Country of Incorporation	Percentage of ownership interest as on 30 September 2020
1	Haldia Energy Limited	India	100.00
2	Dhariwal Infrastructure Limited	India	100.00
3	Surya Vidyut Limited	India	100.00
4	Malegaon Power Supply Limited (formerly known as Nalanda Power	India	100.00

S. No.	Name of Subsidiaries, Associates and Joint Ventures of the Company	Country of Incorporation	Percentage of ownership interest as on 30 September 2020
	Company Limited)		
5	CESC Projects Limited	India	100.00
6	Bantal Singapore Pte Limited	Singapore	100.00
7	Pachi Hydropower Projects Limited	India	100.00
8	Papu Hydropower Projects Limited	India	100.00
9	Ranchi Power Distribution Company Limited	India	100.00
10	Crescent Power Limited	India	67.83
11	Kota Electricity Distribution Limited	India	100.00
12	Bikaner Electricity Supply Limited	India	100.00
13	Bharatpur Electricity Services Limited	India	100.00
14	CESC Green Power Limited	India	100.00
15	Noida Power Company Limited (Associate)	India	49.55
16	Jharkhand Electric Company Limited	India	100.00
17	Jarong Hydro-Electric Power Company Limited	India	100.00
18	Au Bon Pain Café India Limited	India	93.10
19	Eminent Electricity Distribution Limited	India	100.00
20	Mahuagarhi Coal Company Private Limited (Joint venture)	India	50.00

Subsidiaries of the Company

Haldia Energy Limited is in the business of generation of electricity and owns and operates 2 x 300 MW thermal power in the State of West Bengal. The entire power generated by Haldia sent to the Company pursuant to a Power Purchase agreement.

Dhariwal Infrastructure Limited is in the business of generation of electricity and owns and operates a 2x300 MW thermal power project at Chandrapur, Maharashtra.

Surya Vidyut Limited is in the business of generation of electricity. The Company has four wind power projects namely 24 MW Wind Power Project at Dangri, Rajasthan, 26 MW Wind Power Project at Mahidad, Gujarat, 36 MW Wind Power Project at Nipaniya, Madhya Pradesh and 70 MW Wind Power

Project at Rojmal, Gujarat.

Crescent Power Limited is in the business of generation of electricity and owns and operates a 40 MW atmospheric fluidised based combustion (AFBC) power plant using low grade coal and washery rejects from the adjacent captive coal mine and coal washery in Sarisatolli, District Burdwan, West Bengal and 18 MWDC Solar Photo voltaic Power Plant in District Ramanathapuram, Tamil Nadu.

Kota Electricity Distribution Limited is in the business of distribution of electricity in the Kota city circle of Rajasthan, in the capacity of Distribution Franchisee, for a period of twenty years

Bikaner Electricity Supply Limited is in the business of distribution of electricity in the Bikaner city circle of Rajasthan, in the capacity of Distribution Franchisee, for a period of twenty years.

Bharatpur Electricity Services Limited is in the business of distribution of electricity in the Bharatpur city circle of Rajasthan, in the capacity of Distribution Franchisee, for a period of twenty years.

Malegaon Power Supply Limited is in the business of distribution of electricity in the Malegaon Corporation Area in terms of a distribution franchisee agreement, for a period of twenty years.

CESC Projects Limited, CESC Green Power Limited, Eminent Electricity Distribution Limited and Ranchi Power Distribution Company Limited are yet to commence its business activities and has been exploring various opportunities for taking up projects.

Pachi Hydropower Projects Limited, Papu Hydropower Projects Limited and Jarong Hydro-Electric Power Company Limited are proposed to set up Hydroelectric power plants are yet to start operations.

Jharkhand Electric Company Limited has previously undertaken a Project for setting up coal fired 2 x 300 MW thermal power Station at Danro village in Dumka in the State of Jharkhand., has been kept on hold due to cancellation of coal block allocated to the project by the Hon'ble Supreme Court in September, 2014.

Au Bon Pain Café India Limited was in café retail business and presently not in operation.

iii. Financial position of the Company for the last three financial years: Please refer to Annexure IV

Key Operational and Financial Parameters * for the last 3 Audited years

*At least covering the following - Consolidated basis (wherever available) else on standalone basis

Parameters	Upto September 30, 2020	FY 2020	FY 2019	FY 2018
Networth:*				
-Equity Share Capital	133	133	133	133
-Other Equity	9936	9494	8841	8287
-Non-Controlling Interest	89	86	82	69
	10158	**9713**	**9056**	**8489**
Total Debt of which -				

Parameters	Upto September 30, 2020	FY 2020	FY 2019	FY 2018
Non Current Maturities of Long Term Borrowing	9913	9819	10291	11117
- Short Term Borrowing	2503	2421	2387	2200
- Current Maturities of Long Term Borrowing	1528	1809	1860	1329
Net Fixed Assets	23302	23733	23810	24070
Non Current Assets	944	911	911	911
Cash and Cash Equivalents (including Bank balances)	1286	1791	1031	1194
Current Investments	13	15	513	506
Current Assets	4523	3197	3206	2739
Current Liabilities	2605	2257	2214	2127
Net sales	5322	10761	10396	9960
EBITDA	1763	3888	4061	3744
EBIT	1339	3026	3218	2657
Interest	622	1357	1325	1303
PAT	572	1306	1198	975
Dividend amounts (including DDT)	0	320	280	191

Key Operational and Financial Parameters for the last 3 Audited years – on a Standalone basis

Parameters	Upto September 30, 2020	FY 2020	FY 2019	FY 2018
Networth				
-Equity Share Capital	133	133	133	133
-Other Equity	10132	9905	9631	9314

Parameters	Upto September 30, 2020	FY 2020	FY 2019	FY 2018
	10265	**10038**	**9764**	**9447**
Total Debt of which				
- Non Current Maturities of Long Term Borrowing	4092	3704	3378	3680
- Short Term Borrowing	1688	1590	1485	1293
- Current Maturities of Long Term Borrowing	807	1174	1200	987
Net Fixed Assets	14600	14899	14803	14914
Non-Current Assets	4763	4666	4660	4577
Cash and Cash Equivalents (including Bank balances)	884	1413	624	723
Current Investments	13	15	513	506
Current Assets	2813	1718	1843	1788
Current Liabilities	3333	3007	3318	3306
Net sales	3512	7646	7558	7595
EBITDA	863	2192	2161	2206
EBIT	610	1663	1649	1583
Interest	257	544	466	484
PAT	362	918	937	862
Dividend amounts (including DDT)	0	320	280	191
Fixed Assets Coverage ratio	2.3	2.3	2.5	2.4
Long Term Debt/Networth ratio	0.5	0.5	0.5	0.5

iv. Gross Long Term Debt: Networth Ratio of the Company:-

Before the issue of debt securities (as on 30 September 2020)	0.5

After the issue of debt securities	0.5

v. Project cost and means of financing, in case of funding of new projects: Not Applicable

VIII. BRIEF HISTORY OF THE COMPANY SINCE ITS INCORPORATION GIVING DETAILS OF THE FOLLOWING ACTIVITIES

i. Details of Share Capital as on last quarter end:-

Authorized Share Capital	3,15,60,00,000 fully paid up equity shares of nominal value INR 10 each aggregating to INR 31,56,00,00,000
Issued, Share Capital	13,88,57,015 fully paid up equity shares of nominal value 10 each aggregating to INR 1,38,85,70,150
Subscribed and Paid-up Share Capital	13,25,57,043 fully paid up equity shares of nominal value 10 each aggregating to INR 1,32,55,70,430
Size of the Present Issue	Not Applicable as this is not a private placement of equity shares
Subscribed & fully paid up capital	Not Applicable as this is not a private placement of equity shares
a. After the Issue	Not Applicable as this is not a private placement of equity shares
b. After conversion of convertible instrument (if applicable)	Not Applicable as this is not a private placement of equity shares
Share Premium Account before the Issue as on 30 September 2020	Not Applicable as this is not a private placement of equity shares
Share Premium Account after the Issue	Not Applicable as this is not a private placement of equity shares

ii. Changes in its capital structure as on last quarter end, for the last five years:-

Date of Change (AGM/EGM)	INR (in crores)	Particulars
12 October, 2018*	3,156	Change of Authorized Share Capital pursuant to Scheme of Arrangement entered into by the Company and nine of its subsidiaries

**represents the date on which the order of the Hon'ble National Company Law Tribunal, Kolkata approving the Composite Scheme of Arrangement amongst CESC Limited and nine of its subsidiaries was taken on record by the Board.*

iii. Equity Share Capital History of the Company as on last quarter end, for the last five years:-

Date of Issue/ Allotment	Number of Equity Shares	Face Value (INR)	Issue Price (INR)	Consideration (Cash, Other than Cash)	Nature of Allotment	Cumulative Number of Equity Shares	Cumulative paid-up capital (INR)	Equity share premium (INR)
28 March 1978	75	10.00	10.00	Other than cash	Subscription to Memorandum of Association	75	750	Nil

Date of Issue/ Allotment	Number of Equity Shares	Face Value (INR)	Issue Price (INR)	Consideration (Cash, Other than Cash)	Nature of Allotment	Cumulative Number of Equity Shares	Cumulative paid-up capital (INR)	Equity share premium (INR)
7 April 1979	7194951	10	10	Other than cash	Allotted to the shareholders of the Calcutta Electric Supply Corporation Limited pursuant to a scheme of Arrangement & Amalgamation .	7195026	71950260	Not Applicabl e
24 September 1981	300000	10	10	Other than cash	Conversion of loans	7495026	74950260	Nil
30 October 1981	650000	10	10	Other than cash	Conversion of loans	8145026	81450260	Nil
5 May 1982	300000	10	10	Other than cash	Conversion of loans	8445026	84450260	Nil
1 October 1986	8500000	10	10	Cash	Rights Issue	16945026	169450260	Nil
1 July 1991	3994596	10	25	Cash	Rights Issue	20939622	209396220	59918940
1 December 1991	9175980	10	25	Other than cash	Conversion of debentures	30115602	301156020	13763970 0
25 April 1995	8366140	10	US$ 10 .67	Cash	Issue of 8366140 GDRs representing equivalent number of shares at US$ 53.34 per unit of 5 GDRs.	38481742	384817420	27156490 44
29 July 1995	5000000	10	142	Cash	Private Placement	43481742	434817420	66000000 0
24 July 1996	3497000	10	80	Cash	Conversion of Warrant ‘A’	46978742	469787420	24479000 0
24 July 1996	1184143 7	10	50	Cash	Conversion of Warrant ‘A’	58820179	588201790	47365748 0
15 October 1996	104648	10	50	Cash	Conversion of Warrant ‘A’	58924827	589248270	4185920
1 April 1997	8103	10	50	Cash	Conversion of Warrant “A’	58932930	589329300	324120
15 February 1999	10,188,6 65	10	20	Cash	Conversion of Warrant “B’	69121595	691215950	10,188,66 50
Forfeiture on 10 August	(6263293)			-	Forfeiture of shares	62858302	628583020	-

Date of Issue/ Allotment	Number of Equity Shares	Face Value (INR)	Issue Price (INR)	Consideration (Cash, Other than Cash)	Nature of Allotment	Cumulative Number of Equity Shares	Cumulative paid-up capital (INR)	Equity share premium (INR)
1997								
Forfeiture on 24 July 2004	(36679)				Forfeiture of shares	62821623	628216230	-
15 October 2003	3300000	10	49.70	Cash	Preferential Issue	66121623	661216230	131010000
22 November 2004	8265203	10	60	Cash	Rights Issue	74386826	743868260	413260150
30 September 2005	7930685	10	US$5.04	Cash	Issue of 7930685 GDRs representing equivalent number of shares	82317511	823175110	1681305220
12 March 2007	2000000	10	216.68	Cash	Preferential Issue	84317511	843175110	413360000
12 October 2007	31058414	10	-	Other than cash	Allotted pursuant to scheme of Amalgamation	115375925	1153759250	Not applicable
13 December 2007	9560000	10	618	Cash	Issue of shares to QIBs	124935925	1249359250	5812480000
5 November 2014	7621118	10	644	Cash	Issue of shares to QIBs	132557043	1325570430	4831788812

iv. Details of any Acquisition or Amalgamation in the last 1 year:

The National Company Law Tribunal, Kolkata Bench, *vide* its order on 28 March 2018, approved the composite scheme of arrangement amongst the Company and nine of its subsidiaries and their respective shareholders, under Section 230 and 232 and other applicable provisions of Companies Act 2013 (the "**Scheme**"). Pursuant to the Scheme two new companies namely CESC Ventures Limited and Spencer's Retail Limited were formed.

For further details with respect to the demerger, please refer to notes to accounts of the audited balance sheets for the Issuer for the financial year ended 31 March 2019 and 31 March 2020.

v. Details of any Reorganization or Reconstruction in the last 1 year:- **Not Applicable.**

IX. DETAILS OF THE SHAREHOLDING OF THE COMPANY AS ON THE LATEST QUARTER END:-

i. Shareholding pattern of the Company for the quarter ended on 30 September, 2020:-

ii.

S. No.	Particulars	Total number of equity shares	Number of equity shares in demat form	Total shareholding as % of total number of equity shares

1	Promoter and promoter Group	66172209	66172209	49.92%
2	Mutual Funds	28631893	28629158	21.60 %
3	Foreign Portfolio Investor	21363618	21357416	16.12 %
4	Financial Institutions / Banks	105689	98126	0.08%
5	Insurance Company	4304749	4299749	3.25%
6	Others	11978885	10754981	9.04%
Total		132557043	131311639	100%

Notes:- (i) Shares pledged or encumbered by the promoters (if any): No shares pledged or encumbered by the promoters.

(ii) Issue of non-convertible debentures will not affect the shareholding pattern of the Company.

iii. List of top 10 holders of equity shares of the Company as on the latest quarter end:-

S. No.	Name of the shareholders	Total number of equity shares	Number of equity shares in demat form	Total shareholding as % of total number of equity shares
1	Rainbow Investments Limited	58796632	58796632	44.35
2	HDFC Trustee Company Limited-HDFC Equity Fund	5847355	5847355	4.41
3	MFS Emerging Markets Equity Fund	4271953	4271953	3.22
4.	Mfs International New Discovery Fund	3095481	3095481	2,33
5	BNK Capital Markets Limited	2902514	2902514	2.18
6	HDFC Trustee Company Ltd. A/C HDFC Top 100 Fund	2813250	2813250	2.12
7	Life Insurance Corporation of India	2760660	2760660	2.08
8	Hdfc Trustee Company Ltd. A/C - Hdfc Balanced Advantage Fund	2503000	2503000	1.88
9	Reliance Capital Trustee Co Ltd-A/C Nippon India Multi Cap Fund	2500304	2500304	1.88
10	STEL Holdings Limited	2493470	2493470	1.88

X. FOLLOWING DETAILS REGARDING THE DIRECTORS OF THE COMPANY:

i. Brief Particulars of the Management of the Company:

As on the date of this Information Memorandum, our Board comprises of ten Directors out of which 5 are Independent Directors including a woman Director. The composition of the Board of Directors is in compliance with Section 149 of Companies Act 2013 and Regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations 2015.

ii. Details of the current directors of the Company*

Name, Designation, Occupation and DIN	Age	Address	Director of the Company since	Details of other directorship
Dr. Sanjiv Goenka, Designation: Chairman and Non-Executive Director DIN: 00074796 Occupation: Industrialist	60 years	Goenka Nivas, 19, Dr. Rama Prasad Goenka Sarani, Belvedere Road, Alipore, Kolkata – 700027	29 April 1989	Saregama India Limited Phillips Carbon Black Limited Firstsource Solutions Limited CESC Ventures Limited Spencer's Retail Limited Spencer International Hotels Limited Haldia Energy Limited Spencer and Company Limited ATK Mohun Bagan Private Limited
Shashwat Goenka Designation: Vice-Chairman and Non-Executive Director DIN: 03486121 Occupation: Industrialist	30 years	Goenka Nivas, 19, Dr. Rama Prasad Goenka Sarani, Belvedere Road, Alipore, Kolkata – 700027	14 November 2019	Phillips Carbon Black Limited Firstsource Solutions Limited CESC Ventures Limited Spencer's Retail Limited Spencer International Hotels Limited Retailer's Association of India
Mr. Pradip Kumar Khaitan Designation: Non-Independent and Non-Executive Director DIN: 00004821 Occupation: Professional	79 years	B- 103 Rai Enclave 7/1A Sunny Park, Ballygunge Kolkata 700019	29 October 1992	Graphite India Limited Dalmia Bharat Limited India Glycols Limited Electro Steel Castings Limited Emami Limited Firstsource Solutions Limited Woodlands Multispeciality Hospital Limited
Mr. Chandra Kumar Dhanuka Designation:	67 years	14 Loudon Street, Circus Avenue Kolkata 700017	4 May 2012	Naga Dhunseri Group Limited Mint Investments

Name, Designation, Occupation and DIN	Age	Address	Director of the Company since	Details of other directorship
Independent and Non-Executive Director DIN: 00005684 Occupation: Industrialist				Limited Dhunseri Investments Limited Dhunseri Ventures Limited Dhunseri Tea & Industries Limited Dhunseri Overseas Private Limited Dhunseri Poly Films Private Limited Emami Limited Madhuting Tea Private Limited IVL Dhunseri Petrochem Industries Private Limited Dhunseri Infrastructure Limited Trimplex Investments Limited Jatayu Estate Private Limited ABC Tea Workers Welfare Services
Ms. Rekha Sethi Designation: Independent and Non-Executive Director DIN: 06809515 Occupation: Service	57 years	32, Uday Park, First Floor Delhi 110049	30 May 2014	Sun Pharmaceutical Industries Limited Spencer's Retail Limited Sun Pharma Laboratories Limited Hero Steels Limited Management and Entrepreneurship and Professional Skills Council
Mr. Pratip Chaudhuri Designation: Independent and Non-Executive Director DIN:00915201 Occupation: Retired Banker	67 years	H-1591 Chittaranjan Park New Delhi 110019	1 October 2014	Visa Steel Limited Firstsource Solutions Limited Muthoot Finance Limited Quess Corp Limited Spencer's Retail Limited Cosmo Films Limited IFFCO Kisan Sanchar Limited Jagaran Microfin Private Limited

Name, Designation, Occupation and DIN	Age	Address	Director of the Company since	Details of other directorship
				Alchemist Asset Reconstruction Company Limited Dynamic Drilling & Services Private Limited
Mr. Kalaikuruchi Jairaj Designation: Independent and Non-Executive Director DIN:01875126 Occupation: Retired Civil Servant	68 years	No. 32, 5th B Cross, 16th Main, Btm Layout, 2nd Stage Bangalore 560076	1 August 2014	Adani Transmission Limited CESC Ventures Limited Neo Foods Private Limited Maharashtra Eastern Grip Power Transmission Company Limited Adani Transmission (India) Limited Sembcorp Energy India Limited Haldia Energy Limited Adani Electricity
Mr. Sunil Mitra Designation: Independent and Non-Executive Director DIN:00113473 Occupation: Retired Civil Servant	69 years	Chirantan, 241, Shantipally, 2nd Floor, Behind Acropolis Mall, Rajdanga, Kolkata 700107	14 November 2019	Century Plyboards (India) Limited Texmaco Rail & Engineering Limited Firstsource Solutions Limited Patton International Limited Magma HDI General Insurance Company Limited IPE Global Limited Sekura Roads Limited Sekura Energy Limited
Mr. Rabi Chowdhury Designation: Managing Director (Generation) DIN:06601588 Occupation: Service	60 years	Devaloke Heights,142a Raja S.C.Mullick Road, Fl 12c Regent Estate, Circus Avenue Kolkata 700092	28 May, 2018	Ghaziabad Power Company Limited Jarong Hydro-Electric Power Company Limited Dhariwal Infrastructure Limited Haldia Energy Limited CESC Green Power Limited
Mr. Debasish Banerjee Designation: Managing	59 years	Westwind Fl-10a Bl-Iv 78 Raja Sc Mullick Rd Kolkata 700084	28 May, 2018	Eminent Electricity Distribution Limited

Name, Designation, Occupation and DIN	Age	Address	Director of the Company since	Details of other directorship
Director (Distribution) DIN:06443204 Occupation: Service				Malegaon Power Supply Limited

iii. Company to disclose name of the current directors who are appearing in the RBI defaulter list and/or ECGC default list, if any. - Nil

iv. Details of change in directors since last three years:-

Name, designation and DIN	Date of Appointment / resignation	Director of the Company since (in case of resignation)	Remarks
Mr. B.M. Khaitan, Independent Director DIN: 00023771	23 May 2018	10 May 1994	Resigned as an Independent Director
Mr. Aniruddha Basu, Managing Director DIN: 06593527	28 May 2018	28 May 2013	Cessation due to expiry of his term of office of Managing Director
Mr. Rabi Chowdhury, Managing Director (Generation) DIN: 06601588	28 May 2018	NA	Appointment as Managing Director (Generation)
Mr. Debasish Banerjee, Managing Director (Distribution) DIN: 06443204	28 May 2018	NA	Appointment as Managing Director (Distribution)
Shashwat Goenka, Vice Chairman DIN: 03486121	14 November 2019	NA	Appointed as Vice Chairman
Mr. Sunil Mitra, Independent Director DIN: 00113473	14 November 2019	NA	Appointed as an Independent Director

XI. FOLLOWING DETAILS REGARDING THE AUDITORS OF THE COMPANY:-

i. Details of the auditor of the Company:-

Name	Address	Auditor since
S.R. Batliboi & Co., LLP	22, Camac Street, Block 'B', 3rd Floor, Kolkata – 700 0016	Appointed on 28 July 2017

ii. Details of change in auditor since last three years:-

Name	Address	Date of Appointment / Resignation	Auditor of the Company since (in case of resignation)	Remarks
Lovelock & Lewes	Plot Y-14, Block EP, Sector V, Salt Lake, Kolkata - 700091	Rotated on 28 July 2017	Since incorporation in 1978	The appointment of M/S R Batliboi & Co. LLP as the new auditors was in place of M/S. Lovelock & Lewes, who have been rotated in terms of the provisions of the Companies Act, 2013

XII. DETAILS OF BORROWINGS OF THE COMPANY, AS ON THE LATEST QUARTER END:-

i. Details of secured loan facilities availed of by the Issuer as at 30 September 2020 :- (All figures in INR crore)

Lender's Name	Type of Facility	Amount Sanctioned	Principal Amount Outstanding	Repayment Date / Schedule	Security
IDFC FIRST BANK LIMITED	Term Loan	150.00	11.25	40 equal quarterly instalments of Rs 3.75 crore each ending in June 2021	1st charge on Fixed Assets and 2nd charge on Current Assets of the Company on pari-passu basis among the lenders
IDBI BANK LIMITED	Term Loan	100.00	5.00	40 equal quarterly instalments of Rs 2.5 crore each ending in January 2021	1st charge on Fixed Assets and 2nd charge on Current Assets of the Company on pari-passu basis among the lenders
IDBI BANK LIMITED	Term Loan	200.00	131.82	44 equal quarterly instalments of Rs 4.55 crore each ending in October 2027	1st charge on Fixed Assets and 2nd charge on Current Assets of the Company on pari-passu basis among the lenders

Lender's Name	Type of Facility	Amount Sanctioned	Principal Amount Outstanding	Repayment Date / Schedule	Security
ICICI BANK LIMITED	Term Loan	100.00	6.50	17 semi annual instalments of Rs 5.5 crore each and 1 semi annual instalment of Rs 6.5 crore ending in February 2021	1st charge on Fixed Assets and 2nd charge on Current Assets of the Company on pari-passu basis among the lenders
ICICI BANK LIMITED	Term Loan	250.00	111.11	18 equal semi annual instalments of Rs 13.89 crore each ending in June 2024	1st charge on Fixed Assets and 2nd charge on Current Assets of the Company on pari-passu basis among the lenders
ICICI BANK LIMITED	Term Loan	100.00	64.00	4 equal semi annual instalments of Rs 2.50 crore each, 12 equal semi annual instalments of Rs 6.50 crore each and 2 equal semi annual instalments of Rs 6.00 crore each ending in May 2025	1st charge on Fixed Assets and 2nd charge on Current Assets of the Company on pari-passu basis among the lenders
ICICI BANK LIMITED	Term Loan	154.93	73.16	36 equal quarterly instalments of Rs 4.31 crore each ending in December 2024	1st charge on Fixed Assets and 2nd charge on Current Assets of the Company on pari-passu basis among the lenders
PUNJAB NATIONAL BANK	Term Loan	100.00	63.64	44 equal quarterly instalments of Rs 2.27 crore each ending in July 2027	1st charge on Fixed Assets and 2nd charge on Current Assets of the Company on pari-passu basis among the lenders

Lender's Name	Type of Facility	Amount Sanctioned	Principal Amount Outstanding	Repayment Date / Schedule	Security
PUNJAB & SIND BANK	Term Loan	100.00	15.00	40 equal quarterly instalments of Rs 2.5 crore each ending in March 2022	1st charge on Fixed Assets and 2nd charge on Current Assets of the Company on pari-passu basis among the lenders
PUNJAB & SIND BANK	Term Loan	55.00	11.00	40 equal quarterly instalments of Rs 1.375 crore each ending in September 2022	1st charge on Fixed Assets and 2nd charge on Current Assets of the Company on pari-passu basis among the lenders
PUNJAB & SIND BANK	Term Loan	145.00	79.75	40 equal quarterly instalments of Rs 3.625 crore each ending in March 2026	1st charge on Fixed Assets and 2nd charge on Current Assets of the Company on pari-passu basis among the lenders
PUNJAB & SIND BANK	Term Loan	200.00	194.44	36 equal quarterly instalments of Rs 5.55 crore each ending in June 2029	1st charge on Fixed Assets and 2nd charge on Current Assets of the Company on pari-passu basis among the lenders
STANDARD CHARTERED BANK	Term Loan	202.50	22.50	18 equal semi annual instalments of Rs 11.25 crore each ending in June 2021	1st charge on Fixed Assets and 2nd charge on Current Assets of the Company on pari-passu basis among the lenders
UNION BANK OF INDIA	Term Loan	100.00	5.00	40 equal quarterly instalments of Rs 2.5 crore each ending in March 2021	1st charge on Fixed Assets and 2nd charge on Current Assets of the Company on pari-passu basis among the lenders
UNION BANK OF INDIA	Term Loan	100.00	27.50	40 equal quarterly instalments of Rs 2.5 crore each ending in June 2023	1st charge on Fixed Assets and 2nd charge on Current Assets of the Company on pari-passu basis among the lenders

Lender's Name	Type of Facility	Amount Sanctioned	Principal Amount Outstanding	Repayment Date / Schedule	Security
UNION BANK OF INDIA	Term Loan	125.00	43.75	40 equal quarterly instalments of Rs 3.125 crore each ending in March 2024	1st charge on Fixed Assets and 2nd charge on Current Assets of the Company on pari-passu basis among the lenders
UNION BANK OF INDIA	Term Loan	100.00	40.00	40 equal quarterly instalments of Rs 2.5 crore each ending in September 2024	1st charge on Fixed Assets and 2nd charge on Current Assets of the Company on pari-passu basis among the lenders
UNION BANK OF INDIA	Term Loan	175.00	87.00	43 equal quarterly instalments of Rs 4 crore each and 1 quarterly instalment of Rs 3 crore ending in September 2024	1st charge on Fixed Assets and 2nd charge on Current Assets of the Company on pari-passu basis among the lenders
UNION BANK OF INDIA	Term Loan	200.00	195.00	40 equal quarterly instalments of Rs 5 crore each ending in June 2030	1st charge on Fixed Assets and 2nd charge on Current Assets of the Company on pari-passu basis among the lenders
STATE BANK OF INDIA	Term Loan	350.00	87.50	40 equal quarterly instalments of Rs 8.75 crore each ending in March 2023	1st charge on Fixed Assets and 2nd charge on Current Assets of the Company on pari-passu basis among the lenders
STATE BANK OF INDIA	Term Loan	400.00	290.00	40 equal quarterly instalments of Rs 10 crore each ending in December 2027	1st charge on Fixed Assets and 2nd charge on Current Assets of the Company on pari-passu basis among the lenders

Lender's Name	Type of Facility	Amount Sanctioned	Principal Amount Outstanding	Repayment Date / Schedule	Security
STATE BANK OF INDIA	Term Loan	300.00	292.00	24 equal quarterly instalments of Rs 8 crore each and 6 equal quarterly instalments of Rs 10 crore each ending in June 2029	1st charge on Fixed Assets and 2nd charge on Current Assets of the Company on pari-passu basis among the lenders
HDFC BANK LIMITED	Term Loan	150.00	37.50	40 equal quarterly instalments of Rs 3.75 crore each ending in January 2023	1st charge on Fixed Assets and 2nd charge on Current Assets of the Company on pari-passu basis among the lenders
HDFC BANK LIMITED	Term Loan	125.00	37.50	40 equal quarterly instalments of Rs 3.125 crore each ending in September 2023	1st charge on Fixed Assets and 2nd charge on Current Assets of the Company on pari-passu basis among the lenders
HDFC BANK LIMITED	Term Loan	150.00	50.00	30 equal quarterly instalments of Rs 5 crore each ending in March 2023	1st charge on Fixed Assets and 2nd charge on Current Assets of the Company on pari-passu basis among the lenders
HDFC BANK LIMITED	Term Loan	125.00	71.88	40 equal quarterly instalments of Rs 3.125 crore each ending in April 2026	1st charge on Fixed Assets and 2nd charge on Current Assets of the Company on pari-passu basis among the lenders
HDFC BANK LIMITED	Term Loan	125.00	67.50	40 equal quarterly instalments of Rs 2.5 crore each ending in May 2027	1st charge on Fixed Assets and 2nd charge on Current Assets of the Company on pari-passu basis among the lenders

Lender's Name	Type of Facility	Amount Sanctioned	Principal Amount Outstanding	Repayment Date / Schedule	Security
HDFC BANK LIMITED	Term Loan	125.00	121.32	34 equal quarterly instalments of Rs 3.68 crore each ending in December 2028	1st charge on Fixed Assets and 2nd charge on Current Assets of the Company on pari-passu basis among the lenders
BANK OF BARODA	Term Loan	200.00	200.00	36 equal quarterly instalments of Rs 5.55 crore each ending in September 2029	1st charge on Fixed Assets and 2nd charge on Current Assets of the Company on pari-passu basis among the lenders
BANK OF BARODA	Term Loan	300.00	292.50	40 equal quarterly instalments of Rs 7.5 crore each ending in June 2030	1st charge on Fixed Assets and 2nd charge on Current Assets of the Company on pari-passu basis among the lenders
YES BANK LIMITED	Term Loan	50.00	2.50	40 equal quarterly instalments of Rs 1.25 crore each ending in March 2021	1st charge on Fixed Assets and 2nd charge on Current Assets of the Company on pari-passu basis among the lenders
KARNATAKA BANK LIMITED	Term Loan	100.00	57.50	40 equal quarterly instalments of Rs 2.5 crore each ending in June 2026	1st charge on Fixed Assets and 2nd charge on Current Assets of the Company on pari-passu basis among the lenders
CENTRAL BANK OF INDIA	Term Loan	125.00	90.63	40 equal quarterly instalments of Rs 3.125 crore each ending in December 2027	1st charge on Fixed Assets and 2nd charge on Current Assets of the Company on pari-passu basis among the lenders
KARNATAKA BANK LIMITED	Term Loan	100.00	70.00	40 equal quarterly instalments of Rs 2.5 crore each ending in August 2027	1st charge on Fixed Assets and 2nd charge on Current Assets of the Company on pari-passu basis among the lenders

Lender's Name	Type of Facility	Amount Sanctioned	Principal Amount Outstanding	Repayment Date / Schedule	Security
KOTAK MAHINDRA BANK LIMITED	Term Loan	100.00	87.50	40 equal quarterly instalments of Rs 2.5 crore each ending in June 2029	1st charge on Fixed Assets and 2nd charge on Current Assets of the Company on pari-passu basis among the lenders
ICICI BANK LIMITED	Term Loan	200.00	57.14	14 equal quarterly instalments of Rs 14.29 crore each ending in August 2021	1st charge on Fixed Assets and 2nd charge on Current Assets of the Company on pari-passu basis among the lenders
ICICI BANK LIMITED	Term Loan	100.00	35.71	14 equal quarterly instalments of Rs 7.14 crore each ending in October 2021	1st charge on Fixed Assets and 2nd charge on Current Assets of the Company on pari-passu basis among the lenders
ICICI BANK LIMITED	Term Loan	200.00	112.50	2 equal quarterly instalments of Rs 4 crore each, 1 quarterly instalment of Rs 4.5 crore and 15 equal quarterly instalments of Rs 12.5 crore each ending in December 2021	1st charge on Fixed Assets and 2nd charge on Current Assets of the Company on pari-passu basis among the lenders
BANK OF BARODA	Term Loan	300.00	240.00	40 equal quarterly instalments of Rs 7.5 crore each ending in September 2028	1st charge on Fixed Assets and 2nd charge on Current Assets of the Company on pari-passu basis among the lenders
DBS BANK INDIA LIMITED	Term Loan	250.00	250.00	4 equal semi annual instalments of Rs 62.50 crore each ending in March 2024	1st charge on Movable Fixed Assets of the Company on pari-passu basis among the lenders

Lender's Name	Type of Facility	Amount Sanctioned	Principal Amount Outstanding	Repayment Date / Schedule	Security
CITIBANK NA	Term Loan	170.00	170.00	1 instalment of Rs 60.00 crore and 2 annual instalments of Rs 55.00 crore each ending in March 2024	1st charge on Movable Fixed Assets of the Company on pari-passu basis among the lenders
AXIS BANK LIMITED	Term Loan	350.00	306.25	16 equal quarterly instalments of Rs 21.88 crore each ending in March 2024	1st charge on Movable Fixed Assets and Current Assets of the Company on pari-passu basis among the lenders
FEDERAL BANK LIMITED	Term Loan	200.00	200.00	11 equal quarterly instalments of Rs 17.00 crore each and 1 quarterly instalment of Rs 13.00 crore ending in August 2024	1st charge on Movable Fixed Assets of the Company on pari-passu basis among the lenders

ii. Details of unsecured loan facilities as at 30 September 2020 availed of by the Issuer:-

Lender's Name	Type of Facility	Amount Sanctioned	Principal Amount Outstanding	Repayment Date / Schedule
NIL				

iii. Details of non-convertible debentures issued by the Issuer, as on September 30 2020 –

Debenture Series	Tenor/ Period of Maturity	Coupon p.a.	Amount (Rs. in crore)	Date of Allotment	Redemption Date/Schedule	Credit Rating	Secured/Unsecured	Security	Listed/ Unlisted
Tranche I – Series A (CITI Bank N.A.)	715 days	12 month T-Bill Rate plus Spread of 255 bps	40.00	5 March 2020	18 February 2022	CARE AA by CARE Ratings Limited	Secured	First pari passu charge on the movable fixed assets of the Company (both present and future)	Unlisted
Tranche I – Series B	1072 days	12 month T-Bill	40.00	5 March 2020	10 February 2023	CARE AA by	Secured	First pari passu charge on the	Unlisted

Debenture Series	Tenor/ Period of Maturity	Coupon p.a.	Amount (Rs. in crore)	Date of Allotment	Redemption Date/Schedule	Credit Rating	Secured/Unsecured	Security	Listed/ Unlisted
(CITI Bank N.A.)		Rate plus Spread of 255 bps				CARE Ratings Limited		movable fixed assets of the Company (both present and future)	
Tranche I – Series C (CITI Bank N.A.)	1429 days	12 month T-Bill Rate plus Spread of 255 bps	40.00	5 March 2020	2 February 2024	CARE AA by CARE Ratings Limited	Secured	First pari passu charge on the movable fixed assets of the Company (both present and future)	Unlisted
Tranche II– Series A (CITI Bank N.A.)	693 days	12 month T-Bill Rate plus Spread of 255 bps	20.00	27 March 2020	18 February 2022	CARE AA by CARE Ratings Limited	Secured	First pari passu charge on the movable fixed assets of the Company (both present and future)	Unlisted
Tranche II – Series B (CITI Bank N.A.)	1050 days	12 month T-Bill Rate plus Spread of 255 bps	15.00	27 March 2020	10 February 2023	CARE AA by CARE Ratings Limited	Secured	First pari passu charge on the movable fixed assets of the Company (both present and future)	Unlisted
Tranche II – Series C (CITI Bank N.A.)	1407 days	12 month T-Bill Rate plus Spread of 255 bps	15.00	27 March 2020	2 February 2024	CARE AA by CARE Ratings Limited	Secured	First pari passu charge on the movable fixed assets of the Company (both present and future)	Unlisted
ICICI Bank Limited	5 years unless the debentures are redeemed earlier by way of exercising call/put option	7.75% p.a.	300.00	21 May 2020	21 August 2023 21 November 2023 21 February 2024 21 May 2024 21 August 2024 21 November 2024 21 February 2025 21 May 2025	CARE AA by CARE Ratings Limited	Secured	First pari passu charge on the movable and immovable fixed assets of the Company (both present and future)	Listed on NSE

iv. List of Top 10 debenture holders (as on 30 September 2020):

List of Top 10 debenture holders (as on 30 September 2020) is as follows:

Sr. No.	Name of Debenture holder	No of debentures held
1.	Citibank N.A	1,200 Unlisted Non-Convertible Debentures (NCDs) of a face value of Rs.10 lac each aggregating to Rs 120 crore
2.	Citibank N.A	500 Unlisted Non-Convertible Debentures (NCDs) of a face value of Rs.10 lac each aggregating to Rs 50 crore
3.	ICICI BANK LIMITED	3000 Listed Non-Convertible Debentures (NCDs) of a face value of Rs.10 lac each aggregating to Rs 300 crore

* 2500 Unlisted Non-Convertible Debentures (NCDs) of a face value of Rs.10 lac each aggregating to Rs 250 crore were allotted to DBS Bank Limited on 13 October 2020.

v. The amount of corporate guarantee issued by the Issuer along with name of the counterparty (like name of the subsidiary, joint venture entity, group company, etc.) on behalf of whom it has been issued: Nil

vi. Details of commercial paper:- The total face value of commercial papers outstanding as on the latest quarter end to be provided and its breakup in following table:-

Maturity Date	Amount Outstanding
1 December 2020	300
28 July 2021	150

vii. Details of Rest of the borrowing (if any including hybrid debt like FCCB, Optionally Convertible Debentures / Preference Shares) as on 30 September 2020:- Nil

viii. Details of all default/s and/or delay in payments of interest and principal of any kind of term loans, debt securities and other financial indebtedness including corporate guarantee issued by the Company, in the past 5 years.

None

ix. Details of any outstanding borrowings taken/ debt securities issued where taken / issued (i) for consideration other than cash, whether in whole or part, (ii) at a premium or discount, or (iii) in pursuance of an option.

Nil

x. Details of default, if any, including therein the amount involved, duration of default and present status, in repayment of:

- **Statutory dues.**

Nil

- **Debentures & interest thereon**

  Nil

- **Deposits & Interest thereon**

  Nil

- **Loan from any bank or financial institution and interest thereon**

  Nil

xi. Permission / Consent for First *Pari Passu* Charge

To be obtained as per the stipulated timeframes as per the term sheet.

XIII. DETAILS OF PROMOTERS OF THE COMPANY:-

i. Details of Promoter Holding in the Company as on the latest quarter end:-

S. No.	Name of the shareholders	Total No of equity shares	Number of equity shares in demat form	Total shareholding as % of total no of equity shares	Number of equity shares Pledged	% of shares pledged with respect to equity shares owned.
1	Dr. Sanjiv Goenka	134794	134794	0.10	Nil	Nil
2	Shashwat Goenka	111408	111408	0.08	Nil	Nil
3	Preeti Goenka	25223	25223	0.02	Nil	Nil
4	Sanjiv Goenka (HUF)	12296	12296	0.01	Nil	Nil
5	Avarna Jain	501	501	0.00	Nil	Nil
6	Rainbow Investments Limited	58796632	58796632	44.36	Nil	Nil
7	Stel Holdings Limited	2493470	2493470	1.88	Nil	Nil
8	Phillips Carbon Black Limited	1686198	1686198	1.27	Nil	Nil
9	Saregama India Limited	1259988	1259988	0.95	Nil	Nil

S. No.	Name of the shareholders	Total No of equity shares	Number of equity shares in demat form	Total shareholding as % of total no of equity shares	Number of equity shares Pledged	% of shares pledged with respect to equity shares owned.
10	Integrated Coal Mining Limited	1075364	1075364	0.81	Nil	Nil
11	Kolkata Metro Networks Limited	285000	285000	0.22	Nil	Nil
12	Castor Investments Limited	250000	250000	0.19	Nil	Nil
13	Dotex Merchandise Private Limited	41335	41335	0.03	Nil	Nil

XIV. Any change in accounting policies during the last three years and their effect on the profits and the reserves of the company.

Nil
The Company has adopted Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 for preparation of its audited accounts with effect from Financial Year 2016-17 and has been adopting the same for each of the subsequent years as has been made applicable.

XV. Abridged version of Audited Consolidated (wherever available) and Standalone Financial Information (like Profit & Loss statement, Balance Sheet and Cash Flow statement) for at least last three years and auditor qualifications , if any*.

Refer to Annexure IV.

XVI. Abridged version of Latest Audited / Limited Review Half Yearly Consolidated (wherever available) and Standalone Financial Information (like Profit & Loss statement, and Balance Sheet) and auditors qualifications, if any*.

Refer to Annexure IV.

* The Issuer undertakes that it shall provide latest Audited or Limited Review Financials in line with timelines as mentioned in Simplified Listing Agreement issued by SEBI vide circular No.SEBI/IMD/BOND/1/2009/11/05 dated May 11, 2009 as amended from time to time , for furnishing / publishing its half yearly/ annual result. Further, the Issuer shall within 180 days from the end of the financial year, submit a copy of the latest annual report to the debenture trustee and the debenture trustee shall be obliged to share the details submitted under this clause with the debenture-holders within two working days of their specific request. – Not Applicable

XVII. Any material event/ development or change having implications on the financials/credit quality (e.g. any material regulatory proceedings against the Issuer/promoters, tax litigations resulting in material liabilities, corporate restructuring event etc) at the time of issue which may affect the issue or the investor's decision to invest / continue to invest in the debt securities.

A summary of legal proceedings where the amount involved exceeds Rs. 40.0 million and certain other litigation we consider material is set forth below.

A. Tax Litigation

The Commercial Taxes Directorate assessed Rs.6.9 million as sales tax on meter rentals received during the year ended 31 March, 1993 and raised a demand of Rs.3.6 million on account of interest. Against the above demand, the Company had deposited a sum of Rs.7.5 million with the sales tax authorities and obtained a stay against the balance demand from the Deputy Commissioner of Commercial Taxes. The sales tax authorities also indicated their intention to levy such sales tax on meter rentals for the subsequent years, against which, the Company filed a writ petition in the Calcutta High Court. Based on an order of the Hon'ble Supreme Court of India that Sales Tax Tribunal maters can only be heard by Division Bench, the matter has been dismissed by the Single Bench of Calcutta High Court in January 2020 with a liberty to the Company to appeal before the Hon'ble Division Bench. The Company had moved the Hon'ble Division Bench of Calcutta High Court in due course.

The Company has subsequently fully settled the above under the Settlement of Dispute Scheme announced by Government of West Bengal and accordingly withdrew its appeal form the Hon'ble Division Bench of Calcutta High Court.

B. Civil litigation

A Suit for damages to the tune of Rs.4.10 crores has been initiated at Calcutta High Court by one Nemai Chandra Ghosh, an Electrical Contractor by profession, against the Company, being Suit No.321 of 2004.The matter dates back to 14th May, 1993 when during Loss Control Cell's anti pilferage drive at Prantik, Ichhapore, 24 Pgns(N), Sri Nemai Ghosh all of a sudden intervened and tried to prevent Company's men from carrying out their lawful duties. As such he was booked by the police on the basis of complaint lodged by the Company's personnel. Ultimately on trial he was discharged in the year 1998. In August 2004 he filed the captioned Suit. Presently, evidence has been concluded and the suit is at the arguments stage.

C. Litigation under the Factories Act, 1948: All matters stand favourably disposed of.

D. Criminal litigation against our Company

Our Company is involved in two criminal litigations that have been instituted against it and its employees. Brief details of these litigations are as follows:

(a) Complaint lodged against officers of the Company alleging fraudulent transfer of a supply by forging signature of the erstwhile consumer on the no-objection required to facilitate such transfer. On being challenged, the matter has been stayed by the High Court.

(b) Complaint lodged against the employees of the Company alleging criminal conspiracy with the applicant/principal accused for fraudulently granting an electric meter to such applicant. On being challenged, the matter has been stayed by the High Court.

XVIII. COPY OF CONSENT LETTER FROM THE DEBENTURE TRUSTEE SHALL BE DISCLOSED.

IDBI Trusteeship Services Limited has agreed to act as the trustee for and on behalf of the Debenture holder(s) *vide* their letter dated 21 December 2020 under regulation 4(4) of the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and has consented to the inclusion of its name in the form and context in which it appears in this Information Memorandum, Transaction Documents and in all the subsequent periodical communications sent to the Debenture holders. The consent letter of the trustee has been provided in Annexure I.

XIX. RATING RATIONALE ADOPTED BY THE RATING AGENCIES

The Company proposes to raise an amount up to INR 25,00,00,000 (Twenty five crores only) (with an option to retain oversubscription for an amount of upto INR 175,00,00,000 (One hundred and seventy five crores only)) by way of issue of Debentures of the face value of INR 10,00,000 each on a private placement basis not open for public subscription.

Rating: The Debentures are rated 'CARE AA' by CARE Ratings Limited vide their letter dated 21 December 2020. This rating letter is valid for a period of six months from the date of initial communication of rating from CARE Ratings Limited to the Company (that is 21 December 2020).

Please note that the rating is not a recommendation to buy, sell or hold securities and investors should take their own decision. The rating may be subject to revision or withdrawal at any time by the assigning rating agency and each rating should be evaluated independently of any other rating. The rating obtained is subject to revision at any point of time in the future. The rating agencies have a right to suspend, withdraw the rating at any time on the basis of new information etc.

The rating rationale has been provided in Annexure II.

** Credit rating letter issued shall not be older than one month on the date of opening of the issue*

XX. If the security is backed by a guarantee or letter of comfort or any other document / letter with similar intent, a copy of the same shall be disclosed. In case such document does not contain detailed payment structure (procedure of invocation of guarantee and receipt of payment by the investor along with timelines), the same shall be disclosed in the offer document. – Not Applicable

XXI. SECURITY

The Debentures are secured in nature.

XXII. LISTING

The Debentures are proposed to be listed on the NSE, which will be the designated stock exchange. The Issuer will obtain an approval from the NSE for listing of the Debentures in accordance with the SEBI (Issue and Listing of Debt Securities) Regulations, 2008 as amended from time to time, and according to the regulations and procedures laid out by NSE. The Debentures are proposed to be listed within the time prescribed under the SEBI (Issue and Listing of Debt Securities) Regulations, 2008 as amended from time to time.

XXIII. Any default in annual filing of the Company under the Companies Act, 2013 or the rules made thereunder.

Nil

XXIV. MANAGEMENT'S PERCEPTION OF RISK FACTOR

Risks and Concerns to the Issuer

The Company's business /Cash flow could be adversely affected by the revision of the Company's tariffs by the regulatory authorities.

The Company's tariff is determined by the WBERC under the provisions of the Electricity Act and the associated regulations. This currently provides for a multi-year tariff framework whereby tariffs are determined on a normative basis with reference to efficiency parameters determined by the WBERC. The Company's inability to meet the prescribed efficiency norms may lead to the disallowance of costs incurred and the imposition of penalties. Although the Company's performance levels currently exceed those required, there can be no assurance that the Company will continue to meet such standards or that such standards will not be made more stringent.

The Company's cash flow is affected by the tariff-setting mechanism.

The Company may experience liquidity constraints, if it is unable to adjust its tariff for the increased cost and, accordingly, the funds received from sales may be inadequate to pay expenses during the period from the time of incurrence of the unforeseeable expense until the time the tariffs are adjusted. The delay of cash inflows from operations could have a material adverse effect on the Company's operations and could limit the Company's ability to service its indebtedness in a timely fashion. All of the foregoing could have material adverse effects on the Company's business, results of operations and financial condition.

The Company is dependent on its electricity distribution/supply license.

The Company has a license, originally granted under the former Indian Electricity Act, 1910, to supply electricity in Kolkata and Howrah and in the adjoining areas. The Company is a deemed distribution licensee under the West Bengal Electricity Regulatory Commission (Licensing and Conditions of License) Regulations, 2013, for a term which expires on September 2, 2038. The license is not exclusive, and the terms may be amended or the license may be revoked on not less than three months' written notice by the WBERC in certain circumstances, including a willful and prolonged default under the Electricity Act or if, in the opinion of the WBERC, the Company's financial position is such that the Company is unable to discharge fully and efficiently the duties imposed on it by the license. In such circumstances, the WBERC may require the Company to sell its assets to a purchaser whose application has been accepted by the WBERC in accordance with the provisions of the Electricity Act. In the event such sale does not occur, the Company may be required to pay for the removal of its assets from public land. There can be no assurance that WBERC will not revoke the Company's Distribution License.

Past results will not necessarily be indicative of future results due to the changing regulatory environment in the Indian electricity industry.

The Company's current profitability includes the impact of its operational efficiency in relation to the norms set by the WBERC. There is no assurance that more stringent norms will not be set by the WBERC in the future or that future operations and new plants and equipment commissioned by the Company will be able to comply with those norms. Therefore, the Company's future results will be more significantly influenced by the Company's operating performance than its past results. Moreover, the Company is subject to the general risk that the regulations to which it is subject may be changed from time to time in a manner that is adverse to the Company.

The Company is dependent on the coal supplied by the subsidiaries of Coal India Limited for a portion of the coal requirement and the fuel supply agreements.

The Company is dependent on the fuel supply agreement with the subsidiaries of Coal India Limited to meet a part of the coal requirement on which the Company does not have full control.

The Company suffers transmission and distribution losses in the delivery of the Company's electricity.

The Company's T&D Losses amounted to 8.96% of total electricity delivered to the system in the year ended March 31, 2019. There can be no assurance that the Company will be able to reduce T&D Losses or that they will not increase in the future. In addition, if T&D Losses exceed the WBERC thresholds, the Company's revenues may be adversely affected.

A considerable amount of the Company's receivables are due from municipalities and other public bodies.

Settlement of electricity dues by certain municipalities and other public bodies takes place after significant delays. Given the nature of activities of these entities, the Company does not generally consider the disconnection of supply. Final settlement usually takes place through the State Government. Usually, on a half yearly / yearly basis such dues are settled by the municipal bodies. However, there is no assurance that these dues will be cleared on a timely basis.

In the event the technology used at the Company's power projects becomes less competitive or obsolete in the near future, its financial performance and profitability could be adversely affected.

The Company's future success will depend in part on its ability to respond to technological advances and emerging power generation industry standards and practices on a cost-effective and timely basis. Changes in technology and high fuel costs of thermal power projects may make newer generation power projects or equipment more competitive than the Company's power projects or may require it to make additional capital expenditures to upgrade its facilities. If the Company is unable to adapt in a timely manner to changing market conditions, customer requirements or technological changes, its business, financial performance and profitability could be adversely affected.

The Company's operations are subject to environmental regulations.

The Company's power stations are subject to environmental regulations promulgated by the MOEF and respective State Government pollution control boards. While the Company has an extensive environment policy to ensure compliance with all applicable legal and regulatory requirements, and all pulverized fuel stations of the Company are ISO 14001:2004 certified in respect of their environmental management systems, in the event that one of the Company's power stations deviates from the statutory limits prescribed in any environmental regulation applicable to the Company's operations, the State Government and other third parties subject the Company to substantial penalties. Compliance with such environmental regulations could restrict the Company's operations or result in a material increase in the Company's operating costs. It is also possible that increasingly strict environmental regulations in relation to power plants in India may be imposed in the future, compliance with which could require capital expenditure, which may have a material adverse effect on the Company's financial condition and results of operations.

The Company's results of operations could be adversely affected by strikes, work stoppages or increased wage demands by the Company's employees or any other kind of disputes with the Company's employees. In addition, the Company's business could be harmed if key management personnel with significant experience and expertise in the electricity industry terminate their employment with the Company.

As of September 30, 2020, the Company's power generation and distribution operations had a total of approximately 7825 employees, approximately 6920 of which are unionized. In addition to the Company's internal work force, the Company also employs laborers for offsite projects.

There can be no assurance that the Company will not experience disruptions to its operations due to disputes or other problems with the Company's work force, which may adversely affect the Company's business, results of operations and financial condition. Further, efforts by labor unions to organize the Company's employees may divert management's attention and increase operating expenses and the Company may be unable to negotiate acceptable collective bargaining agreements with those who have chosen to be represented by unions, which could lead to union-initiated work stoppages, including strikes, which could adversely affect the Company's business, results of operations and financial condition.

The Company has a team of professionals to oversee the operations and growth of the Company's business. The Company's performance and success depends largely on the Company's management team and skilled personnel and the Company's ability to attract and retain such persons. In order to sustain the Company's business, the Company needs to attract and retain such key managerial and other skilled personnel. The Company faces a continuing challenge to recruit and retain a sufficient number of suitably skilled personnel, particularly as the Company continues to grow. There is significant competition for management and other skilled personnel in the

Company's industry, and it may be difficult to attract and retain the personnel it needs in the future. The loss of services of one or more members of the Company's key management team could adversely affect its business, results of operations and financial condition.

The Company's operations may be adversely affected if there is a failure in its critical IT systems or control systems.

The Company has a number of critical IT applications and control systems both in its operational areas as well as in its support functions. These include generation control, system control, distribution of electricity including fault location and remote operations, payroll applications, billing, procurement to pay and accounting functions. Although there are fall-back mechanisms in place, a failure in these systems may adversely affect the operations of the Company.

The Company may not have adequate insurance to cover all losses incurred in the Company's business operations.

The Company's business operations have the potential to cause personal injury and loss of life, damage to or destruction of property, plant and equipment and the environment and are subject to risks such as fire, theft, flood, earthquakes and terrorism. Although the Company implements safety measures to reduce the risk of these occurrences, the Company cannot eliminate these risks completely. The Company maintains insurance coverage in such amounts and against such risks which the Company believes are in accordance with industry practice and the requirements of the Company's loan agreements. However, such insurance may not be adequate to cover all losses or liabilities that may arise from the Company's operations, and in the future, the Company may be unable to maintain insurance of the types or at levels which the Company deems necessary or adequate or at rates which the Company considers reasonable. This may adversely impact the results of operations and business of the Company.

Risks in Relation to the Debentures

The Issuer's management will have significant flexibility in applying proceeds received from the Debentures. The fund requirement and deployment have not been appraised by any bank or financial institution.

The Issuer intends to use the proceeds of the Debentures for long term working capital purposes including without limitation capital expenditure and/or augmentation of working capital and/or refinance of existing debt. The fund requirement and deployment is based on internal management estimates and has not been appraised by any bank or financial institution. Accordingly, the management will have significant flexibility in applying the proceeds received by the Issuer the Debentures. Further, the Issuer is not required to appoint a monitoring agency and therefore no monitoring agency will be appointed for the Debentures.

The Debentures may not be a suitable investment for all purchasers.

Investment in Debentures involves a significant degree of risk and is intended for sale only to those investors capable of understanding the risks involved in such instruments. Potential Investors should ensure that they understand the nature of the Debentures and the extent of their exposure to risk, that they have sufficient knowledge, experience and access to professional advisers to make their own legal, tax, accounting and financial evaluation of the merits and risks of investment in the Debentures and that they consider the suitability of the Debentures as an investment in the light of their own circumstances and financial condition.

Modification, waivers and substitution

The conditions of the Debentures shall contain provisions for calling meetings of Debenture holders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Debenture holders including Debenture holders who did not attend and vote at the relevant meeting and Debenture holders who voted in a manner contrary to the majority.

Any downgrading in credit rating of the Debentures may affect the value of the Debentures

The Debentures proposed to be issued pursuant to this Information Memorandum have been rated "CARE AA" with stable outlook by CARE Ratings Limited. The Issuer cannot guarantee that the ratings on the Debentures will not be downgraded. A downgrade in the credit ratings may lower the value of the Debentures and may lead to an Acceleration Event.

The rights of the Debenture holders to receive payments is junior/subordinate to certain tax and other liabilities preferred by law.

The Debentures will rank subordinated to certain liabilities preferred by law such as to claims of the Government on account of taxes and certain liabilities incurred in the ordinary course of the Issuer's business. In particular, in the event of bankruptcy, liquidation or winding-up, the Issuer's assets will be available to pay obligations on the Debentures only after all of the above liabilities that rank senior to the Debentures have been paid. In the event of bankruptcy, liquidation or winding-up, there may not be sufficient assets remaining, after paying amounts relating to these proceedings, to pay amounts due on the Debentures.

The Issuer may raise further borrowings and charge its assets.

The Issuer is not barred from raising future borrowings and may charge its assets from time to time for any of such future borrowings. In the event of a default in repayment of the borrowings of the Issuer which will also trigger cross default of the Debentures, the borrowings of the Issuer which are secured with the assets of the Issuer will have a higher probability of being repaid/redeemed than the Debentures.

XXV. Other details

A. DRR creation - relevant regulations and applicability.

The Issuer, being a listed company, is not required to maintain a Debenture Redemption Reserve ("**DRR**") as per the provisions of the Companies Act, 2013 read with Rule 18(7) of Companies (Share Capital and Debentures) Rules, 2014 and circulars issued by Central Government in this regard and the guidelines issued by the Ministry of Corporate Affairs and SEBI as amended from time to time.

If during the currency of these presents, any guidelines are formulated (or modified or revised) by any government agency having authority under law in respect of creation of DRR, the Issuer shall abide by such guidelines and execute all such supplemental letters, agreements and deeds of modifications as may be required by the Debenture Trustee.

B. Issue/instrument specific regulations - relevant details (Companies Act, RBI guidelines, etc.).

1. Companies Act, 1956 to the extent not repealed;

2. Companies Act, 2013 to the extent provisions of the Companies Act, 2013 have been notified by the Government of India that and are in force;

3. Securities Contracts (Regulations) Act, 1956.

4. Securities and Exchange Board of India Act, 1992.

5. The Depositories Act, 1996.

6. The Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993.

7. Securities and Exchange Board of India (Issue and Listing of Debentures) Regulations, 2008;

8. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, supplemented or replaced from time to time;

9. The EBP Circular; and

10. all other applicable relevant laws (including rules, regulations, clarifications, notifications, directives, circulars as may be issued by the Securities Exchange Board of India, the Reserve Bank of India and any statutory, regulatory, judicial, quasi-judicial authority.).

C. Application process.

1. The registration /enrolment process for the eligible investors must be guided by the EBP Circular and the operating guidelines for issuance of debt securities on a private placement basis through an electronic book mechanism as available on the website of the NSE, for the registration process on the NSE-EBP. All eligible investors (who are specifically addressed through a communication by or on behalf of the Company directly) will have access to the information memorandum and other issue specific information uploaded by the Company on the NSE-EBP. An application made by any other person will be deemed as an invalid application and rejected.

2. The detailed procedures to apply for the Debentures in dematerialized form are:
   (a) This being a private placement issue, ONLY the eligible investors are eligible to apply by bidding for the issue on the NSE-EBP by entering the bid amount in Rupees (INR), during the period commencing on the issue/ bid opening time on the issue/bid opening date and ending on the issue/ bid closing time on the issue/bid closing date. The minimum number of Debentures that can be applied for and the multiples thereof will be as set out by the Issuer at the time of initiation of the issue on the NSE-EBP. No bidding can be made for a fraction of a Debenture.
   (b) The investor / Issuer should be registered on NSE-EBP.
   (c) For further details in relation to the bidding, pre-bidding and post bidding procedure, invited eligible investors should refer to the EBP Circular and the operating guidelines for issuance of debt securities on a private placement basis through an electronic book mechanism as available on the website of the NSE.
   (d) Post bidding, on the pay-in date, the successful invited Eligible Investors must remit/ transfer in full, monies for subscription to the Debentures allocated to them by electronic transfer of funds/ RTGS from the bank account(s) registered with the NSE-EBP to the bank account of the clearing bank of the NSE as set out in the Information Memorandum on or before 10:30 am of next business day in accordance with the EBP Circular.

3. Mode of Payment:
   (a) Cheque: Not applicable.
   (b) Demand Draft: Not applicable.
   (c) Other Banking Channels: Electronic transfer of funds/ RTGS from the bank account(s) of the applicant/allottee registered with the NSE-EBP to the bank account of the clearing bank of the NSE as set out in the Information Memorandum.

XXVI. ISSUE/INSTRUMENT SPECIFIC REGULATIONS – RELEVANT DETAILS

The issue of Debentures is in compliance with/governed by the relevant provisions of applicable law including the following:

a) Companies Act, 2013;
b) Companies Act, 1956;

c) Securities Contracts (Regulations) Act, 1956.
d) Securities and Exchange Board of India Act, 1992.
e) The Depositories Act, 1996.
f) The Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993.
g) Companies (Share Capital and Debentures) Rules, 2014;
h) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, as amended from time to time;
i) The Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, as amended from time to time;
j) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, supplemented or replaced from time to time;
k) The EBP Circular; and
l) The rules and regulations issued under any of the above.

XXVII. ADDITIONAL DISCLOSURES

a. Disclosures with regards to Interest of Directors, Litigation etc.

1) Any financial or other material interest of the Directors, Promoters or Key Managerial Personnel in the Issue and the effect of such interest in so far as it is different from the interests of other persons

Nil

2) Details of any litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against the Promoter of the Issuer during the last three years immediately preceding the year of the circulation of the offer cum Application letter and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action

Nil

3) Remuneration of Directors (during the current year and last three financial years)

Rs (cr)

Name	1 April 2020 to 30 September 2020	FY 2019-20	FY 2018-19	FY 2017-18
Dr Sanjiv Goenka	17.05	35.02	32.84	32.30
Shashwat Goenka	16.99	0.01	-	-
Mr P. K Khaitan	0.13	0.20	0.20	0.17
Mr B M Khaitan	-		0.05	0.22
Mr. C.K.Dhanuka	0.16	0.24	0.21	0.21
Ms. Rekha Sethi	0.14	0.17	0.16	0.16
Mr. P Chaudhuri	0.16	0.24	0.15	0.15
Mr K Jairaj	0.13	0.19	0.16	0.16
Mr. Sunil Mitra	0.12	0.02	-	-
Mr. R. Chowdhury	-	-	-	-
Mr. D. Banerjee	2.40	5.40	5.16	-
Mr. A. Basu	-		0.55	4.25

4) Related party transactions entered during the last three financial years immediately preceding the year of the circulation of the Offer cum Application Document including with regard to loans made or, guarantees given or securities provided

Refer Note 42 of Annual Report

5) Summary of reservations or qualifications or adverse remarks of the auditors in the last five financial years immediately preceding the year of the circulation of the Offer cum Application Document and of their impact on the financial statements and financial position of the Issuer and the corrective steps taken and proposed to be taken by the Issuer for each of the said reservations or qualifications or adverse remark

Nil

6) Details of any inquiry, inspections or investigations initiated or conducted under the Companies Act 2013 or any previous company law in the last three years immediately preceding the year of circulation of the Offer cum Application Document in the case of the Issuer and all of its subsidiaries. Further, if there were any prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last three years immediately preceding the year of the Offer cum Application Document and if so, section-wise details thereof for the Issuer and all of its subsidiaries

Nil

7) Details of acts of material frauds committed against the Issuer in the last three years, if any, and if so, the action taken by the Issuer

Nil

XXVIII. TERMS OF THE ISSUE : DETAILS OF THE ISSUE ("TERMSHEET")

Security Name	Debentures
Issuer	CESC Limited
Date of passing board resolution	8 September 2020
Type of Instrument	Secured, Redeemable, Rated, Listed, Non-Convertible Debentures (''**NCD**'')
Nature of Instrument	Secured
Seniority	Senior
Mode of Issue	Private Placement
Debenture Trustee	IDBI Trusteeship Services Limited
Eligible Investors	• Banks • Financial Institutions • FPIs • Mutual Funds • Insurance Companies • Provident and Pension and Gratuity Funds • Companies and Bodies Corporate including Public Sector Undertakings • Individuals and Hindu Undivided Families • Partnership Firms • Any other investor authorized to invest in these debentures Applications can only be made by the applicants/institutions to whom this offer is addressed.

Listing (including name of stock Exchange(s) where it will be listed and timeline for listing)	The Issuer proposes to list the Debentures on the WDM segment of the NSE in accordance with the SEBI (Issue and Listing of Debt Securities) Regulations, 2008, as amended from time to time. In case of delay in listing of the Debentures, the Issuer will pay penal interest over the Coupon Rate for the period of delay as required under the SEBI regulations.
Number of NCDs to be issued	Upto 2,000 (Two thousand) to be issued.
Rating of the Instrument	CARE AA by CARE Ratings Limited
Issue Size	Upto INR 25 Crores (Rupees Twenty five crores) (with an option to retain oversubscription of upto INR 175 Crores (Rupees One hundred and seventy five crores)).
Option to retain oversubscription (Amount)	The Issuer may at its sole discretion elect to retain oversubscription upto INR 175 Crores (Rupees One hundred and seventy five crores). Upon exercise of such option (if any), the Issue Size shall stand increased accordingly.
Objects of the Issue /Use of Proceeds	Proceeds of the Issue shall be utilized for fresh capital expenditure, long term working capital, reimbursement of capital expenditure incurred, refinance of loans and/or long term working capital borrowing. Issue proceeds will not be used for acquisition of land or for investing in capital markets and for purposes not eligible for bank finance. The Company shall not use (or permit or authorise any person or entity to use) the proceeds of the Debentures (directly or indirectly): (i) for acquisition of land; (ii) for investment in capital markets (shares or debentures); (iii) in connection with a thermal power plant or a coal mine; or (iv) any other purpose which is prohibited under Applicable Law (including, but not limited to Environmental or Social Laws and any regulations, guidelines or directions issued by the RBI in respect of loans and advances by banks and/or any illegal activity). In case any holder of Debenture is a foreign portfolio investor, the Company shall not use (or permit or authorise any person or entity to use) the proceeds of the Debentures (directly or indirectly) for any purpose not permitted by the SEBI or RBI guidelines, which as of the date of the Information Memorandum are investment in real estate business, capital market and purchase of land.
Details of the utilization of the Proceeds	Refer to Objects of Issue
Coupon Rate	Benchmark Rate + Spread
Spread	240 bps pa
Step Up/Step Down Coupon Rate [1]	Not Applicable
Coupon Payment Frequency	Annual
Benchmark Rate	12 month T-bill Rate ("Rate") as published by Financial Benchmarks India Pvt Ltd ("FBIL") on the FBIL's website http://www.fbil.org.in/ under the "T-Bill Rate" menu or on such other part of the respective website as may be reorganized from time to time. In case of non-availability of the Rate from FBIL, the Issuer and the Debenture Trustee (acting on behalf of the investors) shall mutually agree to obtain the Rate from an alternate source as soon as practicable or at the latest within one Business Days of the

	respective Coupon Reset Date. In case the Issuer and the Debenture Trustee (acting on behalf of the investors) cannot mutually agree to obtain the Rate as described above, then the NCDs shall be prepaid on the sixth Business Day calculated from the respective Coupon Reset Date utilizing the Rate as published by FBIL on its website as on the last Coupon Reset Date preceding the non-availability of the Rate. Provided that if at any time Benchmark Rate is less than 0%, then Benchmark Rate shall be 0%.
Coupon Payment Dates	23 December 2021 15 December 2022 7 December 2023
Coupon Type	Simple interest, payable annually
Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc).	Coupon will be reset annually from date of first subscription (being the Coupon Reset Date) and will be linked to Benchmark Rate as defined above. The Spread will remain constant during the Tenor of the NCD
Coupon Rate Determination Date	Coupon will be determined based on the closing rate of Benchmark Rate on 1 Business Day prior to Issue Close Date and on 1 Business Day prior to Coupon Payment Dates
Day Count Basis	Actual/365
Interest on Application Money	Not Applicable, as Pay in Date and Deemed Date of Allotment are same
Default Interest Rate	Default in Payment: In case of default in payment of Interest and/or principal redemption on the due dates, the Company shall pay additional Interest at the rate of 2.00% p.a. over the Coupon Rate for the defaulting period i.e. the period commencing from and including the date on which such amount becomes due and upto but excluding the date on which such amount is actually paid.
Tenor	1074 days from Deemed Date of Allotment.
Redemption Date	7 December 2023
Redemption Amount	At Face Value (INR 10 lakhs per NCD)
Redemption Premium /Discount	Nil
Issue Premium/Discount	Nil
Issue Price	At par, ₹10 Lakhs per NCD
Discount at which security is issued and the effective yield as a result of such discount.	Nil
Put Date	Not Applicable
Put Price	Not Applicable
Call Date	Not Applicable
Call Price	Not Applicable
Put Notification Time	Not Applicable
Call Notification Time	Not Applicable
Face Value	INR 10,00,000 per NCD
Minimum Application and in multiples of [___] Debt	1 NCD and in multiples of 1 NCD thereafter

securities thereafter	
Issue Timing	
Issue Open Date	24 December 2020
Issue Close Date	24 December 2020
Pay-In Date	28 December2020
Deemed Date Of Allotment /Pay In Date	28 December 2020
Issuance mode of the Instrument	In Demat mode only
Trading mode of the Instrument	In Demat mode only
Settlement mode of the Instrument	Payment of Interest and repayment of Principal shall be made by way of credit through RTGS/ Electronic Fund Transfer or any other electronic mode offered by the Banks.
Depository	National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited
Registrar	Link Intime India Private Limited
Business Day Convention[2]	A "Business Day" / "Working Day" shall be a day (other than Saturday and Sunday) on which commercial banks are open for business in the city of Mumbai. If any Coupon Payment Date (except coupon falling due on the Redemption Date) falls on a day that is not a Business Day, the payment shall be made by the Issuer on the immediately succeeding Business Day and the interest amount will be the interest accrued on the NCDs until but excluding the Coupon Payment Date originally stipulated. However, the next interest period will continue to commence from the Coupon Payment Dates originally stipulated. If the Redemption Date (also being the last Coupon Payment Date) of the NCDs falls on a day that is not a Business Day, the redemption proceeds shall be paid by the Issuer on the immediately preceding Business Day. In the event the Record Date falls on a day which is not a Business Day, the immediately preceding Business Day will be considered as the Record Date.
Record Date	15 days prior to the Coupon payment date/Maturity Date/Redemption Date on which the determination of the persons entitled to receive interest/redemption of principal in respect of the Debentures (i.e. persons whose names are registered in the Register of Debenture holders or NSDL record) shall be made.
Description regarding Security (where applicable) including (Including description, type of security (movable/immovable/tangible etc.),, type of charge (pledge/ hypothecation/ mortgage etc.),, likely date of creation of security/ likely date of creation of security, minimum security cover, revaluation, replacement of security,	Secured by way of first pari passu charge on all movable fixed assets of the Issuer, with minimum asset cover of 1.40 times of the aggregate face value of NCDs outstanding at all times (after taking into account other debt secured against such assets). The Issuer shall have good title to assets, to be provided as security. Security created under the Deed of Hypothecation in relation to the issue of Debentures will become effective on execution of a deed of hypothecation confirmation which shall be completed on or before 31 August 2021. Revaluation and replacement of security as provided in the Transaction Documents.

interest to the debenture holder over and above the coupon rate as specified in the Trust Deed trust deed and disclosed in the Offer Document/ Information Memorandum, offer document, name and address of the valuer performing valuation of the security).	
Transaction Documents[3]	1. Information Memorandum containing this Term Sheet and PAS 4; 2. Debenture Trust Deed; 3. Debenture Trustee Agreement; 4. Consent Letter from the Debenture Trustee 5. Credit Rating Letter & Credit Rating Rationale 6. Security Document(s); and Any other document as agreed between the Issuer and the Debenture Trustee
Future Borrowings and Automatic Approvals to the Issuer	As long as the Company maintains the stipulated security cover in respect of NCD's, the Company shall be entitled to borrow/raise loans or avail of financial assistance in whatever form and also issue Debentures/Notes/other securities in any manner and to change its capital structure without the consent of Debenture holders/Debenture Trustee. Further, the Company shall not further encumber the security without the prior consent of the Debenture Trustee. Debenture Trustee shall be empowered to cede further charge after seeking consent from the Debenture holders, as long as the Issuer satisfies the above requirement of minimum security cover maintenance. However, the Debenture Trustee may issue necessary waiver (acting on the instructions of the debenture holders) on written application of the Company
Representations and Warranties	As provided in the Debenture Trust Deed
All Covenants of the Issue (Including side letters, Accelerated payment clause)	Customary for transaction of this nature and other appropriate clauses in opinion of the Investor for this transaction, including but not limited to the following: **<u>General Covenants:</u>** • No dividend to be declared nor any payment to equity holders to be made, if an Event of Default resulting from any payment default has occurred and is subsisting. Further, no dividend to be declared nor any payment to equity holders to be made, if an Event of Default resulting from any other default other than payment default has occurred and is subsisting for a period of 30 days. • Any sale of movable fixed asset, with a value/consideration of more than ₹ 500 Crs p.a., has to be with the prior consent of the Debenture Trustee **<u>Management Control / Shareholding Covenant:</u>** The existing Promoters should retain management control and at least 44% shareholding of the Company directly or through affiliates / associates / subsidiaries during the tenure of the Debenture. **<u>Financial Covenants:</u>**

	To be tested on a semi-annual basis in March and September of every year based on the stand alone financials. • Fixed Assets Coverage Ratio > 1.40x • Debt to Net worth Ratio < 2.33x Fixed Assets Coverage Ratio: Total Moveable fixed assets (Net Block) / Long Term Borrowings Debt to Net Worth ratio: Long Term Debt / Net Worth.
Information Undertakings	• Copies of its consolidated and standalone audited accounts, including a balance sheet and profit and loss account as soon as they are published on the website of the Exchange or 90 days from the end of each of its financial year and its consolidated and standalone unaudited interim statements (if they are required by the Investors) within 5 days of receipt of such request, or 60 days after the end of the Relevant Period, whichever is later; In the event the prescribed dates are extended by SEBI for publication, the above will be submitted within 7 days of such date. • Copies of its consolidated and standalone unaudited quarterly accounts relating to each Relevant Period as soon as they are published on the website of the Exchange or 45 days from the end of the Relevant Period to which they relate. In the event the prescribed dates are extended by SEBI for publication, the above will be submitted within 7 days of such date. • Issuer to provide end-use certificate within 30 days of Deemed Date of Allotment confirming that no part of the Issue has been used for purpose ineligible for bank finance as per RBI guidelines • Others as required by the Debenture Trustee in the Transaction Documents. "Relevant Periods" means each consecutive period of three months during a financial year of the Issuer and, in addition, each period of twelve months ending on the last day of a financial year of the Borrower (each a "**Relevant Period**").
Conditions Precedent to Disbursement	The subscription from investors shall be accepted for allocation and allotment by the Issuer subject to the following, as is customary to transactions of similar nature, including: 1. Written consent letter from Debenture Trustee, conveying their consent to act as Trustees for the Debenture holders; 2. Execution of Debenture Trustee Agreement 3. Execution of Debenture Trust Deed 4. Execution of the Deed of Hypothecation in relation to the issue of Debentures 5. Rating letter from rating agency 6. Written consent letter from the registrar, conveying their consent to act as Registrar to the issue 7. Board and Committee resolutions of the Issuer as required under the Companies Act 2013 for issuance of the NCDs 8. Copy of the certificate from an independent chartered accountant confirming that borrowing limit binding on it under Section 180(1)(c) of the Companies Act, 2013 will not be exceeded upon the allotment of the Debentures 9. A copy of the application made by the Company to the tax authorities for issuance of a no-objection certificate from the tax authorities under Section 281 of the Income Tax Act, 1961 in respect of the security to be created by the Company 10. A draft of the physical jumbo debenture certificate for the issuance which has been

	cancelled for dematerialization. 11. Information Memorandum in a form compliant with all disclosure requirements prescribed under the (i) the Companies Act, 2013; and (ii) SEBI (Issue and Listing of Debt Securities) Regulations, 2008 12. A certificate from an independent chartered accountant confirming that the borrowing limits binding on the Company will not be exceeded (including any limits imposed under any resolution passed by the shareholders of the Company), upon allotment of the Debentures; and 13. Compliance by the Company of all applicable laws and regulations pertaining to the Issuance of the NCD. Besides, the Issuer shall provide such documents or perform all activities as specifically provided in the Debenture Trust Deed.
Condition Subsequent to Disbursement	The Issuer shall ensure that the following documents are executed/activities are completed as required in transactions of a similar nature, including: 1. Ensuring that the payment made for subscription to the NCDs is received from the bank account of the person/entity subscribing to the NCDs and keep record of the bank accounts from where payments for subscriptions have been received. In case of subscriptions to the NCDs to be held by joint holders, application monies are received from the bank account of the person whose name appears first in the Application form; 2. Maintaining a complete record of private placement in form PAS5; 3. Filing a return of allotment of NCDs with complete list of all Debenture holders in Form PAS-3 under section 42 of the Companies Act, 2013, with the Registrar of Companies, Kolkata within fifteen days of the Deemed Date of Allotment along with the fee as provided in the Companies (Registration Offices and Fees) Rules, 2014; 4. Credit of demat account(s) of the allotee(s) by number of NCDs allotted within two working days from the Deemed Date of Allotment; 5. Receipt of resolution of the shareholders under Section 180(1)(a) of the Companies Act, and notification of the creation of security and perfection of the security on or before 31 August 2021; 6. A physical jumbo debenture certificate for the issuance which has been cancelled for dematerialization to be provided on the next day of the Pay In Date or the date of allotment, whichever is later. 7. Confirmation from the Debenture Trustee that security has been created and perfected in accordance with the Debenture Trust Deed such that the Debenture Trustee is satisfied that the Security Cover is equal to or higher than the Required Security Cover during the tenor of the NCDs Besides, the Issuer shall provide such documents or perform all activities, whether mandatory or otherwise, as specifically provided in the Debenture Trust Deed.
Events of Default (including manner of voting/conditions of joining inter creditor agreement)	Events of default shall be as stated in the Debenture Trust Deed, including but not limited to the following: 1. The Issuer does not pay on the due date(s) any amount payable pursuant to the Transaction Documents (whether at scheduled maturity, by acceleration or otherwise) at the place at and in the currency in which it is expressed to be payable; 2. Pursuant to the provisions of Insolvency and Bankruptcy Code, 2016 ("**Code**"), any application is filed by a financial creditor against the Issuer and the same is not dismissed by the Adjudicating Authority within the number of days specified in section 7 of the Code for ascertaining the existence of a default; or a notice of demand is issued by an operational creditor against the Issuer and the same not disputed by the Issuer within the period stipulated in section 8 of the Code; or a corporate applicant has filed an application for initiating corporate insolvency resolution process or on occurrence of any of the events under section 271 of the Companies Act, 2013;

	3. The Issuer admits in writing its inability to pay its Indebtedness as they fall due or suspends making payments on any of its Indebtedness or by reason of actual financial difficulties commences negotiations with one or more banking/ non-banking financial lenders (excluding trade creditors) with a view to rescheduling its Indebtedness; 4. Failure to create and perfection security within the timelines agreed in the Transaction Documents; 5. Failure to perform under any Covenants or breach of, Representations and Warranties of the Transaction Documents unless otherwise agreed/ consented to by the Debenture Trustee therein or otherwise mentioned in this term sheet as a separate event of default; 6. Any certificate, financial statement or other document delivered to the Debenture Trustee/ Debenture holders by the Issuer shall prove to have been incorrect, false or misleading in any material respect when made or deemed made; 7. There shall have occurred a material change in the business, operations, property, assets, liabilities or financial condition of the Issuer since the date of the Transaction Documents that has resulted in a Material Adverse Change; 8. Any expropriation, attachment, sequestration, distress or execution order affecting assets of the Issuer; 9. Failure by the Borrower to pay any amount under any Court order or decree or judgment against the Issuer; 10. Any corporate action, legal proceedings or other procedure or step is taken in relation to material composition, material compromise, material assignment or material arrangement with any lender to the Company that results in a Material Adverse Change effecting the ability of the Issuer to repay the outstanding amount; 11. Control of the Issuer passing or having passed to any person or persons, acting either individually or in concert, who did not control the Issuer at the date of this IM, without the prior written consent of the Debenture Trustee; and 12. If the Issuer is held to be a Willful Defaulter, or if any of their Directors / promoters is a director/ promoter of any other company / entity that is held to be a Wilful Defaulter by any bank, financial institution or other entity in accordance with the guidelines/circulars issued by the RBI from time to time in this regard. 13. Change in control of the Issuer without prior approval of the Debenture Holders. 14. Manner of voting shall be as provided in the Debenture Trust Deed. Debenture Holders to resolve joining of inter creditor agreement by way of Majority Vote.

Provisions related to Cross Default Clause	The following shall also constitute an Event of Default: 1. If the Issuer, in regards to any Indebtedness defaults in any payment of Indebtedness beyond the period of grace if any, provided in the instrument or agreement under which such Indebtedness was created, or materially defaults in the observance or performance of any financial covenant in any agreement or condition relating to any Indebtedness the effect of which default or other event or condition is to cause any such Indebtedness to become due prior to its stated maturity. "Indebtedness" shall mean any term loan, working capital loan, commercial paper or borrowing raised by the Issuer by issue of non-convertible debentures to its lenders / investors. 2. If the Issuer, in regards to any Indebtedness defaults in any payment of Indebtedness beyond the period of grace if any, provided in the instrument or agreement under which such Indebtedness was created, or materially defaults in the observance or performance of any financial covenant in any agreement or condition relating to any Indebtedness the effect of which default or other event or condition is to cause any such Indebtedness to become due prior to its stated maturity. "Indebtedness" shall mean any amount more than INR 25 Crores raised by the Issuer in the form of a term loan, working capital loan, commercial paper or borrowing. Breach of any of the material terms of the Transaction Documents.
Promoter's contribution or director's contribution, if any	Not Applicable
Consequences of Event of Default	The consequences of default will, include but not be limited to the following: • Acceleration of all outstanding dues, cancellation of total Issue and enforcement of security; • Enforce its right under the Transaction Documents; • Appropriate any amount in the Accounts and utilize it for payment/repayment of any amount outstanding under the Issue; Any cost incurred on any of the above shall be borne by Issuer
Conditions for Breach of Covenants	As per the Transaction Documents
Creation of Recovery Expense Fund	Issuer shall create the Recovery expense fund as per the timelines prescribed by SEBI.
Wilful Defaulter	The Issuer has not been declared as a wilful defaulter by any bank, financial institution or other entity within the meaning of the term as set out in the guidelines/circulars issued by the Reserve Bank of India ("**RBI**") from time to time in this regard. Further, none of the directors of the Issuer is or are directors/ promoters of any other company/ entity that has been declared as a wilful defaulter by any bank, financial institution or other entity within the meaning of the term as set out in the guidelines/circulars issued by the RBI from time to time in this regard. If a director is declared a wilful defaulter or such director is a director in another entity declared to be a wilful defaulter, then the Issuer shall, and shall procure that its board of directors, take all such steps as may be necessary to ensure that such director is removed from the board. The Issuer will not appoint/ permit appointment as a director or senior executive of the Issuer any person who cannot be appointed as such in accordance with the guidelines/ circulars issued by the RBI or the Securities and Exchange Board of India from time to time in this regard and in case such a person is found to be on its board, it would take expeditious and effective steps for removal of the person from its board.
Transfer of Debentures	Any Debenture holder who wishes to transfer the Debentures will give at least 10 days

	prior notice in writing to the Issuer; provided however that this requirement to provide prior notice will not apply in circumstances where it has or will become unlawful for the transferring Debenture holder to hold the Debentures.
Material adverse change	The effect of consequence of an event, circumstance, occurrence or condition which has caused, as of any date of determination or could be expected to cause a material and adverse effect on the performance of its obligations relating to the Instruments in the following cases: 1. The ability of the Issuer to perform their obligations under the Transaction Documents 2. The validity or enforceability of, or the effectiveness of any Transaction Documentation
Other expenses	Any expenses that may be incurred towards executing of this transaction including NCD issuance, security creation, custodial services, payment of stamp duty, fees for legal, accounting, due diligence and others shall be borne by the Issuer.
Interest tax, Service tax, levies and duties	All rates of interest and other charges to be made by the Company as mentioned herein are exclusive of GST and/or any such levies/duties, such GST, other levels/duties, if any applicable (excluding Income tax), shall be payable by the Issuer to the investor over and above the rates mentioned hereinabove. Income Tax or such other tax as may be required to be deducted at source under the Income Tax Act or any other applicable Act/Rules shall be deducted from the Interest payable by the company. In case the Debenture Holder(s) on Coupon Payment Date is not the Initial Debenture Holder, the Debenture Holders shall submit necessary declaration and applicable certificates (if required from the relevant tax authorities) for determination of appropriate tax deduction rate.
Contractual right of set-off	In addition to any general lien or set-off or similar right which the Debenture Holders may be entitled to at law or otherwise, and without prejudice to any other rights of the Debenture Holders and obligations of the Issuer in relation to the investment by the Debenture Holders, the Debenture Holders may at any time, without prior notice to the Issuer, apply any credit balance (whether or not then due) to which the Issuer is at any time, legally or beneficially entitled on any account(s) and any sum(s) held to the Issuer’s order with the Debenture Holders, or any of their affiliates in any jurisdiction, in or towards satisfaction of any of the Issuer’s liabilities to the Debenture Holders
Waiver of Consequential damages	The Issuer acknowledges that, in connection with the Transaction Documents and the transactions contemplated thereby, none of the Debenture holders or their affiliates shall be liable to the Issuer (save and except as to the extent of Investor’s fraud, gross negligence or wilful default) or have any liability for any special, indirect, consequential or punitive damages.
Disclosure of information	The investors may disclose information relating to the Debentures as may be required under applicable laws and regulations. The investors may also disclose information as required to its affiliates, group entities, professional advisers and service providers. (i) The Issuer hereby agrees and gives consent for the disclosure by the Debenture holders of all or any such; (a) information and data relating to it, (b) information or data relating to any borrowing or investment availed of/to be availed by it, and (c) obligations assumed / to be assumed by the Issuer in relation to the Transaction Documents or the Debentures and default, if any, committed by it, in discharge of the said obligations as the Debenture holders may deem appropriate and necessary, to the Credit Information Bureau (India) Ltd, any Information Utility under the Insolvency and Bankruptcy Code, 2016 and any other agency authorised in this behalf by the Reserve Bank of India.

(ii) The Issuer declares that the information and data furnished by the Issuer to the Debenture holders is true and correct.

(iii) The Issuer undertakes that:
(a) the Credit Information Company, any Information Utility under the Insolvency and Bankruptcy Code, 2016 and any other agency so authorised may use, process the said information and data disclosed by the Issuer in the manner as deemed fit by them; and
(b) the Credit Information Company, any Information Utility under the Insolvency and Bankruptcy Code, 2016 and any other agency so authorised may furnish for consideration, the processed information and data or products thereof prepared by them, to banks/financial institutions and other credit grantors or registered users, as may be specified by the Reserve Bank of India in this behalf.

The Issuer irrevocably agrees and consents to the Debenture Holder, at any time, disclosing or sharing, or in any other manner making available any information concerning the Issuer, its business, its accounts held with the Debenture Holders or another group member of the Debenture Holders including, any branch, related companies, affiliates (collectively the "**Group Members**" and individually a "**Group Member**"), including the financial position of the Issuer and the facilities granted to the Issuer to: (a) any office or branch of the Debenture Holders or another Group Member (each such person and the Secured Party, a "**Recipient**") or any assignee or transferee of the Debenture Holders and each Recipient may disclose or share such information between each other or to any person referred to in paragraphs (d) and (e) below;; (b) any agent or service provider of the Debenture Holders or another Group Member in connection with any facility provided to the Issuer; (c) any guarantor or third party security provider of the Issuer; (d) any regulator or governmental authority with jurisdiction over the Debenture Holders; (e) any court of law; or (f) any bank or financial institutions as per normal banking practices.

The Issuer undertakes to authenticate any information that may be made available by the Debenture Trustee to any Information Utility ("**IU**") as per the Insolvency and Bankruptcy Code, 2016 without delay whenever requested by the concerned IU.

Personal Data Protection

(a) If the Company provides the Debenture Holders with personal data of any individual as required by, pursuant to, or in connection with the Transaction Documents, the Company represents and warrants to the Debenture Holders that it has, to the extent required by Applicable Law, (i) notified the relevant individual of the purposes for which data will be collected, processed, used or disclosed; and (ii) obtained such individual's consent for, and hereby consents on behalf of such individual to, the collection, processing, use and disclosure of his/her personal data by the Debenture Holders, in each case, in accordance with or for the purposes of the Transaction Documents, and confirms that such individual has granted such consent and it is authorised by such individual to provide such consent on his/her behalf.

(b) The Company agrees and undertakes to notify the Debenture Trustee promptly upon its becoming aware of the withdrawal by the relevant individual of his/her consent to the collection, processing, use and/or disclosure by any Debenture Holder of any personal data provided by the Company to any Debenture Holder.

(c) Any consent given pursuant to the Debenture Trust Deed or any Transaction Document in relation to personal data shall, subject to all Applicable Laws and regulations, survive death, incapacity, bankruptcy or insolvency of any such

	individual and the termination or expiration of the Debenture Trust Deed. (d) The Company acknowledges that it has (where applicable) read and understood each Debenture Holder's circular relating to the relevant personal data protection law for corporate and institutional parties or the equivalent thereof (each, a "**Privacy Circular**"), which is available upon request, and which explains the purposes for which a Secured Party may collect, use, disclose and process (collectively, "process") personal data of individuals. The Company agrees that nothing in this paragraph shall be deemed to constitute an express or implied agreement by it for a higher degree of confidentiality than that prescribed in any Applicable Law.
OFAC Compliance	Neither the Issuer nor any other person benefiting in any capacity in connection with the issue of Debentures and/or payments thereunder is a Specially Designated National (SDN) and/or otherwise sanctioned, under the sanctions promulgated by the United States of America (including its Office of Foreign Assets Control ("OFAC")), India, United Nations, European Union, and/or any other country (collectively, the "Sanctions"). The Issuer hereby acknowledges, covenants and agrees that: (i) the Sanctions may become applicable with respect to the issue of Debentures and/or transactions thereunder, including to any documentary credits and/or guarantees issued and/or disbursements and/or payments made by the Debenture Holder pursuant to the Transaction Documents. Sanctions may pertain inter alia, to the purpose and/or end use of the borrowing by way of Debentures, goods manufactured in or originated from/through certain countries, shipment from/to/using certain countries, ports, vessels, liners and/or due to involvement of certain persons and entities (including the relevant office of the Debenture Holders). Consequently, disbursement, issuance, payment and/or processing under the Transaction Documents by the Debenture Holders(s) may become subjected to the Sanctions and the Debenture Holders shall have the unconditional right to refuse to process any transactions that violate/may violate any Sanctions; (ii) it shall ensure that the transactions do not violate any Sanctions and that no persons, entities or otherwise, currently subject to any Sanctions are involved in any transactions hereunder. The Issuer agrees that it shall not avail of the proceeds from the issue of the Debentures or use the proceeds of the issue of the Debentures in any transaction with, or for the purpose of financing the activities of, any person currently subject to any Sanctions as aforesaid; and (iii) it shall indemnify and hold harmless the Debenture Holders, to the fullest extent permitted by applicable law, for all losses and liabilities (including due to claims by a third party), incurred by the Debenture Holders as a result of any breach by it of its representations and undertakings contained herein pertaining to the Sanctions and/or due to any action taken by the Debenture Holders pursuant to the Sanctions. No action taken by the Debenture Holders pursuant to the Transaction Documents, including investment into Debentures, issuance of any financial instruments thereunder or processing of any payments or transactions, nor any action taken by the Issuer in relation thereto, shall be deemed to be a waiver of any of the Debenture Holders' rights nor shall they act to relieve the Issuer of its obligations or liabilities in relation thereto.
Waiver of Sovereign Immunity	The Issuer is not, will not be entitled to, and will not claim immunity for itself or any of its assets from suit, execution, attachment or other legal process in any proceedings in relation to the NCDs or the Transaction Documents.
Role and Responsibilities of Debenture Trustee	The Trustees shall perform its duties and obligations and exercise its rights and discretions, in keeping with the trust reposed in the Trustees by the holder(s) of the NCDs and shall further conduct itself, and comply with the provisions of all applicable laws. The Trustees shall carry out its duties and perform its functions as required to

	discharge its obligations under the terms of Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993 and the Debenture Trusteeship Agreement, Disclosure Document and all other related transaction documents, with due care, diligence and loyalty.
Risk Factors pertaining to the Issue	Refer Clause XXIV on Page 39 of the Information Memorandum.
Governing Law and Jurisdiction	The NCDs are governed by and shall be construed in accordance with the existing laws of India. Any dispute arising thereof shall be subject to the jurisdiction of district courts of Kolkata, West Bengal.

Notes:

1. *If there is any change in Coupon Rate pursuant to any event including elapse of certain time period or downgrade in rating, then such new Coupon Rate and events which lead to such change should be disclosed.*
2. *The procedure used to decide the dates on which the payment can be made and adjusting payment dates in response to days when payment can't be made due to any reason like sudden bank holiday etc., should be laid down.*
3. *The list of documents which has been executed or will be executed in connection with the issue and subscription of debt securities shall be annexed.*
4. *While the debt securities are secured to the tune of 100% of the principal and interest amount or as per the terms of offer document/ information Memorandum, in favour of Debenture Trustee, it is the duty of the Debenture Trustee to monitor that the security is maintained, however, the recovery of 100% of the amount shall depend on the market scenario prevalent at the time of enforcement of the security.*

XXIX. MATERIAL CONTRACTS AND AGREEMENTS

Set out below is the statement containing particulars of, dates of, and parties to all material contracts and agreements of the Company in relation to this Issue

- Certified copy of the Memorandum and Articles of Association of the Issuer;
- Certified true copy of resolution of the Board of Directors dated 8 September 2020 and the resolution of a committee of the Board of the Company dated 23 December 2020 authorising the Issue, and to take all steps and to settle the terms and conditions of the such debentures, attached as Annexure III to this Information Memorandum;
- Copy of the certificate from an independent chartered accountant confirming that the borrowing limit binding on it under Section 180(1)(c) of the Companies Act, 2013 will not be exceeded, upon the allotment of the Debentures;
- Annual Reports of the Issuer for the Financial Years ended March 31, 2020, March 31, 2019 and March 31, 2018;
- Consent letter from the Debenture Trustee issued on 21 December 2020attached as Annexure I to this Information Memorandum;
- Certificate from an independent chartered accountant of the Issuer dated 21 December 2020 stating that the Issue will be within the overall borrowing limits applicable to the Issuer;
- Debenture Trustee Agreement between the Debenture Trustee and Issuer dated 23 December 2020;
- Tripartite Agreement between NSDL, Registrar and Issuer dated 2 May 2003;
- Tripartite Agreement between CDSL, Registrar and Issuer dated 10 April 2003.

The copies of the above material documents and contracts are available for inspection between 11 am and 1 pm on all working days at the registered office of the Company as mentioned below:

Registered Office: CESC House, Chowringhee Square, Kolkata - 700001

XXX. INCONSISTENCY/REPUGNANCE

In the event of any inconsistency between (i) the terms of the Debenture Trust Deed and the terms of this Information Memorandum (excluding the Termsheet), the terms of this Information Memorandum (excluding the Termsheet) shall (to the extent of such inconsistency) prevail; and (ii) the terms of this Information Memorandum (excluding the Termsheet) and the terms of the Termsheet, the terms of the Termsheet shall (to the extent of such inconsistency) prevail.

XXXI. TERMS OF OFFER

Such other covenants as agreed in the Debenture Trust Deed, the Termsheet and other Transaction Documents.

XXXII. AN ILLUSTRATION FOR CASH FLOW STATEMENT AS PER SEBI CIRCULAR CIR/IMD/DF/18/2013 DATED OCTOBER 29, 2013

The below mentioned cashflow for Principal and Coupon payments is calculated on the face value of one debenture.

The coupon rate applied for coupon payment shall be the closing rate of 12 Month T-bill on 1 Business Day prior to Pay-in date i.e 23rd December 2020 + 2.40% pa.
For example : If 12 Month T-Bill closing rate as on 23 Dec 2020 is 3.40% pa then effective rate will be 3.40% + 2.40% i.e. 5.80% pa.

Company	CESC Limited
Face Value (per Security)	1,000,000
Issue Date/Deemed Date of Allotment	28 December 2020
Redemption Date	7-Dec-23
Coupon Rate	12M T Bill + 2.40% pa
Frequency of the Interest Payment with specified dates	Annual
Day Count Convention	Actual / Actual

Cash Flows	Date	No of days in Coupon Period	Amount per debenture (in Rupees)
Coupon	23-Dec-21	360	57,205.48
Coupon	15-Dec-22	357	Coupon as per 12M T Bill + 2.40% p.a.
Coupon Principal	7-Dec-23 7-Dec-23	357	Coupon as per 12M T Bill + 2.40% p.a. 1,000,000

Note:

a. *The Coupon payment should be rounded to nearest rupee.*

b. *If the Coupon payment date falls on a holiday, the payment may be made on the following working day* *however the dates of the future coupon payments would be as per the schedule originally stipulated at the time of issuing the security.*

c. *If the maturity date falls on a holiday, redemption and accrued Coupon are payable on the immediately previous business day.*

XXXIII. DISCLOSURES PERTAINING TO WILFUL DEFAULT

We confirm that that the issuer or any of its promoters or directors has not been declared as a wilful defaulter under the applicable laws.

Serial No. 03/2020-21
Addressed to: Citibank N.A.

DIRECTOR'S DECLARATION

A. The Company has complied with the provisions of the Companies Act, 2013 and the rules made thereunder in relation to the Issue;

B. The compliance with the Companies Act and the rules does not imply that payment of dividend or interest or repayment of Debentures, if applicable, is guaranteed by the Central Government;

C. The monies received under the Issue shall be used only for the purposes and objects indicated in this Information Memorandum.

I am authorized by the Board of Directors of the Issuer vide resolution dated 8 September 2020 to sign this form and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this Information Memorandum, and matters incidental thereto have been complied with. Whatever is stated in this Information Memorandum and in the attachments thereto is true, correct and complete and no information material to the subject matter of the Information Memorandum has been suppressed or concealed and is as per the original records maintained by the Promoters subscribing to the Memorandum of Association and Articles of Association of the Company.

It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this form

For **CESC Limited**

Signed by ____________

RABI CHOWDHURY
Managing Director (Generation)
CESC Limited

Director
Date: 24 December 2020
Place: Kolkata

Attachments:
Copy of board resolution
Copy of shareholders resolution
Copy of the borrowing committee resolution

ANNEXURE I: CONSENT LETTER FROM DEBENTURE TRUSTEE

[*Attached*]

ANNEXURE II: CREDIT RATING LETTER

[*Attached*]

ANNEXURE III: RESOLUTIONS

[*Attached*]

ANNEXURE IV: FINANCIAL INFORMATION

[*Attached*]

Serial No. 03/2020-21
Addressed to: Citibank N.A.

ANNEXURE V: APPLICATION FORM (PART B) - (TO BE FILED BY THE APPLICANT)

Application Form No.________

CESC LIMITED
Registered Office: CESC House, Chowringhee Square, Kolkata - 700001
Phone: +913322256040 **Fax:** + 913322255155
CIN: - L31901WB1978PLC031411

APPLICATION FORM FOR PRIVATE PLACEMENT OF LISTED, SECURED, RATED, REDEEMABLE, NON-CONVERTIBLE DEBENTURES

Issue Schedule		
Particular	**Tentative Issue Opens On:**	**Tentative Issue Closes On:**
Debentures	24 December 2020	24 December 2020

Dear Sirs,

Having read and understood the contents of the Private Placement Offer Letter, we apply for allotment to us of the Debentures. The amount payable on application as shown below shall be remitted on the Pay in Date (as defined in the Debenture Trust Deed) provided that we shall not be required to pay amounts towards the Debentures unless the conditions precedent set out in the Debenture Trust Deed have been satisfied. On allotment, please place my/our name(s) on the Register of Debenture holders under the issue. We bind ourselves by the terms and conditions as contained in the Private Placement Offer Letter and hereby further undertake that we are not debarred from accessing capital market or have been restrained any regulatory authorities from directly or indirectly acquiring the said debentures.

DETAILS OF DEBENTURES & PAYMENT

Debenture Series				No. of Debentures (in Figures)	
No. of Debentures (in words)					
Amount (INR) (in figures)					
Amount (INR) (In words)					
RTGS/ Fund Transfer/ Demand Draft drawn on (Name of Bank and Branch)	Demand Draft No./UTR No. in case of RTGS/ A/c no in case of FT	RTGS / Demand Draft/ fund transfer Date		**Particulars of DP ID / Client ID** DP Name DP ID No. Client ID No.	
Tax status of the Applicant (please tick one)					
1. Non Exempt ☐	2. Exempt under ☐	Self-declaration ☐	Under Statute ☐	Certificate from I.T. Authority ☐	

APPLICANT'S NAME IN FULL:

Tax payer's PAN or GIR No. if allotted		IT Circle/ Ward/ District	
FATHER'S NAME			

COMPLETE ADDRESS INCLUDING FLAT / HOUSE NUMBER, STREET, LOCALITY, PIN CODE

Pin							Tel							Fax					

CONTACT PERSON			
NAME		**DESIGNATION**	
TEL.NO.		**FAX NO.**	
EMAIL			

TO BE FILLED IN BY THE APPLICANT

Name of the Authorized Signatory(ies)	Designation	Signature

--- TEAR ---

Regd office:
APPLICATION FORM FOR PRIVATE PLACEMENT OF NON CONVERTIBLE DEBENTURES ACKNOWLEDGEMENT SLIP
(To be filled by the Applicant)

Received from ______________________ an application for __________ debentures under Tranche __
Address ______________________ draft No. __________ dated __________
______________________ Drawn on ______________________
______________________ for Rs. (in figures) ______________________
__________ Pin Code __________ for Rs. (in words) ______________________

1. Application must be completed in full BLOCK LETTERS IN ENGLISH except in case of signature. Applications, which are not complete in every respect, are liable to be rejected.
2. Details of Bank Account of the Issuer for remitting the subscription proceeds:

Bank name	Citibank N.A.
IFSC code	CITI0000001
Account no.	10676002
Mode	RTGS / NEFT

3. The Original Application Form along with relevant documents should be forwarded to the Registered Office of the Issuer to the attention of Rajarshi Banerjee, on the same day the application money is deposited in the Bank. A copy of PAN Card must accompany the application.
4. In the event of debentures offered being over-subscribed, the same will be allotted on a first come first serve basis by the Issuer.
5. The debentures shall be issued in demat form only and subscribers may carefully fill in the details of Client ID/ DP ID.
6. In the case of application made under Power of Attorney or by limited companies, following documents (attested by Company Secretary /Directors) must be lodged along with the application or sent directly to the Issuer at its Registered Office to the attention of Rajarshi Banerjee along with the Application Form.
   a) Certificate of Incorporation and Memorandum & Articles of Association;
   b) Resolution of the Board of Directors and identification of those who have authority to operate;
   c) Power of attorney granted to its managers, officers or employees to transact business on its behalf;
   d) PAN (otherwise exemption certificate by IT authorities).
   e) DP ID, Client ID, DP Name
   f) Bank Account Details
7. The attention of applicants is drawn to Section 38 of the Companies Act, 2013, which make a person liable for action who make an application in a fictitious name or otherwise induces a Corporation

to allot or register any transfer of shares therein to him or any other person in fictitious name.

8. The applicant represents and confirms that it has understood the terms and conditions of the Debentures and is authorised and eligible to invest in the same and perform any obligations related to such investment.

ANNEXURE VI: IN PRINCIPLE APPROVAL

[*Attached*]

IDBI Trusteeship Services Ltd
CIN : U65991MH2001GOI131154

IDBI trustee

No.22014/ITSL/OPR/CL/2020-21/DEB/1055
December 21, 2020

Mr. Subhasis Mitra - Company Secretary
CESC Limited
CESC House, Chowringhee Square, Kolkata – 700 001

Dear Sir,

Consent to act as Debenture Trustee for Secured Listed Non-Convertible Debentures (NCDs) Upto Rs.25 crores (with an Option to retain oversubscription of upto Rs.175 crores) to be issued by CESC Limited ("the Company").

This is with reference to the e-mail dated 21.12.2020 from your company on appointment of IDBI Trusteeship Services Limited (ITSL) as Debenture Trustee for NCDs Upto Rs.25 crores (with an Option to retain oversubscription of upto Rs.175 crores) to be issued by the Company.

It would indeed be our pleasure to be associated with your esteemed organization as Debenture Trustee for the NCDs issuances on trusteeship remuneration as under.

Acceptance Fees	Rs.2,50,000/- (plus applicable taxes) onetime payment payable upfront;
Service Charges:	Rs.1,50,000/- p.a. (plus applicable taxes). First such payment would become payable immediately for pro-rata period from the date of execution of Debenture Trustee Agreement till March 31, 2021; thereafter the Service Charges are payable on an annual basis in advance on 1st April every year till full redemption of NCDs and satisfaction of all charges.
Delay Payment Charges	In case the payment of service charges not received within a period of 30 days from the date of the bill, ITSL reserves the right to charge "delayed payment charges" @ 12% p.a. on the outstanding amount.
Out of Pocket Expenses & Statutory Dues	Would be reimbursable on actual basis within 30 days of the claim.
Validity:	i) This Consent Letter shall not be construed as giving rise to any obligation on the part of IDBI Trusteeship Services Ltd. to act as Debenture Trustees unless the Company communicates acceptance to IDBI Trusteeship Services Ltd within 3 days from the date of issuance of this letter. ii) the Issuer Company executes Trusteeship documents including Security Documents within the stipulated time as per the offer document or as per applicable law.
Reset Clause	Service charges shall be reviewed mutually by the Company and the Trustee for the upward revision in fees on expiry of 3 years from the date of this consent letter
Enforcement Charges	Minimum Rs.5,00,000/- plus applicable taxes excluding litigation / other expenses which will be on actual basis.

Assure you of our best services at all times.

Yours faithfully,
For IDBI Trusteeship Services Limited

Aditya Kapil
Vice President

we accept the above terms
For CESC Limited

(Authorized Signatory)

CESC LIMITED CHOWRINGHEE SQUARE KOLKATA-1

NOTE: *As per recent GST guidelines, ITSL would be required to pay the applicable Tax on the amounts / charges payable to us as indicated above. Please note that the Company would be liable to pay all such charges even in the event of cancellation of the aforesaid transaction. Therefore, no refund of any statutory dues already paid would be made.*

IDBI Trusteeship Services Ltd
CIN : U65991MH2001GOI131154

IDBI trustee

No.22014/ITSL/OPR/CL/2020-21/DEB/1055
December 21, 2020

Mr. Subhasis Mitra - Company Secretary
CESC Limited
CESC House, Chowringhee Square, Kolkata – 700 001

Dear Sir,

Consent to act as Debenture Trustee for Secured Listed Non-Convertible Debentures (NCDs) Upto Rs.25 crores (with an Option to retain oversubscription of upto Rs.175 crores) to be issued by CESC Limited ("the Company").

This is with reference to the e-mail dated 21.12.2020 from your company on appointment of IDBI Trusteeship Services Limited (ITSL) as Debenture Trustee for NCDs Upto Rs.25 crores (with an Option to retain oversubscription of upto Rs.175 crores) to be issued by the Company.

In this connection, we confirm our acceptance to act as Debenture Trustee for the same, subject to the company agreeing the conditions as set out in Annexure - A.

We are also agreeable for inclusion of our name as trustees in the Company's offer document / disclosure document / listing application / any other document to be filed with SEBI / ROC / the Stock Exchange(s) or any other authority as required.

CESC Limited shall enter into Debenture Trustee Agreement for the said issue of the NCDs.

Thanking you,

Yours faithfully,
For **IDBI Trusteeship Services Limited**

Aditya Kapil
Vice President

Annexure A

1. The Company agrees and undertakes to create the securities wherever applicable over such of its immovable and moveable properties and on such terms and conditions as agreed by the Debenture holders and disclose in the Information Memorandum or Disclosure Document and execute, the Debenture Trust Deed and other necessary security documents for each series of debentures as approved by the Debenture Trustee, within the stipulated time as per the offer document or as per applicable law.

2. The Company agrees & undertakes to pay to the Debenture Trustees so long as they hold the office of the Debenture Trustee, remuneration as stated above for their services as Debenture Trustee in addition to all legal, traveling and other costs, charges and expenses which the Debenture Trustee or their officers, employees or agents may incur in relation to execution of the Debenture Trust Deed and all other Documents affecting the Security till the monies in respect of the Debentures have been fully paid-off and the requisite formalities for satisfaction of charge in all respects, have been complied with.

3. The Company agrees & undertakes to comply with the provisions of SEBI (Debenture Trustees) Regulations, 1993, SEBI (Issue and Listing of Debt Securities) Regulations, 2008, read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Companies Act, 1956 to the extent not repealed and The Companies Act, 2013 to the extent notified and other applicable provisions as amended from time to time and agrees to furnish to Trustees such information in terms of the same on regular basis.

For **IDBI Trusteeship Services Limited**

IDBI Trusteeship Services Ltd. ITSL

Aditya Kapil
Vice President

CARE Ratings
Professional Risk Opinion

No. CARE/KRO/RL/2020-21/2129

Shri Rajarshi Banerjee
Executive Director
CESC Limited
CESC House, Chowringhee Square,
Kolkata
West Bengal 700001

December 21, 2020

Confidential

Dear Sir,

Credit rating for proposed Non-Convertible Debenture issue

Please refer to your request for rating of proposed long-term Non-convertible Debenture (NCD) issue aggregating to Rs.200.00 crore of your Company. The proposed NCDs would have tenure of 3 years with bullet repayment at the end of 3rd year.

2. The following ratings have been assigned by our Rating Committee:

Sr. No.	Instrument	Amount (Rs. crore)	Rating[1]	Rating Action
1.	Non Convertible Debentures	200.00	CARE AA; Stable (Double A; Outlook: Stable)	Assigned
	Total Instruments	200.00 (Rs. Two Hundred Crore Only)		

3. Please arrange to get the rating revalidated, in case the proposed issue is not made within a period of six months from the date of our initial communication of rating to you (that is Dec 21, 2020).

4. In case there is any change in the size or terms of the proposed issue, please get the rating revalidated.

P. S.

[1] *Complete definitions of the ratings assigned are available at www.careratings.com and in other CARE publications.*

5. Please inform us the below-mentioned details of issue immediately, but not later than 7 days from the date of placing the instrument:

Instrument type	ISIN	Issue Size (Rs cr)	Coupon Rate	Coupon Payment Dates	Terms of Redemption	Redemption date	Name and contact details of Debenture Trustee	Details of top 10 investors

6. Kindly arrange to submit to us a copy of each of the documents pertaining to the NCD issue, including the offer document and the trust deed.

7. The rationale for the rating will be communicated to you separately. A write-up (press release) on the above rating is proposed to be issued to the press shortly, a draft of which shall be sent separately. We request you to peruse the document (being sent separately) and offer your comments if any. We are doing this as a matter of courtesy to our clients and with a view to ensure that no factual inaccuracies have inadvertently crept in. Kindly revert as early as possible. In any case, if we do not hear from you by December 22, 2020, we will proceed on the basis that you have no any comments to offer.

8. CARE reserves the right to undertake a surveillance/review of the rating from time to time, based on circumstances warranting such review, subject to at least one such review/surveillance every year.

9. CARE reserves the right to revise/reaffirm/withdraw the rating assigned as also revise the outlook, as a result of periodic review/surveillance, based on any event or information which in the opinion of CARE warrants such an action. In the event of failure on the part of the entity to furnish such information, material or clarifications as may be required by CARE so as to enable it to carry out continuous monitoring of the rating of the bank facilities, CARE shall carry out the review on the basis of best available information throughout the life time of such bank facilities. In such cases the credit rating symbol shall be accompanied by "ISSUER NOT COOPERATING". CARE shall also be entitled to publicize/disseminate all the afore-mentioned rating actions in any manner considered appropriate by it, without reference to you.

10. Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.

P. S.

11. Users of this rating may kindly refer our website www.careratings.com for latest update on the outstanding rating.

12. CARE ratings are **not** recommendations to buy, sell or hold any securities.

13. If you need any clarification, you are welcome to approach us in this regard. We are indeed, grateful to you for entrusting this assignment to CARE.

Thanking you,

Yours faithfully,

Punit Singhania

Punit Singhania
Senior Manager
punit.singhania@careratings.com

Arindam Saha
Associate Director
arindam.saha@careratings.com

Encl.: As above

Disclaimer

CARE's ratings are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE's ratings do not convey suitability or price for the investor. CARE's ratings do not constitute an audit on the rated entity. CARE has based its ratings/outlooks on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CARE or its subsidiaries/associates may also have other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating /outlook assigned by CARE is, inter-alia, based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating/outlook may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors. CARE is not responsible for any errors and states that it has no financial liability whatsoever to the users of CARE's rating.

Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.

Certified true copy of the resolutions passed by the Board of Directors of the Company at its meeting held on 8 September, 2020

BORROWING FACILITIES

RESOLVED

1. THAT, in addition to and not in supersession of any of the Resolutions passed by the Board of Directors of the Company from time to time in the past approving borrowing of funds for meeting the Company's requirements, the Company do avail of Rupee Term Loans and/or Foreign Currency Loans and /or other facilities including those in the form of Non-Convertible Debentures, CP and other debt securities /bonds ('the Facilities') for incurring capital expenditure and/or for the purpose of long term working capital requirement and/or general corporate purpose and/or meeting cash flow requirements and/or refinancing of the existing facilities AND THAT the Facilities as aforesaid from Commercial Banks, Financial Institutions and other lending institutions/agencies/investors ('the Lenders') be availed of upto a ceiling equivalent of Rs. 850 crore on terms and conditions to be settled with one or more of the Lenders.

2. THAT any two of Messrs S. Mitra, Company Secretary, R. Banerjee, ED & CFO, D. Bhattacharya, Vice President (Finance), Jagdish Patra, and S. K. Ghosh, Vice Presidents (Secretarial) be and are hereby authorised to settle terms and conditions including those for sharing of the Facilities amongst the Lenders, to do all such deeds and execution of such documents required for availing of the Facilities from the Lenders above referred to and to finalise, approve and execute documentations, as may be necessary in this regard and secure, where applicable, the Facilities to be availed of AND THAT the Common Seal of the Company be affixed to the said documents, wherever required, in the presence of (a) any one of the Directors and the Company Secretary, or (b) any one Director or the Company Secretary and ED & CFO or Vice President (Finance) or Vice President (Secretarial) as the persons authorized who do sign the same in token thereof.

3. THAT a Committee of the Board be constituted with Mr. R. Chowdhury and Mr. D. Banerjee as its members to deal with all matters, resolve all issues and take such other action and do such other things as may be required for the purpose of issue, offer and allotment of Non-Convertible Debentures, CP and other debt securities ('Debt Instruments') within the aforesaid aggregate limit of Rs 850 crore including the following :

a. finalise the issue size and terms and conditions of each tranche/series of Debt Instruments to be issued or availed of, executing the offer documents, transaction documents, security documents and any amendments required thereto.

b. the appointment of any debenture trustee, rating agency, registrar, lawyers, advisors and/or other agencies/intermediaries, if applicable, for the proposed issuance of the Debt Instruments,

c. the appointment of National Securities Depository Limited and/or Central Depository Services (India) Limited as the depositories if required, for the proposed issuance of the Debt Instruments.

d. finalize the list of investors and issue appropriate resolutions as may be required in relation to the issue and allotment of the aforesaid Debt Instruments.

4. THAT the officers of the Company, as authorised by and in the manner laid down under Board Resolutions dated 18th May 2017 and 26th July 2018, as amended from time to time, be and are hereby authorised to sign on behalf of the Company any document as may be required for making available the Facilities and to issue any instructions for utilizing the same.

5. THAT the Company Secretary be and is hereby authorized to sign and file with the Registrar of Companies, West Bengal, within the statutory period, the particulars of charges / modifications of charges in respect of the security to be created in favour of the all or any of the aforesaid Lenders.

6. THAT the Company Secretary be and is hereby authorized to forward copies of the resolutions to all or any of the Lenders referred to in the above resolution.

Certified true copy
For CESC Limited

Company Secretary

22.12.2020

RP-Sanjiv Goenka Group
Growing Legacies

CESC LIMITED
Energising Lives · Since 1899

Certified true copy of the Resolution passed by Committee of the Board of Directors of the Company at its Meeting held on 23 December, 2020

RESOLVED THAT the Committee do approve an issue of upto 2,000 Secured, Redeemable, Rated, Listed, Non-Convertible Debentures having a face value of Rs. 10,00,000/- each ('NCDs') for cash at par, aggregating to Rs. 200 crore, in one or more tranches, from time to time, on a private placement basis to eligible investors selected through Stock Exchange bidding mechanism.

RESOLVED FURTHER THAT for the purpose of issue of the said NCDs, appointments of the following agencies be and are hereby approved:

i. IDBI Trusteeship Services Limited having its registered office situated at Asian Building, Gr Floor, 17 R Kamani Marg Ballard Estate, Mumbai – 400001, as the Debenture Trustee;
ii. Link Intime India Private Limited situated at C 101, 247 Park, LBS Rd, Surya Nagar, Gandhi Nagar, Vikhroli West, Mumbai, Maharashtra – 400083, as the Registrar to the issue;

RESOLVED FURTHER THAT drafts of the following documents placed before the Committee and initialled by the Chairman of the Committee for the purpose of identification, be and are hereby approved:

a. Debenture Trust Deed ("DTD")
b. Debenture Trustee Agreement ("DTA")
c. Information Memorandum ('IM') and
d. Unattested Deed of Hypothecation together with Deed of Hypothecation Confirmation for creation of first ranking pari passu charge over moveable fixed assets of the Company ('DOH')

(DTD, DTA, IM and the DOH as mentioned above be and are hereby collectively referred to as "the Transaction Documents").

RESOLVED FURTHER THAT Mr. S. Mitra, Company Secretary, Mr. R. Banerjee, Executive Director and Chief Financial Officer, Mr. D. Bhattacharya, Vice-President (Finance) Mr. J. Patra, Vice President (Secretarial) and Mr. S.K. Ghosh, Vice-President (Secretarial) be and are hereby severally authorised to finalise, sign and execute all or any of the Transaction Documents and do such other acts, deeds, matters and things as may be required for giving effect to the aforesaid issuance of debentures, including but not limited to accepting any modifications made in the Transaction Documents, signing and/or despatching all documents and regulatory filings and notices to be signed and/or despatched by the Company under or in connection with the Transaction Documents.

RESOLVED FURTHER THAT where any of the Transaction Documents would require affixation of the Common Seal of the Company, the same be affixed in the presence of any two Directors of the Company or any Director and the Company Secretary or any Director or the Company Secretary and any one of Mr. R. Banerjee, Mr. D. Bhattacharya, Mr. J. Patra and Mr. S.K. Ghosh as the persons authorised in this behalf, in accordance with the Articles of Association of the Company.

RESOLVED FURTHER THAT the Company Secretary and the Vice-President (Secretarial) be and are hereby severally authorised to issue a certified true copy of the aforesaid Resolutions to whomsoever concerned.

Certified true copy
For CESC Limited

COMPANY SECRETARY

23.12.2020

RP-Sanjiv Goenka Group
Growing Legacies

CESC LIMITED
Energising Lives • Since 1899

Certified true copy of the Special Resolution passed by the Members of the Company at the Fortieth Annual General Meeting
<u>held on 21 December, 2018</u>

RESOLVED THAT, in modification of the Special Resolution passed by the Company in terms of Section 180(1)(c) of the Companies Act, 2013 at the Thirty-sixth Annual General Meeting held on 30 July, 2014, consent of the Company be and is hereby accorded to the Board of Directors of the Company (the Board) for borrowing from time to time any sum or sums of monies on such terms and conditions as the Board may deem requisite or proper for the purpose of the business of the Company and remaining outstanding at any point of time (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) up to a sum not exceeding Rs. 6,500 crores, AND THAT for the purpose of implementation of this Resolution, the Board may act through any member thereof or any other person duly authorized by the Board in that behalf.

Certified true copy
For CESC LIMITED

COMPANY SECRETARY

22.12.2020

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of CESC Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2020, 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 notes to the standalone Ind AS financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("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, 2020, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements for the financial year ended March 31, 2020. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone Ind AS financial statements.

1. **Accrual of regulatory income and corresponding asset / liability** *(as described in note 39 of the standalone Ind AS financial statements)*

   Key Audit Matter:

   The company recognizes regulatory income/ assets/ liability basis its understanding and interpretation of Tariff orders and regulations notified by the West Bengal Electricity Regulatory Commission (WBERC), which are subject matter of Annual Performance Review (APR) and will be adjusted in tariffs to be notified in the future years. Management exercises judgement in estimating such amounts using past experience from the issued Tariff/APR orders including interpretation of the regulations. Such regulatory deferral balances are discounted over an estimated period of recovery using an appropriate discounting rate.

   In consideration of the significant value of regulatory balances, complexity and high degree of estimation involved in computation thereof and pending annual performance reviews, we identified accrual of regulatory balances as a key audit matter.

   How our audit addressed the key audit matter:

   Our audit procedures included the following:

   - We considered the Company's accounting policies with respect to accrual for regulatory deferrals and assessing compliance with Ind AS 114 "Regulatory Deferral Accounts".
   - We have understood and carried out testing of the design and implementation of key financial controls related to accounting, valuation and recoverability of such regulatory balances and its disclosure in the financial statements of the Company.
   - We discussed with the management on the key assumptions and estimates used for recognition of these regulatory balances and corroborated them with the applicable regulatory provisions, APR orders, Tariff orders and underlying records of the Company.
   - We discussed with the management on the consistency of its key assumptions and basis of estimation for all the years for which APR assessments are pending to be completed and also verified the arithmetical accuracy of such workings.
   - We enquired from the management for notifications and correspondences with the regulator on the pending APR assessments.

- We audited and discussed with the management the impact considered in the financial statements in respect of APR order received during the year.
- We also assessed the discounting rate and the estimated period of recovery considered by the management with reference to the APR process and the tariff regulations.
- We have assessed the disclosures in accordance with the requirements of Ind AS 114 "Regulatory Deferral Accounts".

2. **Investments in subsidiaries of the Company** *(as described in note 7 of the standalone Ind AS financial statements)*

Key Audit Matter:

The company carries its investment in subsidiaries at cost, as per the applicable Ind-AS standard and performs an impairment assessment, wherever required.

For these assessments, the company involves a valuer to determine the recoverable value of such investments using the discounted cash flow method of valuation, which is highly sensitive to changes in inputs used in valuation and involves judgement due to inherent uncertainty in the assumptions used for forecasting the future cash flows.

Accordingly, the impairment assessment of investments in Subsidiary Companies was determined to be a key audit matter in our audit of the standalone Ind AS financial statements.

How our audit addressed the key audit matter:

Our audit procedures included the following:

- We evaluated the objectivity and competence of the external valuation specialist involved for such valuation and obtained confirmation of independence from them.
- We discussed with the management the methodology and assumptions used in the valuation including discount rates, expected growth rates and terminal growth rates.
- We obtained suitable management representation on the projections of future cash flows and the various assumptions used in the valuation.
- We read the audited financial statements of these subsidiary companies since the year of commencement of their operations. We discussed with the management the reported improvement in performance of these companies over the years.
- We tested the arithmetical accuracy of the financial projections.

We have determined that there are no other key audit matters to communicate in our report.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the Directors Report, Management Discussion and Analysis, Report on Corporate Governance, Additional Shareholder Information, Report on CSR, Business Responsibility Report and Statement containing salient features of the financial statements of Subsidiaries / Associates / Joint Ventures, but does not include the standalone Ind AS financial statements and our auditor's report thereon.

Our opinion on the standalone Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management 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 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 the 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 controls, 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.

In preparing the standalone Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements for the financial year ended March 31, 2020 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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, 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 purposes 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;

   (c) The Balance Sheet, the 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;

   (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 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 in “Annexure 2” to this report;

(g) In our opinion, the managerial remuneration for the year ended March 31, 2020 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:

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 has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts in the standalone Ind AS financial statements;

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
UDIN: 20058652AAAABQ4045

Place of Signature : Kolkata
Date: June 29, 2020

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 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 fixed assets are held in the name of the Company, except for land aggregating to Rs. 199.27 crore, of which the lease deeds have expired. As explained to us, the Company is in the process of renewal of expired lease deeds.

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, 2020 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, goods and service 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 from banks. There was no repayment due to debenture holders during the year. The Company did not have any outstanding loans or borrowings in respect of a financial institution or Government 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 debt instruments in the nature of non-convertible debentures and 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.

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.

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 Number: 058652
UDIN: 20058652AAAABQ4045

Place of Signature : Kolkata
Date: June 29, 2020

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, 2020 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 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 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 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 Standalone Ind AS 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, 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, 2020, 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.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Kamal Agarwal
Partner
Membership Number: 058652
UDIN: 20058652AAAABQ4045

Place of Signature : Kolkata
Date: June 29, 2020

Balance Sheet as at 31st March, 2020

Particulars		Note No.	As at 31st March, 2020	As at 31st March, 2019
				₹ in crore
ASSETS				
Non-current Assets				
Property, Plant and Equipment		4	**14,629.69**	14,553.23
Capital work-in-progress			**89.28**	66.54
Investment Property		5	**62.63**	56.03
Intangible Assets		6	**117.51**	127.11
Financial Assets				
Investments		7	**4,430.57**	4,429.57
Loans		8	**40.07**	32.60
Others		9	**75.17**	56.21
Other non-current assets		10	**120.09**	141.95
	(A)		**19,565.01**	19,463.24
Current Assets				
Inventories		11	**387.17**	382.63
Financial Assets				
Investments		12	**15.01**	513.03
Trade receivables		13	**991.19**	1,028.25
Cash and cash equivalents		14	**1,050.23**	321.30
Bank balances other than cash and cash equivalents		15	**362.61**	302.28
Others		16	**89.47**	101.75
Other current assets		17	**250.15**	330.16
	(B)		**3,145.83**	2,979.40
Regulatory deferral account balances	**(C)**	18	**4,240.80**	3,646.26
TOTAL ASSETS	**(A+B+C)**		**26,951.64**	26,088.90
EQUITY AND LIABILITIES				
Equity				
Equity Share capital		19	**133.22**	133.22
Other Equity		20	**9,904.81**	9,630.85
	(D)		**10,038.03**	9,764.07
Liabilities				
Non-current Liabilities				
Financial Liabilities				
Borrowings		21	**3,688.46**	3,360.03
Trade Payables				
(a) Total outstanding dues to micro enterprise & small enterprises			**-**	-
(b) Total outstanding dues of creditors other than micro enterprise & small enterprises			**48.10**	43.63
Consumers' Security Deposits		45	**1,622.67**	1,482.58
Others		22	**238.82**	6.70
Provisions		23	**409.35**	333.22
Deferred tax liabilities (net)		24	**3,480.78**	3,474.98
Other non-current liabilities		25	**189.11**	218.66
	(E)		**9,677.29**	8,919.80
Current Liabilities				
Financial Liabilities				
Borrowings		26	**1,590.01**	1,485.44
Trade Payables				
(a) Total outstanding dues to micro enterprise & small enterprises		27	**13.83**	5.51
(b) Total outstanding dues of creditors other than micro enterprise & small enterprises			**583.66**	613.64
Others		28	**2,863.60**	3,167.92
Other current liabilities		29	**555.16**	582.40
Provisions		30	**62.56**	63.18
Current tax liabilities (net)			**103.15**	85.27
	(F)		**5,771.97**	6,003.36
			25,487.29	24,687.23
Regulatory deferral account balances	**(G)**	18	**1,464.35**	1,401.67
TOTAL EQUITY AND LIABILITIES	**(D+E+F+G)**		**26,951.64**	26,088.90
Notes forming part of Financial Statements		1-55		

This is the Balance Sheet referred to in our Report of even date.

For and on behalf of Board of Directors

For S.R.BATLIBOI & Co. LLP
Chartered Accountants
Firm Registration Number -301003E/E300005

Kamal Agarwal
Partner
Membership No.: 058652
Kolkata, 29th June, 2020

Chairman	Sanjiv Goenka	DIN : 00074796
Managing Director -Generation	Rabi Chowdhury	DIN : 06601588
Managing Director- Distribution	Debasish Banerjee	DIN : 06443204
Company Secretary	Subhasis Mitra	
Executive Director & CFO	Rajarshi Banerjee	

Statement of Profit and Loss for the year ended 31st March, 2020

CESC LIMITED
Energising Lives -Since 1899

₹ in crore

Particulars	Note No.	2019-20	2018-19
Revenue from operations	32	**7,835.93**	7,753.67
Other income	33	**145.88**	164.91
Total Income		**7,981.81**	7,918.58
Expenses			
Cost of electrical energy purchased		**2,965.99**	2,999.22
Cost of fuel	34	**1,550.74**	1,556.20
Purchase of stock-in-trade		**16.75**	19.94
Employee benefits expense	35	**968.73**	926.03
Finance costs	36	**544.23**	466.36
Depreciation and amortisation expense	37	**447.65**	432.62
Other expenses	38	**900.97**	895.02
Total expenses		**7,395.06**	7,295.39
Profit before regulatory Income/ (Expense) and tax		**586.75**	623.19
Regulatory Income/ (Expense) (net)	39	**531.86**	559.51
Profit before tax		**1,118.61**	1,182.70
Tax expense			
Current tax		**(195.06)**	(257.40)
Deferred tax - income/ (expense)		**(5.80)**	11.75
Profit for the year		**917.75**	937.05
Other comprehensive loss			
Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit plan		**(40.20)**	(41.03)
Income tax on above		**7.02**	8.84
Gain/(Loss) on fair value of Investments		**0.02**	(2.06)
Deferred tax (charge)/credit on above		**(0.00)**	0.48
Regulatory Income/ (Expense) - deferred tax		**0.00**	(0.48)
Other comprehensive loss for the year (net of tax)		**(33.16)**	(34.25)
Total comprehensive income for the year		**884.59**	902.80
Basic & Diluted Earnings per equity share (Face value of ₹10 per share)	47	**69.23**	70.69
Notes forming part of Financial Statements	1-55		

This is the Statement of Profit and Loss referred to in our Report of even date.

For and on behalf of Board of Directors

For S.R.BATLIBOI & Co. LLP
Chartered Accountants
Firm Registration Number -301003E/E300005

Kamal Agarwal
Partner
Membership No.: 058652
Kolkata, 29th June, 2020

Chairman	Sanjiv Goenka	DIN : 00074796
Managing Director -Generation	Rabi Chowdhury	DIN : 06601588
Managing Director- Distribution	Debasish Banerjee	DIN : 06443204
Company Secretary	Subhasis Mitra	
Executive Director & CFO	Rajarshi Banerjee	

₹ in crore

	Particulars	2019-20	2018-19
A.	**Cash flow from Operating Activities**		
	Profit before tax	**1,118.61**	1,182.70
	Adjustments for :		
	Depreciation and amortisation expense	**447.65**	432.62
	Loss/(Profit) on sale / disposal of Property, Plant and Equipment (net)	**5.02**	2.84
	Gain on sale/fair valuation of current investments (net)	**(42.57)**	(38.08)
	Provision for Bad Debt	**18.29**	0.69
	Bad debts, advances, other receivables written off	**47.80**	74.47
	Dividend Income	**(29.73)**	(15.00)
	Finance costs	**544.23**	466.36
	Interest Income	**(24.78)**	(33.85)
	Other non-operating income	**(18.09)**	(42.85)
	Operating Profit before Working Capital changes	**2,066.43**	2,029.90
	Adjustments for change in:		
	Trade & other receivables	**203.12**	(86.02)
	Inventories	**(4.54)**	4.34
	Net change in regulatory deferral account balances	**(531.86)**	(559.03)
	Trade and other payables	**(286.21)**	42.15
	Cash Generated from Operations	**1,446.94**	1,431.34
	Income Tax paid (net of refund)	**(164.60)**	(211.68)
	Net cash flow from Operating Activities	**1,282.34**	1,219.66
B.	**Cash flow from Investing Activities**		
	Purchase of Property, Plant and Equipment / Capital Work-in-Progress	**(624.06)**	(644.59)
	Proceeds from Sale of Property, Plant and Equipment	**5.36**	5.09
	Investment in subsidiaries including advance for share subscription	**(31.36)**	(84.10)
	Sale/(purchase) of Current Investments (net)	**542.60**	12.80
	Income from investment property	**7.19**	13.31
	Net Movement in Bank Balances other than Cash and Cash Equivalents	**(60.33)**	(15.36)
	Dividend received	**29.73**	15.00
	Interest received	**17.16**	35.75
	Net cash used in Investing Activities	**(113.71)**	(662.10)

₹ in crore

	Particulars	2019-20	2018-19
C.	**Cash flow from Financing Activities**		
	Proceeds from Non-Current Borrowings	**1,497.00**	1,138.00
	Repayment of Non-Current Borrowings	**(1,170.37)**	(1,240.74)
	Net movement in Cash credit facilities and other Current Borrowings	**104.57**	192.51
	Payment of Lease Liabilities	**(25.81)**	-
	Finance Costs paid	**(526.29)**	(482.68)
	Dividend paid	**(264.31)**	(231.35)
	Dividend tax paid	**(54.49)**	(47.68)
	Net Cash used in Financing Activities	**(439.70)**	(671.94)
	Net increase / (decrease) in cash and cash equivalents	**728.93**	(114.38)
	Cash and Cash equivalents - Opening Balance [Refer Note 14]	**321.30**	435.68
	Cash and Cash equivalents - Closing Balance [Refer Note 14]	**1,050.23**	321.30

₹ in crore

Changes in liabilities arising from financing activities	1-Apr-19	Cash Flows	Others	31-Mar-20
Current borrowings	**1,485.44**	**104.57**	**-**	**1,590.01**
Non-Current borrowings (including current maturities)	**4,577.50**	**326.62**	**(25.26)**	**4,878.86**
Lease Liabilities	**65.68**	**(25.81)**	**228.89**	**268.76**
Total liabilities from financing activities	**6,128.62**	**405.38**	**203.63**	**6,737.63**

Changes in liabilities arising from financing activities	1-Apr-18	Cash Flows	Others	31-Mar-19
Current borrowings	1,292.93	192.51	-	1,485.44
Non-Current borrowings (including current maturities)	4,666.52	(102.74)	13.72	4,577.50
Total liabilities from financing activities	5,959.45	89.77	13.72	6,062.94

This is the Statement of Cash Flow referred to in our Report of even date.

For and on behalf of Board of Directors

For S.R.BATLIBOI & Co. LLP
Chartered Accountants
Firm Registration Number -301003E/E300005

Kamal Agarwal
Partner
Membership No.: 058652
Kolkata, 29th June, 2020

Chairman	Sanjiv Goenka	DIN : 00074796
Managing Director -Generation	Rabi Chowdhury	DIN : 06601588
Managing Director- Distribution	Debasish Banerjee	DIN : 06443204
Company Secretary	Subhasis Mitra	
Executive Director & CFO	Rajarshi Banerjee	

Statement of changes in Equity for the year ended 31st March 2020

₹ in crore

A Equity Share Capital

Particulars	Balance at the beginning of the reporting period	Changes in equity share capital during the year	Balance at the end of the reporting period
Equity Shares of ₹10 each issued , subscribed and fully paid			
As at 31 March 2019	133.22	-	133.22
As at 31 March 2020	133.22	-	133.22

B Other Equity

Particulars	Reserves and Surplus *			Total
	Retained Earnings	Fund for unforeseen exigencies	Equity Instruments through Other Comprehensive Income	
Balance as at 1 April, 2019	9,364.93	260.43	5.49	**9,630.85**
Profit for the year	917.75	-	-	**917.75**
Other Comprehensive loss for the year (net of tax)	(33.18)		0.02	**(33.16)**
Total	**10,249.50**	**260.43**	**5.51**	**10,515.44**
Dividends paid (including tax there on) [refer note 19(f)]	(319.60)	-	-	**(319.60)**
Transfer to/from retained earnings	(18.67)	18.67		**-**
Withdrawal of additional depreciation during the year (refer note 49)	(286.89)	-	-	**(286.89)**
Withdrawal of residual amount added on fair valuation consequent to sale/ disposal of assets (refer note 49)	(4.14)	-	-	**(4.14)**
Balance as at 31 March, 2020	**9,620.20**	**279.10**	**5.51**	**9,904.81**

Particulars	Reserves and Surplus *			Total
	Retained Earnings	Fund for unforeseen exigencies	Equity Instruments through Other Comprehensive Income	
Balance as at 1 April, 2018	9,062.75	244.17	7.55	9,314.47
Profit for the year	937.05	-	-	937.05
Other Comprehensive loss for the year (net of tax)	(32.19)	-	(2.06)	(34.25)
Total	9,967.61	244.17	5.49	10,217.27
Dividends paid (including tax there on)	(279.66)	-	-	(279.66)
Transfer to/ from retained earnings	(16.26)	16.26	-	-
Withdrawal of additional depreciation during the year (refer note 49)	(304.04)	-	-	(304.04)
Withdrawal of residual amount added on fair valuation consequent to sale/ disposal of assets (refer note 49)	(2.72)	-	-	(2.72)
Balance as at 31 March, 2019	9,364.93	260.43	5.49	9,630.85

* (refer note 20)

This is the Statement of Changes in Equity referred to in our Report of even date.

For and on behalf of Board of Directors

For S.R.BATLIBOI & Co. LLP
Chartered Accountants
Firm Registration Number -301003E/E300005

Kamal Agarwal
Partner
Membership No.: 058652
Kolkata, 29th June, 2020

Chairman	Sanjiv Goenka	DIN : 00074796
Managing Director -Generation	Rabi Chowdhury	DIN : 06601588
Managing Director- Distribution	Debasish Banerjee	DIN : 06443204
Company Secretary	Subhasis Mitra	
Executive Director & CFO	Rajarshi Banerjee	

NOTE-1 The operations of the Company are governed by the Electricity Act, 2003 and various Regulations and / or Policies framed thereunder by the appropriate authorities. Accordingly, in preparing the financial statements the relevant provisions of the said Act, Regulations etc. have been duly considered.

NOTE-2A SIGNIFICANT ACCOUNTING POLICIES

The standalone financial statements have been prepared to comply in all material aspects with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) under Section 133 of the Companies Act, 2013 and other provisions of the Companies Act, 2013 and the regulations under the Electricity Act, 2003 to the extent applicable. A summary of important accounting policies which have been applied consistently are set out below.

(a) Basis of Accounting

The financial statements have been prepared on the historical cost convention except for the following:

i. Investments, except investment in subsidiaries, associates and joint ventures, are carried at fair value.

ii. Certain financial assets and liabilities (including derivative instruments) are measured at fair value.

(b) Use of estimates

As required under the provisions of Ind AS for preparation of financial statements in conformity thereof, the management has made judgements, estimates and assumptions that affect the application of accounting policies, and the reported amount of assets, liabilities, income and expenses and disclosures. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

(c) Property, plant and equipment (PPE)

Tangible Assets and Depreciation

Tangible Assets are stated either at deemed cost as considered on the date of transition to Ind- AS or at cost of acquisition / construction together with any incidental expenses related to acquisition and appropriate borrowing costs, less accumulated depreciation and accumulated impairment loss, if any. An impairment loss is recognized where applicable, when the carrying value of tangible assets of cash generating unit exceed its fair value or value in use, whichever is higher.

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 useful life specified therein, the basis of which is considered by the West Bengal Electricity Regulatory Commission (Commission) in determining the tariff for the year of the Company. Leasehold land is amortized over the unexpired period of the lease as appropriate. Additional charge of depreciation for the year on increase in value arising from fair valuation on date of transition to Ind AS, is recouped from Retained Earnings. Leasehold improvement is amortized over the unexpired period of the lease.

Useful Life of Tangible Assets is as follows:

Particulars	Useful Life of Assets
Buildings and Structures	25-50 Years
Plant and Equipment	5-25 Years
Distribution System	25-35 Years
Meters	7-15 Years
River Tunnel	50 Years
Furniture and Fixtures	15 Years
Office Equipment	5-15 Years
Vehicles	5 Years
Railway Sidings	50 Years

(d) Investment properties

Property that is held for long term rental yields is classified as investment property. Carrying amount as per previous GAAP has been considered as deemed cost as on date of transition to Ind AS.

(e) Intangible Assets and amortisation

Intangible assets comprising computer software and mining rights, expected to provide future enduring economic benefits are stated either at deemed cost as considered on date of transition to Ind AS or at cost of acquisition / implementation / development less accumulated amortisation. The present value of the expected cost of restoration of the coal mine is included in its cost. An impairment loss is recognized where applicable, when the carrying value of intangible assets of cash generating unit exceed its fair value or value in use, whichever is higher.

Cost of intangible assets, comprising Computer Software related expenditure, are amortised in three years over its estimated useful life. Mining rights are also amortised over the estimated useful life of the assets of twenty years based on management's internal assessment.

(f) Lease

Company as a lessee

The Company's lease asset classes primarily consist of leases for land, plant & equipment, buildings and offices. The Company assesses whether a contract contains a lease, at the inception of a contract.

At the date of commencement of the lease, the Company recognizes a right of use asset (ROU) and a corresponding lease liability for all lease arrangements, in which it is a lessee, except for leases with a term of twelve months or less (short-term leases), non lease components (like maintenance charges, etc.) and leases of low value assets.

For these short-term leases, non lease components and lease of low value assets, the Company recognizes the lease rental payments as an operating expense.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. An impairment loss is recognised where applicable, when the carrying value of ROU assets of cash generating units exceeds it fair value or value in use, whichever is higher.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the lease term.

The lease liabilities are initially measured at the present value of the future lease payments.

Company as lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

For change in accounting policy, refer Note-3.

The Company has the following policy applicable till 31st March 2019 Ind As -17 "Leases".

A lease is classified as a finance or an operating lease as applicable.

Company as lessee

Finance lease

Finance leases are capitalised at present value of the minimum lease payments at the lease's inception and disclosed as leased property. Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability.

A leased asset is depreciated over the useful life of the asset.

Operating lease

Lease payments under operating leases are recognised as an expense on a straight line basis in the Statement of Profit and Loss over the lease term except where the lease payments are structured to increase in line with expected general inflation.

Company as lessor

Operating lease

Lease earnings under operating leases are recognised as an income on a straight line basis in the Statement of Profit and Loss over the lease term except where increase is in line with expected general inflation. The respective leased assets are included in the Balance Sheet based on their nature.

(g) Financial asset

The financial assets are classified in the following categories:
1) Financial assets measured at amortised cost.
2) Financial assets measured at fair value through profit and loss.
3) Equity instruments

The classification of financial assets depends on the Company's business model for managing financial assets and the contractual terms of the cash flow.

At initial recognition, the financial assets are measured at their fair value

Financial assets measured at amortised cost

Assets that are held for collection of contractual cash flows and where those cash flows represent solely payments of principal and interest are measured at amortised cost. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate method. The losses arising from impairment are recognised in the Statement of Profit and Loss.

Financial instruments measured at fair value through profit and loss (FVTPL)

Financial instruments included within fair value through profit and loss category are measured initially as well as at each reporting period at fair value plus transaction costs as applicable. Fair value movements are recorded in Statement of Profit and Loss. Investments in mutual funds are measured at fair value through profit and loss.

Equity instruments

Equity investments in scope of Ind AS 109 are measured at fair value. At initial recognition, the Company makes an irrevocable election to present in other comprehensive income subsequent changes in the fair value. If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI.
Investment in subsidiaries, associates and joint ventures are carried at cost or at deemed cost as considered on the date of transition to Ind-AS less provision for impairment loss, if any. Investments are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset’s carrying amount exceeds its recoverable amount.

Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk (refer Note 41).
For trade receivables the simplified approach of expected life time losses has been used from initial recognition of the receivables as required by Ind AS 109 Financial Instruments.

(h) Financial liabilities

Financial liabilities are measured at amortised cost using the effective interest rate method.
Cost of commitment for borrowings of subsidiaries/associates are recognised as a liability at the time such commitment is issued. The liability is initially measured at fair value and subsequently at the amount initially recognised less cumulative amortisation.

(i) Derivatives

The Company uses derivative financial instruments such as forward currency contracts and interest rate swaps to hedge its foreign currency risks and interest rate risks respectively. Such derivative financial instruments are recognised at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Gains or losses arising from such fair valuation of derivatives also give rise to regulatory income or expense which is recognised through Statement of Profit and Loss and would be considered in determining the Company's future tariff as per the tariff regulations.

(j) Inventories

Inventories of stores, fuel and traded goods are valued at lower of cost and net realizable value. Cost is calculated on weighted average basis and comprises expenditure incurred in the normal course of business in bringing such inventories to their present location and condition.

Obsolete, slow moving and defective inventories are identified at the time of physical verification of inventories and where necessary, adjustment is made for such items.

(k) Foreign Currency Transactions

The Company's financial statements are presented in INR which is also the functional currency of the Company. Transactions in foreign currency are accounted for at the exchange rate prevailing on the date of transactions. Transactions remaining unsettled are translated at the exchange rate prevailing at the end of the financial year. Exchange gain or loss arising on settlement/ translation of monetary items is recognized in the Statement of Profit and Loss.

The outstanding loans repayable in foreign currency are restated at the year-end exchange rate. Exchange gain or loss arising in respect of such restatement also gives rise to regulatory income or expense which is recognised as refundable or recoverable, which will be taken into consideration in determining the Company's future tariff in respect of the amount settled duly considering as appropriate, the impact of the derivative contracts entered into for managing risks thereunder.

(l) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks, cash on hand and term deposits with original maturity of three months or less.

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents includes cash, cheques and draft on hand, Balances with banks which are unrestricted for withdrawal/usages and highly liquid financial investments that are readily convertible to known amounts of cash which are subject to an insignificant risk of changes in value. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

(m) Revenue from Operations

Revenue from contracts with customers is recognised on supply of electricity or when services are rendered to the customers at an amount that reflects the consideration to which the company is entitled under appropriate regulatory framework.

Revenue to be earned from sale of electricity is regulated based on parameters set out in tariff regulations issued from time to time.

Earnings from sale of electricity are net of discount for prompt payment of bills and do not include electricity duty collected from consumers and payable to the State Government.

The Company receives contribution from consumers in accordance with the Regulation, that is being used to construct or acquire items of property, plant and equipment in order to connect the consumer to the Company's distribution network. The Company recognises revenue in respect for such contributions so received from consumers in the year they are connected to the distribution network.

Income from meter rent is accounted for as per the approved rates.

(n) Other Income

Income from investments and deposits etc. is accounted for on accrual basis inclusive of related tax deducted at source, wherever applicable. Delayed Payment Surcharge, as a general practice, is determined and recognised on receipt of overdue payment from consumers. Interest income arising from financial assets is accounted for using amortised cost method. Dividend Income is recognised when the right to receive is established.

(o) Employee Benefits

The Company recognises contributions to provident fund, pension funds on an accrual basis. Provident Fund contributions are made to a fund administered through duly constituted approved independent trust. The interest rate payable to the members of the trust shall not be lower than the statutory rate of interest declared by the Central Government under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and deficiency, if any, is made good by the Company, impact of which is ascertained by way of actuarial valuation as at the year end. The Company, as per its schemes, extends employee benefits current and/or post retirement which are accounted for on accrual basis, and includes actuarial valuation as at the Balance Sheet date in respect of gratuity, leave encashment and certain other retiral benefits, to the extent applicable, done by independent actuary. Actuarial gains and losses, where applicable, are recognised through Other Comprehensive Income. Compensation in respect of voluntary retirement scheme is charged to revenue.

(p) Finance Costs

Finance Costs comprise interest expenses, applicable gain / loss on foreign currency borrowings in appropriate cases and other borrowing costs. Such Finance costs attributable to acquisition and / or construction of qualifying assets are capitalized as a part of cost of such assets up to the date, where such assets are ready for their intended use. The balance Finance Costs is charged off to Statement of Profit and Loss. Finance Costs in case of foreign currency borrowings is accounted for as appropriate, duly considering the impact of the derivative contracts entered into for managing risks thereof. Interest expense arising from financial liabilities is accounted for under effective interest rate method.

(q) Taxes

Current tax represents the amount payable based on computation of tax as per prevailing taxation laws under the Income Tax Act, 1961.

Provision for deferred taxation is made using liability method on temporary difference arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled. Deferred Tax Assets are recognized subject to the consideration of prudence and are periodically reviewed to reassess realization thereof. Deferred Tax Liability or Asset will give rise to actual tax payable or recoverable at the time of reversal thereof.

Current and Deferred tax relating to items recognised outside profit or loss, that is either in other comprehensive income (OCI) or in equity, is recognised along with the related items.

The company reviews the MAT credit entitlement at each reporting date and recognises the credit against the tax payable to the extent that it is probable that it will be able to utilise the same against normal tax during the specified period.

Since tax on profits forms part of chargeable expenditure under the applicable regulations, deferred tax liability or asset is recoverable or payable through future tariff. Hence, recognition of deferred tax asset or liability is done with corresponding recognition of regulatory liability or asset, as applicable.

(r) Provisions and contingent liabilities

Provisions are recognised when the Company has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

A disclosure for contingent liabilities is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources embodying economic benefits will be required to settle or a reliable estimate of the amount cannot be made.

(s) Business combination

Business combination involving entities or businesses under common control are accounted for using the pooling of interest method whereby the assets and liabilities of the combining entities / business are reflected at their carrying value and necessary adjustments , if any, have been given effect to as per the scheme approved by National Company Law Tribunal.

(t) Regulatory deferral account balances

The Company is a rate regulated entity and has elected to adopt Ind AS 114, Regulatory Deferral Accounts. Expenses/Income are recognized as Regulatory Income/Expenses in the Statement of Profit and Loss to the extent recoverable or payable in subsequent periods based on the Company's understanding of the provision of the applicable regulations framed by the West Bengal Electricity Regulatory Commission (WBERC) and/or their pronouncements/orders, with corresponding balances shown in the Balance Sheet as Regulatory Deferral Account balances, at their present value duly considering discounting methodology using such rates in consonance with the applicable regulations and prudence. Regulatory Deferral Account balances are adjusted from the year in which these crystallise.

NOTE-2B Summary of significant judgements and assumptions

The preparation of financial statements requires the use of accounting estimates, judgements and assumptions which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

The areas involving critical estimates or judgements are :-

Estimated useful life of Intangible Assets -Note -2A (e)

Estimated Fair Valuation/Impairment assessment of certain Investments -Note-7 & Note-2 A (g)

Estimation of Regulatory Items - Note -18 & 39

Estimation of Restoration Liability- Note- 2A (e)

Impairment of Trade Receivables -Note - 2A (g)

Estimates used in Actuarial Valuation of Employee benefits -Note-35
Estimates used in Lease liabilities -Note-50

NOTE-3 Changes in Accounting Policy

Effective 1st April, 2019, the Company has adopted Ind AS 116 "Leases" and applied to lease contracts, existing on 1st April, 2019 using the modified retrospective method on the date of initial application. Pursuant to adoption of Ind AS 116, the Company recognised right-of-use assets and lease liabilities for those leases which were previously classified as operating leases, except for short-term leases and leases of low-value assets. The Company recorded the lease liability at the present value of the lease payments at the date of initial application and right-of-use asset at an amount equal to the lease liability adjusted for any prepayments/ accruals recognised in the balance sheet as on 31st March, 2019. There is no impact on retained earnings as on 1st April, 2019.

Pursuant to above, the Company recognised right-of-use asset and lease liability as at 1st April, 2019 amounting to ₹ 60.29 crore and ₹ 58.98 crore respectively and profit before tax for the year ended 31st March 2020 is decreased by ₹ 13.23 crore.

Other amendments and interpretations as outlined below apply for the year ending 31st March 2020, but do not have an impact on the financial statements.

(a) Ind AS 12: Uncertainty over Income Tax Treatment

(b) Ind AS 109: Prepayment Features with Negative Compensation

(c) Ind AS 19: Plan Amendment, Curtailment or Settlement,

(d) Ind AS 23: Borrowing Costs

The Company has not early adopted any standards or amendments that have been issued but are not yet effective.

NOTE - 4 PROPERTY, PLANT AND EQUIPMENT

₹ in Crore

PARTICULARS	COST/ DEEMED COST				DEPRECIATION / AMORTISATION				NET BLOCK	
	As at 1st April, 2019	Add: Additions/ Adjustments	Less : Withdrawals/ Adjustments	**As at 31st March, 2020**	As at 1st April, 2019	Add: Additions/ Adjustments	Less : Withdrawals/ Adjustments	**As at 31st March, 2020**	**As at 31st March, 2020**	As at 31st March, 2019
Land	3,051.79	0.35	-	**3,052.14**	79.43	19.61	-	**99.04**	**2,953.10**	2,972.36
Buildings and Structures *	745.35	270.97	-	**1,016.32**	141.36	43.34	-	**184.70**	**831.62**	603.99
Plant and Equipment	5,692.50	201.64	21.98	**5,872.16**	1,287.60	319.88	15.05	**1592.43**	**4,279.73**	4,404.90
Distribution System	7,082.20	300.60	14.98	**7,367.82**	970.07	283.56	12.32	**1241.31**	**6,126.51**	6,112.13
Meters and Other Apparatus on Consumers' Premises	353.73	27.68	10.74	**370.67**	82.63	39.86	6.43	**116.06**	**254.61**	271.10
River Tunnel	2.78	-	-	**2.78**	2.21	0.55	-	**2.76**	**0.02**	0.57
Furniture and Fixtures	35.51	0.92	0.31	**36.12**	9.03	2.30	0.30	**11.03**	**25.09**	26.48
Office Equipment	103.33	8.94	0.17	**112.10**	33.78	9.62	0.09	**43.31**	**68.79**	69.55
Vehicles	11.35	3.76	1.64	**13.47**	2.09	2.15	1.11	**3.13**	**10.34**	9.26
Railway Sidings	94.55	-	-	**94.55**	11.66	3.01	-	**14.67**	**79.88**	82.89
	17,173.09	**814.86**	**49.82**	**17,938.13**	**2,619.86**	**723.88**	**35.30**	**3308.44**	**14,629.69**	14,553.23
Previous Year	16,519.97	692.10	38.98	17,173.09	1,925.94	722.26	28.34	2,619.86	14,553.23	

* Includes leasehold improvements

1. Additions/Adjustments includes right-of-use assets recognised upon adoption of Ind AS 116 (Refer Note 50).

2. The Company is in the process of renewing the lease agreement, in respect of certain leasehold land, having Gross Block ₹ 210.34 crore (31.03.2019: ₹ 210.34 crore) and Net Block ₹ 199.27 crore (31.03.2019: ₹ 201.46 crore)

NOTE - 5 INVESTMENT PROPERTY

₹ in Crore

PARTICULARS	COST / DEEMED COST				DEPRECIATION / AMORTISATION				NET BLOCK	
	As at 1st April, 2019	Add: Additions/ Adjustments	Less: Withdrawals/ Adjustments	**As at 31st March, 2020**	As at 1st April, 2019	Add: Additions/ Adjustments	Less: Withdrawals/ Adjustments	**As at 31st March, 2020**	**As at 31st March, 2020**	As at 31st March, 2019
Land - Freehold	56.03	6.60	-	**62.63**	-	-	-	-	**62.63**	56.03
	56.03	**6.60**	**-**	**62.63**	**-**	**-**	**-**	**-**	**62.63**	**56.03**
Previous Year	56.03	-	-	56.03	-	-	-	-	56.03	

a) Income earned recognised in Statement of Profit and Loss ₹ 12.27 crore (previous year : ₹ 12.27 crore)

b) Fair valuation of the above land as per rent capitalisation method (income approach) amounts to ₹ 279 crore(as on 31.03.19 : ₹ 288 crore) as per approved independent valuer and categorised as level 2. The main inputs used in determining the fair valuation of the Investment Property are utility, marketability , self liquidity , future rentals, etc.

c) The lease term in respect of Investment Property given under Operating Lease is 25 years which can be extended upon the sole discretion of the Company. This lease has been granted to Quest Properties India Limited to construct, develop, operate and maintain a mall during the said lease term and the aforesaid property has been offered as security in respect of financial assistance availed of by the said company. Incentive given by the Company by way of rent free period for development of the Investment Property has been spread across the period of the contract. Future minimum lease rental receivables during next one year ₹ 12.26 crore (as on 31.03.19: ₹ 12.27 crore) later than one year but not later than five years ₹ 49.05 crore (as on 31.03.19: ₹ 49.05 crore) and later than five years ₹ 94.02 crore (as on 31.03.19: ₹ 106.28 crore).

NOTE - 6 INTANGIBLE ASSETS

₹ in Crore

PARTICULARS	COST / DEEMED COST				AMORTISATION				NET BLOCK	
	As at 1st April, 2019	Add: Additions/ Adjustments	Less : Withdrawals/ Adjustments	**As at 31st March, 2020**	As at 1st April, 2019	Add: Additions/ Adjustments	Less : Withdrawals/ Adjustments	**As at 31st March, 2020**	**As at 31st March, 2020**	As at 31st March, 2019
Computer Software	26.82	1.06	-	**27.88**	23.46	2.92	-	**26.38**	**1.50**	3.36
Mining Rights	151.88	-	-	**151.88**	28.13	7.74	-	**35.87**	**116.01**	123.75
	178.70	**1.06**	**-**	**179.76**	**51.59**	**10.66**	**-**	**62.25**	**117.51**	127.11
Previous Year	174.47	4.23	-	178.70	37.19	14.40	-	51.59	127.11	

NOTE - 7 NON-CURRENT INVESTMENTS

		₹ in Crore	
		As at 31st. March, 2020	As at 31st. March, 2019
a	**Investments in Equity Instruments, unquoted, fully paid up, carried at fair value through other comprehensive income (FVTOCI) :**		
	3,250 (31.03.2019 : 3,250) Equity Shares of Integrated Coal Mining Limited of ₹10 each	**5.52**	5.50
b	**Investments in Mutual Funds, quoted, carried at fair value through profit & loss (FVTPL) :**		
	Nil (31.03.2019 : 20,00,000) units of HDFC CFCC - Debt Plan - Direct Option - 100% Dividend Donation of Rs 10 each - (transferred to current investments)	-	2.00
c	**Investment in Subsidiary Companies, unquoted, fully paid up, carried at cost :**		
	7,35,00,000 (31.03.2019 : 13,50,000) Equity Shares of Malegaon Power Supply Limited (formerly Nalanda Power Company Limited) of ₹ 10 each	**7.64**	1.35
	3,91,50,000 (31.03.2019 : 3,68,50,000) Equity Shares of CESC Projects Limited of ₹ 10 each*	-	-
	13,55,05,800 (31.03.2019 : 13,55,05,800) Equity Shares of Surya Vidyut Limited of ₹ 10 each	**135.51**	135.51
	1,10,00,000 (31.03.2019 : 1,10,00,000) Equity Shares of Bantal Singapore Pte Limited of USD 1 each	**1.85**	6.94
	2,87,00,000 (31.03.2019 : 2,77,00,000) Equity Shares of Ranchi Power Distribution Company Limited of ₹ 10 each *	-	-
	28,23,615 (31.03.2019 : 28,20,615) Equity Shares of Papu Hydropower Projects Limited of ₹ 10 each*	-	-
	44,20,983 (31.03.2019 : 44,17,983) Equity Shares of Pachi Hydropower Projects Limited of ₹ 10 each *	-	-
	26,40,80,000 (31.03.2019 : 26,40,80,000) Equity Shares of Kota Electricity Distribution Limited of ₹ 10 each @	**266.36**	266.10
	12,00,50,000 (31.03.2019 : 12,00,50,000) Equity Shares of Bikaner Electricity Supply Limited of ₹ 10 each	**121.49**	121.25
	2,00,50,000 (31.03.2019 : 2,00,50,000) Equity Shares of Bharatpur Electricity Services Limited of ₹ 10 each	**20.56**	20.56
	4,07,00,000 (31.03.2019 : 4,07,00,000) Equity Shares of Crescent Power Limited of ₹ 10 each	**71.91**	71.91
	1,20,34,41,049 (31.03.2019 : 1,20,34,41,049) Equity Shares of Haldia Energy Limited of ₹ 10 each	**1,206.78**	1,206.61
	2,24,27,68,954 (31.03.2019 : 2,24,27,68,954) Equity Shares of Dhariwal Infrastructure Limited of ₹ 10 each @	**2,561.27**	2,560.30
	3,40,50,000 (31.03.2019 : 3,20,50,000) Equity Shares of Jharkhand Electric Company Limited of ₹ 10 each *	-	-
	20,53,000 (31.03.2019 : 20,50,000) Equity Shares of Jarong Hydro-Electric Power Company Limited of ₹ 10 each *	-	-
	10,80,00,000 (31.03.2019: 10,80,00,000) Equity Shares of Au Bon Pain Café India Limited of ₹10 each *	-	-
	50,000 (31.03.2019 : Nil) Equity Shares of Eminent Electricity Distribution Limited of ₹ 10 each	**0.05**	-
	50,000 (31.03.2019 : 50,000) Equity Shares of CESC Green Power Limited of ₹ 10 each	**0.05**	0.05
d	**Investment in Associate, unquoted, fully paid up, carried at cost :**		
	2,97,28,500 (31.03.2019 : 2,97,28,500) Equity Shares of Noida Power Company Limited of ₹ 10 each	**30.63**	30.63
e	**Investment in Joint Venture, unquoted, fully paid up, carried at cost :**		
	24,29,800 (31.03.2019 : 24,29,800) Equity Shares of Mahuagarhi Coal Company Private Limited of ₹ 10 each *	-	-

		₹ in Crore	
		As at 31st. March, 2020	As at 31st. March, 2019
f	**Investment in Preference Shares , unquoted, fully paid up, carried at fair value through Profit&Loss (FVTPL) :**		
	5,00,000 (31.03.2019 : 5,00,000) reedemable Preference Shares of face value ₹ 100 each issued by Spencer's Retail Limited.	**0.95**	0.86
		4,430.57	4,429.57
	Investment in quoted investments:		
	Aggregate Book value	**-**	2.00
	Aggregate Market value	**-**	2.00
	Investment in unquoted investments:		
	Aggregate Book value	**4,430.57**	4,427.57
	Aggregate provision for impairment in value of investments	**53.69**	43.30
	* Fully impaired.		
	@ Based on valuation carried out by an Independent third party, there is no impairment .		
NOTE - 8	**NON-CURRENT LOANS**		
	Considered good - Unsecured		
a	Security Deposit	**36.94**	29.42
b	Loan to employees	**3.13**	3.18
		40.07	32.60
NOTE - 9	**NON-CURRENT OTHER FINANCIAL ASSETS**		
a	Share application money to subsidiary	**20.00**	-
b	Lease Receivables	**55.17**	56.21
		75.17	56.21
NOTE - 10	**OTHER NON-CURRENT ASSETS**		
a.	Capital advances	**50.95**	49.62
b.	Other advances	**69.14**	92.33
		120.09	141.95
NOTE -11	**INVENTORIES**		
a.	Fuel (includes goods in transit 31.03.2020 : ₹ 61.49 crore ; 31.03.2019 : ₹ 62.89 crore)	**208.54**	202.83
b.	Stores and Spares	**176.85**	177.40
c.	Stock-in-trade	**1.78**	2.40
		387.17	382.63

NOTE -12 CURRENT INVESTMENTS

	As at 31st. March, 2020	As at 31st. March, 2019
		₹ in crore
Quoted		
Investments in Mutual Funds carried at fair value through profit and loss (FVTPL) :		
Nil (31.03.2019 : 3,333,355.573 units of ₹ 300.4362 each) of Aditya Birla Sun Life Liquid Fund - Direct - Growth	**-**	100.15
Nil (31.03.2019 : 108,878.592 units of ₹ 3678.2855 each) of HDFC Liquid Fund - Direct - Growth	**-**	40.05
442,780.675 units of ₹ 293.7816 each (31.03.2019 : 4,427,060.515 units of ₹ 276.4164 each) of ICICI Prudential Liquid Fund - Direct - Growth	**13.01**	122.37
Nil (31.03.2019 : 3,978,541.515 units of ₹ 251.7000 each) of Aditya Birla Sun Life Money Manager Fund - Direct - Growth	**-**	100.14
Nil (31.03.2019 : 47,829,954.944 units of ₹ 10.4744 each) of HDFC Ultra Short Term Fund - Direct - Growth	**-**	50.10
Nil (31.03.2019 : 3,852,050.446 units of ₹ 260.1610 each) of ICICI Prudential Money Market Fund - Direct - Growth	**-**	100.22
20,00,000 (31.03.2019 : Nil) units of HDFC CFCC - Debt Plan - Direct Option - 100% Dividend Donation of ₹ 10 each - (transferred from non-current investments)	**2.00**	-
Unquoted		
Investments in Commercial Paper carried at amortised cost*	**-**	-
	15.01	513.03
Investment in quoted investments:		
Aggregate Book value	**15.01**	513.03
Aggregate Market value	**15.01**	513.03
Investment in unquoted investments:		
Aggregate Book value	**-**	-
Aggregate provision for impairment in value of investments	**30.00**	30.00

* Fully impaired.

NOTE -13 TRADE RECEIVABLES

	As at 31st. March, 2020	As at 31st. March, 2019
a. Considered good - Secured	**540.31**	564.64
b. Considered good - Unsecured	**450.91**	463.64
c. Credit Impaired	**42.73**	24.44
	1,033.95	1,052.72
Less : Allowances for bad and doubtful debts	**42.76**	24.47
	991.19	1,028.25

Trade Receivables includes a sum of unbilled revenue of ₹ 28.93 crore.

NOTE-14 CASH AND CASH EQUIVALENTS

₹ in crore

		As at 31st. March, 2020	As at 31st. March, 2019
a.	Balances with banks		
	- In current accounts	**1,044.91**	316.32
b.	Cheques , drafts on hand	**2.13**	3.35
c.	Cash on hand	**3.19**	1.63
		1,050.23	321.30

NOTE-15 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Unpaid Dividend Account	**6.54**	5.74
Bank Deposits with original maturity more than 3 months	**356.07**	296.54
	362.61	302.28

a. Amount lying in deposit accounts with banks as at 31st March, 2020 includes ₹ 261.86 crore (31.03.2019: ₹ 246.86 crore) appropriated upto the previous year towards Fund for unforeseen exigencies and interest attributable thereto.

b. Bank deposits with original maturity more than 3 months include ₹ 279.53 crore (31.03.2019 : ₹ 179.12 crore) having original maturity more than 12 months as on the reporting date.

NOTE-16 OTHER FINANCIAL ASSETS

Unsecured, considered good		
Receivable from Related Parties	**47.37**	48.85
Interest accrued on Bank Deposits	**19.02**	11.40
Derivative financial instruments	**22.50**	40.96
Receivable towards claims and services rendered	**0.58**	0.54
	89.47	101.75

NOTE-17 OTHER CURRENT ASSETS

Advances for goods and services	**108.60**	206.73
Others	**141.55**	123.43
(Includes prepaid expenses etc and also refer Note 31 (c))		
	250.15	330.16

NOTE-18 REGULATORY DEFERRAL ACCOUNT BALANCES

Regulatory deferral account - debit balances	**4,240.80**	3,646.26
Regulatory deferral account -credit balances	**1,464.35**	1,401.67

(Refer note no. 39 for details)

NOTE -19 EQUITY

	As at 31st. March,2020	As at 31st. March, 2019
		₹ in Crore
a Authorised Share Capital 315,60,00,000 Equity Shares of ₹ 10 each fully paid up (31.03. 2019 : 315,60,00,000) Equity Shares of ₹ 10 each fully paid up	**3,156.00**	3,156.00
b. Issued Capital 13,88,57,015 (31.03.2019 : 13,88,57,015) Equity Shares of ₹ 10/- each fully paid up	**138.86**	138.86
c. Subscribed and paid up capital 13,25,57,043 (31.03.2019 :13,25,57,043) Equity Shares of ₹ 10/- each fully paid up	**132.56**	132.56
d. Forfeited Shares (amount originally paid up)	**0.66**	0.66
	133.22	133.22

e. Reconciliation of the shares outstanding at the beginning and at the end of the year.

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	No. of shares	Amount (₹ crore)	No. of shares	Amount (₹ crore)
At the beginning of the year	**132,557,043**	**132.56**	132,557,043	132.56
Add : Change during the year	-	-	-	-
At the end of the year	**132,557,043**	**132.56**	132,557,043	132.56

For the period of five years immediately preceding 31st March,2020, no share was : - (i) allotted as fully paid up pursuant to any contract without payment being received in cash, (ii) allotted as fully paid up by way of bonus shares and (iii) bought back.

f. Terms /rights attached to equity shares :

The Company has only one class of equity shares having a par value of ₹ 10 per share fully paid up. Holders of equity shares are entitled to one vote per share. An Interim dividend of ₹ 20/- per equity share (31.03.19: ₹ 17.50/- per equity share) has been paid during the year ended 31st March 2020. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the sale proceeds from remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

g. Details of shareholders holding more than 5% shares in the Company

Name of shareholder	As at 31st March, 2020		As at 31st March, 2019	
	No. of shares	% of holding	No. of shares	% of holding
Rainbow Investments Limited [Refer Note 42 A]	**58,796,632**	**44**	58,796,632	44
HDFC Trustee Company Limited	**11,930,021**	**9**	11,930,021	9

	As at 31st. March,2020	As at 31st. March, 2019
		₹ in Crore
NOTE -20 OTHER EQUITY		
A. Fund for unforeseen exigencies	**279.10**	260.43
Retained Earnings	**9,620.20**	9,364.93
Equity Instruments through Other Comprehensive Income	**5.51**	5.49
	9,904.81	9,630.85

NOTE -20 OTHER EQUITY ..Contd.

₹ in Crore

	As at 31st. March,2020	As at 31st. March, 2019
B. i) Fund for unforeseen exigencies		
At the beginning of the year	**260.43**	244.17
Add : Transfer during the year from Retained Earnings	**18.67**	16.26
At the end of the year	**279.10**	260.43
ii) Retained Earnings		
Surplus at the beginning of the year	**9,364.93**	9,062.75
Add : Profit for the year	**917.75**	937.05
Less: Transfer to fund for unforseen exigencies	**18.67**	16.26
Less : Withdrawal on account of depreciation / amortisation of surplus on fair valuation (refer note 49)	**286.89**	304.04
Less : Withdrawal of the residual surplus on fair valuation consequent to sale/disposal of assets (refer note 49)	**4.14**	2.72
Less: Dividends	**265.11**	231.98
Less: Dividend distribution tax on above	**54.49**	47.68
Less: Items that will not be reclassified to profit or loss		
Remeasurement of defined benefit plan (Net of tax)	**33.18**	32.19
	9,620.20	9,364.93
iii) Equity Instruments through Other Comprehensive Income		
At the beginning of the year	**5.49**	7.55
Add : Items that will not be reclassified to profit or loss		
Gain/(loss) on fair value of Investment	**0.02**	(2.06)
At the end of the year	**5.51**	5.49
	9,904.81	9,630.85

C. Nature and purpose of other reserves

Fund for unforeseen exigencies has been created for dealing with unforeseen exigencies and the amount transferred during the year will be invested as per the applicable regulations. Retained Earnings represents profit earned by the Company, net of appropriations till date and adjustments done on transition to Ind AS. FVTOCI reserve represents the cumulative gains and losses arising on fair valuation of equity instruments measured at fair value through other comprehensive income.

NOTE -21 NON-CURRENT BORROWINGS

a. **Secured**		
Non Convertible Debentures	**170.00**	-
Term Loans		
Rupee Loans from Banks	**4,252.32**	3,656.57
Foreign Currency Loans from Banks	**56.54**	520.93
	4,478.86	4,177.50
b. **Unsecured**		
Term loans		
Rupee Loans from Banks	**400.00**	400.00
	4,878.86	4,577.50
Less : Current maturities of long term debt transferred to Other Current Financial Liabilities (refer note 28)	**1,174.48**	1,199.95
Less : Unamortised front end fees	**15.92**	17.52
	3,688.46	3,360.03

c. **Nature of Security :**

i Debentures amounting to: ₹ 170.00 crore (31.03.2019 - Nil) are secured, ranking pari passu inter se, by equitable hypothecation of the movable fixed assets of the Company as a first charge. However, creation of the said security is in process.

ii Out of the Term Loans in (a) above, loans amounting to:

(a) ₹ 3888.86 crore (31.03.2019 - ₹ 4137.50 crore) are secured, ranking pari passu inter se, by equitable mortgage/hypothecation of the fixed assets of the Company including its land, buildings and any other constructions thereon, plant and machinery, etc. (refer Note 4) as a first charge and, as a second charge, by hypothecation of the Company's current assets comprising stock of stores, coal (refer Note 11) and other consumables, book debts, monies receivable (refer Note 13) and bank balances (refer Note 14). However, creation of the said mortgage security in respect of eight Rupee Loans (Previous year: five Rupee Loans), aggregating ₹1255 crore (31.03.2019 - ₹ 755.50 crore) is in process

(b) ₹ 420.00 crore (31.03.2019- Nil) are secured, ranking pari passu inter se, by equitable hypothecation of the movable fixed assets of the Company as a first charge and

(c) Nil (31.03.2019- ₹ 40.00 crore) are secured, ranking pari passu inter se, by hypothecation of the movable fixed assets and current assets of the Company by way of a charge subservient to the charge of the first and second charge holders on the said assets.

d. Major terms of repayment of Non Current Borrowings :

₹ in Crore

Maturity Profile of Non-Current Borrowings outstanding as at 31st March 2020	**Debentures**	**Rupee Term Loan from Banks**	**Foreign Currency Loans**	**Total**	**Current Maturities**
Borrowings with maturity of upto 1 year	-	439.50	-	439.50	439.50
Borrowings with maturity between 1 and 3 years	-	535.71	56.54	592.25	273.91
Borrowings with maturity between 3 and 5 years	170.00	1,148.02	-	1,318.02	177.49
Borrowings with maturity between 5 and 10 years	-	2,329.09	-	2,329.09	268.58
Borrowings with maturity beyond 10 years	-	200.00	-	200.00	15.00
Total	**170.00**	**4,652.32**	**56.54**	**4,878.86**	**1,174.48**

Interest rates on Rupee Term Loans from Banks are based on spread over respective lenders' benchmark rate and that of Foreign Currency Loans are based on spread over LIBOR. Interest rate on Debentures are based on spread over 364 days T-Bill rate.
All of the above are repayable in periodic instalments over the maturity period of the respective loans. Debentures of ₹ 55 crore, ₹ 55 crore and ₹60 crore are due for maturity on 02.02.2024, 10.02.2023 and 18.02.2022 respectively.

Maturity Profile of Non-Current Borrowings outstanding as at 31st March 2019	**Debentures**	**Rupee Term Loan from Banks**	**Foreign Currency Loans**	**Total**	**Current Maturities**
Borrowings with maturity of upto 1 year	-	155.76	433.89	589.65	589.65
Borrowings with maturity between 1 and 3 years	-	770.68	87.04	857.72	191.53
Borrowings with maturity between 3 and 5 years	-	648.00	-	648.00	160.50
Borrowings with maturity between 5 and 10 years	-	2,039.13	-	2,039.13	250.77
Borrowings with maturity beyond 10 years	-	443.00	-	443.00	7.50
Total	**-**	**4,056.57**	**520.93**	**4,577.50**	**1,199.95**

Interest rates on Rupee Term Loans from Banks and Financial Institutions are based on spread over respective lenders' benchmark rate and that of Foreign Currency Loans are based on spread over LIBOR.
All of the above are repayable in periodic instalments over the maturity period of the respective loans.

e. Outstanding foreign currency loans as on 31st March, 2020 as disclosed above, stand fully hedged in Indian Rupees.

NOTE -22 NON-CURRENT - OTHER FINANCIAL LIABILITIES

₹ **in Crore**

	As at 31st March,2020	As at 31st. March, 2019
Lease liabilities	**238.82**	6.70
	238.82	6.70

NOTE -23 NON-CURRENT PROVISIONS

	As at 31st March,2020	As at 31st. March, 2019
a. Provision for employee benefits	**373.59**	300.16
b. Restoration liabilities	**35.76**	33.06
	409.35	333.22

<u>Reconciliation of movement in Restoration Liabilities</u>

	As at 31st March,2020	As at 31st. March, 2019
Opening balance	**33.06**	30.42
Add: Adjustment for the year	**2.70**	2.64
Closing balance	**35.76**	33.06

The Company has recognised present value of restoration liability of mine land at Sarisatolli Coal Mine based on applicable Guidelines on Mine Closure Plan included in the cost of Mining Rights.

NOTE -24 DEFERRED TAX LIABILITIES (NET)

	As at 31st March,2020	As at 31st. March, 2019
Deferred Tax Liabilities	**3,633.74**	3,535.22
Deferred Tax Assets	**(152.96)**	(60.24)
Total Deferred Tax Liabilities (net) (refer note 44 for further details)	**3,480.78**	3,474.98

NOTE -25 OTHER NON-CURRENT LIABILITIES

	As at 31st March,2020	As at 31st. March, 2019
Advance received from consumers	**79.45**	129.32
Others	**109.66**	89.34
	189.11	218.66

NOTE -26 CURRENT - BORROWINGS

	As at 31st March,2020	As at 31st. March, 2019
a. **Secured**		
Loans repayable on demand from banks	**1,290.01**	585.44
b. **Unsecured**		
Commercial Paper [including from banks 31.03.2020 : ₹ 300 crore,31.03.2019 : ₹ 300 crore]	**300.00**	900.00
	1,590.01	1,485.44

c. **Nature of Security**

Working capital facilities from bank in (a) above are secured, ranking pari passu inter se, by hypothecation of the Company's current assets comprising stock of stores, coal and other consumables (refer note 11), book debts, monies receivable (refer note 13) and bank balances (refer note 14) as a first charge and, as a second charge, by equitable mortgage / hypothecation of fixed assets of the Company including its land, buildings and any other construction thereon, where exists plant and machinery etc (refer note 4). However, creation of the said security in respect of working capital facilities from banks aggregating ₹ 180.65 crore (31.03.2019: ₹ 30.65 crore) is in process.

NOTE - 27 CURRENT - TRADE PAYABLES

₹ 0.07 crore (31.03.2019- ₹ 0.01 Crore), ₹ NIL (31.03.2019 - ₹ Nil) , ₹ 0.40 crore (31.03.2019-₹0.58 crore) and ₹ 2.37 crore (31.03.2019- ₹ 1.97 crore), ₹NIL (31.03.2019 - ₹ Nil) representing interest due on amount outstanding as at the year end, interest paid along with amount of payment made beyond the appointed day , interest due and payable for the period of delay in making payment during the year, amount of interest accrued and remaining unpaid at the year end, amount of further interest remaining due and payable in the succeeding years, respectively due to Micro and Small Enterprises, as defined in the Micro, Small and Medium Enterprises Development Act , 2006 on information available with the Company .

₹ in crore

NOTE- 28 OTHER FINANCIAL LIABILITIES

	As at 31st March, 2020	As at 31st. March, 2019
a. Current maturities of long-term debt	**1,174.48**	1,199.95
b. Interest accrued but not due	**17.61**	14.61
c. Unclaimed dividends	**6.54**	5.74
d. Others (refer Note - e)	**1,664.97**	1,947.62
	2,863.60	3,167.92

e. Others include current portion of consumer security deposit (including accrued interest thereon), employee related liabilities, liabilities on capital account, liabilities towards contractual obligations, lease liabilities ₹ 29.94 crore (31.03.2019: NIL) and ₹ 917.00 crore (31.03.2019: ₹ 1282.00 crore) payable to Haldia Energy Limited .

NOTE- 29 OTHER CURRENT LIABILITIES

a. Receipt from consumers for jobs	**178.61**	146.54
b. Liability towards statutory taxes, duties etc.	**360.74**	355.28
c. Advances received from Consumers	**15.81**	80.58
	555.16	582.40

NOTE -30 CURRENT PROVISIONS

a. Provision for employee benefits	**62.34**	62.96
b. Others	**0.22**	0.22
	62.56	63.18

NOTE -31 CONTINGENT LIABILITIES AND COMMITMENTS

a. Claims against the Company not acknowledged as debts:
The West Bengal Taxation Tribunal had held meter rentals received by the Company from consumers to be deemed sales under the provisions of the Bengal Finance (Sales Tax) Act, 1941 and that sales tax was payable on such rentals. Based on such findings the Commercial Taxes Directorate assessed ₹ 0.69 crore as sales tax on meter rentals received during the year ended 31st March, 1993 and raised a demand of ₹ 0.36 crore on account of interest. Against the above demand, the Company had deposited a sum of ₹ 0.75 crore with the sales tax authorities and obtained a stay against the balance demand from the Deputy Commissioner of Commercial Taxes. The sales tax authorities also indicated their intention to levy such sales tax on meter rentals for the subsequent years as well, against which, the Company filed a writ petition in the Calcutta High Court and prayed for an interim order, inter alia, restraining the sales tax authorities from proceeding with the assessment for the subsequent years till disposal of the appeal. An interim order was issued by the High Court permitting the sales tax authorities to carry out assessments but restraining them from serving any assessment order on the Company. Subsequently, the High Court vide order dated 9th January, 2020 released the said writ petition as withdrawn on the ground that writ is not maintainable before the Single Bench. Pursuant to above, the company has duly filed writ before the Division Bench of Calcutta High Court. The disposal of the case is still pending.

b. Commitments of the Company on account of estimated amount of contracts remaining to be executed on capital account and letter of comforts towards borrowing / financing obligations of subsidiaries from banks, not provided for amount to ₹ 76.73 crore (31.03.2019 : ₹ 97.65 crore) and ₹ 1458.96 crore (31.03.2019 : ₹ 1395.35 crore) respectively. (refer note 42 for details) c The Ministry of Coal had encashed the bank guarantee of the Company amounting to ₹ 66.15 crore in April 2018, in terms of its letter dated 25.04.2018, alleging non-compliance with the mining plan for the years 2015-16 and 2016-17 as per the Coal Mine Development and Production Agreement (CMDPA). Further, in terms of the above letter, the Ministry had directed the Company to top-up the bank guarantee with the aforesaid encashed amount. The Hon'ble High Court of Delhi while disposing the petition filed by the Company against the Ministry's letter dated 25.04.2018, stayed the operation of this letter and further directed the Company to approach the Tribunal. Company has accordingly filed a petition before the Special Tribunal at Godda, Jharkhand challenging the letter dated 25.04.2018 and further seeking refund of the encashed amount. Based on a legal opinion, the Company expects a favourable outcome in the matter, and no provision has been considered necessary in the books of account

d. The Company has given bank guarantee of ₹ 224.56 crore (31.03.2019 : ₹ 294.97 crore) for procurement of coal , etc , which is outstanding as on the reporting date.

e. The Company has ongoing commitment to extend support and provide equity to the subsidiaries, in respect of various projects and otherwise (where, in certain cases there are restriction on transfer of investments). The future cash outflow in respect of above cannot be ascertained at this stage.

f. Commitments relating to leasing arrangement, refer note 4 and 50

NOTE - 32 REVENUE FROM OPERATIONS

		₹ in crore	
		2019-20	2018-19
a	Earnings from sale of electricity	**7,645.64**	7,557.73
b	Other Operating Revenue		
	Meter Rent	**52.36**	51.23
	Contribution from Consumers	**100.29**	111.45
	Earnings from sale of traded goods	**20.06**	22.94
	Others	**17.58**	10.32
		7,835.93	7,753.67

c Earnings from sale of electricity are determined in accordance with the relevant orders of the Commission, to the extent applicable. The said earnings are also net of discount for prompt payment of bills allowed to consumers on a net basis from month to month amounting to ₹ 94.12 crore (previous year : ₹ 89.93 crore).

NOTE- 33 OTHER INCOME

		₹ in crore	
		2019-20	2018-19
a	Interest Income	**24.78**	33.85
b	Dividend Income	**29.73**	15.00
c	Gain on sale/ fair valuation of current investments (net)	**42.57**	38.08
d	Income from financial assets at amortised cost	**3.73**	4.54
e	Other Non -operating Income *	**45.07**	73.44
		145.88	164.91

* includes Delayed payment surcharge, Usance fee, liabilities written back , etc.

NOTE -34 COST OF FUEL

a Cost of Fuel includes freight ₹ 308.27 crore (previous year : ₹ 300.48 crore)

b Consumption of fuel :

Particulars	UOM	2019-20	2018-19
(a) Consumption of coal			
Quantity	Tonnes	**3,607,657**	3,768,389
Value	₹ in crore	**1540.57**	1545.20
(b) Consumption of oil			
Quantity	Kilolitres	**2,039.78**	2,289.05
Value	₹ in crore	**10.17**	11.00
(c) Total Value	₹ in crore	**1550.74**	1556.20

NOTE - 35 EMPLOYEE BENEFITS EXPENSE

₹ in crore

		2019-20	2018-19
a.	Salaries, wages and bonus	**968.41**	974.27
b.	Contribution to provident and other funds	**105.69**	96.87
c.	Employees' welfare expenses	**48.31**	51.21
		1,122.41	1,122.35
	Less : Transfer to PPE / CWIP etc.	**113.48**	155.29
		1,008.93	967.06
	Less : Transfer to Other Comprehensive Income*	**40.20**	41.03
		968.73	926.03

*As per Ind AS 19, Actuarial gain or loss on post retirement defined benefit Plan has been recognised in Other Comprehensive Income.

(i) **Defined contribution plans**

The Company makes contributions for provident fund and family pension schemes (including for superannuation) towards retirement benefit plans for eligible employees. Under the said plan, the Company is required to contribute a specified percentage of the employees' salaries to fund the benefits. The fund has the form of trust and is governed by the Board of Trustees. During the year, based on applicable rates, the Company has contributed and charged ₹ 71.67 crore (previous year : ₹ 58.08 crore) on this count in the Statement of Profit and Loss. Shortfall in earning of the trust compared to the statutory rate, if any is duly met by the Company.

The Company also sponsors the Gratuity plan, which is governed by the Payment of Gratuity Act, 1972. The Company makes annual contribution to independent trust, who in turn, invests in the Employees Group Gratuity Scheme of eligible funds for qualifying employees.

Liabilities at the year end for gratuity, leave encashment and other retiral benefits including post-retirement medical benefits have been determined on the basis of actuarial valuation carried out by an independent actuary.

(ii) **The amounts recognised in the Balance Sheet and the movements in the total defined benefit obligation over the year are as follows:**

₹ in crore

	2019-20			2018-19		
Gratuity (Funded)	**Present value of obligation**	**Fair value of plan assets**	**Total amount**	Present value of obligation	Fair value of plan assets	Total amount
Opening Balance	**438.03**	**(405.74)**	**32.29**	417.03	(358.01)	59.02
Current service cost	19.31	-	19.31	16.92	-	16.92
Interest expense/(income)	27.00	(29.01)	(2.01)	25.99	(29.91)	(3.92)
Past Service Cost	-	-	-	-	-	-
Total amount recognised in profit and loss	**46.31**	**(29.01)**	**17.30**	42.91	(29.91)	13.00
Remeasurements						
Return on plan assets, excluding amounts included in interest expense/(income)	-	(0.54)	(0.54)	-	1.30	1.30
(Gain)/loss from change in demographic assumptions	(2.01)	-	(2.01)	-	-	-
(Gain)/loss from change in financial assumptions	18.64	-	18.64	6.10	-	6.10
Experience (gains)/losses	0.62	-	0.62	18.39	-	18.39
Total amount recognised in other comprehensive income	**17.25**	**(0.54)**	**16.71**	24.49	1.30	25.79
Employer contributions	-	(37.49)	(37.49)	-	(65.52)	(65.52)
Benefit payments	(58.55)	58.55	-	(46.40)	46.40	-
Closing Balance	**443.04**	**(414.23)**	**28.81**	438.03	(405.74)	32.29

₹ in crore

Leave Obligation (Unfunded)	**2019-20** Present value of obligation	2018-19 Present value of obligation
Opening Balance	**169.18**	145.05
Current service cost	10.78	10.13
Interest expense/(income)	10.63	10.50
Remeasurements		
(Gain)/loss from change in demographic assumptions	(0.01)	-
(Gain)/loss from change in financial assumptions	10.91	3.09
Experience (gains)/losses	(6.07)	13.77
Total amount recognised in profit and loss	**26.24**	37.49
Benefit payments	(16.55)	(13.36)
Closing Balance	**178.87**	169.18

	Post retirement medical benefit		**Pension**	
	2019-20	2018-19	**2019-20**	2018-19
Opening Balance	**86.12**	77.86	**75.53**	58.44
Current service cost	4.31	1.34	0.41	0.25
Interest expense/(income)	5.71	5.20	5.54	4.00
Past Service Cost	28.55	-	9.24	9.43
Total amount recognised in profit and loss	**38.57**	6.54	**15.19**	13.68
Remeasurements				
(Gain)/loss from change in demographic assumptions	1.19	-	-	-
(Gain)/loss from change in financial assumptions	13.13	2.16	5.64	1.29
Experience (gains)/losses	(3.28)	3.23	6.80	8.56
Total amount recognised in other comprehensive income	**11.04**	5.39	**12.44**	9.85
Benefit payments	(3.64)	(3.67)	(7.00)	(6.44)
Closing balance	**132.09**	86.12	**96.16**	75.53

(iii) **The expected maturity analysis of undiscounted gratuity, leave, post-employment medical benefits & pension are as follows:**

	1st year	**Between 2-5 years**	**Between 6-10 years**	**More than 10 years**	**Total**
31-Mar-20					
Defined benefit obligation (gratuity)	71.35	193.21	202.56	223.76	**690.88**
Leave obligation	21.62	62.76	77.29	171.38	**333.05**
Post-employment medical benefits	6.15	35.02	65.30	337.46	**443.93**
Pension	8.03	38.75	44.55	80.20	**171.53**
Total	**107.15**	**329.74**	**389.70**	**812.80**	**1,639.39**
31-Mar-19					
Defined benefit obligation (gratuity)	72.36	199.19	218.54	220.25	710.34
Leave obligation	22.26	64.39	74.38	171.84	332.87
Post-employment medical benefits	3.24	18.17	32.32	226.72	280.45
Pension	7.38	33.42	35.92	71.79	148.51
Total	105.24	315.17	361.16	690.60	1,472.17

(iv) **Sensitivity Analysis** **₹ in crore**

	Gratuity		Post-employment medical benefits (PRMB)		Leave Obligation		Pension	
	31-Mar-20	31-Mar-19	**31-Mar-20**	31-Mar-19	**31-Mar-20**	31-Mar-19	**31-Mar-20**	31-Mar-19
DBO at 31st March with discount rate +1%	**418.99**	415.45	**117.00**	76.35	**165.94**	157.81	**89.50**	68.13
Corresponding service cost	**17.96**	15.79	**3.17**	1.11	**9.74**	9.19	**0.37**	0.24
DBO at 31st March with discount rate -1%	**469.91**	463.13	**151.39**	92.79	**193.57**	182.07	**103.72**	77.64
Corresponding service cost	**20.86**	18.19	**5.02**	1.55	**12.03**	11.27	**0.47**	0.31
DBO at 31st March with +1% salary/benefit escalation	**455.23**	452.03	**140.98**	88.10	**196.80**	185.50		
Corresponding service cost	**20.16**	17.72	**4.46**	1.44	**12.33**	11.55		
DBO at 31st March with -1% salary/benefit escalation	**429.37**	422.22	**124.40**	79.85	**163.38**	155.29		
Corresponding service cost	**18.45**	16.08	**3.67**	1.26	**9.51**	8.99		
DBO at 31st March with +50% withdrawal rate	**443.42**	438.71	**131.42**	72.93	**178.84**	169.49		
Corresponding service cost	**19.34**	16.96	**3.95**	1.32	**10.79**	10.17		
DBO at 31st March with -50% withdrawal rate	**442.70**	437.37	**133.14**	73.61	**178.74**	168.74		
Corresponding service cost	**19.28**	16.87	**4.10**	1.35	**10.77**	10.10		
DBO at 31st March with +10% mortality rate	**443.23**	438.42	**129.60**	82.31	**178.81**	169.35	**93.09**	70.56
Corresponding service cost	**19.32**	16.93	**3.92**	1.31	**10.78**	10.15	**0.41**	0.27
DBO at 31st March with -10% mortality rate	**442.90**	437.66	**135.11**	85.42	**178.77**	168.88	**99.51**	81.31
Corresponding service cost	**19.30**	16.89	**4.13**	1.36	**10.78**	10.12	**0.42**	0.24

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

(v) **Major categories of total plan assets as per the Gratuity Trust Fund**

	31-Mar-20	31-Mar-19
Gratuity		
Cash & cash equivalents	**414.23**	405.74
Unquoted market price	**414.23**	405.74

(vi) **Actuarial assumptions**

31-Mar-20				
Particulars	**Gratuity**	**Leave obligation**	**Medical**	**Pension**
Discount rate current year (%)	6.50%	6.50%	6.50%	6.50%
Mortality rate	Indian Assured Lives Mortality (2012-14) Ult. (IALM 2012-14)	Indian Assured Lives Mortality (2012-14) Ult. (IALM 2012-14)	Indian Assured Lives Mortality (2012-14) Ult. (IALM 2012-14)	Indian Assured Lives Mortality (2012-14) Ult. (IALM 2012-14)

31-Mar-19				
Particulars	Gratuity	Leave obligation	Medical	Pension
Discount rate current year (%)	7.34%	7.34%	7.34%	7.34%
Mortality rate	Indian Assured Lives Mortality (2006-08) ultimate	Indian Assured Lives Mortality (2006-08) ultimate	Before Separation- Indian Assured Lives Mortality (2006-08) ultimate & After separation- from service : LIC (1996-98) Ultimate rated down by 5 years	Before Separation- Indian Assured Lives Mortality (2006-08) ultimate & After separation- from service : LIC (1996-98) Ultimate rated down by 5 years

Expected Remaining Life	**2019-20**	2018-19
Employees Gratuity Fund	6.90	7.02
Executive Gratuity Fund	6.96	6.62
Leave Encashment	8.62	8.62
PRMB - Non Cov	12.33	12.59
PRMB - Cov	14.22	12.93
Pension	18.39	15.02

Expected contributions to be paid in next year for gratuity ₹ 48.26 crore.
Expected contributions to be paid for next year for leave obligation, medical & pension is nil.

(vii) **Plan assets consist of funds maintained with LICI, ICICI Prudential, Birla Sun Life and HDFC Standard Life.**

	2019-20	**2018-19**
Actual return on plan assets (₹ in cr.)	29.55	28.62

(viii) **Risk exposure**

The Plans in India typically expose the Company to some risks, the most significant of which are detailed below:
Discount Rate Risk: Decrease in discount rate will increase the value of the liability. However, this will partially offset by the increase in the value of plan assets.
Demographic Risk: In the valuation of the liability certain demographic (mortality and attrition rates) assumptions are made. The Company is exposed to this risk to the extent of actual experience eventually being worse compared to the assumptions thereby causing an increase in the scheme cost.
Future Salary Increase Risk: In case of gratuity & leave obligation the scheme cost is sensitive to the assumed future salary escalation rates for all last drawn salary linked defined benefit Schemes. If actual future salary escalations are higher than that assumed in the valuation actual Scheme cost and hence the value of the liability will be higher than that estimated. But PRMB & pension are not dependant on future salary levels.
Regulatory Risk: New Act/Regulations may come up in future which could increase the liability significantly in case of Leave obligation, PRMB & Pension. Gratuity Benefit must comply with the requirements of the Payment of Gratuity Act, 1972 (as amended up-to-date). Also in case of interest rate guarantee Exempt Provident Fund must comply with the requirements of the Employees Provident Funds and Miscellaneous Provisions Act, 1952 as amended up-to-date.

₹ in crore

		2019-20	2018-19
NOTE- 36	**FINANCE COSTS**		
a)	Interest expense	**535.56**	471.96
b)	Other Borrowing Costs	**8.67**	9.65
		544.23	481.61
	Less : Allocated to PPE / CWIP	**-**	15.25
		544.23	466.36

		2019-20	2018-19
			₹ in crore
NOTE- 37	**DEPRECIATION AND AMORTISATION EXPENSE**		
	Depreciation/ amortisation of Property, Plant & Equipment	**723.88**	722.26
	Amortisation of intangible assets	**10.66**	14.40
		734.54	736.66
	Less : Recoupment from Retained Earnings (refer note 49)	**286.89**	304.04
		447.65	432.62
NOTE-38	**OTHER EXPENSES**		
	a. Consumption of stores and spares	**84.12**	80.29
	b. Repairs		
	Building	**13.12**	16.68
	Plant and Machinery	**74.65**	67.81
	Distribution System	**101.26**	92.17
	Others	**6.36**	5.78
		195.39	182.44
	c. Insurance	**16.81**	11.98
	d. Rent (including lease rent in previous year - ₹ 10.26 crore)	**8.99**	26.43
	e. Rates and taxes	**8.60**	8.28
	f. Bad debts / Advances made	**37.42**	38.37
	g. Provision for Bad Debts	**18.29**	0.69
	h. Loss on sale / disposal of Property , Plant & Equipment (net)	**5.02**	2.84
	i. Interest on Consumers' Security Deposits	**106.04**	107.28
	j. Foreign Exchange Restatement loss / (gain)	**(25.26)**	13.72
	k. Mark to Market loss / (gain) on derivatives	**18.46**	(19.82)
	l. Corporate social responsibility activities (refer note 51)	**22.15**	20.39
	m. Miscellaneous expenses	**404.94**	422.13
		900.97	895.02
NOTE-39	**REGULATORY INCOME**	**531.86**	559.51

Regulatory Income /(Expenses) arise to the Company pursuant to the regulatory provisions applicable to the Company under the provisions of the Electricity Act, 2003 and regulations framed thereunder and disposals made by WBERC on the Company's various petitions / applications, in terms of the said regulations, at different timeframe including the tariff and APR orders for the years notified till date. The effect of adjustments - income/(expenses), relating to (a) advance against depreciation, (b) cost of electrical energy purchased, fuel related costs and those having bearing on revenue account (c) Deferred Taxation estimate and (d) effect of exchange fluctuation including MTM gain as appropriate, based on the Company's understanding of the applicable regulatory provisions and applicable orders of the competent authorities, amounting to ₹ (81.14) crore [Previous year ₹ (79.64) crore], ₹ 614.00 crore [Previous year ₹ (657.00) crore], ₹ 5.80 crore [Previous year ₹ (11.75) crore] and ₹ (6.80) crore [Previous year ₹ (6.10) crore] respectively have been shown as Regulatory Income/(Expenses) with corresponding sums, reflected in Balance Sheet as Regulatory Deferral Account Balances (refer Note 18).

Regulatory deferral account debit balance comprise the effect of (a) Deferred tax, (b) exchange fluctuation (c) cost of fuel and purchase of power and other adjustments having bearing on revenue account amounting to ₹ 3480.78 crore (31.03.2019 : ₹ 3474.98 crore), ₹ 22.79 crore (31.03.2019 : ₹ 48.05 crore) and ₹ 737.23 crore (31.03.2019 : ₹ 123.23 crore) respectively and that relating to credit balance comprise the effect of (a) advance against depreciation, and (b) MTM Gain amounting to ₹ 1441.85 crore (31.03.2019 : ₹ 1360.71 crore) and ₹ 22.50 crore (31.03.2019 : ₹ 40.96 crore) respectively.

During the year, the Company received the order from WBERC in respect of its Annual Performance Review (APR) for the year ended 31 March, 2014 which has determined an amount of ₹ 383 crores as adjustment for the year, to be suitably considered in subsequent tariff and/or other orders. The impact of such order has been considered in these financial statements including in Regulatory Income / (Expenses) for the year and also on the Regulatory Deferral Account balances as at 31 March 2020, based on the Company's understanding of the process pertaining to APR, for subsequent years also. These balances have been now recognised with discounting methodology, assuming recovery over a period of time using such rate in consonance with the applicable regulations and application of prudence.

Accordingly, the accurate quantification and disposal of the matters with regard to Regulatory Deferral Account balances, shall be given effect to, from time to time, on receipt of necessary direction from the appropriate authorities relating to the applicable matters in a comprehensive way including those attributable to the mining of coal from Sarisatolli mine which commenced from 10 April, 2015 following the said mine having been allotted to the Company effective 1 April 2015 pursuant to the auction conducted by the Ministry of Coal, Government of India under the provisions of the applicable laws.

NOTE-40 Fair value measurements

a) The carrying value and fair value of financial instruments by categories as at end of the year are as follows:

₹ in crore

	31-Mar-20			31-Mar-19		
	Cost/ Amortized cost	**FVTOCI**	**FVTPL**	Cost/ Amortized cost	FVTOCI	FVTPL
Financial assets						
Investments						
- Equity	4,424.10	5.52		4,421.21	5.50	
- Mutual funds			15.01			515.03
- Preference Shares			0.95			0.86
Loans	40.07			32.60		
Trade Receivables	991.19			1,028.25		
Cash and cash equivalents	1,050.23			321.30		
Bank balances other than cash and cash equivalents	362.61			302.28		
Lease Receivables	55.17			56.21		
Receivable from Related parties	67.37			48.85		
Interest accrued on Bank Deposit	19.02			11.40		
Derivative Financial Instrument			22.50			40.96
Receivable towards claims and services rendered	0.58			0.54		
Total financial assets	**7,010.34**	**5.52**	**38.46**	6,222.64	5.50	556.85
Financial liabilities						
Borrowings	6,452.95			6,045.42		
Trade Payables	645.59			662.78		
Interest accrued	17.61			14.61		
Unclaimed dividend	6.54			5.74		
Consumers' Security Deposits	1,733.13			1,594.03		
Others	1,793.33			1,842.87		
Total financial liabilities	**10,649.15**	**-**	**-**	10,165.45	-	-

b) Fair value hierarchy

The table shown below analyses financial instruments carried at fair value, by valuation method.

₹ in crore

Financial assets and liabilities measured at fair value	**Level 1**	**Level 2**	**Level 3**	**Total fair value**	**Total carrying amount**
As at 31 March 2020					
Financial assets					
Investment in equity shares			5.52	5.52	5.52
Investment in liquid mutual fund units	15.01			15.01	15.01
Investment in Preference Share			0.95	0.95	0.95
Derivative financial instrument - cross currency swap		22.50		22.50	22.50
Total	**15.01**	**22.50**	**6.47**	**43.98**	**43.98**
As at 31 March 2019					
Financial assets					
Investment in equity shares			5.50	5.50	5.50
Investment in liquid mutual fund units	515.03			515.03	515.03
Investment in Preference Share			0.86	0.86	0.86
Derivative financial instrument - cross currency swap		40.96		40.96	40.96
Total	515.03	40.96	6.36	562.35	562.35

The different levels have been defined below:

Level 1: financial instruments measured using quoted price. The fair value of all equity instruments which are traded in the stock exchanges is determined using the closing price. The mutual funds are valued using the closing NAV.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices)

Level 3: inputs for the asset or liability that are not based on observable market data.

c) The following methods and assumptions were used to estimate the fair values

i. The fair values of the mutual fund instruments are based on net asset value of units declared at the close of the reporting date.

ii. The fair values of the cross currency swap is determined using discounted cash flow analysis and swaps and options pricing models.

iii. The fair value of preference share is determined on the basis of discounted cash flow wherein future cash flows are based on the terms of preference share discounted at rate that reflects market rate. Significant unobservable input used is discount rate and 0.50% increase / decrease in discount rate would result in decrease / increase in fair value of preference share by ₹ 0.07 crore. The fair value of equity share is determined on the basis of discounted cash flow (31.03.19 discounted cash flow). Significant unobservable input used is discount rate and growth rate and 0.50% increase / decrease in discount rate and growth rate would result in decrease / increase in fair value of equity share by ₹ 0.17 crore and ₹ 0.19 crore respectively

iv.. The carrying amounts of trade receivables, trade payables, investment in commercial paper, receivable towards claims and services rendered, receivable from related parties, other bank balances, interest accrued payable/receivable, other receivables/ payables, cash and cash equivalents are considered to be the same as their fair values, due to their short term nature.

v. Loans, non-current borrowings, lease receivable/payable and security deposits are based on discounted cash flows using a current borrowing rate.

vi. Fair Value of financial Intruments which is determined on the basis of discounted cash flow analysis , considering the nature, risk profile and other qualitative factors.The carrying amounts will be reasonable approximation of the fair value.

NOTE-41 Financial risk management and Capital Management

The Company's operations of generation and distribution of electricity are governed by the provisions of the Electricity Act 2003 and Regulations framed thereunder by the West Bengal Electricity Regulatory Commission and accordingly the Company, being a licensee under the said statute, is subject to regulatory provisions/ guidelines and issues evolving therefrom, having a bearing on the Company's liquidity, earning, expenditure and profitability, based on efficiency parameters provided therein including timing of disposal of applications / matters by the authority.

The Company being the sole provider of electricity in the licenced area has been managing the operations keeping in view its profitability and liquidity in terms of above regulations. In order to manage credit risk arising from sale of electricity, multipronged approach is followed like maintenance of security deposit, precipitation of action against defaulting consumers, obtaining support of the administrative authority. Credit risk towards Investment of surplus funds is managed by obtaining support of credit rating and appraisal by external agencies and lending bodies. The Company extends financial support to its subsidiaries including that of letter of comforts etc. to their lenders.

The Company manages its liquidity risk on financial liabilities by maintaining healthy working capital and liquid fund position keeping in view the maturity profile of its borrowings and other liabilities as disclosed in the respective notes.

The Company's market risk relating to variation of foreign currency, interest rate and commodity price is mitigated through relevant regulations and availability of bulk commodity namely coal is generally sourced from own captive mine, domestic long term linkage and Special Forward E-Auction conducted by Coal India Limited and/or its subsidiaries.

While managing the capital, the Company ensures to take adequate precaution for providing returns to the shareholders and benefit for other stakeholders, including protecting and strengthening the balance sheet. Availability of capital and liquidity is also managed, in consonance with the applicable regulatory provisions.

NOTE-42 **Related Parties and their Relationship**

A . Parent- under de facto control as defined in Ind AS -110

Rainbow Investments Limited

B . Subsidiary/ Associates/ Joint Venture

Name	Relationship
Surya Vidyut Limited	Subsidiary
Malegaon Power Supply Limited (Formerly known as Nalanda Power Company Limited)	Subsidiary
CESC Projects Limited	Subsidiary
Bantal Singapore Pte. Limited	Subsidiary
Ranchi Power Distribution Company Limited	Subsidiary
Pachi Hydropower Projects Limited	Subsidiary
Papu Hydropower Projects Limited	Subsidiary
Au Bon Pain Café India Limited	Subsidiary
Haldia Energy Limited (HEL)	Subsidiary
Dhariwal Infrastructure Limited (DIL)	Subsidiary
Kota Electricity Distribution Limited (KEDL)	Subsidiary
Bikaner Electricity Supply Limited (BKESL)	Subsidiary
Bharatpur Electricity Services Limited (BESL)	Subsidiary
Crescent Power Limited (CPL)	Subsidiary
CESC Green Power Limited	Subsidiary
Jharkhand Electric Company Limited	Subsidiary*
Jarong Hydro-Electric Power Company Limited	Subsidiary*
Eminent Electricity Distribution Limited	Subsidiary**
Noida Power Company Limited	Associate
Mahuagarhi Coal Company Private Limited	Joint Venture

C . Other Related Parties having transaction during the year

(i) Entities under common control

Integrated Coal Mining Limited
RPG Power Trading Co Ltd
Philips Carbon Black Ltd.
Harrison Malayalam Limited
STEL Holdings Limited
Dotex Merchandise Pvt. Ltd.
Castor Investment Limited
Woodlands Multispeciality Hospital Limited
Sarala Real Estate Limited
Saregama India Ltd
Open Media Network Ltd
Bowlopedia Restuarants India Limited
Omnipresent Retail India Pvt Ltd
Accurate Commodeal Pvt Ltd
Apricot Foods Pvt Ltd
Guiltfree Industries Limited
Nature's Basket Limited (w. e. f. 4th July 2019)
Kolkata Metro Network Pvt Limited
Kolkata Games and Sports Pvt Ltd (KGSPL)
CESC Ventures Limited (formerly known as RP-SG Business Process Services Limited)
Spencer's Retail Limited (formerly known as RP-SG Retail Limited)
Quest Properties India Limited

(ii) Key Management Personnel (KMP)

Name	Relationship
Mr. S. Goenka	Chairman
Mr. Shashwat Goenka	Vice-Chairman (w.e.f. 14th November 2019)
Mr. P. Chaudhuri	Director
Mr. C .K Dhanuka	Director
Mr. K. Jairaj	Director
Mr. B .M Khaitan	Director (upto 23rd May 2018)
Mr. P.K. Khaitan	Director
Ms. R.Sethi	Director
Mr. Sunil Mitra	Director (w.e.f 14th November 2019)
Mr. Aniruddha Basu	Managing Director (upto 27th May 2018)
Mr. Debasish Banerjee	Managing Director-Distribution (w.e.f. 28th May 2018)
Mr. Rabi Chowdhury	Managing Director-Generation (w.e.f. 28th May 2018)
Mr. Subhasis Mitra	Company Secretary
Mr. Rajarshi Banerjee	Executive Director & Chief Financial Officer

(iii) Other Related Parties

Ms.Preeti Goenka (Shareholder and Relative of KMP)
Khaitan & Co LLP
Khaitan & Co. (Mumbai)
Khaitan & Co. AOR
Khaitan & Co. (Kolkata)
Khaitan & Co. (New Delhi)
Khaitan Consultants Ltd.
CESC Limited Provident Fund
Calcutta Electric Supply Corporation (I) Ltd. Senior Staff Pension Fund
CESC Executive Gratuity Fund
CESC Limited Employee's Gratuity Fund

* Subsidiary from 1st October 2018
** Subsidiary from 1st July 2019

D. Details of transaction between the Company and related parties and status of outstanding balances

₹ in crore

Sl No	Nature of Transactions	Parent having Control in terms of Ind AS -110, Subsidiaries, Joint Venture & Associate		Entities under common control		Key Management Personnel		Other Related Parties		Total	
		31-Mar-20	31-Mar-19	**31-Mar-20**	31-Mar-19	**31-Mar-20**	31-Mar-19	**31-Mar-20**	31-Mar-19	**31-Mar-20**	31-Mar-19
1	**Acquisition of Investment**	**11.36**	83.00	**-**	-	**-**	-	**-**	-	**11.36**	83.00
2	**Advance for Share Subscription**	**20.00**	0.10	**-**	-	**-**	-	**-**	-	**20.00**	0.10
3	**Expense (Reimbursed)/ Recovered (net)**	**5.83**	11.29	**4.62**	50.55	**-**	-	**-**	-	**10.45**	61.84
4	**Income from Sales / Services**	**30.75**	36.25	**30.94**	27.27	**-**	-	**-**	-	**61.69**	63.52
5	**Dividend Income**	**29.73**	15.00	-	-	**-**	-	**-**	-	**29.73**	15.00
6	**Cost of Power Purchase**	**2,256.78**	2,279.80	**121.98**	174.57	**-**	-	**-**	-	**2,378.76**	2,454.37
7	**Expenses / Services Received**	**15.58**	16.73	**399.02**	349.22	**-**	-	**5.51**	6.74	**420.11**	372.69
8	**Provident Fund & Retiral funds**	**-**	-	**-**	-	**-**	-	**253.58**	264.71	**253.58**	264.71
9	**Balances written off /Provided**	**10.39**	6.10	**-**	-	**-**	-	**-**	-	**10.39**	6.10
10	**Security Deposit Received**	**-**	-	**0.05**	0.03	**-**	-	**-**	-	**0.05**	0.03
11	**Dividend paid**	**117.59**	102.89	**14.18**	12.41	**0.49**	0.24	**0.08**	0.26	**132.34**	115.80
12	**Remuneration of Key Managerial Personnel**										
	Short Term Employee Benefits	**-**	-	**-**	-	**10.93**	10.11	**-**	-	**10.93**	10.11
	Post Employment Benefits	**-**	-	**-**	-	**1.70**	2.42	**-**	-	**1.70**	2.42
13	**Remuneration of Directors**	**-**	-	**-**	-	**35.31**	35.94	**-**	-	**35.31**	35.94
	Outstanding Balance										
1	Debit	**-**	-	**21.53**	46.56	**-**	-	**-**	-	**21.53**	46.56
2	Credit	**1,313.14**	1,637.66	**-**	-	**34.55**	35.34	**68.97**	15.85	**1,416.66**	1,688.85

a. Shares alloted during the year in respect of Share Application money paid to subsidiaries Nil (31.03.19 : ₹ 160 crore).

b. Refer Note. 31(b) relating to commitments (letter of comfort) provided to banks towards borrowing obligations as on 31.03.2020 in respect of subsidiary companies.

c. Outstanding balances are unsecured and settlement occurs in cash.

NOTE-43 Miscellaneous expenses shown in Note no. 38 (m), include Auditors' Remuneration and expenses :

₹ in crore

	2019-20	2018-19
As Statutory Auditors :		
Statutory audit and Limited reviews	**2.76**	3.16
Other services	**0.85**	0.77
As a Tax Auditor	**0.12**	0.11
Others	**-**	0.18
Reimbursement of expenses including applicable taxes	**0.80**	0.88

NOTE- 44 The major components of Deferred Tax Assets / (Liabilities) based on the temporary difference are as under :

Deferred tax assets and liability (Net)

Deferred tax relates to the following:

	April 1, 2019	Recognised through P&L	Recognised through OCI	March 31, 2020
Liabilities				
Difference in WDV of Property, Plant and Equipment	(3,510.94)	(92.28)	-	**(3,603.22)**
Fair Valuation of Equity Investment as per IND AS	(1.28)	-	(0.00)	**(1.28)**
Others	(23.00)	(6.24)	-	**(29.24)**
Assets				
Items covered under section 43B of Income Tax Act, 1961	4.62	0.45	-	**5.07**
Others including items covered under section 35DDA of Income Tax Act, 1961	55.62	92.27	-	**147.89**
Total Deferred Tax Liabilities (Net)	(3,474.98)	(5.80)	(0.00)	**(3,480.78)**

	April 1, 2018	Recognised through P&L	Recognised through OCI	March 31, 2019
Liabilities				
Difference in WDV of Property, Plant and Equipment	(3,519.57)	8.63	-	(3,510.94)
Fair Valuation of Equity Investment as per IND AS	(1.76)	-	0.48	(1.28)
Others	(25.29)	2.29	-	(23.00)
Assets				
Items covered under section 43B of Income Tax Act, 1961	4.61	0.01	-	4.62
Others including items covered under section 35DDA of Income Tax Act, 1961	54.80	0.82	-	55.62
Total Deferred Tax Liabilities (Net)	(3,487.21)	11.75	0.48	(3,474.98)

a) Tax expense

i) Tax recognised in Statement of profit and loss

	March 31, 2020	March 31, 2019
Current tax expense	**(195.06)**	(257.40)
Deferred tax expense		
Deferred tax- Income / (expense)	**(5.80)**	11.75
Total tax expense	**(200.86)**	(245.65)

ii) Tax recognised in OCI **₹ in crore**

	March 31, 2020	March 31, 2019
Current tax expense		
Remeasurement of defined benefit plan	**7.02**	8.84
Deferred tax expense		
Deferred Tax (charge)/ credit	**(0.00)**	0.48
Regulatory Income / (expense) -deferred tax	**0.00**	(0.48)
Total tax expense relating to OCI items	**7.02**	8.84

b) Reconciliation of tax expense and accounting profit

	March 31, 2020	March 31, 2019
Accounting profit before tax after Comprehensive income	**1078.41**	1141.67
Tax using the Company's domestic tax rate (Current year 34.944% and Previous Year 34.944%)	**376.84**	398.95
Tax effect of amounts adjustable in calculating taxable income/expenses not considered for tax purpose including difference in depreciation	**(76.34)**	(102.83)
Incentive, deduction etc. allowed under Income Tax	**(76.53)**	(56.13)
MAT Adjustment etc.*	**(30.13)**	(3.18)
Tax Expense	**193.84**	236.81

* includes unrecognised credit of MAT related to earlier years

NOTE- 45 Liability in respect of the security deposit collected by the Company, in terms of applicable regulations of the WBERC, has been classified as non – current, given the nature of its business in the license area, excepting to the extent of the sum refundable / payable within a year, based on experience.

NOTE- 46 India and other global markets experienced significant disruption in operations resulting from uncertainty caused by the worldwide outbreak of Coronavirus pandemic. The Company's business includes Generation and Distribution of power within its licensed area in the state of West Bengal, India. Considering power supply being an essential service, management believes that there is not much of an impact likely due to this pandemic on the business of the Company , its subsidiaries, associate and joint venture except some lower demand and its consequential impact on supply and collection from consumers, which are believed to be temporary in nature. The Company has duly ensured compliance with specific regulatory directives issued in the related matter.

The Company is taking all necessary steps and precautionary measures to ensure smooth functioning of its operations/business and to ensure the safety and well-being of all its employees.

The Company is closely monitoring developments, its operations, liquidity and capital resources and is actively working to minimize the impact of this unprecedented situation.

The Company has also performed impairment assessment of its investment in subsidiaries, associate and joint venture and based on such assessment, no impairment is required to be recognised in respect of such investments.

NOTE- 47 Earnings per share:

(i) **Computation of Earnings per share (net of tax)**

Particulars		2019-20	2018-19
Profit after tax (₹ in Crore)	(A)	**917.75**	937.05
Weighted Average no. of shares for Earnings per share	(B)	**132,557,043**	132,557,043
Basic and Diluted Earnings per share of ₹ 10/- = [(A) / (B)] (₹)		**69.23**	70.69

(ii) **Computation of Earnings per share (net of tax)**

Particulars		2019-20	2018-19
Profit After Tax excluding regulatory income (₹ in Crore)	(A)	**478.80**	501.14
Weighted Average no. of shares for Earnings per share	(B)	**132,557,043**	132,557,043
Basic and Diluted Earnings per share of ₹ 10/- = [(A) / (B)] (₹)		**36.12**	37.81

The Company operates within the framework of Electricity Act, 2003 where tax on profits forms part of chargeable expenditure under the applicable regulations framed thereunder. Accordingly, deferred tax liability or asset is recoverable or payable through future tariff. Hence, recognition of deferred tax asset or liability is done with corresponding recognition of regulatory liability or asset, as applicable, by way of considering equivalent regulatory income/(expense) as the case may be, which hitherto have been shown under the tax expenses till previous year. Based on an opinion issued by the Expert Advisory Committee of The Institute of Chartered Accountants of India, the presentation of such regulatory income/(expense), in respect of deferred tax, has now been included in the above "Regulatory income/ (expense) (net)". Consequent to the above, Regulatory income / (expense) (net) and Tax expenses has decreased by ₹ 12 crore for the year ended 31st March 2019. Consequently, EPS without Regulatory income/(expense) (net) for the year ended 31st March 2019 has increased by ₹ 0.93.

NOTE- 48 The Company is primarily engaged in generation and distribution of electricity which is the only reportable business segment in line with the segment wise information which is being presented to the CODM. There are no reportable geographical segments, since all business is within India.

The Company is also running a single retail store in state of Gujarat which is not significant for the CODM and hence not considered as reportable segment.

NOTE- 49 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, the basis of which be considered by the West Bengal Electricity Regulatory Commission (Commission) in determining the Company's tariff for the year, which is also required to be used for accounting purpose as specified in the said Regulations. Based on legal opinions and independent accounting opinions obtained, the Company continues with the consistently followed practice of recouping from the retained earnings an additional charge of depreciation relatable to the increase in value of assets arising from fair valuation , which for the current year amounts to ₹ 286.89 crore (31.03.19 : ₹ 304.04 crore) and corresponding withdrawal of ₹ 4.14 crore (31.03.19 : ₹ 2.72 crore) consequent to sale / disposal of such assets and the same will be followed in subsequent years .

NOTE- 50 Property, Plant and Equipment of the Company includes right-of-use assets in the opening balance as on 01.04.2019, additions, depreciation and closing balance for the year ended 31.03.2020 amounting to ₹ 663.97 crore, ₹ 278.74 crore, ₹ 53.99 crore and ₹ 888.72 crore respectively. Carrying Value of right of use assets as at 31.3.2020 in respect of land, building, plant & machinery and vehicles amount to ₹ 478.80 crore, ₹ 382.23 crore, ₹ 27.64 crore and ₹ 0.05 crore respectively and its related depreciation/ amortisation expense for the year ended 31.03.2020 in respect of land, building, plant & machinery and vehicles amount to ₹ 19.61 crore, ₹ 28.44 crore, ₹ 5.92 crore and ₹ 0.02 crore respectively.

The movement in lease liabilities for the year is as below	**₹ in crore**
Operating lease commitments as at March 31, 2019	24.47
Discounted operating lease commitments as at April 1, 2019	14.86
Lease liabilities in respect of assets not included in operating lease commitments as at March 31, 2019	44.12
Commitments of leases previously classified as Finance Leases	6.70
Lease liabilities as at April 1, 2019	65.68
Additions	212.54
Finance cost expense (refer note 36)	16.35
Payment during the year (includes interest ₹ 16.35 crore)	(25.81)
Balance as on 31st March 2020	268.76

Future minimum lease payments during next one year ₹ 29.94 crore, later than one year but not later than five years ₹ 143.82 crore and later than five years ₹ 95 crore applying 10% as weighted average incremental borrowing rate.

Other Expenses include short term leases of ₹ 2.56 crore and low-value assets of ₹ 0.70 crore, net of applicable taxes.

NOTE- 51 In terms of the provisions of Companies Act, 2013, the required Corporate Social Responsibility (CSR) spending for the year works out to ₹ 21.84 crore (previous year: ₹ 20.16 crore). The said requirement of CSR spending was met by way of contribution to a trust set up for the said purpose and direct expenditure of ₹ 19.00 crore (previous year : ₹ 18.00 crore) and ₹ 3.15 crore (₹ 2.23 crore) respectively.

NOTE- 52 The composite Scheme of Arrangement amongst the Company and nine other companies and their respective shareholders has been made effective from 1st October, 2017 except for the demerger of the Generation Undertaking of CESC Limited into Haldia Energy Limited, a wholly owned subsidiary of CESC Limited ("the said Demerger") . However, the said Demerger proposal has been withdrawn with effect from 14 November 2019 and Haldia Energy Ltd continues to be a wholly owned subsidiary of the Company.

NOTE- 53 Contract Liability at the beginning of the year in respect of Contribution from Consumers for certain jobs stood at ₹ 146.54 crore, out of which ₹ 27.36 crore has been dealt with in the revenue account during the year, on satisfaction of performance obligation. The balance of the said contract liability as at the year-end stood at ₹ 178.61 crore pending satisfaction of the performance obligation.

NOTE - 54 Quantitative information : **(Million kWh)**

		2019-20	2018-19
(a)	Total number of units generated during the year	**6137**	6298
(b)	Total number of units consumed in Generating Stations	**477**	488
(c)	Total number of units sent out	**5660**	5810
(d)	Total number of units purchased during the year	**5632**	5581
(e)	Total number of units through Unscheduled Interchange (Net)	**23**	22
(f)	Total number of units delivered	**11315**	11413
(g)	Total number of units sold as per meter readings	**9991**	9706
(h)	Total number of units sold to persons other than own consumers and WBSEDCL	**291**	684
(i)	Total number of units consumed in Company's premises	**42**	37
(j)	Total number of Units sold to WBSEDCL	**8**	12

The derated installed capacity of the Generating Stations of the Company (as per certification of technical expert) as on 31st March, 2020 was 1125000 kW (31st March, 2019 : 1125000 kW).

NOTE- 55 The Company has reclassified previous year's figures to conform to this year's classification along with other regrouping / rearrangement wherever necessary.

For and on behalf of Board of Directors

For S.R.BATLIBOI & Co. LLP
Chartered Accountants
Firm Registration Number -301003E/E300005

Kamal Agarwal
Partner
Membership No.: 058652
Kolkata, 29th June, 2020

Chairman	Sanjiv Goenka	DIN : 00074796
Managing Director -Generation	Rabi Chowdhury	DIN : 06601588
Managing Director- Distribution	Debasish Banerjee	DIN : 06443204
Company Secretary	Subhasis Mitra	
Executive Director & CFO	Rajarshi Banerjee	

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

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 associate and joint venture comprising of the consolidated Balance Sheet as at March 31 2020, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

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, associate and joint venture, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("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 associate and joint venture as at March 31, 2020, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements' section of our report. We are independent of the Group, its associate and, joint venture in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2020. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated Ind AS financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated Ind AS financial statements.

1. **Accrual of regulatory income and corresponding asset / liability** *(as described in note 40 of the consolidated Ind AS financial statements)*

   Key Audit Matter:-

   The company recognizes regulatory income / assets / liability basis its understanding and interpretation of Tariff orders and regulations notified by the West Bengal Electricity Regulatory Commission (WBERC), which are subject matter of Annual Performance Review (APR) and will be adjusted in tariffs to be notified in the future years. Management exercises judgement in estimating such amounts using past experience from the issued Tariff/ APR orders including interpretation of the regulations. Such regulatory deferral balances are discounted over an estimated period of recovery using an appropriate discounting rate.

   In consideration of the significant value of regulatory balances, complexity and high degree of estimation involved in computation thereof and pending annual performance reviews, we identified accrual of regulatory balances as a key audit matter.

   How our audit addressed the key audit matter:

   Our audit procedures included the following:-

   - We considered the Company's accounting policies with respect to accrual for regulatory deferrals and assessing compliance with Ind AS 114 "Regulatory Deferral Accounts"

   - We have understood and carried out testing of the design and implementation of key financial controls related to accounting, valuation and recoverability of such regulatory balances and its disclosure in the financial statements of the Company.

   - We discussed with the management on the key assumptions and estimates used for recognition of these regulatory balances and corroborated them with the applicable regulatory provisions, APR orders, Tariff orders and underlying records of the Company.

- We discussed with the management on the consistency of its key assumptions and basis of estimation for all the years for which APR assessments are pending to be completed and also verified the arithmetical accuracy of such workings.

- We enquired from the management for notifications and correspondences with the regulator on the pending APR assessments.

- We audited and discussed with the management the impact considered in the financial statements in respect of APR order received during the year.

- We also assessed the discounting rate and the estimated period of recovery considered by the management with reference to the APR process and the tariff regulations.

- We have assessed the disclosures in accordance with the requirements of Ind AS 114 "Regulatory Deferral Accounts".

2. **Valuation of non-current investment** *(as described in note 8(a) of the consolidated Ind AS financial statements)*

Key Audit Matter:-

As reported by the auditor of a subsidiary company, the subsidiary company has investments in the equity and preference shares of an entity, which is carried at fair value though Other Comprehensive Income (OCI). The said investments were valued as at 31 March 2020 by an independent valuer using discounted cash flow ('DCF') method.

Management's determination of fair valuation of investments is complex and requires estimation and judgement around assumptions used which include, but are not limited to, projections of future cash flows, growth rates, discount rates, estimated future operating and capital expenditure and any change in these assumptions could significantly affect the fair values.

The application of significant judgement in this matter required substantial involvement of senior personnel on the audit engagement.

Accordingly, considering the materiality of balances, complexity of valuation and significance of judgement involved, fair valuation of aforesaid investments has been considered to be a key audit matter for current year's audit.

How the auditor addressed the Key Audit Matter:

The auditor of the subsidiary company has performed the following procedures:

- Obtained an understanding of management's processes and controls for determining the fair valuation of investments.

- Evaluated the design of and tested the operating effectiveness of the key controls around the fair valuation of investment.

- Evaluated the independent valuation specialist's competencies, expertise and objectivity.

- Assessed the appropriateness of the valuation methodology used to arrive at the estimated fair value of the investments and reasonableness of the assumptions such as discount rates using an auditor's expert.

- Tested the accuracy of the input data provided by the management to the valuation specialist.

- Tested the reasonableness of the key assumptions used in the cash flow projections and fair valuation, such as growth rates, targeted savings, discount rate, etc considering our understanding of the business, industry and relevant key factors.

- Performed sensitivity analysis on aforesaid key assumptions to determine impact of estimation uncertainty on the fair valuation.

- Tested the mathematical accuracy of the cash flow projections and fair valuation computation.

- Evaluated the appropriateness of disclosures made in the financial statement in relation to such investments as required by applicable accounting standards.

Information Other than the Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the Directors Report, Management Discussion and Analysis, Report on corporate governance, Additional shareholder information, Report on CSR, Business Responsibility Report and Statement containing salient features of the financial statement of Subsidiaries / Associate / Joint Venture, but does not include the consolidated Ind AS financial statements and our auditor's report thereon.

Our opinion on the consolidated Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in terms of the requirements of 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 associate and joint venture in accordance with the 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. The respective Board of Directors of the companies included in the Group and of its associate and joint venture 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 associate and joint venture 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 controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS 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.

In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group and of its associate and joint venture are responsible for assessing the ability of the Group and of its associate and joint venture to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group and of its associate and joint venture are also responsible for overseeing the financial reporting process of the Group and of its associate and joint venture.

Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate and joint venture to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate and joint venture to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group, its associate and joint venture of which we are the independent auditors, to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated Ind AS financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind AS financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2020 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

(a) We did not audit the financial statements and other financial information, in respect of 18 subsidiaries, whose Ind AS financial statements include total assets of ₹13,740.88 crore as at March 31, 2020, and total revenues of ₹5,448.64 crore and net cash outflows of ₹18.62 crore for the year ended on that date. These Ind AS 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 ₹69.33 crore for the year ended March 31, 2020, as considered in the consolidated Ind AS financial statements, in respect of an associate 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 Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, associate and joint venture, 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, associate and joint venture, is based solely on the reports of such other auditors.

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.

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, associate and joint venture, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

(a) We/the other auditors whose report 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 purposes 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, the 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 Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2020 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 and joint venture, none of the directors of the Group's companies, its associate and joint venture, incorporated in India, is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements of the Holding Company and its subsidiary companies, associate and joint venture, incorporated in India, refer to our separate Report in "Annexure 2" to this report;

(g) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries, associate and joint venture incorporated in India, the managerial remuneration for the year ended March 31, 2020 has been paid / provided by the Holding Company, its subsidiaries, associate and joint venture incorporated in India to their 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 consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, associate and joint venture, 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 associate and joint venture in its consolidated Ind AS financial statements – Refer Note 32 to the consolidated Ind AS financial statements;

ii. Provision has been made in the consolidated Ind AS financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

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 associate and joint venture, incorporated in India during the year ended March 31, 2020.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Kamal Agarwal
Partner
Membership Number: 058652
UDIN: 20058652AAAABR4030

Place of Signature : Kolkata
Date: June 29, 2020

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED 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")

In conjunction with our audit of the consolidated Ind AS financial statements of CESC Limited as of and for the year ended March 31, 2020, we have audited the internal financial controls over financial reporting of CESC Limited (hereinafter referred to as the "Holding Company") and its subsidiary companies, its associate and its joint venture, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiary companies, its associate and its joint venture, 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 and its joint venture, 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 31,2020, 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 statements of the Holding Company, insofar as it relates to these 17 subsidiary companies, an associate and a joint venture, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiary, associate and joint venture incorporated in India.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Kamal Agarwal
Partner
Membership Number: 058652
UDIN: 20058652AAAABR4030

Place of Signature : Kolkata
Date: June 29, 2020

Consolidated Balance Sheet as at 31st March, 2020

₹ in crore

Particulars		Note No.	As at 31st March, 2020	As at 31st March, 2019
ASSETS				
Non-current Assets				
Property, Plant and Equipment		5	**23,376.70**	23,434.61
Capital work-in-progress			**146.77**	161.44
Investment Property		6	**62.63**	56.03
Intangible Assets		7	**147.24**	157.90
Investment accounted under equity method		51	**507.16**	473.88
Financial Assets				
Investments		8	**163.10**	198.54
Loans		9	**39.18**	30.98
Others		10	**55.72**	56.31
Other Non-current assets		11	**145.86**	178.34
	(A)		**24,644.36**	24,748.03
Current Assets				
Inventories		12	**718.36**	700.45
Financial Assets				
Investments		13	**15.01**	513.03
Trade receivables		14	**1,881.82**	1,738.85
Cash and cash equivalents		15	**1,212.87**	502.56
Bank balances other than cash and cash equivalents		16	**578.09**	528.11
Loans		17	**16.93**	17.14
Others		18	**148.04**	103.97
Current tax assets (Net)			**24.06**	30.84
Other current assets		19	**407.94**	587.41
	(B)		**5,003.12**	4,722.36
Regulatory deferral account balances	**(C)**	31	**4,724.59**	3,999.27
TOTAL ASSETS	**(A+B+C)**		**34,372.07**	33,469.66
EQUITY AND LIABILITIES				
Equity				
Equity Share capital		20	**133.22**	133.22
Other Equity		21	**9,494.22**	8,840.62
Non-controlling interest		41	**85.78**	82.06
Total Equity	**(D)**		**9,713.22**	9,055.90
Liabilities				
Non-current Liabilities				
Financial Liabilities				
Borrowings		22	**9,760.11**	10,225.34
Trade Payables				
(a)Total outstanding dues to micro enterprises and small enterprises			**-**	-
(b)Total outstanding dues of creditors other than micro enterprises and small enterprises			**138.60**	147.92
Consumers' Security Deposits		55	**1,628.00**	1,487.04
Others		23	**278.57**	6.70
Provisions		24	**424.67**	344.27
Deferred tax liabilities (Net)		43	**4,005.32**	3,942.10
Other Non-Current liabilities		25	**195.39**	230.04
	(E)		**16,430.66**	16,383.41
Current Liabilities				
Financial Liabilities				
Borrowings		26	**2,421.49**	2,386.93
Trade Payables				
(a)Total outstanding dues to micro enterprises and small enterprises		27	**19.32**	16.65
(b)Total outstanding dues of creditors other than micro enterprises and small enterprises		27	**637.52**	555.69
Others		28	**2,645.80**	2,579.78
Other current liabilities		29	**584.59**	661.91
Provisions		30	**65.65**	66.85
Current tax liabilities (Net)			**113.86**	85.26
	(F)		**6,488.23**	6,353.07
Regulatory deferral account balances	**(G)**	31	**1,739.96**	1,677.28
TOTAL EQUITY AND LIABILITIES	**(D+E+F+G)**		**34,372.07**	33,469.66
Notes forming part of Consolidated Financial Statements		1-58		

This is the Consolidated Balance Sheet referred to in our Report of even date.

For and on behalf of Board of Directors

For S.R.BATLIBOI & Co. LLP
Chartered Accountants
Firm Registration Number -301003E/E300005

Kamal Agarwal
Partner
Membership No.: 058652
Kolkata, 29th June, 2020

Chairman	Sanjiv Goenka	DIN : 00074796
Managing Director -Generation	Rabi Chowdhury	DIN : 06601588
Managing Director- Distribution	Debasish Banerjee	DIN : 06443204
Company Secretary	Subhasis Mitra	
Executive Director & CFO	Rajarshi Banerjee	

Consolidated Statement of Profit and Loss for the year ended 31st March, 2020

CESC LIMITED
Energising Lives -Since 1899

₹ in crore

Particulars	Note No.	2019-20	2018-19
Revenue from operations	33	**11,014.58**	10,664.14
Other income	34	**202.51**	204.30
Total Income		**11,217.09**	10,868.44
Expenses			
Cost of electrical energy purchased		**2,263.66**	2,105.91
Cost of fuel	35	**3,448.67**	3,426.40
Purchases of stock-in -trade		**16.75**	19.94
Employee benefits expense	36	**1,082.95**	1,033.81
Finance costs	37	**1,357.36**	1,324.72
Depreciation and amortisation expense	38	**781.42**	763.78
Other expenses	39	**1,329.68**	1,262.61
Total expenses		**10,280.49**	9,937.17
Profit before share in profit of associate and tax		**936.60**	931.27
Share in net profit of associate		**69.33**	69.28
Profit before regulatory income/(expense) and tax		**1,005.93**	1,000.55
Regulatory Income/(Expense) (net)	40	**662.64**	892.50
Profit before tax		**1,668.57**	1,893.05
Tax expense			
Current tax		**293.25**	362.08
Deferred tax		**69.47**	332.90
Total Tax expenses		**362.72**	694.98
Profit after Tax		**1,305.85**	1,198.07
Other comprehensive loss			
Items not to be reclassified to profit or loss			
Remeasurement of defined benefit plan		**(41.64)**	(42.06)
Income tax on above		**7.22**	8.93
Gain / (loss) on fair valuation of Investment		**(3.52)**	(16.14)
Deferred Tax (charge) / credit on above		**(0.03)**	2.29
Regulatory Income/(expense) - deferred tax		**-**	(0.48)
		(37.97)	(47.46)
Items to be reclassified to profit or loss			
Exchange difference on translation of foreign operations		**0.07**	0.05
		0.07	0.05
Other Comprehensive loss for the year (net of tax)		**(37.90)**	(47.41)
Total comprehensive income for the year		**1,267.95**	1,150.66
Profit attributable to			
Owners of the equity		**1,302.05**	1,183.98
Non-controlling interest		**3.80**	14.09
		1,305.85	1,198.07
Other Comprehensive loss attributable to			
Owners of the equity		**(37.82)**	(45.99)
Non-controlling interest		**(0.08)**	(1.42)
		(37.90)	(47.41)
Total Comprehensive Income attributable to			
Owners of the equity		**1,264.23**	1,137.99
Non-controlling interest		**3.72**	12.67
		1,267.95	1,150.66
Basic & Diluted Earnings per equity share (Face value of ₹ 10 per share)	45	**98.24**	89.32
Notes forming part of Consolidated Financial Statements	1-58		

This is the Consolidated Statement of Profit and Loss referred to in our Report of even date.

For and on behalf of Board of Directors

For S.R.BATLIBOI & Co. LLP
Chartered Accountants
Firm Registration Number -301003E/E300005

Kamal Agarwal
Partner
Membership No.: 058652
Kolkata, 29th June, 2020

Chairman	Sanjiv Goenka	DIN : 00074796
Managing Director -Generation	Rabi Chowdhury	DIN : 06601588
Managing Director- Distribution	Debasish Banerjee	DIN : 06443204
Company Secretary	Subhasis Mitra	
Executive Director & CFO	Rajarshi Banerjee	

Consolidated Statement of Cash flow for the year ended 31st March, 2020

		₹ in Crore
	2019-20	2018-19
A. Cash flow from Operating Activities		
Profit before tax	**1,668.57**	1,893.05
Adjustments for :		
Depreciation and amortisation expense	**781.42**	763.78
Loss on sale / disposal of property, plant and equipment (net)	**5.06**	2.88
Gain on sale/fair valuation of current investments (net)	**(45.71)**	(41.56)
Dividend Income	**(12.57)**	(17.15)
Allowances for doubtful debts / Advances made / Security deposits	**19.51**	0.80
Bad debts, advances, other receivables written off	**37.42**	77.62
Finance Costs	**1,357.36**	1,324.72
Interest Income	**(37.97)**	(49.00)
Effect of Foreign Currency Transactions / Translation (net)	**0.07**	0.05
Other Operating/Non Operating Income	**(19.16)**	(45.35)
Operating Profit before Working Capital changes	**3,754.00**	3,909.84
Adjustments for change in :		
Trade and other receivables	**(71.00)**	(954.92)
Net change in regulatory deferral account balances	**(662.64)**	(866.77)
Inventories	**(17.91)**	(117.86)
Trade and other payables	**246.94**	640.45
Cash Generated from Operations	**3,249.39**	2,610.74
Income Tax paid (net of refund)	**(246.07)**	(316.81)
Net cash flow from Operating Activities	**3,003.32**	2,293.93
B. Cash flow from Investing Activities		
Purchase of Property, Plant & Equipment / Capital Work-in-Progress	**(746.40)**	(837.84)
Proceeds from sale of Property, Plant & Equipment	**5.38**	6.10
Income from investment property	**7.19**	13.31
Sale/(purchase) of Current Investments (net)	**546.66**	46.67
Sale of Non-current Investments	**30.00**	-
Dividend received	**12.57**	17.15
Interest received	**31.46**	33.95
Net Movement in Bank Balances not considered as Cash and Cash Equivalents	**(49.98)**	33.68
Net cash used in Investing Activities	**(163.12)**	(686.98)

₹ in Crore

	2019-20	2018-19
C. Cash flow from Financing Activities		
Proceeds from Non-Current Borrowings	**1,777.75**	1,599.54
Repayment of Non-Current Borrowings	**(2,266.90)**	(1,910.61)
Payment of Lease Liabilities	**(25.94)**	-
Net movement in Cash Credit facilities and other Current Borrowings	**34.56**	186.45
Finance Costs paid	**(1,330.56)**	(1,333.59)
Dividends paid	**(264.31)**	(231.35)
Dividend tax paid	**(54.49)**	(47.68)
Net Cash used in Financing Activities	**(2,129.89)**	(1,737.24)
Net increase / (decrease) in cash and cash equivalents	**710.31**	(130.29)
Cash and Cash equivalents - Opening Balance [Refer Note 15]	**502.56**	632.17
Cash and Cash equivalents - Pursuant to Acquisition during the year	**-**	0.68
Cash and Cash equivalents - Closing Balance [Refer Note 15]	**1,212.87**	502.56

Changes in liabilities arising from financing activities

₹ in crore

Particulars	1-Apr-19	Cash flows	Other	31-Mar-20
Current borrowings	2,386.93	34.56	-	2,421.49
Non-Current borrowings (including Current Maturities)	12,150.93	(489.15)	(33.17)	11,628.61
Lease Liabilities	75.42	(25.94)	261.05	310.53
Total liabilities from financing activities	**14,613.28**	**(480.53)**	**227.88**	**14,360.63**

₹ in crore

Particulars	1-Apr-18	Cash flows	Other	31-Mar-19
Current borrowings	2,200.48	186.45	-	2,386.93
Non-Current borrowings (including Current Maturities)	12,446.62	(311.07)	15.38	12,150.93
Total liabilities from financing activities	**14,647.10**	**(124.62)**	**15.38**	**14,537.86**

This is the Consolidated Statement of Cash Flow referred to in our Report of even date.

For and on behalf of Board of Directors

For S.R.BATLIBOI & Co. LLP
Chartered Accountants
Firm Registration Number -301003E/E300005

Kamal Agarwal
Partner
Membership No.: 058652
Kolkata, 29th June, 2020

Chairman	Sanjiv Goenka	DIN : 00074796
Managing Director -Generation	Rabi Chowdhury	DIN : 06601588
Managing Director- Distribution	Debasish Banerjee	DIN : 06443204
Company Secretary	Subhasis Mitra	
Executive Director & CFO	Rajarshi Banerjee	

CESC LIMITED
Energising Lives -Since 1899

Consolidated Statement of Changes in Equity for the year ended 31st March, 2020

A **Equity Share Capital** **₹ in crore**

Particulars	Balance at the beginning of the reporting period	Changes in equity share capital during the year	Balance at the end of the reporting period
Equity Shares of ₹ 10 each issued, subscribed and fully paid up			
As at 31 March 2019	133.22	-	133.22
As at 31 March 2020	133.22	-	133.22

B **Other Equity**

Particulars	**Reserves and Surplus ***				**Non Controlling Interest**	**Total**
	Fund for unforeseen exigencies	**Retained Earnings**	**Equity Instruments through Other Comprehensive Income**	**Exchange differences on translating the financial statements of a foreign operation**		
Balance as at 1 April, 2019	260.43	8,558.08	9.35	12.76	82.06	**8,922.68**
Profit for the year	-	1,302.05	-	-	3.80	**1,305.85**
Other Comprehensive Income /(expense) for the year (net of tax)	-	(34.34)	(3.55)	0.07	(0.08)	**(37.90)**
Total	**260.43**	**9,825.79**	**5.80**	**12.83**	**85.78**	**10,190.63**
Dividends paid (including tax there on) (Note 20(f))	-	(319.60)	-	-	-	**(319.60)**
Transfer to/from retained earnings	18.67	(18.67)	-	-	-	**-**
Adjustments during the year	-	-	-	-	-	**-**
Withdrawal of additional depreciation during the year (Refer Note 47)	-	(286.89)	-	-	-	**(286.89)**
Withdrawal of residual amount added on fair valuation consequent to sale/disposal of assets (Refer Note 47)	-	(4.14)	-	-	-	**(4.14)**
Balance as at 31 March, 2020	**279.10**	**9,196.49**	**5.80**	**12.83**	**85.78**	**9,580.00**

Particulars	**Reserves and Surplus ***				**Non Controlling Interest**	**Total**
	Fund for unforeseen exigencies	**Retained Earnings**	**Equity Instruments through Other Comprehensive Income**	**Exchange differences on translating the financial statements of a foreign operation**		
Balance as at 1 April, 2018	244.17	8,006.39	23.68	12.71	69.39	8,356.34
Profit for the year	-	1,183.98	-	-	14.09	1,198.07
Other Comprehensive Income /(expense) for the year (net of tax)	-	(31.71)	(14.33)	0.05	(1.42)	(47.41)
Total	244.17	9,158.66	9.35	12.76	82.06	9,507.00
Dividends paid (including tax there on)	-	(279.66)	-	-	-	(279.66)
Transfer to/from retained earnings	16.26	(16.26)	-	-	-	-
Adjustments during the year	-	2.10	-	-	-	2.10
Withdrawal of additional depreciation during the year (Refer Note 47)	-	(304.04)	-	-	-	(304.04)
Withdrawal of residual amount added on fair valuation consequent to sale/disposal of assets (Refer Note 47)	-	(2.72)	-	-	-	(2.72)
Balance as at 31 March, 2019	260.43	8,558.08	9.35	12.76	82.06	8,922.68

* refer note 21

This is the Consolidated Statement of Changes in Equity referred to in our Report of even date.

For and on behalf of Board of Directors

For S.R.BATLIBOI & Co. LLP
Chartered Accountants
Firm Registration Number -301003E/E300005

Kamal Agarwal
Partner
Membership No.: 058652
Kolkata, 29th June, 2020

Chairman	Sanjiv Goenka	DIN : 00074796
Managing Director -Generation	Rabi Chowdhury	DIN : 06601588
Managing Director- Distribution	Debasish Banerjee	DIN : 06443204
Company Secretary	Subhasis Mitra	
Executive Director & CFO	Rajarshi Banerjee	

NOTE-1 Significant accounting policies

These Consolidated financial statements have been prepared to comply in all material aspects with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) under Section 133 of the Companies Act, 2013 and other provisions of the Companies Act, 2013 and the regulations under the Electricity Act, 2003 to the extent applicable. A summary of important accounting policies which have been applied consistently are set out below.

Basis of Accounting

The financial statements have been prepared on a historical cost convention, except for the following:

a) Investments are carried at fair value, other than investments in associate and joint venture;

b) Certain financial assets and liabilities (including derivative instruments) are measured at fair value.

(a) Principles of consolidation and equity accounting

(i) Subsidiaries

Subsidiaries are all entities over which the Parent Company has control. The Parent Company controls an entity when the group is exposed to, or has right to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is acquired by the group. They are deconsolidated from the date that control ceases.

The group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income, expenses and cash flows. Intercompany transactions, balances and unrealized gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss and balance sheet respectively.

(ii) Associates

Associate is an entity over which the group has significant influence but no control or joint control. This is generally the case where the group holds between 20% and 50% of the voting rights. Investment in the associate is accounted for using the equity method of accounting (see (iv) below), after initially being recognized at cost.

(iii) Joint arrangements

Under Ind AS 111 *Joint arrangements,* investment in joint arrangement is classified as either joint operation or joint venture. The classification depends on the contractual rights and obligation of each investor, rather than the legal structure of the joint arrangement.

The Group has interest only in one joint venture.

Interest in joint venture is accounted for using equity method (see (iv) below), after initially being recognized at cost in the consolidated balance sheet.

(iv) Equity method

Under the equity method of accounting, the investment is initially recognized at cost and adjusted thereafter to recognize the group's share of the post-acquisition profits or losses of the investee in profit and loss, and the group's share of other comprehensive income of the investee in other comprehensive income. Dividend received or receivable from associate and joint venture is recognized as a reduction in the carrying amount of investment.

When the group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other long term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the group and its associates and joint ventures are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the group.

The carrying amount of equity accounted investments are tested for impairment in accordance with the policy described in paragraph 1(g) below.

(v) Changes in ownership interests

The group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

When the group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

(b) Use of estimates

As required under the provision of Ind AS for preparation of financial statements in conformity thereof, the management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses and disclosures. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

(c) Property, plant and equipment (PPE)

Tangible Assets and Depreciation

Tangible assets are stated either at deemed cost as considered on the date of transition to IndAS or at cost of acquisition/ construction together with any incidental expenses related to acquisition and appropriate borrowing costs, less accumulated depreciation and accumulated impairment loss, if any. An impairment loss is recognized where applicable, when the carrying value of tangible assets of cash generating unit exceed its fair value or value in use, whichever is higher.

For the Parent and one of its subsidiary company 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 prorata basis at the useful life specified therein, the basis of which is considered by the West Bengal Electricity Regulatory Commission (Commission) in determining the tariff for the year. Additional charge of depreciation for the year on increase in value arising from fair valuation on the date of transition to Ind AS, is recouped from Retained Earnings. Leasehold land is amortized over the unexpired period of the lease as appropriate. Leasehold improvement is amortized over the unexpired period of the lease.

In case of others, depreciation on property, plant and equipment is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management. The management believes that these estimated useful life are realistic and reflect fair approximation of the period over which the assets are likely to be used. These useful lives are different in some cases than those indicated in Schedule II of the Companies Act 2013, which are disclosed below:

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Useful Life of Tangible Assets

Particulars	Useful Life of Assets
Buildings and Structures	3-60 Years
Plant and Equipment	5-50 Years
Distribution System	25-40 Years
Meters	7-15 Years
River Tunnel	50 Years
Furniture and Fixtures	2-15 Years
Office Equipment	2-15 Years
Vehicles	5-10 Years
Railway Sidings	15-50 Years

(d) Investment properties

Property that is held for long term rental yields is classified as investment property. Carrying amount as per previous GAAP has been considered as deemed cost as on date of transition to Ind AS.

(e) Intangible Assets and Amortisation

Intangible assets comprising Computer Software, Licenses and mining rights, expected to provide future enduring economic benefits are stated either at deemed cost as considered on date of transition to Ind AS or at cost of acquisition / implementation / development less accumulated amortisation. The present value of the expected cost of restoration of the coal mine is included in its cost. An impairment loss is recognized where applicable, when the carrying value of intangible assets of cash generating unit exceed its fair value or value in use, whichever is higher.

Cost of intangible assets are amortised over its estimated useful life based on managements' external or internal assessment. Management believes that the useful lives so determined best represent the period over which the management expects to use these assets. The useful life of Intangible is as follows:

Useful Life of Intangible Assets

Particulars	Useful Life of Assets
Licences	25 Years
Computer Software	3 Years
Mining Rights	20 Years

(f) Lease

Group as lessee

The Group's lease asset classes primarily consist of leases for land, plant & equipment, buildings and offices. The Group assesses whether a contract contains a lease, at the inception of a contract.

At the date of commencement of the lease, the Group recognizes a right of use asset (ROU) and a corresponding lease liability for all lease arrangements, in which it is a lessee, except for leases with a term of twelve months or less (short-term leases), non lease components (like maintenance charges, etc.) and leases of low value assets.

For these short-term leases, non lease components and lease of low value assets, the Group recognizes the lease rental payments as an operating expense.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. An impairment loss is recognised where applicable, when the carrying value of ROU assets of cash generating units exceeds it fair value or value in use, whichever is higher.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the lease term.

The lease liabilities are initially measured at the present value of the future lease payments.

Group as lessor

Leases for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

For change in accounting policy, refer Note-3

The Group has the following policy applicable till 31st March 2019 Ind AS - 17 “Leases”

A lease is classified as a finance or an operating lease as applicable.

Group as lessee

Finance Lease

Finance leases are capitalised at present value of the minimum lease payments at the lease's inception and disclosed as leased property. Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability.

A leased asset is depreciated over the useful life of the asset.

Operating Lease

Lease payments under operating leases are recognised as an expense on a straight line basis in the statement of profit and loss over the lease term except where the lease payments are structured to increase in line with expected general inflation.

Group as lessor

Operating Lease

Lease earnings under operating leases are recognised as an income on a straight line basis in the statement of profit and loss over the lease term except where increase is in line with expected general inflation. The respective leased assets are included in the balance sheet based on their nature.

(g) Financial asset

The financial assets are classified in the following categories:

1. Financial assets measured at amortised cost,
2. Financial assets measured at fair value through profit and loss, and
3. Equity instruments

The classification of financial assets depends on the Group's business model for managing financial assets and the contractual terms of the cash flow.

At initial recognition, the financial assets are measured at its fair value.

Financial assets measured at amortised cost

Assets that are held for collection of contractual cash flows and where those cash flows represent solely payments of principal and interest are measured at amortised cost. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate method. The losses arising from impairment are recognised in the Statement of Profit and Loss.

Financial instruments measured at fair value through profit and loss (FVTPL)

Financial instruments included within fair value through profit and loss category are measured initially as well as at each reporting period at fair value plus transaction costs as applicable. Fair value movements are recorded in statement of profit and loss.

Investments in mutual funds are measured at fair value through profit and loss.

Equity Instruments

Equity investments in scope of Ind AS 109 are measured at fair value. At initial recognition, the Group makes an irrevocable election to present in other comprehensive income subsequent changes in the fair value. If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI.

Impairment of financial assets

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk (refer note 46).

For trade receivables the simplified approach of expected lifetime losses has been used from initial recognition of the receivables as required by Ind AS 109 Financial Instruments.

(h) Financial Liabilities

Financial liabilities are measured at amortised cost using the effective interest rate method.

(i) Derivatives

The Group uses derivative financial instruments such as forward currency contracts and interest rate swaps to hedge its foreign currency risks and interest rate risks respectively. Such derivative financial instruments are recognised at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Gains or losses arising from such fair valuation of derivatives also give rise to regulatory income or expense which is recognised through Statement of Profit and Loss and would be considered in determining the Parent's future tariff as per the tariff regulations.

(j) Inventories

Inventories of stores and fuel are stated at the lower of cost and net realizable value. Cost is calculated on weighted average basis and comprises expenditure incurred in the normal course of business in bringing such inventories to their location and condition. Obsolete, slow moving and defective inventories are identified at the time of physical verification of inventories and where necessary, adjustment is made for such items.

(k) Foreign currency translation

(i) Functional and presentation currency

These consolidated financial statements are presented in Indian Rupees (INR) which is also the functional currency of the Group and its Indian subsidiaries whereas the functional currency of foreign subsidiary is the currency of its country of domicile.

(ii) Transaction and balances

Foreign currency denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the balance sheet date. The gains or losses resulting from such translations of monetary items are included in net profit in the statement of profit and loss. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

Gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled. Revenue, expense and cash flow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction.

In case of the Parent and one of its subsidiary the outstanding loans repayable in foreign currency are restated at the year-end exchange rate. Exchange gain or loss arising in respect of such restatement also gives rise to regulatory income or expense which is recognised as refundable or recoverable, which will be taken into consideration in determining the Parent’s future tariff in respect of the amount settled duly considering as appropriate, the impact of the derivative contracts entered into for managing risks thereunder.

(iii) Foreign Operations

The translation of financial statements of the foreign subsidiary to the presentation currency is performed for assets and liabilities using the exchange rate in effect at the balance sheet date and for revenue, expense and cash flow items using the average exchange rate for the respective periods. The gains or losses resulting from such translation are included in foreign currency translation reserves under other components of equity.

When a subsidiary is disposed off in full or the parent ceases the control, the relevant amount in foreign currency translation reserve is transferred to net profit in the statement of profit and loss. However, when a change in the parent's ownership does not result in loss of control of a subsidiary, such changes are recorded through equity.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the exchange rate in effect at the balance sheet date.

(l) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and cash on hand and term deposits with original maturity of three months or less.

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents includes cash, cheques and draft on hand, balances with banks which are unrestricted for withdrawal/usages and highly liquid financial investments that are readily convertible to known amount of cash which are subject to an insignificant risk of changes in value. Bank overdraft are shown within borrowing in current liabilities in the balance sheet.

(m) Revenue from Operations

Revenue from Contracts with Customers is recognised on supply of electricity or when services are rendered to the customers at an amount that reflects the consideration to which the Group is entitled to under applicable regulatory framework.

Revenue to be earned from sale of electricity is regulated based on parameters set out in tariff regulations issued from time to time. Earnings from sale of electricity are net of discount for prompt payment of bills and do not include electricity duty collected from consumers and payable to the State Government.

The Group receives contribution from consumers in accordance with the applicable Regulation that is being used to construct or acquire items of property, plant and equipment in order to connect the consumers to the distribution network. Revenue is recognised in respect for such contributions so received from consumers in the year they are connected to the distribution network.

Income from meter rent is accounted for as per the approved rates.

(n) Other Income

Income from investments and deposits etc. is accounted for on accrual basis inclusive of related tax deducted at source, wherever applicable. Delayed Payment Surcharge, as a general practice, is determined and recognised on receipt of overdue payment from consumers. Interest income arising from financial assets is accounted for using amortised cost method. Dividend income is recognised when right to receive is established.

(o) Employee Benefits

The Group recognises Contributions to Provident Fund and Pension Funds on an accrual basis. Provident Fund contributions are made to a fund administered through duly constituted approved independent trust. The interest rate payable to the members of the trust shall not be lower than the statutory rate of interest declared by the Central Government under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and deficiency, if any, is made good by the Group, impact of which is ascertained by way of actuarial valuation as at the year end.

The Group, as per its schemes, extend employee benefits current and/or post retirement, which are accounted for on an accrual basis and includes actuarial valuation as at the Balance Sheet date in respect of gratuity, leave encashment and certain other retiral benefits, to the extent applicable, done by independent actuary.

Actuarial gains and losses where applicable are recognised through Other Comprehensive Income.

Compensation in respect of voluntary retirement scheme is charged off to Statement of Profit and Loss.

(p) Finance Costs

Finance Costs comprise interest expenses, applicable gain / loss on foreign currency borrowings in appropriate cases and other borrowing costs. Such Finance Costs attributable to acquisition and / or construction of qualifying assets are capitalized as a part of cost of such assets upto the date, where such assets are ready for their intended use. The balance Finance Costs is charged off to Statement of Profit and Loss. Finance Costs in case of foreign currency borrowings is accounted for as appropriate, duly considering the impact of the derivative contracts entered into for managing risks, therefore, interest expense arising from financial liabilities is accounted for under effective interest rate method.

(q) Taxes

The current income tax charge is calculated on the basis of the tax laws enacted at the end of the reporting period in the country where the Parent and its subsidiaries and associates operate and generate taxable income.

Provision for deferred taxation is made using liability method on temporary difference arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related Deferred Tax Asset (DTA) is realised or the Deferred Tax Liability (DTL) is settled. Deferred Tax Assets are recognized subject to the consideration of prudence and are periodically reviewed to reassess realization thereof. Deferred Tax Liability or Asset will give rise to actual tax payable or recoverable at the time of reversal thereof.

The Group reviews the MAT credit entitlement at each reporting date and recognises the credit against the tax payable to the extent that it is probable that it will be able to utilise the same against normal tax during the specified period.

Current and Deferred tax relating to items recognised outside profit or loss, that is either in other comprehensive income (OCI) or in equity, is recognised along with the related items.

In case of the Parent and one of the subsidiary namely, Haldia Energy Limited tax on profits forms part of chargeable expenditure under the applicable regulations, deferred tax liability or asset is recoverable or payable through future tariff. Hence, recognition of deferred tax asset or liability is done with corresponding recognition of regulatory liability or asset, as applicable.

Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set-off against future income tax liability. Accordingly, MAT is recognized as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be recognized and there is a reasonable certainty for such tax credit benefit will be taken in the period(s) till which it is available.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries and associates and interest in joint arrangements where the group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

(r) Provisions and contingent liabilities

Provisions are recognised when the Group has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

A disclosure for contingent liabilities is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources embodying economic benefits will be required to settle or a reliable estimate of the amount cannot be made.

(s) Business combination

Other than under common control

Business combinations have been accounted for using the acquisition method under the provisions of Ind AS 103, Business Combinations.

The cost of an acquisition is measured at the fair value of the assets transferred, equity instruments issued and liabilities incurred or assumed at the date of acquisition, which is the date on which control is transferred to the Group. The cost of acquisition also includes the fair value of any contingent consideration. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value on the date of acquisition.

Transaction costs that the Group incurs in connection with a business combination such as legal fees, due diligence fees, and other professional and consulting fees are expensed as incurred.

Under common control

Business combination involving entities or businesses under common control are accounted for using the pooling of interest method whereby the assets and liabilities of the combining entities / business are reflected at their carrying value and necessary adjustments, if any, have been given effect to as per the scheme approved by National Company Law Tribunal.

(t) Regulatory deferral accounts balances

The Parent and one of the subsidiary company engaged in power business are rate regulated entity and applies Ind AS 114, Regulatory Deferral Accounts. Expenses/ income recognized as Regulatory Income/Expenses in the Statement of Profit & Loss to the extent recoverable or payable in subsequent periods based on the Group's understanding of the provision of the applicable regulations framed by the West Bengal Electricity Regulatory Commission (WBERC) and/or their pronouncements/orders, with corresponding balances shown in the Balance-Sheet as Regulatory Deferral Account balances at their present value duly considering discounting methodology using such rates in consonance with the applicable regulations and prudence. Regulatory Deferral Accounts balances are adjusted from the year in which these crystallise.

NOTE-2 Summary of significant judgements and assumptions

The preparation of financial statements requires the use of accounting estimates, judgements and assumptions which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the group's accounting policies.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the group and that are believed to be reasonable under the circumstances.

The areas involving critical estimates or judgements are :-

Estimation of Restoration liability - Refer Note 1(e)
Impairment of Trade Receivables - Refer Note 1(g)
Estimates used in actuarial valuation of employee benefits -Refer Note 36
Estimates of useful life of intangible assets -Refer Note 1(e)
Estimation of Regulatory Items - Note 31 and 40
Impairment assessment of Investment - Refer Note 1(g)
Estimates used in lease liabilities - Note 48

NOTE-3 Changes in Accounting Policy

Effective 1st April, 2019, the Group has adopted Ind AS 116 “Leases” and applied to lease contracts, existing on 1st April, 2019 using the modified retrospective method on the date of initial application. Pursuant to adoption of Ind AS 116, the Group recognised right-of-use assets and lease liabilities for those leases which were previously classified as operating leases, except for short-term leases and leases of low-value assets. The Group recorded the lease liability at the present value of the lease payments at the date of initial application and right-of-use asset at an amount equal to the lease liability adjusted for any prepayments/ accruals recognised in the balance sheet as on 31st March, 2019. There is no impact on retained earnings as on 1st April, 2019.

Pursuant to above, the Group recognised right-of-use asset and lease liability as at 1st April, 2019 amounting to Rs. 70.03 crore and Rs. 68.72 crore respectively and profit before tax for the year ended 31st March 2020 has decreased by Rs. 15.82 crore.

Other amendments and interpretations as outlined below apply for the year ending 31st March 2020, but do not have an impact on the financial statements.

(a) Ind AS 12: Uncertainty over Income Tax Treatment

(b) Ind AS 109: Prepayment Features with Negative Compensation

(c) Ind AS 19: Plan Amendment, Curtailment or Settlement,

(d) Ind AS 23: Borrowing Costs

The Group has not early adopted any standards or amendments that have been issued but are not yet effective.

NOTE-4 The subsidiaries, associate and joint venture considered in the preparation of the Consolidated Financial Statements are:

Sl. No.	Name of Subsidiaries, Associate and Joint Venture	Country of Incorporation	Percentage of ownership interest as at 31st March, 2020	Percentage of ownership interest as at 31st March, 2019
1	Haldia Energy Limited (HEL)	India	100.00	100.00
2	Dhariwal Infrastructure Limited (DIL)	India	100.00	100.00
3	Surya Vidyut Limited (SVL)	India	100.00	100.00
4	Malegaon Power Supply Limited (formerly Nalanda Power Company Limited)	India	100.00	100.00
5	CESC Projects Limited *	India	100.00	100.00
6	Bantal Singapore Pte Limited	Singapore	100.00	100.00
7	Pachi Hydropower Projects Limited *	India	100.00	100.00
8	Papu Hydropower Projects Limted *	India	100.00	100.00
9	Ranchi Power Distribution Company Limted *	India	100.00	100.00
10	Crescent Power Limited (CPL)	India	67.83	67.83
11	Kota Electricity Distribution Limited (KEDL)	India	100.00	100.00
12	Bikaner Electricity Supply Limited (BKSL)	India	100.00	100.00
13	Bharatpur Electricity Services Limited (BESL)	India	100.00	100.00
14	CESC Green Power Limited *	India	100.00	100.00
15	Eminent Electricity Distribution Limited * #	India	100.00	0.00
16	Noida Power Company Limited (NPCL) (49.55% Associate)	India	49.55	49.55
17	Jharkhand Electric Company Limited * @	India	100.00	100.00
18	Jarong Hydro-Electric Power Company Limited * @	India	100.00	100.00
19	Au Bon Pain Café India Limited	India	93.10	93.10
20	Mahuagarhi Coal Company Private Limited (50% joint venture)	India	50.00	50.00

* Yet to commence their commercial operations
@ Subsidiary from 01.10.2018
# Subsidiary from 01.07.2019

NOTE - 5 PROPERTY, PLANT AND EQUIPMENT

₹ in Crore

PARTICULARS	COST / DEEMED COST					DEPRECIATION / AMORTISATION					NET BLOCK	
	As at 1st April, 2019	Add: Additions/ Adjustments on Acquisition	Add: Additions/ Adjustments	Less: Withdrawals/ Adjustments	**As at 31st March, 2020**	As at 1st April, 2019	Add: Additions/ Adjustments on Acquisition	Add: Additions/ Adjustments	Less: Withdrawals/ Adjustments	**As at 31st March, 2020**	**As at 31st March, 2020**	As at 31st March, 2019
Land	3,218.01	-	8.05	-	**3,226.06**	85.61	-	21.25	-	**106.86**	**3,119.20**	3,132.40
Buildings and Structures *	1,693.39	-	324.94	-	**2,018.33**	281.11	-	75.39	-	**356.50**	**1,661.83**	1,412.28
Plant and Equipment	13,771.40	-	217.26	21.98	**13,966.68**	2,366.32	-	578.68	15.05	**2,929.95**	**11,036.73**	11,405.08
Distribution System	7,775.13	-	392.40	14.98	**8,152.55**	1,035.92	-	305.22	12.32	**1,328.82**	**6,823.73**	6,739.21
Meters and Other Apparatus on Consumers' Premises	424.09	-	52.95	10.74	**466.30**	85.79	-	43.84	6.43	**123.20**	**343.10**	338.30
River Tunnel	2.78	-	-	-	**2.78**	2.21	-	0.55	-	**2.76**	**0.02**	0.57
Furniture and Fixtures	47.68	-	1.58	0.35	**48.91**	12.17	-	3.27	0.31	**15.13**	**33.78**	35.51
Office Equipment	122.68	-	9.90	0.20	**132.38**	41.39	-	11.57	0.11	**52.85**	**79.53**	81.29
Vehicles	16.66	-	5.00	1.71	**19.95**	4.74	-	3.14	1.15	**6.73**	**13.22**	11.92
Railway Sidings	319.98	-	0.74	-	**320.72**	41.93	-	13.23	-	**55.16**	**265.56**	278.05
	27,391.80	**-**	**1,012.82**	**49.96**	**28,354.66**	**3,957.19**	**-**	**1,056.14**	**35.37**	**4,977.96**	**23,376.70**	23,434.61
Previous Year	26,561.52	2.55	867.33	39.60	27,391.80	2,933.37	0.27	1,052.02	28.47	3,957.19	**23,434.61**	

* includes leasehold improvements

Note:

1. Additions/Adjustments includes right of use assets recognised upon adoption of IndAs 116 (Refer Note 48)

2. The Parent is in the process of renewing the lease agreement in respect of certain leasehold land having Gross Block ₹ 210.34 crore (31.03.2019: ₹ 210.34 crore) and Net Block ₹ 199.27 crore (31.03.2019: ₹ 201.46 crore)

NOTE - 6 INVESTMENT PROPERTY

₹ in crore

PARTICULARS	COST/ DEEMED COST				DEPRECIATION / AMORTISATION				NET BLOCK	
	As at 1st April, 2019	Add: Additions/ Adjustments	Less: Withdrawals/ Adjustments	**As at 31st March, 2020**	As at 1st April, 2019	Add: Additions/ Adjustments	Less: Withdrawals/ Adjustments	**As at 31st March, 2020**	**As at 31st March, 2020**	As at 31st March, 2019
Land - Freehold	56.03	6.60	-	**62.63**	-	-	-	-	**62.63**	56.03
	56.03	**6.60**	**-**	**62.63**	-	-	-	-	**62.63**	56.03
Previous Year	56.03	-	-	56.03	-	-	-	-	**56.03**	

a) Income earned recognised in Statement of Profit and Loss ₹ 12.27 crore (31.03.2019 : ₹ 12.27 crore)

b) Fair valuation of the above land as per rent capitalisation method (income approach) amounts to ₹ 279 crore (as on 31.03.2019 : ₹ 288 crore) as per approved independent valuer and categorised as level 2. The main inputs used in determining the fair valuation of the Investment Property are utility, marketability, self liquidity, future rentals, etc.

c) The lease term in respect of Investment Property given under Operating Lease is 25 years which can be extended upon the sole discretion of the Parent. This lease has been granted to Quest Properties India Limited to construct, develop, operate and maintain a mall during the said lease term and the aforesaid property has been offered as security in respect of financial assistance availed of by the said company. Incentive given by the Parent by way of rent free period for development of the Investment Property has been spread across the period of the contract. Future minimum lease rental receivables during next one year ₹ 12.26 crore (as on 31.03.2019 : ₹ 12.27 crore) later than one year but not later than five years ₹ 49.05 crore (as on 31.03.2019 : ₹ 49.05 crore)and later than five years ₹ 94.02 crore (as on 31.03.2019 : ₹ 106.28 crore).

NOTE - 7 INTANGIBLE ASSETS

₹ in crore

PARTICULARS	COST/DEEMED COST				AMORTISATION				NET BLOCK	
	As at 1st April, 2019	Add: Additions/ Adjustments	Less : Withdrawals/ Adjustments	**As at 31st March, 2020**	As at 1st April, 2019	Add: Additions/ Adjustments	Less : Withdrawals/ Adjustments	**As at 31st March, 2020**	**As at 31st March, 2020**	As at 31st March, 2019
Licences	33.86	-	-	**33.86**	4.22	1.35	-	**5.57**	**28.29**	29.64
Computer Software	28.18	1.51	-	**29.69**	23.67	3.08	-	**26.75**	**2.94**	4.51
Mining Rights	151.88	-	-	**151.88**	28.13	7.74	-	**35.87**	**116.01**	123.75
	213.92	**1.51**	**-**	**215.43**	**56.02**	**12.17**	**-**	**68.19**	**147.24**	157.90
Previous Year	209.57	4.35	-	213.92	40.22	15.80	-	56.02	157.90	

NOTE - 8	NON CURRENT - INVESTMENTS		₹ in Crore
		As at 31st March, 2020	As at 31st March, 2019
a.	**Investments carried at fair value through other comprehensive income (FVTOCI)**		
(i)	**Investments in Equity Instruments - Quoted, fully paid up**		
	1,21,95,122 (31.03.2019 : 1,21,95,122) Equity Shares of Resource Generation Limited	**2.56**	7.53
	3,84,608 (31.03.2019 : 3,84,608) Equity Shares of ₹ 5 each of ICICI Securities Limited	**10.63**	9.31
(ii)	**Investments in Equity Instruments - Unquoted, fully paid up**		
	13,000 (31.03.2019 : 13,000) Equity Shares of Integrated Coal Mining Limited of ₹ 10 each	**22.08**	21.96
(iii)	**Investments in Preference Shares - Unquoted, fully paid up**		
	12,68,80,000 (31.03.2019 : 15,68,80,000) 9% Preference Shares of Integrated Coal Mining Limited of ₹ 10 each	**126.88**	156.88
b.	**Investments carried at fair value through profit and loss (FVTPL)**		
(i)	**Investments in Mutual Funds - Quoted**		
	Nil (31.03.2019 : 20,00,000) units of HDFC CFCC - Debt Plan - Direct Option - 100% Dividend Donation of ₹ 10 each (transferred to Current Investments)	**-**	2.00
(ii)	**Investments in Preference Shares - Unquoted, fully paid up**		
	5,00,000 (31.03.2019 : 5,00,000) 0.01% redeemable Preference shares of face value ₹ 100 each issued by Spencers' Retail Limited	**0.95**	0.86
		163.10	198.54
	Investment in quoted investments:		
	Aggregate Book value	**13.19**	18.84
	Aggregate Market value	**13.19**	18.84
	Investment in unquoted investments:		
	Aggregate Book value	**149.91**	179.70

NOTE - 9	NON CURRENT - LOANS		
	Considered Good - Unsecured		
a.	Security Deposit	**34.40**	27.03
b.	Loans to employees	**4.78**	3.95
		39.18	30.98

NOTE -10	NON CURRENT - OTHER FINANCIAL ASSETS		
a.	Lease Receivables	**55.17**	56.21
b.	Others	**0.55**	0.10
		55.72	56.31

NOTE -11 OTHER NON-CURRENT ASSETS

₹ in crore

		As at 31st March, 2020	As at 31st. March, 2019
a.	Capital advances	**53.92**	56.28
b.	Others advances (Includes amount incurred by the group for setting up power projects to be transferred to the specific project on completion of the same, prepaid expenses etc.)	**91.94**	122.06
		145.86	178.34

NOTE -12 INVENTORIES

a.	Fuel (includes goods in transit 31.03.2020 : ₹ 61.73 crore; 31.03.2019 : ₹ 71.71 crore)	**434.66**	422.83
b.	Stores and Spares	**281.92**	275.22
c.	Stock- in- trade	**1.78**	2.40
		718.36	700.45

NOTE -13 CURRENT INVESTMENTS

Quoted		
Investment in Mutual funds carried at fair value through profit and loss	**15.01**	513.03
Unquoted		
Investments in Commercial Paper carried at amortised cost *	**-**	-
	15.01	513.03
Investment in quoted investments:		
Aggregate Book value	**15.01**	513.03
Aggregate Market value	**15.01**	513.03
Investment in unquoted investments:		
Aggregate Book value	**-**	-
Aggregate provision for impairment in value of investments	**30.00**	30.00
* Fully impaired		

NOTE -14 TRADE RECEIVABLES

a.	Considered good - Secured	**540.31**	564.64
b.	Considered good - Unsecured	**1,341.53**	1,174.24
c.	Credit Impaired	**43.96**	24.44
		1,925.80	1,763.32
	Less : Allowances for bad and doubtful debts	**43.98**	24.47
		1,881.82	1,738.85

Trade Receivables includes a sum of unbilled revenue of ₹ 28.93 crore.

NOTE-15 CASH AND CASH EQUIVALENTS

a.	Balances with banks		
	- In current accounts	**1,186.89**	434.16
	- Bank Deposits with original maturity upto 3 months	**7.98**	62.12
b.	Cheques, drafts on hand	**14.60**	4.11
c.	Cash on hand	**3.40**	2.17
		1,212.87	502.56

NOTE-16 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Unpaid Dividend Account	**6.54**	5.74
Escrow accounts*	**116.62**	114.85
Bank Deposits with original maturity more than 3 months	**454.93**	407.52
	578.09	528.11

* As security for payment of the secured obligation in accordance with Distribution Franchisee Agreement in respect of certain subsidiaries in the capacity of Distribution Franchisee.

a. Amount lying in deposit accounts with banks as at 31st March, 2020 includes ₹ 261.86 crore (31.03.2019 : ₹ 246.86 crore) appropriated upto the previous year towards Fund for unforeseen exigencies and interest attributable thereto.
b. Bank deposits with original maturity more than 3 months include ₹ 367.55 crore (31.03.2019 : ₹ 179.13 crore) having original maturity more than 12 months as on the reporting date.

NOTE-17 LOANS

₹ in crore

		As at 31st March, 2020	As at 31st. March, 2019
	Considered Good - Unsecured		
a.	Security Deposit	**16.48**	16.53
b.	Loans to employees	**0.45**	0.61
		16.93	17.14

NOTE-18 OTHER FINANCIAL ASSETS

	As at 31st March, 2020	As at 31st. March, 2019
Unsecured, Considered Good		
Receivable from Related Party	**14.37**	7.19
Interest accrued on Bank Deposits	**19.73**	13.24
Derivative financial instruments	**22.50**	53.02
Receivable towards claims and services rendered	**43.30**	22.63
Miscellaneous advances to Bodies Corporate	**41.65**	3.00
Others	**6.49**	4.89
	148.04	103.97

NOTE-19 OTHER CURRENT ASSETS

	As at 31st March, 2020	As at 31st. March, 2019
Advances for goods and services	**172.76**	410.73
Prepaid Expenses	**4.95**	15.59
Others (includes deferred rent, advance to employees etc. and also refer note 32(e))	**230.23**	161.09
	407.94	587.41

NOTE -20 EQUITY

		As at 31st March, 2020	As at 31st. March, 2019
a.	**Authorised Share Capital**		
	3,15,60,00,000 (31.03.2019: 3,15,60,00,000) Equity Shares of ₹ 10 each	**3,156.00**	3,156.00
b.	**Issued Capital**		
	13,88,57,015 (31.03.2019 : 13,88,57,015) Equity Shares of ₹ 10 each fully paid up	**138.86**	138.86
c.	**Subscribed and paid up capital**		
	13,25,57,043 (31.03.2019 :13,25,57,043) Equity Shares of ₹ 10 each fully paid up	**132.56**	132.56
d.	**Forfeited Shares (amount originally paid up)**	**0.66**	0.66
		133.22	133.22

e. Reconciliation of the shares outstanding at the beginning and at the end of the year

Particulars	**As at 31st March, 2020**		As at 31st March, 2019	
	No. of shares	**Amount (₹ crore)**	No. of shares	Amount (₹ crore)
At the beginning of the year	**132,557,043**	**132.56**	132,557,043	132.56
Add : Change during the year	-	-	-	-
At the end of the year	**132,557,043**	**132.56**	132,557,043	132.56

For the period of five years immediately preceding 31 March,2020, no shares were : - (i) allotted as fully paid up pursuant to any contract without consideration being received in cash, (ii) allotted as fully paid up by way of bonus shares and (iii) bought back.

f. Terms /rights attached to equity shares :

The Company has only one class of equity shares having a par value of ₹ 10 per share fully paid up. Holders of equity shares are entitled to one vote per share. An Interim dividend of ₹ 20 per equity share (31.03.19 : ₹ 17.50 per equity share) has been paid during the year. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the sale proceeds from remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

₹ **in crore**

g. Details of shareholders holding more than 5% shares in the Company

Name of shareholder	As at 31st March, 2020 No. of shares	As at 31st March, 2020 % of holding	As at 31st March, 2019 No. of shares	As at 31st March, 2019 % of holding
Rainbow Investments Limited [refer note 54 (a)]	**58,796,632**	**44**	58,796,632	44
HDFC Trustee Company Limited	**11,930,021**	**9**	11,930,021	9

NOTE -21 OTHER EQUITY

	As at 31st March, 2020	As at 31st March, 2019
A. Fund for unforeseen exigencies	**279.10**	260.43
Foreign Currency Translation Reserve	**12.83**	12.76
Equity Instruments through Other Comprehensive Income	**5.80**	9.35
Retained Earnings	**9,196.49**	8,558.08
	9,494.22	8,840.62

B. Nature and purpose of other reserves

Fund for unforeseen exigencies has been created for dealing with unforeseen exegencies and the amount transferred during the year will be invested as per the applicable regulations. Retained Earnings represents profit earned by the Company, net of appropriations till date and adjustments done on transition to Ind AS. FVTOCI reserve represents the cumulative gains and losses arising on fair valuation of equity instruments measured at fair value through other comprehensive income. Foreign Currency Translation Reserve represents exchange difference relating to translation of Group's foreign operation from their functional currencies to Group's presentation currency.

NOTE -22 NON-CURRENT BORROWINGS ₹ **in Crore**

	As at 31st March, 2020	As at 31st March, 2019
A. **Secured**		
Non Convertible Debentures	**170.00**	-
Term Loans		
(i) Rupee loans from banks	**10,157.07**	9,869.48
(ii) Rupee loans from financial institutions	**720.00**	1,074.75
(iii) Foreign Currency loans from banks	**56.54**	601.70
	11,103.61	11,545.93
B. **Unsecured**		
Term Loans		
(i) Rupee loans from banks	**525.00**	605.00
Total	**11,628.61**	12,150.93
Less: Current maturities of long term debt transferred to Other Current Financial Liabilities (refer note 28)	**1,809.26**	1,859.85
Less: Unamortised front end fees	**59.24**	65.74
	9,760.11	10,225.34

C. **Nature of Security :**

1 (i) Debentures in (A) above in respect of the Parent, ₹ 170.00 crore (31.03.2019 - Nil) are secured, ranking pari passu inter se, by equitable hypothecation of the movable fixed assets of the Parent as a first charge. However creation of the said security is in process.

(ii) Out of the Term Loans in (A) above in respect of the Parent, ₹ 3888.86 crore (31.03.2019: ₹ 4137.50 crore) are secured, ranking pari passu inter se, by equitable mortgage/hypothecation of the fixed assets of the Parent including its land, building and any other constructions thereon, plant and machinery etc (refer note 5) as a first charge and as a second charge, by hypothecation of the Parent's current assets comprising stock of stores, coal (refer note 12) and other consumables, book debts, monies receivable (refer note 14) and bank balances (refer note 15). However, creation of the said mortgage security in respect of eight Rupee Loans (31.03.2019 - five Rupee loans) aggregating ₹ 1255 crore (31.03.2019 - ₹ 755.50 crore) is in process.

(iii) ₹ 420.00 crore (31.03.2019 - Nil) in (A) above, in respect of the Parent, are secured, ranking pari passu inter se, by equitable hypothecation of the movable fixed assets of the Parent as a first charge.

(iv) Nil (31.03.2019: ₹ 40.00 crore), in (A) above, in respect of the Parent, are secured, ranking pari passu inter se, by hypothecation of the movable fixed assets and current assets of the Parent by way of a charge subservient to the charge of the first and second charge holders on the said assets.

2 Out of the Term Loan in (A) above, ₹3127.15 crore (31.03.2019: ₹3343.21 crore) in respect of a subsidiary are secured with first charge by way of mortgage / hypothecation of fixed assets and current assets of the subsidiary including its land, buildings, any other construction thereon where exists, plant and machinery etc (refer note 5).

3 (i) Out of the Term Loan in (A) above, ₹2332.13 crore (31.03.2019- ₹2593.56 crore) in respect of a subsidiary are secured, with first charge by way of mortgage / hypothecation of subsidiary's fixed assets and current assets including its land, buildings and the construction thereon where exists, plant and machinery etc (refer note 5) loans amounting to ₹ 221.25 crore (31.03.2019- ₹ 375.25 crore) are secured with second charge on all assets of the subsidiary.

(ii) Out of the Term Loan in (A) above, loan of ₹155.56 crore (31.03.2019- ₹ 177.78 crore) in respect of the above subsidiary are secured with subservient charge on all current and movable fixed assets of the subsidiary.

4 In respect of one of the subsidiaries, the Term Loans of ₹526.96 crore (31.03.2019- ₹ 590.16 crore) in (A) above are secured / to be secured by an exclusive charge by way of mortgage/hypothecation in respect of the fixed assets of the subsidiary including its land, building, plant & machinery etc. (refer note 5) and by way of hypothecation of current assets of the subsidiary, with respect to the project for which the loan was availed.

5 (i) Term loan of ₹ 82.51 crore (31.03.2019 - ₹ 149.38 crore) in (A) above , in respect of a subsidiary, is secured by hypothecation of current assets of the subsidiary including its stock of stores, coal (refer note 12) and other movable, book debts, monies receivables (refer note 14) and bank balances (refer note 15) and equitable mortgage / hypothecation of the subsidiary’s fixed assets including its land, building and all constructions thereon and plant and machinery (refer note 5), both present and future with respect to the 40 MW AFBC Thermal Power project of the subsidiary near Asansol, West Bengal. The security mentioned above ranks pari passu inter se and with the security for overdraft working capital facilities from banks.

(ii) Term loan of ₹ 62.63 crore (31.03.2019 - ₹ 68.78 crore) in (A) above, in respect of the above subsidiary, is secured by an exclusive charge by way of mortgage/hypothecation in respect of fixed assets including its land, building, constructions thereon where exist, plant and machinery etc.(refer note 5) and by way of hypothecation of current assets of including book debts, receivables,(refer note 14) projects related accounts, revenue of whatsoever nature and wherever arising (present and future) with respect to the 15MW Solar Power project at Ramanathpuram, Tamilnadu.

6 Out of the Term Loan in (A) above, ₹96.56 crore (31.03.2019- ₹ 70.31 crore) in respect of a subsidiary are secured by first charge by way of mortgage/hypothecation on pari passu basis over fixed assets of the subsidiary, both present and future (excluding those charged to JVVNL).

7 Out of the Term Loan in (A) above, ₹20.00 crore (31.03.2019- Nil) in respect of another subsidiary are secured by first charge by way of mortgage/hypothecation on pari passu basis over fixed assets of the subsidiary, both present and future (excluding those charged to JVVNL).

D. Major terms of repayment of Non Current Borrowings :

₹ in crore

Maturity profile of Non Current Borrowings outstanding as at 31st March, 2020	**Rupee Term Loan from Banks**	**Rupee Term Loan from Financial Institutions**	**Non Convertible Debentures**	**Foreign Currency Loans**	**Total**	**Current Maturities**
Borrowings with maturity of upto one year	564.50	-	-	-	**564.50**	564.50
Borrowings with maturity between 1 and 3 years	876.27	-	-	56.54	**932.81**	386.97
Borrowings with maturity between 3 and 5 years	1,573.83	-	170.00	-	**1,743.83**	286.82
Borrowings with maturity between 5 and 10 years	2,849.12	-	-	-	**2,849.12**	330.79
Borrowings with maturity beyond 10 years	4,818.35	720.00	-	-	**5,538.35**	240.18
Total	**10,682.07**	**720.00**	**170.00**	**56.54**	**11,628.61**	**1,809.26**

Interest on Rupee Term Loan from Banks and Financial Institutions are based on spread over Lender's Benchmark rate and that of Foreign Currency Loans are based on spread over LIBOR. Interest rate on Debentures are based on spread over 364 days T-Bill rate. All of the above are repayable in periodic instalments over the maturity period of the respective loans. Debentures of ₹ 55 crores, ₹ 55 crores and ₹ 60 crores are due for maturity on 02.02.2024, 10.02.2023 and 18.02.2022 respectively.

₹ in crore

Maturity profile of Non Current Borrowings as at outstanding 31st March, 2019	Rupee Term Loan from Banks	Rupee Term Loan from Financial Institutions	Non Convertible Debentures	Foreign Currency Loans	Total	Current Maturities
Borrowings with maturity of upto one year	360.77	-	-	433.89	**794.66**	794.66
Borrowings with maturity between 1 and 3 years	829.37	-	-	87.04	**916.41**	206.23
Borrowings with maturity between 3 and 5 years	1,456.56	-	-	80.77	**1,537.33**	320.98
Borrowings with maturity between 5 and 10 years	2,499.32	-	-	-	**2,499.32**	303.74
Borrowings with maturity beyond 10 years	5,328.46	1,074.75	-	-	**6,403.21**	234.24
Total	**10,474.48**	**1,074.75**	**-**	**601.70**	**12,150.93**	**1,859.85**

Interest on Rupee Term Loan from Banks and Financial Institutions are based on spread over Lender's Benchmark rate and that of Foreign Currency Loan are based on spread over LIBOR.
All of the above are repayable in periodic instalments over the maturity period of the respective loans.

E. Outstanding foreign currency loans as on 31 March, 2020 as disclosed above, stand fully hedged in Indian Rupees.

NOTE -23 NON CURRENT- OTHER FINANCIAL LIABILITIES

₹ in Crore

	As at 31st March, 2020	As at 31st March,2019
a. Lease liabilities	**278.57**	6.70
	278.57	6.70

NOTE -24 NON CURRENT- PROVISIONS

a. Provision for employee benefits	**388.91**	311.21
b. Restoration liabilities	**35.76**	33.06
	424.67	344.27
Reconciliation of movement in Restoration liabilities		
Opening balance	**33.06**	30.42
Add : Adjustment for the year	**2.70**	2.64
Closing balance	**35.76**	33.06

The Group has recognised present value of restoration liabilty of mine land at Sarisatolli Coal Mine based on applicable Guidelines on Mine Closure Plan included in the cost of Mining Rights.

NOTE -25 OTHER NON CURRENT LIABILITIES

Advance received from consumers	**94.54**	142.89
Others	**100.85**	87.15
	195.39	230.04

NOTE -26 CURRENT- BORROWINGS

		₹ in Crore	
		As at 31st March, 2020	As at 31st March,2019
A	**Secured**		
	Loans repayable on demand		
	from banks	**1,921.49**	1,086.93
B	**Unsecured**		
	Loans repayable on demand		
	(i) Short term loan from banks	**200.00**	100.00
	(ii) Commercial Paper [including from banks 31.03.2020: ₹ 300 crore; 31.03.2019: ₹ 300 crore]	**300.00**	1,200.00
		2,421.49	2,386.93

C **Nature of Security**

1 Working capital facilities from banks in respect of the Parent amounting to ₹ 1290.01 crore (31.03.2019: ₹ 585.44 crore) in (A) above are secured, ranking pari passu inter se, by hypothecation of the Parent's current assets comprising stock of stores, coal (refer note 12) and other consumables, book debts, monies receivable (refer note 14) and bank balances (refer note 15) as a first charge and as a second charge by equitable mortgage/ hypothecation of the fixed assets of the Parent including its land, buildings and other constructions thereon where exists, plant and machinery etc (refer note 5). However, creation of the said security in respect of working capital facilities from banks aggregating ₹ 180.65 crore (31.03.2019: ₹ 30.65 crore) is in process (refer note 5).

2 Working capital facilities from banks in respect of one of the subsidiaries amounting to ₹ 81.70 Crore (31.03.2019: ₹ 145.76 crore) in (A) above, is secured with first charge by way of mortgage/hypothecation of the subsidiary's fixed and current assets including its land and buildings, the construction thereon where exists, plant and machinery etc (refer note 5) and loans amounting to ₹ 97.90 crore (31.03.2019: Nil) are secured by hypothecation of entire current assets and loan amounting to Nil (31.03.2019: ₹ 125 crore) are secured by second pari passu charge by hypothecation over entire current assets and movable fixed assets of the subsidiary.

3 Working capital facilities from banks in respect of certain subsidiaries amounting to ₹ 30.22 crore (31.03.2019: Nil) in (A) above, was secured by pari passu charge on movable and immovable fixed assets (refer note 5) of the subsidiary and charge over escrow account for routing of cash flows pertaining to 40 MW AFBC Thermal Power project of the subsidiary.

4 Working capital facilities from banks in respect of one of the subsidiary amounting to ₹ 249.24 crore (31.03.2019 : ₹ 50.05 crore) in (A) above, is secured with first charge by way of mortgage / hypothecation of fixed assets and current assets of the subsidiary including its land, building, the construction thereon where exists, plant and machinery etc (refer note 5).

5 Working capital facilities from banks in respect of certain subsidiaries amounting to ₹ 172.42 crore (31.03.2019: ₹ 180.68 crore) in (A) above, is secured ranking pari passu inter se, by hypothecation of respective subsidiary's current assets as a second charge.

		₹ in Crore	
		As at 31st March, 2020	As at 31st March,2019
NOTE - 27	**TRADE PAYABLES**		
a.	Total outstanding dues to micro enterprise & small enterprises	**19.32**	16.65
b.	Total outstanding dues of creditors other than micro enterprise & small enterprises	**637.52**	555.69
		656.84	572.34
NOTE- 28	**OTHER FINANCIAL LIABILITIES**		
a.	Current maturities of long-term debt	**1,809.26**	1,859.85
b.	Interest accrued but not due	**20.02**	17.02
c.	Unclaimed dividends	**6.54**	5.74
d.	Others (refer note e)	**809.98**	697.17
		2,645.80	2,579.78

e. Others include current portion of consumer security deposit (including accrued interest thereon), employee related liabilities, liabilities on capital account, liabilities towards contractual obligations, lease liabilities, etc.

NOTE- 29 OTHER CURRENT LIABILITIES

₹ in Crore

	As at 31st March, 2020	As at 31st March,2019
a. Liabilities towards stautory taxes, duties etc.	**370.06**	364.40
b. Advances received from Consumers	**15.81**	80.58
c. Receipt from consumers for jobs	**178.61**	146.54
d. Others	**20.11**	70.39
	584.59	661.91

NOTE - 30 CURRENT PROVISIONS

a. Provision for employee benefits	**65.43**	66.63
b. Others	**0.22**	0.22
	65.65	66.85

NOTE-31 REGULATORY DEFERRAL ACCOUNT BALANCES

REGULATORY DEFERRAL ACCOUNT BALANCES -CREDIT BALANCES	**1,739.96**	1,677.28
REGULATORY DEFERRAL ACCOUNT BALANCES -DEBIT BALANCES	**4,724.59**	3,999.27

(Refer Note 40 for details)

NOTE - 32 CONTINGENT LIABILITIES AND COMMITMENTS

a. **Claims against the group not acknowledged as debts:**

The West Bengal Taxation Tribunal had held meter rentals received by the Parent from consumers to be deemed sales under the provisions of the Bengal Finance (Sales Tax) Act, 1941 and that sales tax was payable on such rentals. Based on such findings the Commercial Taxes Directorate assessed ₹ 0.69 crore as sales tax on meter rentals received during the year ended 31st March, 1993 and raised a demand of ₹ 0.36 crore on account of interest. Against the above demand, the Parent had deposited a sum of ₹ 0.75 crore with the sales tax authorities and obtained a stay against the balance demand from the Deputy Commissioner of Commercial Taxes. The sales tax authorities also indicated their intention to levy such sales tax on meter rentals for the subsequent years as well, against which, the Parent filed a writ petition in the Calcutta High Court and prayed for an interim order, interalia, restraining the sales tax authorities from proceeding with the assessment for the subsequent years till disposal of the appeal. An interim order was issued by the High Court permitting the sales tax authorities to carry out assessments but restraining them from serving any assessment order on the Parent. Subsequently, the High Court vide order dated 9th January, 2020 released the said writ petition as withdrawn on the ground that writ is not maintainable before the Single Bench. Pursuant to the above, the Parent has duly filed writ before the Division Bench of Calcutta High Court. The disposal of the case is still pending.

b. An Appeal under the Electricity Act, 2003 has been filed before the Hon'ble Appellate Tribunal for Electricity (APTEL) by two Appellants against the Hon'ble Uttar Pradesh Electricity Regulatory Commission's (UPERC) Order dated April 20, 2016, wherein the Hon'ble UPERC has approved the Power Purchase Agreement between one of the subsidiary and Noida Power Company Limited (NPCL) for supply of 170 MW power for a period of 25 years. Similarly another Appeal before the Hon'ble APTEL has been filed against the Order dated 05 February 2019 passed by the Hon'ble UPERC whereby the tariff for supply of power for the period FY 2016-19 from the subsidiary to NPCL has been determined by the Hon'ble UPERC. Filling of pleadings in both the cases are complete. The final arguments in the matter have commenced and as the matters are currently pending adjudication, the financial impact, if any, cannot be ascertained at this stage.

c. **Other matters for which the Group is contingently liable (including share in Associate):** **₹ in crore**

Particulars	31st March, 2020	31st March, 2019
– Income Tax (refer Note below)	–	0.01
– Bank Guarantees	543.63	683.39

Note :

Income Tax demands under appeal, pending in different forums, in respect of which the associate do not expect any unfavorable outcome.

d. Commitments of the Group on account of estimated amount of contracts remaining to be executed on capital account not provided for amount to ₹ 126.39 crore (31.03.2019: ₹ 156.28 crore)

e. The Ministry of Coal had encashed the bank guarantee of the Parent amounting to ₹ 66.15 crore in April 2018, in terms of its letter dated 25.04.2018, alleging non-compliance with the mining plan for the years 2015-16 and 2016-17 as per the Coal Mine Development and Production Agreement (CMDPA). Further, in terms of the above letter, the Ministry had directed the Parent to top-up the bank guarantee with the aforesaid encashed amount The Hon'ble High Court of Delhi while disposing the petition filed by the Parent against the Ministry's letter dated 25.04.2018, stayed the operation of this letter and further directed the Parent to approach the Tribunal. The Parent has accordingly filed a petition before the Special Tribunal at Godda, Jharkhand challenging the letter dated 25.04.2018 and further seeking refund of the encashed amount. Based on a legal opinion, the Parent expects a favourable outcome in the matter, and no provision has been considered necessary in the books of account.

f. Commitments relating to leasing arrangement, refer note 5 and 48

NOTE - 33 REVENUE FROM OPERATIONS

₹ in crore

	2019-20	2018-19
a. Earnings from sale of electricity	**10,760.96**	10,396.37
b. Other Operating Revenue		
Meter Rent	**52.36**	51.23
Contribution from Consumers	**105.60**	139.48
Earnings from sale of traded goods	**20.06**	22.94
Others	**75.60**	54.12
	11,014.58	10,664.14

c. Earnings from sale of electricity in respect of the Parent and one of the subsidiary are determined in accordance with the relevant orders of the Commission, to the extent applicable. The said earnings are also net of discount for prompt payment of bills allowed to consumers on a net basis from month to month amounting to ₹ 110.75 crore (previous year : ₹ 102.85 crore).

NOTE- 34 OTHER INCOME

₹ in crore

	2019-20	2018-19
a. Interest Income	**37.97**	49.00
b. Dividend Income	**12.57**	17.15
c. Gain on sale/fair valuation of current investments (net)	**45.71**	41.56
d. Profit on sale of property, plant and equipment (net)	**-**	0.03
e. Other Non-operating Income *	**106.26**	96.56
	202.51	204.30

* includes delayed payment surcharge, usance fee, liabilities written back etc

NOTE 35 COST OF FUEL

a) Cost of Fuel includes freight ₹ 956.61 crore (previous year : ₹ 928.68 crore)

b) Cost of Fuel net off gain of Nil (previous year: gain of ₹ 0.99 crore) due to exchange fluctuations.

c) Consumption of fuel:

₹ in Crore

Particulars	**2019-20**	2018-19
(a) Consumption of coal	**3,432.85**	3,409.12
(b) Consumption of oil	**15.82**	17.28
(c) Total (a+b)	**3,448.67**	3,426.40

NOTE-36 EMPLOYEE BENEFIT EXPENSE

₹ in crore

	2019-20	2018-19
a. Salaries, wages and bonus	**1,115.62**	1,117.94
b. Contribution to provident and other funds	**111.06**	101.84
c. Employees' welfare expenses	**52.97**	55.20
	1,279.65	1,274.98
Less : Transfer to PPE/ CWIP etc.	**155.06**	199.11
	1,124.59	1,075.87
Less : Transfer to Other Comprehensive Income *	**41.64**	42.06
	1,082.95	1,033.81

*As per Ind AS 19, Actuarial gain or loss on post retirement defined benefit plan has been recognised in Other Comprehensive Income.

(i) **Defined Contribution Plans**

The Group makes contribution for Provident Fund towards defined contribution retirement benefit plan for eligible employees. Under the plan, the group is required to contribute a specific percentage of the employees' salaries to fund the benefit. The fund has the form of trust and is governed by the Board of Trustees. The Parent also contributes for family pension schemes (including for superannuation) and shortfall in earning of the trust compared to the statutory rate, if any is duly met.

During the year, based on applicable rates, the group has contributed and charged ₹ 75.92 crore (previous year: ₹ 64.25 crore) on this account in the Statement of Profit and Loss.

The Group also sponsors the Gratuity plan, which is governed by the Payment of Gratuity Act, 1972. The Group makes annual contribution to independent trust, who in turn, invests in the Employees Group Gratuity Scheme of eligible funds for qualifying employees.

Liabilities at the year end for gratuity, leave encashment and other retiral benefits including post-retirement medical benefits have been determined on the basis of actuarial valuation carried out by an independent actuary.

(ii) **The amounts recognised in the Balance Sheet and the movements in the total defined benefit obligation over the year are as follows:**

(₹ in crore)

	2019-20			2018-19		
Gratuity (Funded)	**Present value of obligation**	**Fair value of plan assets**	**Total amount**	Present value of obligation	Fair value of plan assets	Total amount
Opening Balance	**450.04**	**(409.91)**	**40.13**	427.21	(361.32)	65.89
Current service cost	20.44	-	20.44	18.64	-	18.64
Interest expense/(income)	27.50	(29.13)	(1.63)	26.75	(30.41)	(3.66)
Past service cost	0.10	-	0.10	0.08	-	0.08
Total amount recognised in profit and loss	**48.04**	**(29.13)**	**18.91**	45.47	(30.41)	15.06
Remeasurements						
Return on plan assets, excluding amounts included in interest expense/(income)	-	(0.54)	(0.54)	-	1.37	1.37
(Gain)/loss from change in demographic assumptions	(2.01)	-	(2.01)	-	-	-
(Gain)/loss from change in financial assumptions	18.83	-	18.83	6.16	-	6.16
Experience (gains)/losses	1.71	0.02	1.73	19.28	0.02	19.30
Total amount recognised in other comprehensive income	**18.53**	**(0.52)**	**18.01**	25.44	1.39	26.83
Employer contributions	-	(37.71)	(37.71)	-	(67.57)	(67.57)
Benefit payments	(59.88)	58.62	(1.26)	(48.08)	48.00	(0.08)
Closing Balance	**456.73**	**(418.65)**	**38.08**	450.04	(409.91)	40.13

₹ in crore

Leave Obligation (Unfunded)	**2019-20** Present value of obligation	2018-19 Present value of obligation
Opening Balance	**176.07**	150.65
Current service cost	11.93	11.00
Interest expense/(income)	11.17	10.95
Past service cost	0.03	0.02
Remeasurements		
Return on plan assets, excluding amounts included in interest expense/(income)	-	-
(Gain)/loss from change in demographic assumptions	(0.01)	-
(Gain)/loss from change in financial assumptions	11.06	3.20
Experience (gains)/losses	(4.84)	14.43
Total amount recognised in profit and loss	**29.34**	39.60
(Gain)/loss from change in financial assumptions	-	-
Experience (gains)/losses	-	-
Total amount recognised in other comprehensive income	-	-
Employer contributions	-	-
Benefit payments	(17.38)	(14.18)
Closing Balance	**188.03**	176.07

₹ in crore

	Post retirement medical benefit (PRMB)		**Pension**	
	2019-20	2018-19	**2019-20**	2018-19
Opening Balance	**86.12**	77.86	**75.53**	58.44
Current service cost	**4.31**	1.34	**0.41**	0.25
Interest expense/(income)	**5.71**	5.20	**5.54**	4.00
Past Service Cost	**28.55**	-	**9.24**	9.43
Total amount recognised in profit and loss	**38.57**	6.54	**15.19**	13.68
Remeasurements				
(Gain)/loss from change in demographic assumptions	**1.19**	-	**-**	-
(Gain)/loss from change in financial assumptions	**13.13**	2.16	**5.64**	1.29
Experience (Gains)/Losses	**(3.28)**	3.23	**6.80**	8.56
Total amount recognised in other comprehensive income	**11.04**	5.39	**12.44**	9.85
Employer contributions	**-**	-	**-**	-
Benefit payments	**(3.64)**	(3.67)	**(7.01)**	(6.44)
Closing Balance	**132.09**	86.12	**96.15**	75.53

(iii) **The expected maturity analysis of undiscounted gratuity, leave, post-employment medical benefits & pension are as follows:**

₹ in crore

	1st year	Between 2-5 years	Between 6-10 years	More than 10 years	Total
31-Mar-20					
Gratuity	72.53	194.57	206.66	240.07	**713.83**
Leave obligation	23.57	64.17	80.25	186.22	**354.21**
Post-employment medical benefits	6.15	35.02	65.30	337.46	**443.93**
Pension	8.03	38.75	44.55	80.20	**171.53**
Total	**110.28**	**332.51**	**396.76**	**843.95**	**1,683.50**
31-Mar-19					
Gratuity	73.89	199.84	220.86	232.23	**726.82**
Leave obligation	24.07	65.25	76.65	185.07	**351.04**
Post-employment medical benefits	3.24	18.17	32.32	226.72	**280.45**
Pension	7.38	33.42	35.92	71.79	**148.51**
Total	**108.58**	**316.68**	**365.75**	**715.81**	**1,506.82**

(iv) **Sensitivity Analysis**

₹ in crore

	Gratuity		Leave Obligation		Post-employment medical benefits (PRMB)		Pension	
	31-Mar-20	31-Mar-19	**31-Mar-20**	31-Mar-19	**31-Mar-20**	31-Mar-19	**31-Mar-20**	31-Mar-19
DBO at 31st March with discount rate +1%	**427.59**	421.12	**175.39**	164.09	**117.00**	76.35	**89.50**	68.13
Corresponding service cost	**18.15**	15.92	**9.95**	9.33	**3.17**	1.11	**0.37**	0.24
DBO at 31st March with discount rate -1%	**480.63**	470.05	**205.22**	189.71	**151.39**	92.79	**103.72**	77.64
Corresponding service cost	**21.11**	18.35	**12.31**	11.45	**5.02**	1.55	**0.47**	0.31
DBO at 31st March with +1% salary/benefit escalation	**465.86**	458.92	**208.46**	193.15	**140.98**	88.10		
Corresponding service cost	**20.41**	17.88	**12.61**	11.74	**4.46**	1.44		
DBO at 31st March with -1% salary/benefit escalation	**438.02**	427.91	**172.80**	161.55	**124.40**	79.85		
Corresponding service cost	**18.64**	16.21	**9.71**	9.13	**3.67**	1.26		
DBO at 31st March with +50% withdrawal rate	**453.01**	444.97	**189.32**	176.41	**131.42**	72.93		
Corresponding service cost	**19.56**	17.10	**11.03**	10.33	**3.95**	1.32		
DBO at 31st March with -50% withdrawal rate	**452.26**	443.60	**189.18**	175.61	**133.14**	73.61		
Corresponding service cost	**19.50**	17.00	**11.01**	10.26	**4.10**	1.35		
DBO at 31st March with +10% mortality rate	**452.80**	444.67	**189.26**	176.26	**129.60**	82.31	**93.09**	70.56
Corresponding service cost	**19.54**	17.07	**11.02**	10.31	**3.92**	1.31	**0.41**	0.27
DBO at 31st March with -10% mortality rate	**452.37**	443.90	**189.22**	175.77	**135.11**	85.42	**99.51**	81.31
Corresponding service cost	**19.52**	17.01	**11.02**	10.27	**4.13**	1.36	**0.42**	0.24

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.
The methods and types of assumptions used in preparing the sensitivity analysis did not change compare to the prior period

(v) **Major categories of total plan assets as per the Gratuity Trust Fund**

₹ in crore

	31-Mar-2020	31-Mar-2019
Gratuity		
Cash and cash equivalent	418.65	409.91
Unquoted market price	418.65	409.91

(vi) **Actuarial assumptions**

31-Mar-20				
Particulars	**Gratuity**	**Leave obligation**	**Medical**	**Pension**
Discount rate current year (%)	4.58-6.67%	4.58-6.67%	6.50%	6.50%
Mortality rate	Indian Assured Lives Mortality (2012-14) Ult. (IALM 2012-14)	Indian Assured Lives Mortality (2012-14) Ult. (IALM 2012-14)	Indian Assured Lives Mortality (2012-14) Ult. (IALM 2012-14)	Indian Assured Lives Mortality (2012-14) Ult. (IALM 2012-14)

31-Mar-19				
Particulars	**Gratuity**	**Leave obligation**	**Medical**	**Pension**
Discount rate current year (%)	6.95-7.65%	6.95-7.71%	7.34%	7.34%
Mortality rate	Indian Assured Lives Mortality (2006-08) ultimate	Indian Assured Lives Mortality (2006-08) ultimate	Before Separation- Indian Assured Lives Mortality (2006-08) ultimate & After separation- from service : LIC (1996-98) Ultimate rated down by 5 years	Before Separation- Indian Assured Lives Mortality (2006-08) ultimate & After separation- from service : LIC (1996-98) Ultimate rated down by 5 years

Expected Remaining Life	2019-20	2018-19
Employees Gratuity Fund	**6.90**	7.02
Executive Gratuity Fund	**6.96**	6.62
Leave Encashment	**8.62**	8.62
PRMB - Non Cov	**12.33**	12.59
PRMB - Cov	**14.22**	12.93
Pension	**18.39**	15.02

Expected contributions to be paid in next year for gratuity fund ₹ 48.26 crore
Expected contributions to be paid for next year for leave obligation, medical & pension is nil

(vii) **Plan assets consist of funds maintained with LICI, ICICI prudential, Birla Sun Life and HDFC Standard Life.**

	2019-20	2018-19
Actual return on plan assets (₹ crore)	**29.55**	28.62

(viii) **Risk exposure**

The Plans in India typically expose the Group to some risks, the most significant of which are detailed below:

Discount Rate Risk: Decrease in discount rate will increase the value of the liability. However, this will partially offset by the increase in the value of plan assets.

Future Salary Increase Risk: In case of gratuity & leave the scheme cost is sensitive to the assumed future salary escalation rates for all final salary defined benefit Schemes. If actual future salary escalations are higher than that assumed in the valuation actual Scheme cost and hence the value of the liability will be higher than that estimated. But PRMB & pension are not dependant on future salary levels.

Demographic Risk: In the valuation of the liability certain demographic (mortality and attrition rates) assumptions are made. The Company is exposed to this risk to the extent of actual experience eventually being worse compared to the assumptions thereby causing an increase in the scheme cost.

Regulatory Risk: New Act/Regulations may come up in future which could increase the liability significantly in case of Leave obligation, PRMB & Pension. Gratuity Benefit must comply with the requirements of the Payment of Gratuity Act, 1972 (as amended up-to-date). Also in case of interest rate guarantee Exempt Provident Fund must comply with the requirements of the Employees Provident Funds and Miscellaneous Provisions Act 1952 as amended up-to-date.

NOTE- 37 FINANCE COSTS

		₹ in crore	
		2019-20	2018-19
a.	Interest expense	**1,313.30**	1,291.32
b.	Other Borrowing Costs	**44.79**	48.70
c.	Applicable net loss on foreign currency transactions and translation	**(0.73)**	(0.05)
		1,357.36	1,339.97
	Less : Allocated to PPE/ CWIP	**-**	15.25
		1,357.36	1,324.72

NOTE- 38 DEPRECIATION AND AMORTISATION EXPENSE

Depreciation/ amortisation of property, plant & equipment	**1,056.14**	1,052.02
Amortisation of intangible assets	**12.17**	15.80
	1,068.31	1,067.82
Less : Recoupment from Retained Earnings (refer Note 47)	**286.89**	304.04
	781.42	763.78

NOTE-39 OTHER EXPENSES

a.	Power and Fuel	**6.61**	3.08
b.	Consumption of stores and spares	**131.66**	127.43
c.	Repairs		
	Building	**13.82**	17.36
	Plant and Machinery	**179.15**	157.23
	Distribution System	**135.97**	132.91
	Others	**12.98**	13.55
		341.92	321.05
d.	Insurance	**36.01**	27.15
e.	Rent	**11.49**	30.44
f.	Rates and taxes	**10.26**	9.81
g.	Bad debts / Advances made	**37.42**	39.51
h.	Loss on sale / disposal of Property, Plant & Equipment (net)	**5.06**	2.91
i.	Provision for Bad Debts	**19.51**	0.80
j.	Interest on Consumers' Security Deposits	**106.04**	107.28
k.	Foreign Exchange Restatement loss / (gain)	**(25.26)**	13.73
l.	Corporate social responsibility activities	**46.45**	21.50
m.	Mark to Market loss / (gain) on derivatives	**18.46**	(19.82)
n.	Miscellaneous expenses	**584.05**	577.74
		1,329.68	1,262.61

NOTE - 40 REGULATORY INCOME

a. Regulatory Income / (Expenses) arise to the Parent and a subsidiary pursuant to the regulatory provisions applicable to the Parent and the subsidiary under the provisions of the Electricity Act, 2003 and regulations framed thereunder and disposals made by WBERC on the various petitions / applications, in terms of the said regulations, at different timeframe including the tariff and APR orders for the years notified till date. The effect of adjustments - income/(expenses), relating to (a) advance against depreciation, (b) cost of electrical energy purchased, fuel related costs and those having bearing on revenue account (c) Deferred Taxation estimate, as appropriate, and (d) effect of exchange fluctuation including MTM, gain based on the understanding of the applicable regulatory provisions and applicable orders of the competent authorities, amounting to ₹ (81.14 crore) [Previous year ₹ (79.64 crore)], ₹ 614.00 crore (Previous year ₹ 657.00 crore), ₹ 136.58 crore (Previous year ₹ 321.24 crore) and ₹ (6.80 crore) [Previous year ₹ (6.10 crore)] respectively have been shown as Regulatory Income/(Expenses) with corresponding sums, reflected in Balance-sheet as Regulatory Deferral Account Balances (refer Note 31).

Regulatory deferral account debit balance comprise the effect of (a) Deferred tax, (b) exchange fluctuation and (c) cost of fuel and purchase of power and other adujstments having bearing on revenue account amounting to ₹ 3,964.57 crore (31.03.2019 : ₹ 3,827.99 crore) , ₹ 22.79 crore (31.03.2019 : ₹ 48.05 crore) and ₹ 737.23 crore (31.03.2019 : ₹ 123.23 crore) respectively and that relating to credit balance comprise the effect of (a) advance against depreciation, and (b) MTM Gain amount to ₹ 1717.46 crore (31.03.2019 : ₹ 1,636.32 crore), and ₹ 22.50 crore (31.03.2019 : ₹ 40.96 crore) respectively.

During the year, the Parent received the order from WBERC in respect of its Annual Performance Review (APR) for the year ended March 31, 2014 which has determined an amount of ₹ 383 crore as adjustment for the year, to be suitably considered in subsequent tariff and/or other orders. The impact of such order has been considered in these financial statements including in Regulatory Income / (Expenses) for the year and also on the Regulatory Deferral Account balances as at 31 March 2020, based on the Parent's understanding of the process pertaining to APR, for subsequent years also. These balances have been now recognised with discounting methodology, assuming recovery over a period of time using such rate in consonance with the applicable regulations and application of prudence.

Accordingly, the accurate quantification and disposal of the matters with regard to Regulatory Deferral Account balances, shall be given effect to, from time to time, on receipt of necessary direction from the appropriate authorities relating to the applicable matters in a comprehensive way including those attributable to the mining of coal from Sarisatolli mine which commenced from 10 April, 2015 following the said mine having been allotted to the Parent effective 1 April 2015 pursuant to the auction conducted by the Ministry of Coal, Government of India under the provisions of the applicable laws.

Note -41 Non Controlling Interest (NCI)

Set out below is summarised financial information for each subsidiary that has non-controlling interests that are material to the group. The amounts disclosed for each subsidiary are before inter-company eliminations.

₹ in crore

Summarised Balance Sheet	**Crescent Power Limited**		**Au Bon Pain Café India Limited**	
	31 March 2020	31 March 2019	**31 March 2020**	31 March 2019
Non Current assets	**403.83**	435.19	**-**	0.01
Current assets	**114.96**	116.38	**1.01**	1.22
Total Assets	**518.79**	551.57	**1.01**	1.23
Non current liabilities	**171.90**	231.34	**-**	-
Current liabilities	**80.25**	65.17	**0.70**	0.80
Total Liabilities	**252.15**	296.51	**0.70**	0.80
Net Assets	**266.64**	255.06	**0.31**	0.43
Accumulated Non Controlling Interest	**85.78**	82.06	*	*

* Negative hence not disclosed

₹ in crore

Summarised Statement of Profit and Loss	**Crescent Power Limited**		**Au Bon Pain Café India Limited**	
	2019-20	2018-19	**2019-20**	2018-19
Revenue	**142.15**	180.01	**0.11**	0.86
Profit / (Loss) after tax	**11.82**	44.41	**(0.11)**	(2.17)
Total Other Comprehensive Income for the year, net of tax	**(0.24)**	(4.43)	**-**	-
Total Comprehensive Income for the year	**11.58**	39.98	**(0.11)**	(2.17)
Profits allocated to NCI	**3.72**	12.86	*	*

* Negative hence not disclosed

₹ in crore

Summarised Cash Flows	Crescent Power Limited		Au Bon Pain Café India Limited	
	2019-20	2018-19	**2019-20**	2018-19
Cash flow from Operating Activities	**(15.71)**	73.72	**(0.16)**	(0.59)
Cash Flow from Investing Activities	**35.84**	44.14	**0.07**	0.50
Cash Flow from Financing Activities	**(64.10)**	(102.52)	**0.00**	0.10
Net Increase/Decrease in Cash and cash Equivalents	**(43.97)**	15.34	**(0.09)**	0.01

Note -42 Contract Liability at the beginning of the year in respect of Contribution from Consumers for certain jobs stood at ₹ 146.54 crore, out of which ₹ 27.36 crore has been dealt with in the revenue account during the year, on satisfaction of performance obligation. The balance of the said contract liability as at the year end stood at ₹ 178.61 crore pending satisfaction of the performance obligation.

NOTE-43 The major components of net Deferred Tax Assets / (Liabilities) based on the timing difference are as under :

₹ in crore

Deferred Tax Liabilities	April 1, 2019	Recognised through P&L	Recognised through OCI	Others	March 31, 2020
Liabilities					
Excess of tax depreciation over book depreciation	(4,404.19)	(64.36)	-	6.28	(4,462.27)
Financial Instruments at Fair Value through OCI	(4.30)	-	(0.03)	-	(4.33)
Other Timing difference	(28.25)	(5.79)	-	-	(34.04)
Assets					
Business loss and Unabsorbed depreciation	431.87	(128.73)	-	-	303.14
Other Timing Differences	62.77	129.41	-	-	192.18
Net Deferred Tax Liability	**(3,942.10)**	**(69.47)**	**(0.03)**	**6.28**	**(4,005.32)**

₹ in crore

Deferred Tax Liabilities	April 1, 2018	Recognised through P&L	Recognised through OCI	Others	March 31, 2019
Liabilities					
Excess of tax depreciation over book depreciation	(4,348.35)	(84.20)	-	28.36	(4,404.19)
Financial Instruments at Fair Value through OCI	(6.59)	-	2.29	-	(4.30)
Other Timing difference	(29.33)	1.08	-	-	(28.25)
Assets					
Business loss and Unabsorbed depreciation	682.32	(250.45)	-	-	431.87
Other Timing Differences	62.10	0.67	-	-	62.77
Net Deferred Tax Liability	(3,639.85)	(332.90)	2.29	28.36	(3,942.10)

NOTE-44 **Tax expense**

a. **i) Tax recognised in Statement of Profit and Loss** ₹ in crore

	March 31, 2020	March 31, 2019
Current tax expense	**293.25**	362.08
Deferred tax		
Deferred tax expense	**69.47**	332.90
Total income tax expense	**362.72**	694.98

ii) Tax recognised in Other Comprehensive Income (OCI)

	March 31, 2020	March 31, 2019
Current tax expense		
Remeasurement of defined benefit plan	(7.22)	(8.93)
Deferred tax		
Deferred Tax on Gain on fair value of Investment	0.03	(2.29)
Regulatory (Income) / expense deferred tax	-	0.48
Total Tax expense relating to OCI items	**(7.19)**	(10.74)

b. **Reconciliation of tax expense and accounting profit** **₹ in crore**

	March 31, 2020	March 31, 2019
Accounting profit before tax after comprehensive income	**1,623.48**	1,834.90
Tax using the Company's domestic tax rate (Current year 34.944% and Previous Year 34.944%)	**567.31**	641.19
Income/expenses not considered for tax purpose including difference in depreciation	**(139.42)**	(152.48)
Incentive & deduction allowed under Income Tax including MAT Adjustments*	**(151.45)**	(72.46)
Other adjustments	**79.09**	267.99
Tax Expense	**355.53**	684.24

* includes unrecognised credit of MAT related to earlier years.

NOTE-45 Earnings per share:

(i) Computation of Earnings per share

Particulars	2019-20	2018-19
A. Profit after tax attributable to owners of the equity (₹ in Crore)	**1302.05**	1183.98
B. Weighted Average no. of shares for Earnings per share	**132,557,043**	132,557,043
Basic and Diluted Earnings per share of ₹ 10/- = [(A) / (B)] (₹)	**98.24**	89.32

(ii) Computation of Earnings per share - excluding regulatory (income)/ expense (net)

Particulars	2019-20	2018-19
A. Profit after tax attributable to owners of the equity (₹ in Crore)	**755.17**	414.59
B. Weighted Average no. of shares for Earnings per share	**132,557,043**	132,557,043
Basic and Diluted Earnings per share of ₹ 10/- = [(A) / (B)] (₹)	**56.99**	31.28

In respect of the Parent and one of its subsidiary operating within the framework of Electricity Act, 2003 where tax on profits forms part of chargeable expenditure under the applicable regulations framed thereunder. Accordingly, deferred tax liability or asset is recoverable or payable through future tariff. Hence, recognition of deferred tax asset or liability is done with corresponding recognition of regulatory liability or asset, as applicable, by way of considering equivalent regulatory income/ (expense) as the case may be, which hitherto have been shown under the tax expenses. Based on an opinion issued by the Expert Advisory Committee of The Institute of Chartered Accountants of India, the presentation of such regulatory income/ (expense), in respect of deferred tax, has now been included in the above "Regulatory income/ (expense) (net)". Consequent to the above, Regulatory income / (expense) (net) and Tax expenses has increased by ₹ 321 crore and EPS without Regulatory income / (expense) (net) has decreased by ₹ 24.23 for the year ended 31 March 2019.

NOTE-46 Financial risk management and Capital Management :

The regulated operations of generation and distribution of electricity are governed by the provisions of the Electricity Act 2003 and Regulations framed thereunder by the West Bengal Electricity Regulatory Commission and accordingly the parent, being a licensee under the said statute, is subject to regulatory provisions/guidelines and issues evolving therefrom, having a bearing on the Parent's liquidity, earning, expenditure and profitability, based on efficiency parameters provided therein including timing of disposal of applications /matters by the authority.

The Group being the provider of electricity in the licensed area has been managing the operations keeping in view its profitability and liquidity in terms of the above regulations. In order to manage the credit risk arising from sale of electricity, multipronged approach is followed like maintenance of security deposit, precipitation of action against defaulting consumers, obtaining support of the administrative authority (for consumers providing utility service), credit rating and appraisal by external agencies and lending bodies.

The Group manages its liquidity risk on financial liabilities by maintaining healthy working capital and liquid fund position keeping in view the maturity profile of its borrowings and other liabilities as disclosed in the respective notes.

The Group market risk relating to variation of foreign currency, interest rate and commodity price is mitigated through applicable regulations, long term sale contracts and availability of bulk commodity namely coal is generally sourced from own captive mine, domestic long term linkage and Special Forward E-Auction conducted by Coal India Limited and/or its subsidiaries.

While managing the capital, the Group ensures to take adequate precaution for providing returns to the shareholders and benefit for other stakeholders, including protecting and strengthening the balance sheet. Availability of capital and liquidity is also managed, in consonance with the applicable regulatory provisions.

NOTE- 47 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, the basis of which be considered by the West Bengal Electricity Regulatory Commission (Commission) in determining the Parent's tariff for the year, which is also required to be used for accounting purpose as specified in the said Regulations. Based on legal opinions and independent accounting opinions obtained, the Parent continues with the consistently followed practice of recouping from the retained earnings an additional charge of depreciation relatable to the increase in value of assets arising from fair valuation , which for the current year amounts to ₹ 286.89 crore (31.03.2019 : ₹ 304.04 crore) and corresponding withdrawal of ₹ 4.14 crore (31.03.2019 : ₹ 2.72 crore) consequent to sale / disposal of such assets and the same will be followed in subsequent years.

NOTE-48 Property, Plant and Equipment of the Group includes right-of-use assets in the opening balance as on 01.04.2019, additions, depreciation and closing balance for the year ended 31.03.2020 amounting to ₹ 754.06 crore, ₹ 320.94 crore, ₹ 57.01 crore and ₹ 1017.99 crore respectively. Carrying Value of right of use assets as at 31.3.2020 in respect of land, building, plant & machinery and vehicles amount to ₹ 478.80 crore, ₹ 382.23 crore, ₹ 27.64 crore and ₹ 0.05 crore respectively and its related depreciation/ amortisation expense for the year ended 31.03.2020 in respect of land, building, plant & machinery and vehicles amount to ₹ 19.61 crore, ₹ 28.44 crore, ₹ 5.92 crore and ₹ 0.02 crore respectively.

The movement in lease liabilities for the year is as below :	**₹ in crore**
Operating lease commitments as at March 31, 2019	24.47
Discounted operating lease commitments as at April 1, 2019	14.86
Lease liabilities in respect of assets not included in operating lease commitments as at March 31, 2019	53.86
Commitments of leases previously classified as Finance Leases	6.70
Lease liabilities as at April 1, 2019	75.42
Additions	242.14
Finance cost expense (refer note 37)	18.91
Payment during the year (including interest ₹ 18.91 crore)	(25.94)
Balance as on 31st March 2020	310.53

Future minimum lease payments during next one year ₹ 31.27 crore, later than one year but not later than five years ₹ 152.07 crore and later than five years ₹ 127.19 crore applying 10% as weighted average incremental borrowing rate.

Other Expenses include short term leases of ₹ 2.69 crore and low-value assets of ₹ 0.73 crore, net of applicable taxes.

NOTE-49 India and other global markets experienced significant disruption in operations resulting from uncertainty caused by the worldwide outbreak of Coronavirus pandemic. The Group's business includes Generation and Distribution of power in India. Considering power supply being an essential service, management believes that there is not much of an impact likely due to this pandemic on the business of the Group except some lower demand and its, consequential impact on supply and collection from consumers, which are believed to be temporary in nature. The Group has duly ensured compliance with specific regulatory directives issued in the related matter.

The Group is taking all necessary steps and precautionary measures to ensure smooth functioning of its operations/business and to ensure the safety and well-being of all its employees.

The Group is closely monitoring developments, its operations, liquidity and capital resources and is actively working to minimize the impact of this unprecedented situation.

The Group has also performed impairment assessment of its assets and based on such assessment; no impairment is required be recognised in respect of such assets.

NOTE-50 Statement pursuant to requirement of Schedule III to the Companies Act 2013 relating to Company's interest in subsidiary companies / Associates / Joint Venture for the year ended 31 March 2020

₹ in crore

			31-Mar-20		2019-20		2019-20		2019-20	
Sl No.	Name of the Entities	Country of Incorporation	Net Assets	As % of Consolidated Net Assets	Profit	As % of Consolidated Profit/ (Loss)	Share in Other Comprehensive Income	As % of Consolidated Other Comprehensive Income	Share in Total Comprehensive Income	As % of Total Comprehensive Income
	Parent									
	CESC Limited	India	10,038.03	104.26%	917.75	70.49%	(33.16)	87.68%	884.59	69.97%
	Subsidiaries - Indian									
1	Haldia Energy Limited (HEL)	India	2,587.03	26.87%	317.72	24.40%	0.91	(2.41%)	318.63	25.20%
2	Dhariwal Infrastructure Limited	India	413.00	4.29%	(9.72)	(0.75%)	(0.43)	1.14%	(10.15)	(0.80%)
3	Surya Vidyut Limited (SVL) (70% CESC, 30% HEL)	India	294.42	3.06%	14.44	1.11%	0.11	(0.29%)	14.55	1.15%
4	Malegaon Power Supply Limited (formerly Nalanda Power Company Limited)	India	6.37	0.07%	(19.64)	(1.51%)	-	0.00%	(19.64)	(1.55%)
5	CESC Projects Limited	India	5.25	0.05%	(1.64)	(0.13%)	(0.03)	0.08%	(1.67)	(0.13%)
6	Pachi Hydropower Projects Limited	India	1.58	0.02%	(0.01)	(0.00%)	-	0.00%	(0.01)	(0.00%)
7	Papu Hydropower Projects Limited	India	0.78	0.01%	(0.01)	(0.00%)	-	0.00%	(0.01)	(0.00%)
8	Ranchi Power Distribution Company Limited	India	(3.41)	(0.04%)	(0.83)	(0.06%)	0.01	(0.03%)	(0.82)	(0.06%)
9	Kota Electricity Distribution Limited	India	45.62	0.47%	(50.57)	(3.88%)	(0.07)	0.19%	(50.64)	(4.01%)
10	Bharatpur Electricity Services Limited	India	19.56	0.20%	6.73	0.52%	(0.02)	0.05%	6.71	0.53%
11	Bikaner Electricity Supply Limited	India	80.30	0.83%	5.90	0.45%	(0.02)	0.05%	5.88	0.47%
12	Crescent Power Limited (CPL) (67.83% CESC)	India	266.64	2.77%	11.82	0.91%	(0.24)	0.63%	11.58	0.92%
13	CESC Green Power Limited	India	0.05	0.00%	(0.00)	(0.00%)	-	0.00%	(0.00)	(0.00%)
14	Jharkhand Electric Company Limited	India	30.46	0.32%	(1.73)	(0.13%)	0.07	(0.19%)	(1.66)	(0.13%)
15	Jarong Hydro Electric Power Company Limited	India	1.55	0.02%	(0.01)	(0.00%)	-	0.00%	(0.01)	(0.00%)
16	Eminent Electricity Distribution Limited	India	0.05	0.00%	(0.00)	(0.00%)	-	0.00%	(0.00)	(0.00%)
17	Au Bon Pain Café India Limited (93.1% subsidiary of CESC)	India	0.30	0.00%	(0.11)	(0.01%)	-	0.00%	(0.11)	(0.01%)
	Subsidiaries - Foreign									
18	Bantal Singapore Pte Limited	Singapore	3.17	0.03%	(0.18)	(0.01%)	(4.90)	12.96%	(5.08)	(0.40%)
	Non Controlling interest		(85.78)	(0.89%)	(3.80)	(0.29%)	0.08	(0.21%)	(3.72)	(0.29%)
	Investment in Associates (Equity Method)									
19	Noida Power Company Limited	India	506.49	5.26%	69.33	5.32%	(0.15)	0.40%	69.18	5.47%
	Investment in Joint Venture (Equity Method)									
20	Mahuagarhi Coal Company Private Limited	India	-	0.00%	-	0.00%	-	0.00%	-	0.00%
	Adjustment		(4,584.02)	(47.61%)	46.61	3.58%	0.02	(0.05%)	46.63	3.69%
			9,627.44	**100%**	**1,302.05**	**100%**	**(37.82)**	**100%**	**1,264.23**	**100%**

Note -51 Investment in Associate and Joint Venture

1 The Group holds 49.55% stake in Noida Power Company Limited accounted for in Equity method amounting to ₹ 507.16 crore (31.03.19 : ₹ 473.88 crore)
The table below provides summarised financial information for Noida Power Company Limited. The information disclosed reflects the amount presented in the financial statements of Noida Power Company Limited and not group's share of those amount

₹ in Crore

Summarised Balance Sheet	Noida Power Company Limited	
	31 March 2020	31 March 2019
Non Current assets	**1,178.80**	1,075.25
Current assets	**365.34**	320.05
Total Asset	**1,544.14**	1,395.30
Non current liabilities	**259.69**	254.89
Current liabilities	**435.97**	384.61
Total Liabilties	**695.66**	639.50
Regulatory Deferral Account Balances	**210.66**	243.01

For Commitment and Contingency - Refer note 32

₹ in Crore

Summarised Statement of Profit and Loss	Noida Power Company Limited	
	31 March 2020	31 March 2019
Income from Operations	1,729.79	1,535.52
Other Income	11.52	10.54
Revenue	**1,741.31**	1,546.06
Profit after tax before net movement in Regulatory deferral account balances	**172.28**	125.97
Net Movement in Regulatory deferral & related Deferred Tax	(32.36)	13.82
Profit after net movement in Regulatory deferral account balances	**139.92**	139.79
Total Other Comprehensive Income for the year, net of tax	(0.31)	(0.05)
Total Comprehensive Income for the year	**139.61**	139.74
Group share in profit in associate for the year	**69.33**	69.28
Group share in OCI in associate for the year	**(0.15)**	(0.02)
Dividend Received by Parent	**29.73**	15.00

2 The Group's interests in jointly controlled entity (incorporated joint venture) remains in Mahuagarhi Coal Company Private Limited, which was incorporated in India on 4th April, 2008 and percentage of ownership interest as at 31st March, 2020 stands at 50%. The company was incorporated for the development of Mahuagarhi coal field and exploration of coal therefrom. However the entity , being not material related disclosure has not been given.

NOTE-52 Fair value measurements

a) The carrying value and fair value of financial instruments by categories as at March 31, 2020 and March 31, 2019 is as follows:

₹ in crore

	31-Mar-20			31-Mar-19		
	Cost / Amortized cost	**FVTOCI**	**FVTPL**	Cost / Amortized cost	FVTOCI	FVTPL
Financial assets						
Investments						
- Equity #	-	35.27	-	-	38.80	-
- Preference shares	-	126.88	0.95	-	156.88	0.86
- Mutual funds	-	-	15.01	-	-	515.03
Loans	56.11	-	-	48.12	-	-
Trade Receivables	1,881.82	-	-	1,738.85	-	-
Cash and cash equivalents	1,212.87	-	-	502.56	-	-
Bank balances other than cash and cash equivalents	578.09	-	-	528.11	-	-
Derivative Financial Instrument	-	-	22.50	-	-	53.02
Other financial assets	181.26	-	-	107.26	-	-
Total financial assets	**3,910.15**	**162.15**	**38.46**	2,924.90	195.68	568.91
Financial liabilities						
Borrowings	13,990.86	-	-	14,472.12	-	-
Trade Payables	795.44	-	-	720.26	-	-
Security Deposit	1,628.00	-	-	1,487.04	-	-
Others	1,115.11	-	-	726.63	-	-
Total financial liabilities	**17,529.41**	**-**	**-**	17,406.05	-	-

excludes investments accounted under equity method

b) Fair value hierarchy

The table shown below analyses financial instruments carried at fair value, by valuation method.

₹ in crore

Financial assets and liabilities measured at fair value	**Level 1**	**Level 2**	**Level 3**	**Total fair value**	**Total carrying amount**
As at 31 March 2020					
Financial assets					
Investment in equity shares	13.19	-	22.08	35.27	35.27
Investment in preference shares	-	-	127.83	127.83	127.83
Investment in liquid mutual fund units	15.01	-	-	15.01	15.01
Derivative financial instrument - cross currency swap	-	22.50	-	22.50	22.50
Total financial assets	**28.20**	**22.50**	**149.91**	**200.61**	**200.61**
As at 31 March 2019					
Financial assets					
Investment in equity shares	16.84	-	21.96	38.80	38.80
Investment in preference shares	-	-	157.74	157.74	157.74
Investment in liquid mutual fund units	515.03	-	-	515.03	515.03
Derivative financial instrument - cross currency swap	-	53.02	-	53.02	53.02
Total financial assets	531.87	53.02	179.70	764.59	764.59

The different levels have been defined below:

Level 1: financial instruments measured using quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price. The mutual funds are valued using the closing NAV.
Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
Level 3: inputs for the asset or liability that are not based on observable market data.

c) The following methods and assumptions were used to estimate the fair values

i. The fair values of the mutual fund instruments are based on net asset value of units declared at the close of the reporting date. The fair value of equity shares are based on net asset value of entity as at reporting date.

ii. The fair values of the cross currency swap is determined using discounted cash flow analysis and swaps and options pricing models.

iii. The fair value of preference share is determined basis discounted cash flow wherein future cash flows are based on the terms of preference share discounted at rate that reflects market rate. Significant unobservable input used is discount rate and 0.50% increase / decrease in discount rate would result in decrease / increase in fair value of preference share by ₹ 0.07 crore. The fair value of equity share is determined basis discounted cash flow (31.03.19 net asset value). Significant unobservable input used is discount rate and growth rate and 0.50% increase / decrease in discount rate and growth rate would result in decrease / increase in fair value of equity share by ₹ 0.70 crore and ₹ 0.75 crore respectively.

iv. The carrying amounts of trade receivables, trade payables, investment in commercial paper, receivable towards claims and services rendered, other bank balances, interest accrued payable/receivable, cash and cash equivalents are considered to be the same as their fair values, due to their short term nature.

v. Loans, non-current borrowings, lease receivable and security deposits are based on discounted cash flows using a current borrowing rate.

vi. Fair value of financial Intruments which is determined on the basis of discounted cash flow analysis , considering the nature, risk profile and other qualitative factors. The carrying amounts will be reasonable approximation of the fair value.

d) Ind AS requires all financial assets / liabilities to be carried at fair value. Accordingly the difference between fair value and transaction value has been recognised as per applicable Ind AS.

NOTE-53 Miscellaneous expenses includes goodwill writeoff amounting to Nil (previous year : ₹ 2 crores)

NOTE-54 Related Party and their relationship

a) Parent- under de facto control as defined in Ind AS -110
Rainbow Investments Limited

b)
(i) Entities under common control

Name
Integrated Coal Mining Limited
RPG Power Trading Co Ltd
Philips Carbon Black Ltd.
Harrison Malayalam Limited
STEL Holdings Limited
Dotex Merchandise Pvt. Ltd.
Castor Investment Limited
Spencer's Retail Limited (formerly known as RP-SG Retail Limited)
Woodlands Multispeciality Hospital Limited
Sarala Real Estate Limited
Saregama India Ltd
Open Media Network Ltd
Omnipresent Retail India Pvt Ltd
Accurate Commodeal Pvt Ltd
Apricot Foods Pvt Ltd
Guiltfree Industries Limited
Nature’s Basket Limited (w. e. f. 4th July, 2019)
Kolkata Games & Sports Private Limited (KGSPL)
Kolkata Metro Network Pvt. Limited
Bowlopedia Restaurants India Limited
CESC Ventures Limited (formerly known as RP-SG Business Process Services Limited)
Quest Properties India Limited
Noida Power Company Limited (Associate of Parent)

(ii) Key Management Personnel

Name	Relationship
Mr. S. Goenka	Chairman
Mr. Shashwat Goenka	Vice-Chairman (w.e.f. 14th November, 2019)
Mr. P. Chaudhuri	Director
Mr. C .K Dhanuka	Director
Mr. K. Jairaj	Director
Mr. B .M. Khaitan	Director (upto 23rd May, 2018)
Mr. P.K. Khaitan	Director
Ms. R.Sethi	Director
Mr. Sunil Mitra	Director (w.e.f. 14th November, 2019)
Mr. Aniruddha Basu	Managing Director (upto 27th May, 2018)
Mr. Debasish Banerjee	Managing Director-Distribution (w.e.f. 28th May, 2018)
Mr. Rabi Chowdhury	Managing Director-Generation (w.e.f. 28th May, 2018)
Mr. Subhasis Mitra	Company Secretary
Mr. Rajarshi Banerjee	Executive Director & Chief Financial Officer

(iii) Other Related Parties

Name
Ms.Preeti Goenka (Shareholder and Relative of KMP)
Khaitan & Co LLP
Khaitan & Co. (Mumbai)
Khaitan & Co. (New Delhi)
Khaitan & Co. AOR
Khaitan & Co. (Kolkata)
Khaitan Consultants Ltd.
CESC Limited Provident Fund
Calcutta Electric Supply Corporation (I) Ltd. Senior Staff Pension Fund
CESC Executive Gratuity Fund
CESC Limited Employee's Gratuity Fund

NOTE 54 Related Party and their relationship....contd

c) Details of transaction between the Company and related parties and status of outstanding balance

₹ in Crore

Sl No	Nature of Transactions	Parent having Control in terms of Ind AS -110		Entities under common control		Key Management Personnel		Other Related Parties		Total	
		31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19
1	**Redemption of Preference Share**	-	-	**30.00**	30.00	-	-	-	-	**30.00**	30.00
2	**Expense (Reimbursed) /Recovered (net)**	-	-	**4.07**	70.58	-	-	-	-	**4.07**	70.58
3	**Income from sale / services**	-	-	**688.77**	663.68	-	-	-	-	**688.77**	663.68
4	**Dividend Received**	-	-	**12.18**	16.86	-	-	-	-	**12.18**	16.86
5	**Expenses / Services Received**	-	-	**536.58**	540.30	-	-	**5.50**	6.74	**542.08**	547.04
6	**Provident Fund & Retiral funds**	-	-	-	-	-	-	**253.58**	264.71	**253.58**	264.71
7	**(Sale) /Purchase of Assets**	-	-	**(0.01)**	(0.19)	-	-	-	-	**(0.01)**	(0.19)
8	**Dividend paid**	**117.59**	102.89	**14.18**	12.41	**0.49**	0.24	**0.08**	0.26	**132.34**	115.80
9	**Security Deposit Received**	-	-	**0.05**	0.03	-	-	-	-	**0.05**	0.03
10	**Remuneration of Key Mangerial Personnel**										
	Short Term Employee Benefits	-	-	-	-	**14.67**	13.09	-	-	**14.67**	13.09
	Post Employment Benefits	-	-	-	-	**1.99**	2.91	-	-	**1.99**	2.91
11	**Remuneration of Directors**	-	-	-	-	**51.76**	48.79	-	-	**51.76**	48.79
	Outstanding Balance :										
1	Debit	-	-	**185.02**	163.54	-	-	-	-	**185.02**	163.54
2	Credit	-	-	-	-	**50.95**	48.19	**68.97**	15.85	**119.92**	64.04

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables.

NOTE-55 Liability in respect of the security deposit collected by the Parent Company, in terms of applicable regulations, has been classified as non-current, given the nature of its business in the license area, excepting to the extent of the sum refundable / payable within a year, based on experience.

NOTE-56 The composite Scheme of Arrangement amongst the Parent and nine other companies and their respective shareholders has been made effective from 1st October, 2017 except for the demerger of the Generation Undertaking of CESC Limited into Haldia Energy Limited, a wholly owned subsidiary of CESC Limited ("the said Demerger") . However, the said Demerger proposal has been withdrawn with effect from 14th November 2019 and Haldia Energy Limited continues to be a wholly owned subsidiary of the Parent.

NOTE-57 The Group is primarily engaged in generation and distribution of electricity which is the only reportable business segment in line with the segment wise information which is being presented to the CODM. The Parent is also running a single retail store in the state of Gujarat which is not significant for the CODM and hence not considered as reportable segment.

The Group primarily operates in India and has all significant assets in India. No disclosure given for geographical segment as it is not material for CODM.

NOTE-58 The Group has reclassified previous year's figures to conform to this year's classification alongwith other regrouping / rearrangement wherever necessary.

For and on behalf of Board of Directors

For S.R.BATLIBOI & Co. LLP
Chartered Accountants
Firm Registration Number -301003E/E300005

Kamal Agarwal
Partner
Membership No.: 058652
Kolkata, 29th June, 2020

Chairman	Sanjiv Goenka	DIN : 00074796
Managing Director -Generation	Rabi Chowdhury	DIN : 06601588
Managing Director- Distribution	Debasish Banerjee	DIN : 06443204
Company Secretary	Subhasis Mitra	
Executive Director & CFO	Rajarshi Banerjee	

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of CESC Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019, 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 notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("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, 2019, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone Ind AS financial statements for the financial year ended March 31, 2019. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone Ind AS financial statements.

1. **Accrual of regulatory income and corresponding asset / liability** *(as described in note 39 of the standalone Ind AS financial statements)*

   Key Audit Matter:-

   The company recognizes regulatory income / assets / liability on the basis of its understanding and interpretation of tariff orders and regulations notified by the West Bengal Electricity Regulatory Commission (WBERC), which are subject matter of Annual Performance Review (APR) and will be adjusted in tariffs to be notified in the future years. Management exercises judgement in estimating such amounts using past experience from the issued Tariff / APR orders including interpretation of the regulations.

   In consideration of the significant value of regulatory balances, complexity and high degree of estimation involved in computation thereof and pending annual performance reviews, we identified accrual of regulatory balances as a key audit matter.

   How our audit addressed the key audit matter:

   Our audit procedures included the following:-

   - We have understood and carried out testing of the design and implementation of key controls related to accounting, valuation and recoverability of such regulatory balances and its disclosure in the financial statements of the Company.
   - We discussed with the management on the assumptions and estimates used for recognition of these regulatory balances and corroborated them with the applicable regulatory provisions, tariff orders and underlying records of the Company.
   - We discussed with the management on the consistency of its assumptions and basis of estimation for all the years for which APR assessments are pending to be completed and also verified the arithmetical accuracy of such workings.
   - We enquired from the management for notifications and correspondences with the regulator on the pending APR assessments.
   - We have assessed the disclosures in accordance with

the requirements of Ind AS 114 "Regulatory Deferral Accounts".

2. **Investments in subsidiaries of the Company** *(as described in note 7 of the standalone Ind AS financial statements)*

Key Audit Matter:-

The company carries its investment in subsidiaries at cost, as per the applicable Ind-AS standard and performs an impairment assessment, wherever required.

For these assessments, the company involves a valuer to determine the recoverable value of such investments using the discounted cash flow method of valuation, which is highly sensitive to changes in inputs used in valuation and involves judgement due to inherent uncertainty in the assumptions used for forecasting the future cash flows.

Accordingly, the impairment assessment of investments in subsidiary Companies was determined to be a key audit matter in our audit of the standalone Ind AS financial statements.

How our audit addressed the key audit matter:

Our audit procedures included the following:-

- We evaluated the objectivity and competence of the external valuation specialist involved for such valuation and obtained confirmation of independence from them.
- We discussed with the management the methodology and assumptions used in the valuation including, discount rates, expected growth rates and terminal growth rates.
- We obtained suitable management representation on the projections of future cash flows and the various assumptions used in the valuation.
- We studied the audited financial statements of these subsidiary companies since the year of commencement of their operations. We discussed with the management the reported improvement in performance of these companies over the years.

We have determined that there are no other key audit matters to communicate in our report.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the Directors Report, Management Discussion and Analysis, Report on corporate governance, Additional shareholder information, Report on CSR, Business Responsibility Report and Statement containing salient features of the financial statements of Subsidiaries / Associates / Joint Ventures, but does not include the standalone Ind AS financial statements and our auditor's report thereon.

Our opinion on the standalone Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management 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 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 the 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 judgements 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 standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements

Our objective is to obtain reasonable assurance about whether the standalone Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements for the financial year ended March 31, 2019 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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, 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 purposes 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;

(c) The Balance Sheet, the 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;

(d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 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 in "Annexure 2" to this report;

(g) In our opinion, the managerial remuneration for the year ended March 31, 2019 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:

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 has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts in the standalone Ind AS financial statements;

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: Kolkata
Date: May 17, 2019

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 fixed assets are held in the name of the Company, except for land aggregating to ` 201.46 crore, of which the lease deeds have expired. As explained to us, the Company is in the process of renewal of expired lease deeds.

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, 2019 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, goods and service tax and cess on account of any dispute, are as follows:

Name of the Statute	Nature of the Dues	Amount (` 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.

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: Kolkata
Date: May 17, 2019

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE IND AS FINANCIAL STATEMENTS OF CESC LIMTED

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, 2019 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 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 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 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 Standalone Ind AS 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, 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, 2019, 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.

For **S.R. Batliboi & CO. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Kamal Agarwal
Partner
Membership Number: 058652

Place: Kolkata
Date: May 17, 2019

Balance Sheet as at 31st March, 2019

` in crore

Particulars		Note No.	As at 31st March, 2019	As at 31st March, 2018
ASSETS				
Non-current Assets				
Property, Plant and Equipment		4	**14,553.23**	14,594.03
Capital work-in-progress			**66.54**	126.66
Investment Property		5	**56.03**	56.03
Intangible Assets		6	**127.11**	137.28
Financial Assets				
Investments		7	**4,429.57**	4,193.29
Loans		8	**32.60**	32.42
Others		9	**56.21**	217.25
Other Non current assets		10	**141.95**	134.04
	(A)		**19,463.24**	19,491.00
Current Assets				
Inventories		11	**382.63**	386.97
Financial Assets				
Investments		12	**513.03**	506.37
Trade receivables		13	**1,028.25**	1,041.49
Cash and cash equivalent		14	**321.30**	435.68
Bank balances other than cash and cash equivalent		15	**302.28**	286.92
Others		16	**101.75**	97.15
Other current assets		17	**330.16**	262.39
	(B)		**2,979.40**	3,016.97
Regulatory deferral account balances	**(C)**	18	**3,646.26**	3,521.54
TOTAL ASSETS	**(A+B+C)**		**26,088.90**	26,029.51
EQUITY AND LIABILITIES				
Equity				
Equity Share capital		19	**133.22**	133.22
Other Equity		20	**9,630.85**	9,314.47
	(D)		**9,764.07**	9,447.69
Liabilities				
Non-current Liabilities				
Financial Liabilities				
Borrowings		21	**3,360.03**	3,667.49
Trade Payables				
(a) Total outstanding dues to micro enterprise & small enterprises			**-**	-
(b) Total outstanding dues of creditors other than micro enterprise & small enterprises			**43.63**	41.02
Consumers' Security Deposits		45	**1,482.58**	1,505.59
Others		22	**6.70**	6.41
Provisions		23	**333.22**	286.63
Deferred tax liabilities (Net)		24	**3,474.98**	3,487.21
Other non current liabilities		25	**218.66**	206.68
	(E)		**8,919.80**	9,201.03
Current Liabilities				
Financial Liabilities				
Borrowings		26	**1,485.44**	1,292.93
Trade Payables				
(a) Total outstanding dues to micro enterprise & small enterprises		27	**5.51**	6.92
(b) Total outstanding dues of creditors other than micro enterprise & small enterprises			**613.64**	480.85
Others		28	**3,167.92**	3,120.81
Other current liabilities		29	**582.40**	496.64
Provisions		30	**63.18**	84.39
Current Tax Liabilities (net)			**85.27**	62.26
	(F)		**6,003.36**	5,544.80
Regulatory deferral account balances	**(G)**	18	**1,401.67**	1,835.99
TOTAL EQUITY AND LIABILITIES	**(D+E+F+G)**		**26,088.90**	26,029.51
Notes forming part of Financial Statements		1-54		

This is the Balance Sheet referred to in our Report of even date.

For and on behalf of Board of Directors

For S.R.BATLIBOI & CO LLP
Chartered Accountants
Firm Registration Number -301003E/E300005

Chairman	Sanjiv Goenka	DIN : 00074796
Managing Director -Generation	Rabi Chowdhury	DIN : 06601588
Managing Director- Distribution	Debasish Banerjee	DIN : 06443204
Company Secretary	Subhasis Mitra	
Executive Director & CFO	Rajarshi Banerjee	

Kamal Agarwal
Partner
Membership No.: 058652
Kolkata, 17th May, 2019

Statement of Profit and Loss for the year ended 31st March, 2019

` in crore

Particulars	Note No.	2018-19	2017-18
Revenue from operations	32	**7,753.67**	7,785.84
Other income	33	**164.91**	167.94
Total Income		**7,918.58**	7,953.78
Expenses			
Cost of electrical energy purchased		**2,999.22**	2,958.18
Cost of fuel	34	**1,556.20**	1,401.65
Purchase of stock-in-trade		**19.94**	11.51
Employee benefits expense	35	**926.03**	859.67
Finance costs	36	**466.36**	483.90
Depreciation and amortisation expense	37	**432.62**	425.64
Other expenses	38	**895.02**	920.09
Total expenses		**7,295.39**	7,060.64
Profit from continuing operations before regulatory income and tax		**623.19**	893.14
Regulatory Income (net)	39	**571.26**	209.24
Profit before tax from continuing operations		**1,194.45**	1,102.38
Tax expense			
Current tax		**(257.40)**	(237.72)
Deferred tax- Income		**11.75**	69.32
Regulatory expense- deferred tax		**(11.75)**	(69.32)
Profit for the year from continuing operations		**937.05**	864.66
Loss before tax from discontinued operations	51	**-**	(3.75)
Tax credit of discontinued operations	51	**-**	0.80
Loss for the year from discontinued operations		**-**	(2.95)
Profit for the year		**937.05**	861.71
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit plan		**(41.03)**	(20.84)
Income tax on above		**8.84**	4.50
Gain/(loss) on fair value of Investments		**(2.06)**	7.55
Deferred tax charge/(credit) on above		**0.48**	(1.76)
Regulatory Income / (expense) -deferred tax		**(0.48)**	1.76
Other comprehensive income for the year (net of tax)		**(34.25)**	(8.79)
Total comprehensive income for the year		**902.80**	852.92
Earnings per equity share (Face value of `10 per share)	47		
Basic & Diluted from continuing operations		**70.69**	65.23
Basic & Diluted from discontinued operations		**-**	(0.22)
Basic & Diluted from continuing and discontinued operations		**70.69**	65.01
Notes forming part of Financial Statements	1-54		

This is the Statement of Profit and Loss referred to in our Report of even date.

For and on behalf of Board of Directors

For S.R.BATLIBOI & CO LLP
Chartered Accountants
Firm Registration Number -301003E/E300005

Kamal Agarwal
Partner
Membership No.: 058652
Kolkata, 17th May, 2019

Chairman	Sanjiv Goenka	DIN : 00074796
Managing Director -Generation	Rabi Chowdhury	DIN : 06601588
Managing Director- Distribution	Debasish Banerjee	DIN : 06443204
Company Secretary	Subhasis Mitra	
Executive Director & CFO	Rajarshi Banerjee	

` in crore

	Particulars	2018-19	2017-18
A.	**Cash flow from Operating Activities**		
	Profit before tax from continuing operations	**1,194.45**	1,102.38
	Loss before tax for the year from discontinued operations	**-**	(3.75)
	Adjustments for :		
	Depreciation and amortisation expense	**432.62**	429.39
	Loss/(Profit) on sale / disposal of Property, Plant and Equipment (net)	**2.84**	(1.53)
	Gain on sale/fair valuation of current investments (net)	**(38.08)**	(50.46)
	Provision for Bad Debt	**0.69**	17.60
	Bad debts, advances, other receivables written off	**74.47**	67.00
	Dividend Income	**(15.00)**	(7.49)
	Finance costs	**466.36**	483.90
	Interest Income	**(33.85)**	(17.58)
	Other non-operating income	**(42.85)**	(62.85)
	Operating Profit before Working Capital changes	**2,041.65**	1,956.61
	Adjustments for change in:		
	Trade & other receivables	**(222.47)**	(109.51)
	Inventories	**4.34**	(8.35)
	Trade and other payables	**(392.18)**	(104.38)
	Cash Generated from Operations	**1,431.34**	1,734.37
	Income Tax paid (net of refund)	**(211.68)**	(160.50)
	Net cash flow from Operating Activities	**1,219.66**	1,573.87
B.	**Cash flow from Investing Activities**		
	Purchase of Property, Plant and Equipment / Capital Work-in-Progress	**(644.59)**	(604.14)
	Proceeds from Sale of Property, Plant and Equipment	**5.09**	10.39
	Investment in subsidiaries including advance for share subscription	**(84.10)**	(534.46)
	Sale/(purchase) of Current Investments (net)	**12.80**	96.30
	Income from investment property	**13.31**	12.10
	Net Movement in Bank Balances other than Cash and Cash Equivalents	**(15.36)**	(45.35)
	Dividend received	**15.00**	7.49
	Interest received	**35.75**	15.27
	Net cash used in Investing Activities	**(662.10)**	(1,042.40)

Cash Flow Statement for the year ended 31st March, 2019

` in crore

	Particulars	2018-19	2017-18
C.	**Cash flow from Financing Activities**		
	Proceeds from Non Current Borrowings	**1,138.00**	1,140.00
	Repayment of Non Current Borrowings	**(1,240.74)**	(991.32)
	Net movement in Cash credit facilities and other Current Borrowings	**192.51**	(190.20)
	Finance Costs paid	**(482.68)**	(502.19)
	Dividend paid	**(231.35)**	(157.81)
	Dividend tax paid	**(47.68)**	(32.38)
	Net Cash used in Financing Activities	**(671.94)**	(733.90)
	Net decrease in cash and cash equivalents	**(114.38)**	(202.43)
	Cash and Cash equivalents - Opening Balance [Refer Note 14]	**435.68**	682.81
	Cash and Cash equivalents - Acquired Pursuant to Scheme of Arrangement	**-**	0.30
	Cash and Cash equivalents - Transferred Pursuant to Scheme of Arrangement	**-**	(45.00)
	Cash and Cash equivalents - Closing Balance [Refer Note 14]	**321.30**	435.68

` in crore

Changes in liabilities arising from financing activities	**01-Apr-18**	**Cash Flows**	**Others**	**31-Mar-19**
Current borrowings	**1,292.93**	**192.51**	**-**	**1,485.44**
Non-Current borrowings (including current maturities)	**4,666.52**	**(102.74)**	**13.72**	**4,577.50**
Total liabilities from financing activities	**5,959.45**	**89.77**	**13.72**	**6,062.94**

Changes in liabilities arising from financing activities	**01-Apr-17**	**Cash Flows**	**Others**	**31-Mar-18**
Current borrowings	1,435.13	(190.20)	48.00	1,292.93
Non-Current borrowings (including current maturities)	4,550.29	148.68	(32.45)	4,666.52
Total liabilities from financing activities	5,985.42	(41.52)	15.55	5,959.45

This is the Cash Flow Statement referred to in our Report of even date.

For and on behalf of Board of Directors

For S.R.BATLIBOI & CO LLP
Chartered Accountants
Firm Registration Number -301003E/E300005

Kamal Agarwal
Partner
Membership No.: 058652
Kolkata, 17th May, 2019

Chairman	Sanjiv Goenka	DIN : 00074796
Managing Director -Generation	Rabi Chowdhury	DIN : 06601588
Managing Director- Distribution	Debasish Banerjee	DIN : 06443204
Company Secretary	Subhasis Mitra	
Executive Director & CFO	Rajarshi Banerjee	

Statement of changes in Equity for the year ended 31 st March 2019

` in crore

A Equity Share Capital

Particulars	Balance at the beginning of the reporting period	Changes in equity share capital during the year	Balance at the end of the reporting period
Equity Shares of `10 each issued , subscribed and fully paid			
As at 31 March 2018	133.22	-	133.22
As at 31 March 2019	133.22	-	133.22

B Other Equity

Particulars	Reserves and Surplus *					Total
	Securities Premium	Capital Redemption Reserve	Retained Earnings	Fund for unforeseen exigencies	Equity Instruments through Other Comprehensive Income	
Balance as at 1 April, 2018	-	-	9,062.75	244.17	7.55	**9,314.47**
Profit for the year			937.05			**937.05**
Other Comprehensive Income/(expense) for the year (net of tax)			(32.19)		(2.06)	**(34.25)**
Total	-	-	9,967.61	244.17	5.49	**10,217.27**
Dividends paid (incl tax there on) [refer note 19(f)]			(279.66)			**(279.66)**
Transfer to/from retained earnings			(16.26)	16.26		-
Withdrawal of additional depreciation during the year (refer note 49)			(304.04)			**(304.04)**
Withdrawal of residual amount added on fair valuation consequent to sale/ disposal of assets (refer note 49)			(2.72)			**(2.72)**
Balance as at 31 March, 2019	**-**	**-**	**9,364.93**	**260.43**	**5.49**	**9,630.85**

Particulars	Reserves and Surplus *					Total
	Securities Premium	Capital Redemption Reserve	Retained Earnings	Fund for unforeseen exigencies	Equity Instruments through Other Comprehensive Income	
Balance as at 1 April, 2017	1,738.03	20.13	11,204.13	228.24		13,190.53
Profit for the year			861.71			861.71
Other Comprehensive Income/(expense) for the year (net of tax)			(16.34)		7.55	(8.79)
Total	1,738.03	20.13	12,049.50	228.24	7.55	14,043.45
Adjustment pursuant to Scheme of Arrangement (refer Note 51)	(1,738.03)	(20.13)	(2,467.94)			(4,226.10)
Dividends paid (incl tax there on)			(191.45)			(191.45)
Transfer to/ from retained earnings			(15.93)	15.93		-
Withdrawal of additional depreciation during the year (refer note 49)			(306.25)			(306.25)
Withdrawal of residual amount added on fair valuation consequent to sale/ disposal of assets (refer note 49)			(5.18)			(5.18)
Balance as at 31 March, 2018	-	-	9,062.75	244.17	7.55	9,314.47

* refer note 20

This is the Statement of Changes in Equity referred to in our Report of even date.

For and on behalf of Board of Directors

For S.R.BATLIBOI & CO LLP
Chartered Accountants
Firm Registration Number -301003E/E300005

Kamal Agarwal
Partner
Membership No.: 058652
Kolkata, 17th May, 2019

Chairman	Sanjiv Goenka	DIN : 00074796
Managing Director -Generation	Rabi Chowdhury	DIN : 06601588
Managing Director- Distribution	Debasish Banerjee	DIN : 06443204
Company Secretary	Subhasis Mitra	
Executive Director & CFO	Rajarshi Banerjee	

NOTE-1 The operations of the Company are governed by the Electricity Act, 2003 and various Regulations and / or Policies framed thereunder by the appropriate authorities. Accordingly, in preparing the financial statements the relevant provisions of the said Act, Regulations etc. have been duly considered.

NOTE-2A SIGNIFICANT ACCOUNTING POLICIES

The standalone financial statements have been prepared to comply in all material aspects with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) under Section 133 of the Companies Act, 2013 and other provisions of the Companies Act, 2013 and the regulations under the Electricity Act, 2003 to the extent applicable. A summary of important accounting policies which have been applied consistently are set out below.

(a) Basis of Accounting

The financial statements have been prepared on the historical cost convention except for the following:

i. Investments, except investment in subsidiaries, associates and joint ventures, are carried at fair value.

ii. Certain financial assets and liabilities (including derivative instruments) are measured at fair value.

(b) Use of estimates

As required under the provisions of Ind AS for preparation of financial statements in conformity thereof, the management has made judgements, estimates and assumptions that affect the application of accounting policies, and the reported amount of assets, liabilities, income and expenses and disclosures. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

(c) Property, plant and equipment (PPE)

Tangible Assets and Depreciation

Tangible Assets are stated either at deemed cost as considered on the date of transition to Ind- AS or at cost of acquisition / construction together with any incidental expenses related to acquisition and appropriate borrowing costs, less accumulated depreciation and accumulated impairment loss, if any. An impairment loss is recognized where applicable, when the carrying value of tangible assets of cash generating unit exceed its fair value or value in use, whichever is higher.

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 useful life specified therein, the basis of which is considered by the West Bengal Electricity Regulatory Commission (Commission) in determining the tariff for the year of the Company. Leasehold land is amortized over the unexpired period of the lease as appropriate. Additional charge of depreciation for the year on increase in value arising from fair valuation on date of transition to Ind AS, is recouped from Retained Earnings. Leasehold improvement is amortized over the unexpired period of the lease.

Useful Life of Tangible Assets is as follows:

Particulars	Useful Life of Assets
Buildings and Structures	25-50 Years
Plant and Equipment	5-25 Years
Distribution System	25-35 Years
Meters	7-15 Years
River Tunnel	50 Years
Furniture and Fixtures	15 Years
Office Equipment	5-15 Years
Vehicles	5 Years
Railway Sidings	50 Years

(d) Investment properties

Property that is held for long term rental yields is classified as investment property. Carrying amount as per previous GAAP has been considered as deemed cost as on date of transition to Ind AS.

(e) Intangible Assets and amortisation

Intangible assets comprising computer software and mining rights, expected to provide future enduring economic benefits are stated either at deemed cost as considered on date of transition to Ind AS or at cost of acquisition / implementation / development less accumulated amortisation. The present value of the expected cost of restoration of the coal mine is included in its cost. An impairment loss is recognized where applicable, when the carrying value of intangible assets of cash generating unit exceed its fair value or value in use, whichever is higher.

Cost of intangible assets, comprising Computer Software related expenditure, are amortised in three years over its estimated useful life. Mining rights are also amortised over the estimated useful life of the assets of twenty years based on management's internal assessment.

(f) Lease

A lease is classified as a finance or an operating lease as applicable.

Company as lessee

Finance lease

Finance leases are capitalised at present value of the minimum lease payments at the lease's inception and disclosed as leased property. Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability.

A leased asset is depreciated over the useful life of the asset.

Operating lease

Lease payments under operating leases are recognised as an expense on a straight line basis in the Statement of Profit and Loss over the lease term except where the lease payments are structured to increase in line with expected general inflation.

Company as lessor

Operating lease

Lease earnings under operating leases are recognised as an income on a straight line basis in the Statement of Profit and Loss over the lease term except where increase is in line with expected general inflation. The respective leased assets are included in the Balance Sheet based on their nature.

(g) Financial asset

The financial assets are classified in the following categories:

1) Financial assets measured at amortised cost.
2) Financial assets measured at fair value through profit and loss.
3) Equity instruments.

The classification of financial assets depends on the Company's business model for managing financial assets and the contractual terms of the cash flow.

At initial recognition, the financial assets are measured at their fair value.

Financial assets measured at amortised cost

Assets that are held for collection of contractual cash flows and where those cash flows represent solely payments of principal and interest are measured at amortised cost. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate method. The losses arising from impairment are recognised in the Statement of Profit and Loss.

Financial instruments measured at fair value through profit and loss (FVTPL)

Financial instruments included within fair value through profit and loss category are measured initially as well as at each reporting period at fair value plus transaction costs as applicable. Fair value movements are recorded in Statement of Profit and Loss. Investments in mutual funds are measured at fair value through profit and loss.

Equity instruments

Equity investments in scope of Ind AS 109 are measured at fair value. At initial recognition, the Company makes an irrevocable election to present in other comprehensive income subsequent changes in the fair value. If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI.

Investment in subsidiaries, associates and joint ventures are carried at cost or at deemed cost as considered on the date of transition to Ind-AS less provision for impairment loss, if any. Investments are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount.

Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk (refer Note 41).

For trade receivables the simplified approach of expected life time losses has been used from initial recognition of the receivables as required by Ind AS 109 Financial Instruments.

(h) Financial liabilities

Financial liabilities are measured at amortised cost using the effective interest rate method.

Cost of commitment for borrowings of subsidiaries/associates are recognised as a liability at the time such commitment is issued. The liability is initially measured at fair value and subsequently at the amount initially recognised less cumulative amortisation.

(i) Derivatives

The Company uses derivative financial instruments such as forward currency contracts and interest rate swaps to hedge its foreign currency risks and interest rate risks respectively. Such derivative financial instruments are recognised at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Gains or losses arising from such fair valuation of derivatives also give rise to regulatory income or expense which is recognised through Statement of Profit and Loss and would be considered in determining the Company's future tariff as per the tariff regulations.

(j) Inventories

Inventories of stores, fuel and traded goods are valued at lower of cost and net realizable value. Cost is calculated on weighted average basis and comprises expenditure incurred in the normal course of business in bringing such inventories to their present location and condition.

Obsolete, slow moving and defective inventories are identified at the time of physical verification of inventories and where necessary, adjustment is made for such items.

(k) Foreign Currency Transactions

The Company's financial statements are presented in INR which is also the functional currency of the Company. Transactions in foreign currency are accounted for at the exchange rate prevailing on the date of transactions. Transactions remaining unsettled are translated at the exchange rate prevailing at the end of the financial year. Exchange gain or loss arising on settlement/ translation of monetary items is recognized in the Statement of Profit and Loss.

The outstanding loans repayable in foreign currency are restated at the year-end exchange rate. Exchange gain or loss arising in respect of such restatement also gives rise to regulatory income or expense which is recognised as refundable or recoverable, which will be taken into consideration in determining the Company's future tariff in respect of the amount settled duly considering as appropriate, the impact of the derivative contracts entered into for managing risks thereunder.

(l) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and term deposits.

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalent includes cash, cheques and draft on hand. Balances with banks which are unrestricted for withdrawal/usages and highly liquid financial investments that are readily convertible to known amounts of cash which are subject to an insignificant risk of changes in value. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

(m) Revenue from Operations

Revenue from contracts with customers is recognised on supply of electricity or when services are rendered to the customers at an amount that reflects the consideration to which the company is entitled under appropriate regulatory framework.

Revenue to be earned from sale of electricity is regulated based on parameters set out in tariff regulations issued from time to time.

Earnings from sale of electricity are net of discount for prompt payment of bills and do not include electricity duty collected from consumers and payable to the State Government.

The Company receives contribution from consumers in accordance with the Regulation, that is being used to construct or acquire items of property, plant and equipment in order to connect the consumer to the Company's distribution network. The Company recognises revenue in respect for such contributions so received from consumers in the year they are connected to the distribution network.

Income from meter rent is accounted for as per the approved rates.

(n) Other Income

Income from investments and deposits etc. is accounted for on accrual basis inclusive of related tax deducted at source, wherever applicable. Delayed Payment Surcharge, as a general practice, is determined and recognised on receipt of overdue payment from consumers. Interest income arising from financial assets is accounted for using amortised cost method. Dividend Income is recognised when the right to receive is established.

(o) Employee Benefits

The Company recognises contributions to provident fund, pension funds on an accrual basis. Provident Fund contributions are made to a fund administered through duly constituted approved independent trust. The interest rate payable to the members of the trust shall not be lower than the statutory rate of interest declared by the Central Government under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and deficiency, if any, is made good by the Company, impact of which is ascertained by way of actuarial valuation as at the year end. The Company, as per its schemes, extends employee benefits current and/or post retirement which are accounted for on accrual basis, and includes actuarial valuation as at the Balance Sheet date in respect of gratuity, leave encashment and certain other retiral benefits, to the extent applicable, done by independent actuary. Actuarial gains and losses, where applicable, are recognised through Other Comprehensive Income. Compensation in respect of voluntary retirement scheme is charged to revenue.

(p) Finance Costs

Finance Costs comprise interest expenses, applicable gain / loss on foreign currency borrowings in appropriate cases and other borrowing costs. Such Finance costs attributable to acquisition and / or construction of qualifying assets are capitalized as a part of cost of such assets up to the date, where such assets are ready for their intended use. The balance Finance Costs is charged off to Statement of Profit and Loss. Finance Costs in case of foreign currency borrowings is accounted for as appropriate, duly considering the impact of the derivative contracts entered into for managing risks thereof. Interest expense arising from financial liabilities is accounted for under effective interest rate method.

(q) Taxes

Current tax represents the amount payable based on computation of tax as per prevailing taxation laws under the Income Tax Act, 1961.

Provision for deferred taxation is made using liability method on temporary difference arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled. Deferred Tax Assets are recognized subject to the consideration of prudence and are periodically reviewed to reassess realization thereof. Deferred Tax Liability or Asset will give rise to actual tax payable or recoverable at the time of reversal thereof.

Current and Deferred tax relating to items recognised outside profit or loss, that is either in other comprehensive income (OCI) or in equity, is recognised along with the related items.

Since tax on profits forms part of chargeable expenditure under the applicable regulations, deferred tax liability or asset is recoverable or payable through future tariff. Hence, recognition of deferred tax asset or liability is done with corresponding recognition of regulatory liability or asset, as applicable.

(r) Provisions and contingent liabilities

Provisions are recognised when the Company has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

A disclosure for contingent liabilities is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources embodying economic benefits will be required to settle or a reliable estimate of the amount cannot be made.

(s) Business combination

Business combination involving entities or businesses under common control are accounted for using the pooling of interest method whereby the assets and liabilities of the combining entities / business are reflected at their carrying value and necessary adjustments , if any, have been given effect to as per the scheme approved by National Company Law Tribunal.

(t) Regulatory deferral account balances

The Company is a rate regulated entity and has elected to adopt Ind AS 114, Regulatory Deferral Accounts. Expenses/Income are recognized as Regulatory Income/Expenses in the Statement of Profit and Loss to the extent recoverable or payable in subsequent periods based on the Company's understanding of the provision of the applicable regulations framed by the West Bengal Electricity Regulatory Commission (WBERC) and/or their pronouncements/orders, with corresponding balances shown in the Balance Sheet as Regulatory Deferral Account balances. Regulatory Deferral Account balances are adjusted from the year in which these crystallise.

NOTE-2B Summary of significant judgements and assumptions

The preparation of financial statements requires the use of accounting estimates, judgements and assumptions which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies. Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

The areas involving critical estimates or judgements are :-

Estimated useful life of Intangible Assets -Note -2A (e)

Estimated Fair Valuation/Impairment assessment of certain Investments -Note-7 & Note-2A (g)

Estimation of Regulatory Items - Note -18 & 39

Estimation of Restoration Liability- Note- 2A (e)

Impairment of Trade Receivables -Note - 2A (g)

Estimates used in Actuarial Valuation of Employee benefits -Note-35

NOTE-2C Changes in Accounting Policy

Ind AS 115 was issued on March 28, 2018 and supercedes Ind AS 11 "Construction Contracts" and Ind AS 18 "Revenue" and it applied, with limited exception, to all revenue arising from contract with customers from 1st April, 2018. The company has adopted IndAS 115 using modified retrospective approach. However, the application of standard does not have any impact on the recognition and measurement of revenue and related items.

Other amendments and interpretations apply for the first time in March 2019, but do not have an impact on the financial statements of the Company. The Company has not early adopted any standards or amendments that have been issued but are not yet effective.

NOTE- 3 New standards that are not yet effective

The amendments to standards issued but not yet effective up to the date of issuance of the Company's financial statements is disclosed below. The Company intends to adopt this standard, if applicable, when it becomes effective.

a Issue of Ind AS 116- Leases

Ind AS 116 Leases was notified in March 2019 and it replaces Ind AS 17 Leases. Ind AS 116 is effective for annual periods beginning on or after 1 April 2019. It sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. Lessor accounting under Ind AS 116 is substantially unchanged from today's accounting under Ind AS 17. Ind AS 116 requires lessees and lessors to make more extensive disclosures than under Ind AS 17. The Company is in the process of evaluating the requirements of the standard and its impact on its financial statements.

b Amendment to Existing Ind AS

The MCA has also carried out amendments of the following accounting standards:

i. Ind AS 12 - Income Taxes

ii. Ind AS 109 - Financial Instruments

iii. Ind AS 19 - Employee Benefits

iv. Ind AS 23 - Borrowing Costs

v. Ind AS 28 - Investments in Associates and Joint Ventures and

vi. Ind AS 103 - Business Combinations

Application of above amendments does not have significant impact on the Company's financial statements.

NOTE - 4 PROPERTY , PLANT AND EQUIPMENT

` in Crore

PARTICULARS	COST/ DEEMED COST					DEPRECIATION / AMORTISATION					NET BLOCK	
	As at 1st April, 2018	Additions/ Adjustments	Adjustment pursuant to Scheme of Arrangement	Less : Withdrawals/ Adjustments	**As at 31st March, 2019**	As at 1st April, 2018	Additions/ Adjustments	Adjustment pursuant to Scheme of Arrangement	Less : Withdrawals/ Adjustments	**As at 31st March, 2019**	**As at 31st March, 2019**	As at 31st March, 2018
Land												
Freehold	2,474.14	-	-	-	**2,474.14**	-	-	-	-	**-**	**2,474.14**	2,474.14
Leasehold (refer note below)	577.62	0.03	-	-	**577.65**	59.96	19.47	-	-	**79.43**	**498.22**	517.66
Buildings and Structures *	710.00	35.35	-	-	**745.35**	109.26	32.10	-	-	**141.36**	**603.99**	600.74
Plant and Equipment	5,506.10	191.71	-	5.31	**5,692.50**	950.63	340.50	-	3.53	**1,287.60**	**4,404.90**	4,555.47
Distribution System	6,703.26	400.20	-	21.26	**7,082.20**	709.47	278.67	-	18.07	**970.07**	**6,112.13**	5,993.79
Meters and Other Apparatus on Consumers' Premises	323.82	40.77	-	10.86	**353.73**	52.58	35.82	-	5.77	**82.63**	**271.10**	271.24
River Tunnel	2.78	-	-	-	**2.78**	1.65	0.56	-	-	**2.21**	**0.57**	1.13
Furniture and Fixtures	27.60	8.17	-	0.26	**35.51**	7.28	1.86	-	0.11	**9.03**	**26.48**	20.32
Office Equipment	93.58	10.32	-	0.57	**103.33**	25.08	9.02	-	0.32	**33.78**	**69.55**	68.50
Vehicles	6.52	5.55	-	0.72	**11.35**	1.35	1.28	-	0.54	**2.09**	**9.26**	5.17
Railway Sidings	94.55	-	-	-	**94.55**	8.68	2.98	-	-	**11.66**	**82.89**	85.87
	16,519.97	**692.10**	**-**	**38.98**	**17,173.09**	**1,925.94**	**722.26**	**-**	**28.34**	**2,619.86**	**14,553.23**	14,594.03
Previous Year	15,846.32	728.16	16.26 #	70.77	16,519.97	1,250.03	718.54	14.03 #	56.66	1,925.94	14,594.03	

Refer Note 51

* includes leasehold improvements

1. The lease term in respect of land acquired under finance lease ranges from 30-99 years, which is renewable at the option of lessee or as mutually agreed. Future minimum lease obligation payable on leasehold land during next one year ` 0.83 crore (as on 31.03.18: ` 0.83 crore) later than one year but not later than five years ` 2.64 crore (as on 31.03.18: ` 2.64 crore) and later than five years ` 3.23 crore ( as on 31.03.18: ` 3.45 crore)

2. The company is in the process of renewing the lease agreement, in respect of certain leasehold land, having Gross Block ` 210.34 crore (Net Block: ` 201.46 crore).

NOTE - 5 INVESTMENT PROPERTY

` in Crore

PARTICULARS	COST / DEEMED COST				DEPRECIATION / AMORTISATION				NET BLOCK	
	As at 1st April, 2018	Additions/ Adjustments	Withdrawals/ Adjustments	**As at 31st March, 2019**	As at 1st April, 2018	Additions/ Adjustments	Withdrawals/ Adjustments	**As at 31st March, 2019**	**As at 31st March, 2019**	As at 31st March, 2018
Land - Freehold	56.03	-	-	**56.03**	-	-	-	-	**56.03**	56.03
	56.03	-	-	**56.03**	-	-	-	-	**56.03**	**56.03**
Previous Year	56.03	-	-	56.03	-	-	-	-	56.03	

a) Income earned recognised in Statement of profit and loss ` 12.27 crore (previous year : ` 12.26 crore)

b) Fair valuation of the above land as per rent capitalisation method (income approach) amounts to ` 288 crore( as on 31.03.18 : `282 crore) as per approved independent valuer and categorised as level 2. The main inputs used in determining the fair valuation of the Investment Property are utility , marketability , self liquidity , future rentals , etc.

c) The lease term in respect of Investment property given under Operating Lease is 25 years which can be extended upon the sole discretion of the Company. This lease has been granted to Quest Properties India Limited to construct, develop, operate and maintain a mall during the said lease term and the aforesaid property has been offered as security in respect of financial assistance availed of by the said Company. Incentive given by the Company by way of rent free period for development of the Investment Property has been spread across the period of the contract. Future minimum lease rental receivables during next one year ` 12.27 crore (as on 31.03.18: ` 12.26 crore) later than one year but not later than five years ` 49.05 crore (as on 31.03.18: ` 49.05 crores) and later than five years ` 106.28 crore (as on 31.03.18: ` 118.54 crores).

NOTE - 6 INTANGIBLE ASSETS

` in Crore

PARTICULARS	COST / DEEMED COST					AMORTISATION					NET BLOCK	
	As at 1st April, 2018	Additions/ Adjustments	Adjustment pursuant to Scheme of Arrangement	Less : Withdrawals/ Adjustments	**As at 31st March, 2019**	As at 1st April, 2018	Additions/ Adjustments	Adjustment pursuant to Scheme of Arrangement	Less : Withdrawals/ Adjustments	**As at 31st March, 2019**	**As at 31st March, 2019**	As at 31st March, 2018
Computer Software	22.59	4.23	-	-	**26.82**	16.80	6.66	-	-	**23.46**	**3.36**	5.79
Mining Rights	151.88	-	-	-	**151.88**	20.39	7.74	-	-	**28.13**	**123.75**	131.49
	174.47	**4.23**	**-**	**-**	**178.70**	**37.19**	**14.40**	**-**	**-**	**51.59**	**127.11**	137.28
Previous Year	256.13	23.34	105.00 #	-	174.47	38.84	17.10 *	18.75 #	-	37.19	137.28	

Refer Note 51

*includes ` 3.75 crore relating to discontinued operations .

NOTE - 7 NON CURRENT - INVESTMENTS

			` in Crore
		As at 31st March,2019	As at 31st March,2018
a.	**Investments in Equity Instruments, unquoted, fully paid up, carried at fair value through other comprehensive income (FVTOCI) :**		
	3,250 (31.03.2018 : 3,250) Equity Shares of Integrated Coal Mining Limited of `10 each	**5.50**	7.56
b.	**Investments in Mutual Funds, quoted, carried at fair value through profit & loss (FVTPL) :**		
	20,00,000 (31.03.2018 : 20,00,000) units of HDFC CFCC - Debt Plan - Direct Option - 100% Dividend Donation of `10 each	**2.00**	2.00
c.	**Investment in Subsidiary Companies, unquoted, fully paid up, carried at cost :**		
	13,50,000 (31.03.2018; 13,50,000) Equity Shares of Malegaon Power Supply Limited (previously Nalanda Power Company Limited) of ` 10 each	**1.35**	1.35
	3,68,50,000 (31.03.2018 : 3,38,50,000) Equity Shares of CESC Projects Limited of ` 10 each *	**-**	-
	13,55,05,800 (31.03.2018 : 13,55,05,800) Equity Shares of Surya Vidyut Limited of ` 10 each	**135.51**	135.51
	1,10,00,000 (31.03.2018 ; 1,10,00,000) Equity Shares of Bantal Singapore Pte Limited of USD 1 each	**6.94**	6.94
	2,77,00,000 (31.03.2018 : 2,67,00,000) Equity Shares of Ranchi Power Distribution Company Limited of ` 10 each *	**-**	-
	28,20,615 (31.03.2018 : 28,20,615) Equity Shares of Papu Hydropower Projects Limited of ` 10 each *	**-**	-
	44,17,983 (31.03.2018 : 44,17,983) Equity Shares of Pachi Hydropower Projects Limited of ` 10 each *	**-**	-
	26,40,80,000 (31.03.2018 : 26,40,80,000) Equity Shares of Kota Electricity Distribution Limited of ` 10 each @	**266.10**	265.70
	12,00,50,000 (31.03.2018 : 4,20,50,000) Equity Shares of Bikaner Electricity Supply Limited of ` 10 each @	**121.25**	43.25
	2,00,50,000 (31.03.2018 : 2,00,50,000) Equity Shares of Bharatpur Electricity Services Limited of ` 10 each	**20.56**	20.53
	4,07,00,000 (31.03.2018 : 4,07,00,000) Equity Shares of Crescent Power Limited of ` 10 each	**71.91**	72.31
	1,20,34,41,049 (31.03.2018 : 1,20,34,41,049) Equity Shares of Haldia Energy Limited of ` 10 each	**1,206.61**	1,206.44
	2,24,27,68,954 (31.03.2018 : 2,08,27,68,954) Equity Shares of Dhariwal Infrastructure Limited of ` 10 each @	**2,560.30**	2,400.24
	3,20,50,000 (31.03.2018 : Nil) Equity Shares of Jharkhand Electric Company Limited of ` 10 each *	**-**	-
	20,50,000 (31.03.2018 : Nil) Equity Shares of Jarong Hydro-Electric Power Company Limited of ` 10 each *	**-**	-
	10,80,00,000 (31.03.2018: 10,80,00,000) Equity Shares of Au Bon Pain Café Indian Limited of `10 each *	**-**	-
	50,000 (31.03.2018 : 50,000) Equity Shares of CESC Green Power Limited of ` 10 each	**0.05**	0.05
d.	**Investment in Associate, unquoted, fully paid up, carried at cost :**		
	2,97,28,500 (31.03.2018 : 2,97,28,500) Equity Shares of Noida Power Company Limited of ` 10 each	**30.63**	30.63
e.	**Investment in Joint Venture, unquoted, fully paid up, carried at cost :**		
	24,29,800 (31.03.2018 : 24,29,800) Equity Shares of Mahuagarhi Coal Company Private Limited of ` 10 each *	**-**	-

			As at 31st March,2019	` in Crore As at 31st March,2018
f.	**Investment in Preference Shares , unquoted, fully paid up, carried at fair value through Profit&Loss (FVTPL) :**			
	5,00,000 (31.03.2018 : 5,00,000) reedemable Preference shares of face value ` 100 each issued by Spencer's Retail Limited.		**0.86**	0.78
			4,429.57	4,193.29
	Investment in quoted investments:			
	Aggregate Book value		**2.00**	2.00
	Aggregate Market value		**2.00**	2.00
	Investment in unquoted investments:			
	Aggregate Book value		**4,427.57**	4,191.29
	Aggregate provision for diminution in value of investments		**43.30**	29.30

* Fully impaired.

@ Based on valuation carried out by an Independent third party, there is no impairment .

			As at 31st March,2019	As at 31st March,2018
NOTE - 8	**NON CURRENT - LOANS**			
	Considered good - Unsecured			
a.	Security Deposit		**29.42**	29.62
b.	Loan to employees		**3.18**	2.80
			32.60	32.42
NOTE - 9	**NON CURRENT - OTHER FINANCIAL ASSETS**			
a.	Share application money to subsidiaries		-	160.00
b.	Others			
	Lease Receivables		**56.21**	57.25
			56.21	217.25
NOTE - 10	**OTHER NON CURRENT ASSETS**			
a.	Capital Advances		**49.62**	26.74
b.	Other Advances		**92.33**	107.30
	(Includes amount incurred by the company for setting up power projects to be transferred to the specific projects on completion of the same, prepaid expenses etc.)			
			141.95	**134.04**
NOTE -11	**INVENTORIES**			
a.	Fuel (includes goods in transit 31.03.2019 : ` 62.89 crore ; 31.03.18 : ` 71.98 crore)		**202.83**	193.41
b.	Stores and Spares		**177.40**	190.55
c.	Traded Goods		**2.40**	3.01
			382.63	**386.97**

NOTE -12 CURRENT INVESTMENTS

	As at 31st March,2019	As at 31st March,2018
		` in crore
Quoted		
Investments in Mutual Funds carried at fair value through profit and loss (FVTPL) :		
Nil units (31.03.2018 : 45,73,387.7293 units of `335.0808 each) of ICICI Prudential Flexible Income Plan - Direct - Growth	-	153.25
Nil units (31.03.2018 : 1,36,45,878.5353 units of `37.2022 each) of Reliance Medium Term Fund - Direct - Growth	-	50.77
Nil units (31.03.2018 : 37,914.5065 units of `2,656.9874 each) of Tata Ultra Short Term Fund - Direct - Growth	-	10.07
Nil units (31.03.2018 : 36,54,823.8192 units of `27.618 each) of LIC MF Savings Plus Fund - Direct - Growth	-	10.09
Nil units (31.03.2018 : 40,65,586.0338 units of `24.7968 each) of IDFC Ultra Short Term Fund - Direct - Growth	-	10.08
Nil units (31.03.2018 : 79,06,075.8192 units of `12.7502 each) of DSP BlackRock Low Duration Fund-Direct - Growth	-	10.08
Nil units (31.03.2018 : 194,33,668.5873 units of `52.417 each) of Aditya Birla Sun Life Banking & PSU Debt Fund-Direct - Growth	-	101.87
Nil units (31.03.2018 : 94,60,066.6934 units of `21.3326 each) of DHFL Pramerica Ultra Short Term Fund - Direct - Growth	-	20.18
Nil units (31.03.2018 : 9,50,00,000 units of `10.0732 each) of HDFC FMP 92D February 2018 (1)	-	95.70
Nil units (31.03.2018 : 3,00,00,000 units of `10.065 each) of ICICI Prudential Fixed Maturity Plan - Series 82 - 103 Days Plan O	-	30.20
Nil units (31.03.2018 : 48,387.4318 units of `2909.0976 each) of SBI Magnum Insta Cash Fund - Liquid Floater - Direct - Growth	-	14.08
3,333,355.573 units of `300.4362 each (31.03.2018 : Nil units) of Aditya Birla Sun Life Liquid Fund - Direct - Growth	**100.15**	-
108,878.592 units of `3678.2855 each (31.03.2018 : Nil units) of HDFC Liquid Fund - Direct - Growth	**40.05**	-
4,427,060.515 units of `276.4164 each (31.03.2018 : Nil units) of ICICI Prudential Liquid Fund - Direct - Growth	**122.37**	-
3,978,541.515 units of `251.7000 each (31.03.2018 : Nil units) of Aditya Birla Sun Life Money Manager Fund - Direct - Growth	**100.14**	-
47,829,954.944 units of `10.4744 each (31.03.2018 : Nil units) of HDFC Ultra Short Term Fund - Direct - Growth	**50.10**	-
3,852,050.446 units of `260.1610 each (31.03.2018 : Nil units) of ICICI Prudential Money Market Fund - Direct - Growth	**100.22**	-
Unquoted		
Investments in Commercial Paper carried at amortised cost*	-	-
	513.03	506.37
Investment in quoted investments:		
Aggregate Book value	**513.03**	506.37
Aggregate Market value	**513.03**	506.37
Investment in unquoted investments:		
Aggregate Book value	-	-
Aggregate provision for diminution in value of investments	**30.00**	-

* Fully impaired

` in crore

	As at 31st March,2019	As at 31st March,2018
NOTE -13 TRADE RECEIVABLES		
a. Considered good - Secured	**564.64**	597.14
b. Considered good - Unsecured	**463.64**	444.67
c. Credit Impaired	**24.44**	23.75
	1,052.72	1,065.56
Less : Allowances for bad and doubtful debts *	**24.47**	24.07
	1,028.25	1,041.49

* As on 31.03.19 : ` 0.03 crore (31.03.18: ` 0.32 crore) was recognised as provision for expected credit losses on trade receivables.

	As at 31st March,2019	As at 31st March,2018
NOTE-14 CASH AND CASH EQUIVALENT		
a. Balances with banks		
- In current accounts	**316.32**	433.20
b. Cheques, drafts on hand	**3.35**	0.93
c. Cash on hand	**1.63**	1.55
	321.30	435.68
NOTE-15 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENT		
Unpaid Dividend Account	**5.74**	5.11
Bank Deposits with original maturity more than 3 months	**296.54**	281.81
	302.28	286.92

a. Amount lying in deposit accounts with banks as at 31st March, 2019 includes ` 246.86 crore (31.03.2018: ` 229.50 crore) appropriated upto the previous year towards Fund for unforeseen exigencies and interest attributable thereto.

b. Bank deposits with original maturity more than 3 months include ` 179.12 crore (31.03.2018 : ` 33.00 crore) having original maturity more than 12 months as on the reporting date.

	As at 31st March,2019	As at 31st March,2018
NOTE-16 OTHER FINANCIAL ASSETS		
Unsecured, considered good		
Receivable from Related Parties	**41.66**	60.34
Interest accrued on Bank Deposits	**11.40**	13.30
MTM gain on derivative financial instruments	**40.96**	21.15
Receivable towards claims and services rendered	**7.73**	2.36
	101.75	97.15
NOTE-17 OTHER CURRENT ASSETS		
Advance for goods and services	**206.73**	233.44
Others	**123.43**	28.95
(Includes prepaid expenses etc. and also refer Note 31 (c))		
	330.16	262.39
NOTE-18 REGULATORY DEFERRAL ACCOUNT BALANCES		
Regulatory deferral account - debit balances	**3,646.26**	3,521.54
Regulatory deferral account -credit balances	**1,401.67**	1,835.99
(Refer Note 39 for details)		

NOTE -19 EQUITY

	As at 31st. March,2019	As at 31st. March,2018
		` in Crore
a. Authorised Share Capital 315,60,00,000 (31.03.2018 : 315,60,00,000) Equity Shares of `10/- each	**3,156.00**	3,156.00
b. Issued Capital 13,88,57,015 (31.03.2018 : 13,88,57,015) Equity Shares of `10/- each fully paid up	**138.86**	138.86
c. Subscribed and paid up capital 13,25,57,043 (31.03.2018 :13,25,57,043) Equity Shares of `10/- each fully paid up	**132.56**	132.56
d. Forfeited Shares (amount originally paid up)	**0.66**	0.66
	133.22	133.22

e. Reconciliation of the shares outstanding at the beginning and at the end of the year

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	No. of shares	Amount (` crore)	No. of shares	Amount (` crore)
At the beginning of the year	**13,25,57,043**	**132.56**	13,25,57,043	132.56
Add : Change during the year	-	-	-	-
At the end of the year	**13,25,57,043**	**132.56**	13,25,57,043	132.56

For the period of five years immediately preceding 31st March, 2019, no share was : - (i) allotted as fully paid up pursuant to any contract without consideration being received in cash, (ii) allotted as fully paid up by way of bonus shares and (iii) bought back.

f. Terms /rights attached to equity shares :

The Company has only one class of equity shares having a par value of ` 10 per share fully paid up. Holders of equity shares are entitled to one vote per share. An Interim dividend of ` 17.50 per equity share(31.03.18: ` 12 per equity share) has been paid during the year. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the sale proceeds from remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

g. Details of shareholders holding more than 5% shares in the Company

Name of shareholder	As at 31st March, 2019		As at 31st March, 2018	
	No. of shares	% of holding	No. of shares	% of holding
Rainbow Investments Limited [Refer Note 42 A]	**5,87,96,632**	**44**	5,87,96,632	44
HDFC Trustee Company Limited	**1,19,30,021**	**9**	1,19,30,021	9

NOTE -20 OTHER EQUITY

` in Crore

		As at 31st March, 2019	As at 31st March, 2018
A.	Fund for unforeseen exigencies	**260.43**	244.17
	Retained Earnings	**9,364.93**	9,062.75
	Equity Instruments through Other Comprehensive Income	**5.49**	7.55
		9,630.85	9,314.47
B.	a. Capital Redemption Reserve		
	As at beginning of the year	**-**	20.13
	Adjustment pursuant to Scheme of Arangement (Refer Note 51)	**-**	(20.13)
	As at end of the year	**-**	-
	b. Others		
	i) Securities Premium Account		
	As at beginning of the year	**-**	1,738.03
	Adjustment pursuant to Scheme of Arangement (Refer Note 51)	**-**	(1,738.03)
	As at end of the year	**-**	-
	ii) Fund for unforeseen exigencies		
	At the beginning of the year	**244.17**	228.24
	Add : Transfer during the year from Surplus	**16.26**	15.93
	As at end of the year	**260.43**	244.17
	iii) Retained Earnings		
	Surplus at the beginning of the year	**9,062.75**	11,204.13
	Adjustment pursuant to Scheme of Arangement (refer Note 51)	-	(2,467.94)
	Add : Profit for the year	**937.05**	861.71
	Less: Transfer to fund for unforseen exigencies	**16.26**	15.93
	Less : Withdrawal on account of depreciation / amortisation of surplus on fair valuation (refer note 49)	**304.04**	306.25
	Less : Withdrawal of the residual surplus on fair valuation consequent to sale/disposal of assets (refer note 49)	**2.72**	5.18
	Less: Dividend	**231.98**	159.07
	Less: Dividend distribution tax on above	**47.68**	32.38
	Less: Items that will not be reclassified to profit or loss		
	Remeasurement of defined benefit plan (Net of tax)	**32.19**	16.34
		9,364.93	9,062.75
	iv) Equity Instruments through Other Comprehensive Income		
	At the beginning of the year	**7.55**	-
	Add : Items that will not be reclassified to profit or loss		
	Gain/(loss) on fair value of Investment	**(2.06)**	7.55
	At the end of the year	**5.49**	7.55
		9,630.85	9,314.47

C. Nature and purpose of other reserves

Fund for unforeseen exigencies has been created for dealing with unforeseen exigencies and the amount transferred during the year will be invested as per the applicable regulations. Retained Earnings represents profit earned by the Company, net of appropriations till date and adjustments done on transition to Ind AS. FVTOCI reserve represents the cumulative gains and losses arising on fair valuation of equity instruments measured at fair value through other comprehensive income.

` in Crore

NOTE -21 NON CURRENT - BORROWINGS		As at 31st March,2019	As at 31st March,2018
a.	**Secured**		
	Term Loans		
	Rupee Loans from Banks	**3,656.57**	3,716.54
	Foreign Currency Loans from Banks	**520.93**	539.98
		4,177.50	4,256.52
b.	**Unsecured**		
	Term loans		
	Rupee Loans from Banks	**400.00**	410.00
		4,577.50	4,666.52
Less :	Current maturities of long term borrowings transferred to Other Current Financial Liabilities (refer note 28)	**1,199.95**	986.54
Less :	Unamortised front end fees	**17.52**	12.49
		3,360.03	3,667.49

c. **Nature of Security :**

Out of the Term Loans in (a) above, loans amounting to:

(a) ` 4137.50 crore (31.03.2018 - ` 4053.08 crore) are secured, ranking pari passu inter se, by equitable mortgage/hypothecation of the fixed assets of the Company including its land, buildings and any other constructions thereon, plant and machinery, etc. (refer Note 4) as a first charge and, as a second charge, by hypothecation of the Company's current assets comprising stock of stores, coal (refer Note 11) and other consumables, book debts, monies receivable (refer Note 13) and bank balances (refer Note 14). However, creation of the said mortgage security in respect of five Rupee Loans (Previous year: one Rupee Loan) aggregating `755.50 crore (31.03.2018- ` 30 crore) is in process and

(b) ` 40.00 crore (31.03.2018- 203.44 crore) are secured, ranking pari passu inter se, by hypothecation of the movable fixed assets and current assets of the Company by way of a charge subservient to the charge of the first and second charge holders on the said assets.

d. **Major terms of repayment of Non Current Borrowings :**

Maturity Profile of Non-Current Borrowings outstanding as at 31st March 2019	**Rupee Term Loan from Banks**	**Foreign Currency Loans**	**Total**	**Current Maturities**
Loans with maturity of upto 1 year	155.76	433.89	589.65	589.65
Loans with maturity between 1 and 3 years	770.68	87.04	857.72	191.53
Loans with maturity between 3 and 5 years	648.00	-	648.00	160.50
Loans with maturity between 5 and 10 years	2,039.13	-	2,039.13	250.77
Loans with maturity beyond 10 years	443.00	-	443.00	7.50
Total	**4,056.57**	**520.93**	**4,577.50**	**1,199.95**

Interest rates on Rupee Term Loans from Banks and Financial Institutions are based on spread over respective Lenders' benchmark rate and that of Foreign Currency Loans are based on spread over LIBOR.

All of the above are repayable in periodic instalments over the maturity period of the respective loans.

Maturity Profile of Non-Current Borrowings outstanding as at 31st March 2018	**Rupee Term Loan from Banks**	**Foreign Currency Loans**	**Total**	**Current Maturities**
Loans with maturity of upto 1 year	223.44	16.40	239.84	239.84
Loans with maturity between 1 and 3 years	767.46	408.78	1,176.24	266.19
Loans with maturity between 3 and 5 years	793.50	114.80	908.30	213.75
Loans with maturity between 5 and 10 years	2,042.14	-	2,042.14	251.76
Loans with maturity beyond 10 years	300.00	-	300.00	15.00
Total	**4,126.54**	**539.98**	**4,666.52**	**986.54**

Interest rates on Rupee Term Loans from Banks and Financial Institutions are based on spread over respective Lenders' benchmark rate and that of Foreign Currency Loans are based on spread over LIBOR.

All of the above are repayable in periodic instalments over the maturity period of the respective loans.

e. Outstanding foreign currency loans as on 31st March, 2019 as disclosed above, stand fully hedged in Indian Rupees.

` in Crore

		As at 31st March,2019	As at 31st March,2018
NOTE -22	**NON CURRENT - OTHER FINANCIAL LIABILITIES**		
	Lease obligation	**6.70**	6.41
		6.70	6.41
NOTE -23	**NON CURRENT - PROVISIONS**		
a	Provision for employee benefits	**300.16**	256.21
b	Restoration liabilities	**33.06**	30.42
		333.22	286.63
	Reconciliation of movement in Restoration liabilities		
	Opening balance	**30.42**	7.55
	Add: Adjustment during the year	**2.64**	22.83
	Add: Adjustment pursuant to Scheme of Arrangement (refer note 51)	**-**	0.04
	Closing balance	**33.06**	30.42

The Company has recognised present value of restoration liability of mine land at Sarisatolli Coal Mine based on applicable Guidelines on Mine Closure Plan included in the cost of Mining Rights.

NOTE -24	**DEFERRED TAX LIABILITY (NET)**		
	Deferred Tax Liabilities	**3,535.22**	3,546.61
	Deferred Tax Assets	**(60.24)**	(59.40)
	Total Deferred Tax Liabilities (net) (refer note 44 for further details)	**3,474.98**	3,487.21
NOTE -25	**OTHER NON CURRENT LIABILITIES**		
	Advance received from consumers	**129.32**	140.24
	Others	**89.34**	66.44
		218.66	206.68
NOTE -26	**CURRENT - BORROWINGS**		
a.	**Secured**		
	Loans repayable on demand		
	Overdraft from banks	**585.44**	692.93
b.	**Unsecured**		
	Commercial Paper [including from banks 31.03.2019 : ` 300 crore,31.03.2018 : ` NIL crore]	**900.00**	600.00
		1,485.44	1,292.93

c. **Nature of Security**

Overdraft facilities from bank in (a) above are secured, ranking pari passu inter se, by hypothecation of the Company's current assets comprising stock of stores, coal and other consumables (refer note 11), book debts, monies receivable (refer note 13) and bank balances (refer note 14) as a first charge and, as a second charge, by equitable mortgage / hypothecation of fixed assets of the Company including its land, buildings and any other construction thereon, where exists plant and machinery etc (refer note 4). However, creation of the said security in respect of working capital facilities from banks aggregating ` 30.65 Crore (31.03.2018 – Nil) is in process.

NOTE - 27 CURRENT - TRADE PAYABLES

`0.01 crore (31.3.2018-` 0.08 Crore) , ` NIL ( 31.03.2018 - ` Nil) , ` 0.58 crore (31.3.2018-`0.52 crore) and ` 1.97 crore ( 31.3.2018- ` 1.39 crore) , `NIL ( 31.03.2018 -` Nil) representing interest due on amount outstanding as at the year end ,interest paid along with amount of payment made beyond the appointed day , interest due and payable for the period of delay in making payment during the year, amount of interest accrued and remaining unpaid at the year end , amount of further interest remaining due and payable in the succeeding years , respectively due to Micro and Small Enterprises , as defined in the Micro, Small and Medium Enterprises Development Act , 2006 on information available with the Company .

` in crore

NOTE- 28	OTHER FINANCIAL LIABILITIES	**As at 31st March,2019**	As at 31st March,2018
a.	Current maturities of long-term debt	**1,199.95**	986.54
b.	Interest accrued but not due	**14.61**	10.65
c	Unclaimed dividends	**5.74**	5.11
d	Others (refer note e)	**1,947.62**	2,118.51
		3,167.92	3,120.81

e Others include current portion of consumer security deposit (including accrued interest thereon) , employee related liabilities, liabilities on capital account , liabilities towards contractual obligations and ` 1282.00 crore (31.03.2018:` 1492.00 crore) payable to Haldia Energy Limited .

NOTE- 29	OTHER CURRENT LIABILITIES		
a.	Receipt from consumers for jobs	**146.54**	124.20
b.	Liability towards statutory taxes, duties etc.	**355.28**	342.15
c.	Advances received from Consumers	**80.58**	30.29
		582.40	496.64

NOTE -30	CURRENT PROVISIONS		
a.	Provision for employee benefits	**62.96**	84.17
b.	Others	**0.22**	0.22
		63.18	84.39

NOTE -31 CONTINGENT LIABILITIES AND COMMITMENTS

a. Claims against the Company not acknowledged as debts:

The West Bengal Taxation Tribunal had held meter rentals received by the Company from consumers to be deemed sales under the provisions of the Bengal Finance (Sales Tax) Act, 1941 and that sales tax was payable on such rentals. Based on such findings the Commercial Taxes Directorate assessed `0.69 crore as sales tax on meter rentals received during the year ended 31st March, 1993 and raised a demand of `0.36 crore on account of interest. Against the above demand , the Company had deposited a sum of `0.75 crore with the sales tax authorities and obtained a stay against the balance demand from the Deputy Commissioner of Commercial Taxes. The sales tax authorities also indicated their intention to levy such sales tax on meter rentals for the subsequent years as well, against which, the Company filed a writ petition in the Calcutta High Court and prayed for an interim order, inter alia, restraining the sales tax authorities from proceeding with the assessment for the subsequent years till disposal of the appeal. An interim order has been issued by the High Court permitting the sales tax authorities to carry out assessments but restraining them from serving any assessment order on the Company. The disposal of the case is still pending.

b. Commitments of the Company on account of estimated amount of contracts remaining to be executed on capital account and letter of comforts towards borrowing / financing obligations of subsidiaries from banks, not provided for amount to ` 97.65 crore (31.03.2018 : ` 75.27 crore) and ` 1395.35 crore ( 31.03.2018 : ` 1497.55 crore) respectively. (refer note 42 for details)

c The Ministry of Coal had encashed the bank guarantee of the Company amounting to ` 66.15 crore in April 2018, in terms of its letter dated 25.04.2018, alleging non-compliance with the mining plan for the years 2015-16 and 2016-17 as per the Coal Mine Development and Production Agreement (CMDPA). Further, in terms of the above letter, the Ministry had directed the Company to top-up the bank guarantee with the aforesaid encashed amount. The Hon'ble High Court of Delhi while disposing the petition filed by the Company against the Ministry's letter dated 25.04.2018, stayed the operation of this letter and further directed the Company to approach the Tribunal. Company has accordingly filed a petition before the Special Tribunal at Godda, Jharkhand challenging the letter dated 25.04.2018 and further seeking refund of the encashed amount. Based on a legal opinion, the Company expects a favourable outcome in the matter, and no provision has been considered necessary in the books of account

d. The Company has given bank guarantee of ` 294.97 crore ( 31.03.2018 : ` 222.76 crore) for procurement of coal , etc , which is outstanding as on the reporting date.

e. The Company has ongoing commitment to extend support and provide equity to the subsidiaries, in respect of various projects and otherwise (where, in certain cases there are restriction on transfer of investments). The future cash outflow in respect of above cannot be ascertained at this stage.

f. Commitment relating to leasing arrangement , refer note 4 and 46

g. There are numerous interpretative issues relating to the Supreme Court (SC) judgement dated 28th February, 2019 in respect of Provident Fund (PF) on the inclusion of allowances for the purpose of PF contribution as well as its effective date. The company is consulting Legal counsel for further clarity and evaluating its impact on its financial statement, if any, and is of the view that it is only possible but not probable that outflow of economic resources will be there in this regard.

` in crore

NOTE - 32 REVENUE FROM OPERATIONS

		2018-19	2017-18
a	Earnings from sale of electricity	**7,557.73**	7,595.12
b	Other Operating Revenue		
	Meter Rent	**51.23**	50.02
	Contributions from Consumers	**111.45**	116.15
	Earnings from sale of traded goods	**22.94**	13.09
	Others	**10.32**	11.46
		7,753.67	7,785.84

c Earnings from sale of electricity are determined in accordance with the relevant orders of the Commission, to the extent applicable. The said earnings are also net of discount for prompt payment of bills allowed to consumers on a net basis from month to month amounting to ` 89.93 crore ( previous year : ` 87.85 crore).

NOTE- 33 OTHER INCOME

		2018-19	2017-18
a	Interest Income	**33.85**	17.58
b	Dividend Income	**15.00**	7.49
c	Gain on sale/ fair valuation of current investments (net)	**38.08**	50.46
d	Profit on sale of property, plant and equipment (net)	**-**	1.53
e	Income from financial assets at amortised cost	**4.54**	4.56
f	Other Non -operating Income *	**73.44**	86.32
		164.91	167.94

* includes Delayed payment surcharge, Usance fee, liabilities written back , etc.

NOTE -34 COST OF FUEL

a Cost of Fuel includes freight ` 300.48 crore (previous year : ` 296.12 crore)

b Consumption of fuel :

Particulars	UOM	2018-19	2017-18
(a) Consumption of coal			
Quantity	Tonnes	**37,68,389**	38,72,984
Value	` in crore	**1545.20**	1389.89
(b) Consumption of oil			
Quantity	Kilolitres	**2,289.05**	2,555.76
Value	` in crore	**11.00**	11.76
(c) Total Value	` in crore	**1556.20**	1401.65

NOTE - 35 EMPLOYEE BENEFITS EXPENSE

		2018-19	2017-18
a.	Salaries, wages and bonus	**974.27**	871.57
b.	Contribution to provident and other funds	**96.87**	122.27
c.	Employees' welfare expenses	**51.21**	45.62
		1,122.35	1,039.46
	Less : Transfer to PPE / CWIP etc.	**155.29**	158.95
		967.06	880.51
	Less : Transfer to Other Comprehensive Income*	**41.03**	20.84
		926.03	859.67

*As per Ind AS 19, Actuarial gain or loss on post retirement defined benefit Plan has been recognised in Other Comprehensive Income.

Notes forming Part of Financial Statements *(Contd.)*

(i) **Defined contribution plans**

The Company makes contributions for provident fund and family pension schemes (including for superannuation) towards retirement benefit plans for eligible employees. Under the said plan, the Company is required to contribute a specified percentage of the employees' salaries to fund the benefits. The fund has the form of trust and is governed by the Board of Trustees. During the year, based on applicable rates, the Company has contributed and charged ` 58.08 crore (previous year : ` 56.76 crore) on this count in the Statement of Profit and Loss .

The Company also sponsors the Gratuity plan, which is governed by the Payment of Gratuity Act, 1972. The Company makes annual contribution to independent trust, who in turn, invests in the Employees Group Gratuity Scheme of eligible funds for qualifying employees.

Liabilities at the year end for gratuity, leave encashment and other retiral benefits including post-retirement medical benefits have been determined on the basis of actuarial valuation carried out by an independent actuary.

(ii) **The amounts recognised in the balance sheet and the movements in the total defined benefit obligation over the year are as follows:**

(` in crore)

Gratuity (Funded)	**2018-19**			2017-18		
	Present value of obligation	**Fair value of plan assets**	**Total amount**	Present value of obligation	Fair value of plan assets	Total amount
Opening Balance	**417.03**	**(358.01)**	**59.02**	370.88	(323.04)	47.84
Current service cost	16.92	-	16.92	19.03	-	19.03
Interest expense/(income)	25.99	(29.91)	(3.92)	25.14	(23.19)	1.95
Past Service Cost	-	-	-	38.44	-	38.44
Less: Amount recognised in statement of profit and loss-Discontinued operations	-	-	-	3.79	-	3.79
Total amount recognised in profit and loss-Continuing operations	**42.91**	**(29.91)**	**13.00**	78.82	(23.19)	55.63
Remeasurements						
Return on plan assets, excluding amounts included in interest expense/(income)	-	1.30	1.30	-	(1.60)	(1.60)
(Gain)/loss from change in financial assumptions	6.10	-	6.10	17.74	-	17.74
Experience (gains)/losses	18.39	-	18.39	(11.21)	-	(11.21)
Total amount recognised in other comprehensive income - Continuing operations	**24.49**	**1.30**	**25.79**	6.53	(1.60)	4.93
Employer contributions	-	(65.52)	(65.52)	-	(49.38)	(49.38)
Benefit payments	(46.40)	46.40	-	(39.20)	39.20	-
Closing Balance	**438.03**	**(405.74)**	**32.29**	417.03	(358.01)	59.02

Leave Obligation (Unfunded)	**2018-19**	2017-18
	Present value of obligation	Present value of obligation
Opening Balance	**145.05**	141.41
Current service cost	10.13	8.34
Interest expense/(income)	10.50	9.55
Remeasurements		
(Gain)/loss from change in financial assumptions	3.09	11.06
Experience (gains)/losses	13.77	(11.50)
Less: Amount recognised in statement of profit and loss-Discontinued operations	-	1.86
Total amount recognised in profit and loss-Continuing operations	**37.49**	15.59
Benefit payments	(13.36)	(11.95)
Closing Balance	**169.18**	145.05

(` in crore)

	Post retirement medical benefit		Pension	
	2018-19	2017-18	**2018-19**	2017-18
Opening balance	**77.86**	64.67	**58.44**	44.02
Current service cost	1.34	2.32	0.25	0.25
Interest expense/(income)	5.20	4.45	4.00	3.12
Past Service Cost	-	-	9.43	11.65
Less: Amount recognised in statement of profit and loss-Discontinued operations	-	0.86	-	0.19
Total amount recognised in profit and loss-Continuing operations	**6.54**	5.91	**13.68**	14.83
Remeasurements				
(Gain)/loss from change in financial assumptions	2.16	(4.42)	1.29	(4.96)
Experience (gains)/losses	3.23	14.83	8.56	10.41
Total amount recognised in other comprehensive income - Continuing operations	**5.39**	10.41	**9.85**	5.45
Benefit payments	(3.67)	(3.13)	(6.44)	(5.85)
Closing balance	**86.12**	77.86	**75.53**	58.45

iii) **The expected maturity analysis of undiscounted gratuity, leave, post-employment medical benefits & pension is as follows:**

	1st year	Between 2-5 years	Between 6-10 years	More than 10 years	Total
31-Mar-19					
Defined benefit obligation (gratuity)	72.36	199.19	218.54	220.25	**710.34**
Leave obligation	22.26	64.39	74.38	171.84	**332.87**
Post-employment medical benefits	3.24	18.17	32.32	226.72	**280.45**
Pension	7.38	33.42	35.92	71.79	**148.51**
Total	**105.24**	**315.17**	**361.16**	**690.60**	**1,472.17**
31-Mar-18					
Defined benefit obligation (gratuity)	61.56	194.65	207.24	238.41	701.86
Leave obligation	17.53	57.40	62.70	157.15	294.78
Post-employment medical benefits	2.73	15.74	28.33	229.54	276.34
Pension	6.57	30.75	34.08	68.32	139.72
Total	88.39	298.54	332.35	693.42	1,412.70

iv) **Sensitivity Analysis**

(` in crore)

	Gratuity		Post-employment medical benefits (PRMB)		Leave Obligation		Pension		Interest rate guarantee on provident fund	
	31-Mar-19	31-Mar-18	**31-Mar-19**	31-Mar-18	**31-Mar-19**	31-Mar-18	**31-Mar-19**	31-Mar-18	**31-Mar-19**	31-Mar-18
DBO at 31st March with discount rate +1%	**415.45**	394.65	**76.35**	70.29	**157.81**	135.20	**68.13**	54.69		
Corresponding service cost	**15.79**	8.72	**1.11**	1.01	**9.19**	3.93	**0.24**	0.12		
DBO at 31st March with discount rate -1%	**463.13**	441.95	**92.79**	87.14	**182.07**	156.22	**77.64**	62.68		
Corresponding service cost	**18.19**	10.12	**1.55**	1.55	**11.27**	4.81	**0.31**	0.12		
DBO at 31st March with +1% salary/benefit escalation	**452.03**	432.68	**88.10**	85.50	**185.50**	159.27				
Corresponding service cost	**17.72**	9.83	**1.44**	1.57	**11.55**	4.94				
DBO at 31st March with -1% salary/benefit escalation	**422.22**	397.27	**79.85**	71.48	**155.29**	132.95				
Corresponding service cost	**16.08**	8.81	**1.26**	1.04	**8.99**	3.84				
DBO at 31st March with +50% withdrawal rate	**438.71**	417.56	**72.93**	77.38	**169.49**	145.35				
Corresponding service cost	**16.96**	9.56	**1.32**	1.22	**10.17**	4.35				
DBO at 31st March with -50% withdrawal rate	**437.37**	416.51	**73.61**	78.38	**168.74**	144.65				
Corresponding service cost	**16.87**	9.50	**1.35**	1.26	**10.10**	4.32				
DBO at 31st March with +10% mortality rate	**438.42**	417.32	**82.31**	76.46	**169.35**	145.22	**70.56**	56.75		
Corresponding service cost	**16.93**	9.54	**1.31**	1.21	**10.15**	4.34	**0.27**	0.12		
DBO at 31st March with -10% mortality rate	**437.66**	416.75	**85.42**	79.40	**168.88**	144.78	**81.31**	60.27		
Corresponding service cost	**16.89**	9.51	**1.36**	1.27	**10.12**	4.33	**0.24**	0.12		
Int guarantee Liability 31st March with discount rate +1%									**-**	2.77
Int guarantee Liability 31st March with discount rate -1%									**38.38**	2.97
Int guarantee Liability 31st March with EPFO rate +0.5%									**19.75**	39.76
Int guarantee Liability 31st March with portfolio rate -0.5%									**19.75**	19.88

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

v) **Major categories of total plan assets as per the Gratuity Trust Fund**

	31-Mar-19	31-Mar-18
Gratuity		
Cash & cash equivalents	**405.75**	358.01
Non-quoted market price	**405.75**	358.01

vi) **Actuarial assumptions**

31-Mar-19					
Particulars	**Gratuity**	**Leave obligation**	**Medical**	**Pension**	**Interest guarantee**
Discount rate current year (%)	7.34%	7.34%	7.34%	7.34%	7.34%
Mortality rate	Indian Assured Lives Mortality (2006-08) ultimate	Indian Assured Lives Mortality (2006-08) ultimate	Before Separation- Indian Assured Lives Mortality (2006-08) ultimate & After separation- from service : LIC (1996-98) Ultimate rated down by 5 years	Before Separation- Indian Assured Lives Mortality (2006-08) ultimate & After separation- from service : LIC (1996-98) Ultimate rated down by 5 years	Before Separation- Indian Assured Lives Mortality (2006-08) ultimate & After separation- from service : LIC (1996-98) Ultimate rated down by 5 years

31-Mar-18					
Particulars	**Gratuity**	**Leave obligation**	**Medical**	**Pension**	**Interest guarantee**
Discount rate current year (%)	7.60%	7.60%	7.60%	7.60%	7.60%
Mortality rate	Indian Assured Lives Mortality (2006-08) ultimate	Indian Assured Lives Mortality (2006-08) ultimate	Before Separation- Indian Assured Lives Mortality (2006-08) ultimate & After separation- from service : LIC (1996-98) Ultimate rated down by 5 years	Before Separation- Indian Assured Lives Mortality (2006-08) ultimate & After separation- from service : LIC (1996-98) Ultimate rated down by 5 years	Before Separation- Indian Assured Lives Mortality (2006-08) ultimate & After separation- from service : LIC (1996-98) Ultimate rated down by 5 years

Expected Remaining Life	**2018-19**	2017-18
Employees Gratuity Fund	7.02	11.30
Executive Gratuity Fund	6.62	6.72
Leave Encashment	8.62	8.84
PRMB - Non Cov	12.59	12.00
PRMB - Cov	12.93	13.67
Pension	15.02	16.26

Expected contributions to be paid in next year for gratuity ` 46.13 crore.
Expected contributions to be paid for next year for leave obligation, medical & pension is nil.

vii) **Plan assets consist of funds maintained with LICI, ICICI Prudential, Birla Sun Life and HDFC Standard Life.**

	2018-19	2017-18
Actual return on plan assets (` in cr.)	28.62	24.79

viii) **Risk exposure**

The Plans in India typically expose the Company to some risks, the most significant of which are detailed below:

Discount Rate risk: Decrease in discount rate will increase the value of the liability. However, this will partially offset by the increase in the value of plan assets.

Demographic Risk: In the valuation of the liability certain demographic (mortality and attrition rates) assumptions are made. The Company is exposed to this risk to the extent of actual experience eventually being worse compared to the assumptions thereby causing an increase in the scheme cost.

Future Salary Increase Risk: In case of gratuity & leave the scheme cost is sensitive to the assumed future salary escalation rates for all last drawn salary linked defined benefit Schemes. If actual future salary escalations are higher than that assumed in the valuation actual Scheme cost and hence the value of the liability will be higher than that estimated. But PRMB & pension are not dependant on future salary levels.

Regulatory Risk: New Act/Regulations may come up in future which could increase the liability significantly in case of Leave obligation, PRMB & Pension. Gratuity Benefit must comply with the requirements of the Payment of Gratuity Act, 1972 (as amended up-to-date). Also in case of interest rate guarantee Exempt Provident Fund must comply with the requirements of the Employees Provident Funds and Miscellaneous Provisions Act 1952 as amended up-to-date.

NOTE- 36 FINANCE COSTS

		2018-19	2017-18
			` in crore
a)	Interest expense	**471.96**	490.42
b)	Other Borrowing Costs	**9.65**	8.83
		481.61	499.25
	Less : Allocated to PPE / CWIP	**15.25**	15.35
		466.36	483.90
	Weighted average capitalisation rate used is 8.56 % (previous year 8.11%)		

NOTE- 37 DEPRECIATION AND AMORTISATION EXPENSE

	2018-19	2017-18
Depreciation/ amortisation of tangible assets	**722.26**	718.54
Amortisation of intangible assets	**14.40**	13.35
	736.66	731.89
Less : Recoupment from Retained Earnings (refer note 49)	**304.04**	306.25
	432.62	425.64

NOTE-38 OTHER EXPENSES

		2018-19	2017-18
a)	Consumption of stores and spares	**80.29**	74.34
b)	Repairs		
	Building	**16.68**	15.84
	Plant and Machinery	**67.81**	68.45
	Distribution System	**92.17**	105.65
	Others	**5.78**	4.79
		182.44	194.73
c)	Insurance	**11.98**	12.66
d)	Rent (including lease rent ` 10.26 crore; previous year - ` 10.23 crore)	**26.43**	24.91
e)	Rates and taxes	**8.28**	9.67
f)	Bad debts / Advances made	**38.37**	35.97
g)	Provision for Bad Debts	**0.69**	17.60
h)	Loss on sale / disposal of Property , Plant & Equipment (net)	**2.84**	-
i)	Interest on Consumers' Security Deposits	**107.28**	108.01
j)	Foreign Exchange Restatement loss / (gain)	**13.72**	(30.88)
k)	Mark to Market loss / (gain) on derivatives	**(19.82)**	23.37
l)	Corporate social responsibility activities (refer note 50)	**20.39**	19.42
m)	Miscellaneous expenses	**422.13**	430.29
		895.02	920.09

	2018-19	2017-18
		` in crore
NOTE-39 REGULATORY INCOME	**571.26**	209.24

Regulatory (Income) / Expenses arise to the Company pursuant to the regulatory provisions applicable to the Company under the provisions of the Electricity Act, 2003 and regulations framed thereunder and disposals made by WBERC on the Company's various petitions / applications, in terms of the said regulations, at different timeframe including the tariff and APR orders for the years notified till date. The effect of adjustments - (income)/expenses, relating to (a) advance against depreciation, (b) cost of electrical energy purchased, fuel related costs 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, and (c) effect of exchange fluctuation including MTM gain amounting to ` 79.64 crore (Previous year ` 198.00 crore), ` (657.00 crore) [Previous year ` (414.75 crore)], and ` 6.10 crore [Previous year ` 7.51 crore] respectively have been shown as Regulatory (Income)/Expenses with corresponding sums, reflected in Balance Sheet as Regulatory Deferral Account Balances (see Note 18).

Regulatory deferral account debit balance comprise the effect of (a) Deferred tax, (b) exchange fluctuation, (c) cost of fuel and purchase of power and other adujstments having bearing on revenue account amounting to ` 3474.98 crore (31.3.2018 : ` 3487.21 crore), ` 48.05 crore ( 31.3.2018 : ` 34.33 crore) and ` 123.23 crore (31.3.2018 : Nil) respectively and that relating to credit balance comprise the effect of (a) advance against depreciation, (b) cost of fuel and purchase of power and other adujstments having bearing on revenue account and (c) MTM Gain amount to ` 1360.71 crore (31.3.2018 : ` 1281.07crore ), Nil ( 31.3.2018 : ` 533.77 crore) and ` 40.96 crore ( 31.3.2018 : ` 21.15 crore) respectively.

The accurate quantification and disposal of the matters with regard to Regulatory deferral account balances, are being given effect to, from time to time, after conclusion of the concerned event/year, as appropriate, on receipt of necessary direction from the appropriate authorities relating to the applicable matters in a comprehensive way including those attributable to the mining of coal from Sarisatolli mine which commenced from 10 April, 2015 following the said mine having been allotted to the Company effective 1 April 2015 pursuant to the auction conducted by the Ministry of Coal, Government of India under the provisions of the applicable laws.

NOTE-40 Fair value measurements

a) The carrying value and fair value of financial instruments by categories as at end of the year are as follows:

` in crore

	31-Mar-19			31-Mar-18		
	Cost/ Amortized cost	FVTOCI	FVTPL	Cost/ Amortized cost	FVTOCI	FVTPL
Financial assets						
Investments						
- Equity	4,421.21	5.50		4,182.95	7.56	
- Mutual funds			515.03			508.37
- Preference Shares			0.86			0.78
Trade Receivables	1,028.25			1,041.49		
Loans	32.60			32.42		
Cash and cash equivalents	321.30			435.68		
Other Bank balances	302.28			286.92		
Lease Receivables	56.21			57.25		
Receivable from Related parties	41.66			220.34		
Interest accrued on Bank Deposit	11.40			13.30		
Derivative Asset			40.96			21.15
Receivable towards claims and services rendered	7.73			2.36		
Total financial assets	**6,222.64**	**5.50**	**556.85**	6,272.71	7.56	530.30
Financial liabilities						
Borrowings	6,045.42			5,946.96		
Trade Payables	662.78			528.79		
Interest accrued	14.61			10.65		
Unclaimed dividend	5.74			5.11		
Consumers' Security Deposits	1,594.03			1,607.50		
Others	1,842.87			2,023.01		
Total financial liabilities	**10,165.45**	**-**	**-**	10,122.02	-	-

b) Fair value hierarchy

The table shown below analyses financial instruments carried at fair value, by valuation method.

` in crore

Financial assets and liabilities measured at fair value	Level 1	Level 2	Level 3	Total fair value	Total carrying amount
As at 31 March 2019					
Financial assets					
Investment in equity shares	-	-	5.50	5.50	5.50
Investment in liquid mutual fund units	515.03	-	-	515.03	515.03
Investment in Preference Share	-	-	0.86	0.86	0.86
Derivative financial instrument - cross currency swap	-	40.96	-	40.96	40.96
Total	**515.03**	**40.96**	**6.36**	**562.35**	**562.35**
As at 31 March 2018					
Financial assets					
Investment in equity shares	-	7.56	-	7.56	7.56
Investment in liquid mutual fund units	508.37	-	-	508.37	508.37
Investment in Preference Share	-	-	0.78	0.78	0.78
Derivative financial instrument - cross currency swap	-	21.15	-	21.15	21.15
Total	508.37	28.71	0.78	537.86	537.86

The different levels have been defined below:

Level 1: financial instruments measured using quoted price. The fair value of all equity instruments which are traded in the stock exchanges is determined using the closing price. The mutual funds are valued using the closing NAV.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices)

Level 3: inputs for the asset or liability that are not based on observable market data.

c) **The following methods and assumptions were used to estimate the fair values**

i. The fair values of the mutual fund instruments are based on net asset value of units declared at the close of the reporting date.

ii. The fair values of the cross currency swap is determined using discounted cash flow analysis and swaps and options pricing models.

iii. The fair value of preference share is determined on the basis of discounted cash flow wherein future cash flows are based on the terms of preference share discounted at rate that reflects market rate. Significant unobservable input used is discount rate and 0.50% increase / decrease in discount rate would result in decrease / increase in fair value of preference share by ` 0.07 crore. The fair value of equity share is determined on the basis of discounted cash flow (31.03.18 net asset value). Significant unobservable input used is discount rate and growth rate and 0.50% increase / decrease in discount rate and growth rate would result in decrease / increase in fair value of equity share by ` 0.05 crore and ` 0.01 crore respectively.

iv. The carrying amounts of trade receivables, trade payables, investment in commercial paper, receivable towards claims and services rendered, receivable from related parties, other bank balances, interest accrued payable/receivable, other receivables/payables, cash and cash equivalents are considered to be the same as their fair values, due to their short term nature.

v. Loans, non-current borrowings, lease receivable/payable and security deposits are based on discounted cash flows using a current borrowing rate.

vi. Fair Value of financial instruments which is determined on the basis of discounted cash flow analysis , considering the nature, risk profile and other qualitative factors. The carrying amounts will be reasonable approximation of the fair value.

NOTE-41 Financial risk management and Capital Management

The Company's operations of generation and distribution of electricity are governed by the provisions of the Electricity Act 2003 and Regulations framed thereunder by the West Bengal Electricity Regulatory Commission and accordingly the Company, being a licensee under the said statute, is subject to regulatory provisions/ guidelines and issues evolving therefrom, having a bearing on the Company's liquidity, earning, expenditure and profitability, based on efficiency parameters provided therein including timing of disposal of applications / matters by the authority.

The Company being the sole provider of electricity in the licenced area has been managing the operations keeping in view its profitability and liquidity in terms of above regulations. In order to manage credit risk arising from sale of electricity, multipronged approach is followed like maintenance of security deposit, precipitation of action against defaulting consumers, obtaining support of the administrative authority. Credit risk towards investment of surplus funds is managed by obtaining support of credit rating and appraisal by external agencies and lending bodies. The Company extends financial support to its subsidiaries including that of letter of comforts etc. to their lenders.

The Company manages its liquidity risk on financial liabilities by maintaining healthy working capital and liquid fund position keeping in view the maturity profile of its borrowings and other liabilities as disclosed in the respective notes.

The Company's market risk relating to variation of foreign currency, interest rate and commodity price is mitigated through relevant regulations and availability of bulk commodity namely coal is generally sourced from own captive mine, domestic long term linkage and Special Forward E-Auction conducted by Coal India Limited and/or its subsidiaries.

While managing the capital, the Company ensures to take adequate precaution for providing returns to the shareholders and benefit for other stakeholders, including protecting and strengthening the balance sheet. Availability of capital and liquidity is also managed, in consonance with the applicable regulatory provisions.

NOTE-42 Related Parties and their Relationship

A . Parent- under de facto control as defined in Ind AS -110

Rainbow Investments Limited

B . Subsidiary/ Joint Venture/Associates

Name	Relationship
Surya Vidyut Limited	Subsidiary
Malegaon Power Supply Limited (Formerly known as Nalanda Power Company Limited)	Subsidiary
CESC Projects Limited	Subsidiary
Bantal Singapore Pte. Limited	Subsidiary
Ranchi Power Distribution Company Limited	Subsidiary
Pachi Hydropower Projects Limited	Subsidiary
Papu Hydropower Projects Limited	Subsidiary
Au Bon Pain Café India Limited	Subsidiary
Haldia Energy Limited (HEL)	Subsidiary
Dhariwal Infrastructure Limited (DIL)	Subsidiary
Kota Electricity Distribution Limited (KEDL)	Subsidiary
Bikaner Electricity Supply Limited (BKESL)	Subsidiary
Bharatpur Electricity Services Limited (BESL)	Subsidiary
Crescent Power Limited (CPL)	Subsidiary
CESC Green Power Limited	Subsidiary
Jharkhand Electric Company Limited	Subsidiary *
Jarong Hydro-Electric Power Company Limited	Subsidiary *
Spencer's Retail Limited (merged on 1st october 2017)	Subsidiary
Noida Power Company Limited	Associate
Mahuagarhi Coal Company Private Limited	Joint Venture

C . Other Related Parties having transaction during the year

(i) Entities under common control

Integrated Coal Mining Limited
RPG Power Trading Co Ltd
Phillips Carbon Black Ltd.
Harrison Malayalam Limited
STEL Holdings Limited
Dotex Merchandise Pvt. Ltd.
Castor Investment Limited
Woodlands Multispeciality Hospital Limited
Sarala Real Estate Limited
Saregama India Ltd
Open Media Network Ltd
Kolkata Metro Network Pvt Limited
Kolkata Games and Sports Pvt Ltd (KGSPL)
Firstsource Solutions Limited #
CESC Ventures Limited (Formerly known as RP-SG Business Process Services Limited) #
RP SG Retail Limited (subsequently renamed as Spencer's Retail Limited) #
Quest Properties India Limited #

(ii) Key Management Personnel (KMP)

Name	Relationship
Mr. S. Goenka	Chairman
Mr. P. Chaudhuri	Director
Mr. C .K Dhanuka	Director
Mr. K. Jairaj	Director
Mr. B .M Khaitan	Director (upto 23rd May 2018)
Mr. P.K. Khaitan	Director
Ms. R.Sethi	Director
Mr. Aniruddha Basu	Managing Director (upto 27th May 2018)
Mr. Debasish Banerjee	Managing Director-Distribution (w.e.f. 28th May 18)
Mr. Rabi Chowdhury	Managing Director-Generation (w.e.f. 28th May 18)
Mr. Subhasis Mitra	Company Secretary
Mr. Rajarshi Banerjee	Executive Director & Chief Financial Officer

(iii) Other Related Parties

Ms.Preeti Goenka (Shareholder and Relative of KMP)
Mr.Shashwat Goenka (Shareholder and Relative of KMP)
Khaitan & Co LLP
Khaitan & Co. (Mumbai)
Khaitan & Co. AOR
Khaitan & Co. (Kolkata)
Khaitan & Co. (New Delhi)
Khaitan Consultants Ltd.
CESC Limited Provident Fund
Calcutta Electric Supply Coporation (I) Ltd. Senior Staff Pension Fund
CESC Executive Gratuity Fund
CESC Limited Employee's Gratuity Fund

Subsidiary upto 30th September 2017

* Subsidiary from 1st October 2018

D. Details of transaction between the Company and related parties and status of outstanding balances

` in crore

Sl No	Nature of Transactions	Parent having Control in terms of Ind AS -110, Subsidiaries, Joint Venture & Associate		Entities under common control		Key Management Personnel		Other Related Parties		Total	
		31-Mar-19	31-Mar-18	**31-Mar-19**	31-Mar-18	**31-Mar-19**	31-Mar-18	**31-Mar-19**	31-Mar-18	**31-Mar-19**	31-Mar-18
1	**Acquisition of Investment**	**83.00**	1,082.60	**-**	-	**-**	-	**-**	-	**83.00**	1,082.60
2	**Advance for Share Subscription**	**0.10**	(46.60)	**-**	-	**-**	-	**-**	-	**0.10**	(46.60)
3	**Short Term Advance Paid**	**-**	121.51	**-**	-	**-**	-	**-**	-	**-**	121.51
4	**Expense (Reimbursed)/Recovered**	**11.29**	25.49	**50.55**	18.95	**-**	-	**-**	-	**61.84**	44.44
5	**Income from sale/services**	**36.25**	49.36	**27.27**	11.92	**-**	-	**-**	-	**63.52**	61.28
6	**Expenses incurred**	**2,296.53**	2,235.56	**523.79**	523.59	**-**	-	**6.74**	7.81	**2827.06**	2,766.96
7	**Provident Fund & Retiral funds**	**-**	-	**-**	-	**-**	-	**264.71**	240.43	**264.71**	240.43
8	**Balances written off /Provided**	**6.10**	7.10	**-**	-	**-**	-	**-**	-	**6.10**	7.10
9	**Security Deposit Received**	**-**	-	**0.03**	-	**-**	-	**-**	-	**0.03**	-
10	**Dividend paid**	**102.89**	70.56	**12.41**	8.51	**0.24**	0.16	**0.26**	0.16	**115.80**	79.39
11	**Remuneration of Key Managerial Personnel:**										
	Shorts Term Employee Benefits	-	-	-	-	**10.11**	7.46	-	-	**10.11**	7.46
	Post Employment Benifits	-	-	-	-	**2.42**	1.84	-	-	**2.42**	1.84
12	**Remuneration of Directors**	**-**	-	**-**	-	**35.94**	33.37	**-**	-	**35.94**	33.37
	Outstanding Balance:										
1	Debit	**-**	-	**46.56**	39.88	**-**	-	**-**	-	**46.56**	39.88
2	Credit	**1,637.66**	1,498.83	**-**	-	**35.34**	34.31	**15.85**	15.50	**1,688.85**	1,548.64

a. Shares alloted during the year in repsect of Share Application money paid to subsidiaries ` 160 crore ( 31.03.18 : `115.58 crore)

b. Refer Note. 31(b) relating to commitments (letter of comfort) provided to banks towards borrowing obligations as on 31.03.2019 in respect of subsidiary companies.

c. Outstanding balances are unsecured and settlement occurs in cash.

NOTE-43 **Miscellaneous expenses shown in Note no. 38 (m), include Auditors' Remuneration and expenses :**

` in crore

	2018-19	2017-18
As Statutory Auditors :		
Statutory audit and Limited reviews #	**3.16**	1.83
Other services	**0.77**	0.98
As a Tax Auditor	**0.11**	0.10
Others	**0.18**	0.06
Reimbursement of expenses including applicable taxes	**0.88**	0.56

includes additional fees in relation to financial statements as per Scheme of Arrangement referred to in Note-51

NOTE- 44 **The major components of Deferred Tax Assets / (Liabilities) based on the temporary difference as at 31st March, 2019 are as under:**

Deferred tax assets and liability (Net)

Deferred tax relates to the following: ` in crore

	April 1, 2018	**Recognised through P&L**	**Recognised through OCI**	**March 31, 2019**
Liabilities				
Difference in WDV of Property, Plant and Equipment	(3,519.57)	8.63		(3,510.94)
Fair Valuation of Equity Investment as per IND AS	(1.76)	-	0.48	(1.28)
Others	(25.29)	2.29	-	(23.00)
Assets				
Items covered under section 43B of Income Tax Act, 1961	4.61	0.01	-	4.62
Others including items covered under section 35DDA of Income Tax Act, 1961	54.80	0.82	-	55.62
Total Deferred Tax Liabilities (Net)	**(3,487.21)**	**11.75**	**0.48**	**(3,474.98)**

	April 1, 2017	Recognised through P&L	Recognised through OCI	March 31, 2018
Liabilities				
Difference in WDV of Property, Plant and Equipment	(3,568.89)	49.32	-	(3,519.57)
Fair Valuation of Equity Investment as per IND AS	-	-	(1.76)	(1.76)
Others	(30.62)	5.33	-	(25.29)
Assets				
Items covered under section 43B of Income Tax Act, 1961	3.91	0.70	-	4.61
Others including items covered under section 35DDA of Income Tax Act, 1961	40.83	13.97	-	54.80
Total Deferred Tax Liabilities (Net)	(3,554.77)	69.32	(1.76)	(3,487.21)

Income tax expense

a) i) Income tax recognised in profit or loss

` in crore

Current tax expense	March 31, 2019	March 31, 2018
Continuing Operation	**(257.40)**	(237.72)
Discontinuing Operation	**-**	0.80
Deferred tax expense		
Deferred tax-(Income) / expense	**11.75**	69.32
Regulatory (Income) / expense -deferred tax	**(11.75)**	(69.32)
Total income tax expense	**(257.40)**	(236.92)

ii) Income tax recognised in OCI

	March 31, 2019	March 31, 2018
Current tax expense		
Remeasurement of defined benefit plan	**8.84**	4.50
Deferred tax expense		
Deferred Tax on Gain on fair value of Investment	**0.48**	(1.76)
Regulatory (Income) / expense -deferred tax	**(0.48)**	1.76
Total income tax expense relating to OCI items	**8.84**	4.50

b) Reconciliation of tax expense and accounting profit

	March 31, 2019	March 31, 2018
Accounting profit before tax after Comprehensive Income	**1153.42**	1077.79
Tax using the Company's domestic tax rate (Current year 34.944% and Previous Year 34.608%)	**403.05**	373.00
Tax effect of amounts adjustable in calculating taxable income/expenses not considered for tax purpose including difference in depreciation	**(102.83)**	(97.58)
Incentive, deduction etc. allowed under Income Tax	**(56.13)**	(32.67)
MAT Adjustments etc.	**4.47**	(10.33)
Income Tax Expense	**248.56**	232.42

NOTE- 45 Liability in respect of the security deposit collected by the Company, in terms of applicable regulations of the WBERC, has been classified as non – current, given the nature of its business in the license area, excepting to the extent of the sum refundable / payable within a year, based on experience.

NOTE- 46 Future rentals payable in respect of non-cancellable leases for assets comprising various equipment and vehicles acquired under operating leases for the period ranging between 36-60 months work out to ` 6.27 crore (as on 31.03.18 : ` 0.39 crore) and ` 18.21 crore (as on 31.03.18 : ` 1.29 crore) during next one year and thereafter till five years respectively. There are no restrictions in respect of such leases.

NOTE- 47 Earnings per share:

(i) **Computation of Earnings per share from continuing operations**

Particulars		2018-19	2017-18
Profit for the year from continuing operations after tax (` in Crore)	(A)	**937.05**	864.66
Weighted Average no. of shares for Earnings per share	(B)	**13,25,57,043**	13,25,57,043
Basic and Diluted Earnings per share of ` 10/- = [(A) / (B)] (`)		**70.69**	65.23

Computation of Earnings per share from discontinued operations

Particulars		2018-19	2017-18
Profit/ (loss) from discontinued operations after tax for EPS (` in Crore)	(A)	-	(2.95)
Weighted Average no. of shares for Earnings per share	(B)	-	13,25,57,043
Basic and Diluted Earnings per share of ` 10/- = [(A) / (B)] (`)		-	(0.22)

Computation of Earnings per share - from discontinued & continuing operations (net of tax)

Particulars		2018-19	2017-18
Profit after tax for EPS (` in Crore)	(A)	**937.05**	861.71
Weighted Average no. of shares for Earnings per share	(B)	**13,25,57,043**	13,25,57,043
Basic and Diluted Earnings per share of ` 10/- = [(A) / (B)] (`)		**70.69**	65.01

(ii) **Computation of Earnings per share from continuing operations- excluding regulatory Income (net of tax)**

Particulars		2018-19	2017-18
Profit After Tax excluding regulatory income (` in Crore)	(A)	**488.91**	700.08
Weighted Average no. of shares for Earnings per share	(B)	**13,25,57,043**	13,25,57,043
Basic and Diluted Earnings per share of ` 10/- = [(A) / (B)] (`)		**36.88**	52.81

Computation of Earnings per share from discontinued & continuing operations- excluding regulatory Income (net of tax)

Particulars		2018-19	2017-18
Profit After Tax excluding regulatory income (` in Crore)	(A)	**488.91**	697.13
Weighted Average no. of shares for Earnings per share	(B)	**13,25,57,043**	13,25,57,043
Basic and Diluted Earnings per share of ` 10/- = [(A) / (B)] (`)		**36.88**	52.59

NOTE- 48 The Company is primarily engaged in generation and distribution of electricity which is the only reportable business segment in line with the segment wise information which is being presented to the CODM. There are no reportable geographical segments, since all business is within India.

The Company is also running a single retail store in state of Gujarat which is not significant for the CODM and hence not considered as reportable segment.

NOTE- 49 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, the basis of which be considered by the West Bengal Electricity Regulatory Commission (Commission) in determining the Company's tariff for the year, which is also required to be used for accounting purpose as specified in the said Regulations. Based on legal opinions and independent accounting opinions obtained, the Company continues with the consistently followed practice of recouping from the retained earnings an additional charge of depreciation relatable to the increase in value of assets arising from fair valuation , which for the current year amounts to `304.04 crore (31.03.18 : ` 306.25 crore) and corresponding withdrawal of ` 2.72 crore ( 31.03.18 : ` 5.18 crore) consequent to sale / disposal of such assets and the same will be followed in subsequent years .

NOTE- 50 In terms of the provisions of Companies Act, 2013, the required Corporate Social Responsibility (CSR) spending for the year works out to ` 20.16 crore (31.03.18 : ` 19.35 crore). The said requirement of CSR spending was met by way of contribution to a trust set up for the said purpose and direct expenditure of ` 18.00 crore (31.03.18 : ` 17.10 crore) and ` 2.23 crore ( 31.03.18 : ` 2.25 crore) respectively.

NOTE- 51 The Company, in the financial statements for the year ended March 31, 2018, had given effect to the composite scheme of arrangement approved by Hon'ble National Company Law Tribunal (NCLT) (the appropriate authority) except for demerger of the Generation Undertaking which shall be effective in terms thereof upon approval of the Hon'ble West Bengal Electricity Regulatory Commission (WBERC) to the Power Purchase Agreement (PPA) between the Company and Haldia Energy Limited (One of the Scheme Companies) which is awaited.

NOTE- 52 Contract Liability at the beginning of the year in respect of Contribution from Consumers for certain jobs stood at ` 124.20 crore, out of which ` 35.39 crore has been dealt with in the revenue account during the year, on satisfaction of performance obligation. The balance of the said contract liability as at the year-end stood at ` 146.54 crore pending satisfaction of the performance obligation.

NOTE - 53 **Quantitative information :** **(Million kWh)**

		2018-19	2017-18
(a)	Total number of units generated during the year	**6298**	6337
(b)	Total number of units consumed in Generating Stations	**488**	499
(c)	Total number of units sent out	**5810**	5838
(d)	Total number of units purchased during the year	**5581**	5638
(e)	Total number of units through Unscheduled Interchange (Net)	**22**	20
(f)	Total number of units delivered	**11413**	11496
(g)	Total number of units sold as per meter readings	**9706**	9739
(h)	Total number of units sold to persons other than own consumers and WBSEDCL	**684**	611
(i)	Total number of units consumed in Company's premises	**37**	47
(j)	Total number of units sold to WBSEDCL	**12**	38

The derated installed capacity of the Generating Stations of the Company (as per certification of technical expert) as on 31st March, 2019 was 1125000 kW (31st March, 2018 : 1125000 kW).

NOTE- 54 The Company has reclassified previous year's figures to conform to this year's classification along with other regrouping / rearrangement wherever necessary.

For and on behalf of Board of Directors

For S.R.BATLIBOI & CO LLP
Chartered Accountants
Firm Registration Number -301003E/E300005

Kamal Agarwal
Partner
Membership No.: 058652
Kolkata, 17th May, 2019

Chairman	Sanjiv Goenka	DIN : 00074796
Managing Director -Generation	Rabi Chowdhury	DIN : 06601588
Managing Director- Distribution	Debasish Banerjee	DIN : 06443204
Company Secretary	Subhasis Mitra	
Executive Director & CFO	Rajarshi Banerjee	

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

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 associate and joint venture comprising of the consolidated Balance Sheet as at March 31, 2019, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

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 and joint venture, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("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 associate and joint venture as at March 31, 2019, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements' section of our report. We are independent of the Group in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2019. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated Ind AS financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated Ind AS financial statements.

1. **Accrual of regulatory income and corresponding asset / liability** *(as described in note 40 of the consolidated Ind AS financial statements)*

   Key Audit Matter:-

   The Group recognizes regulatory income / assets / liability basis its understanding and interpretation of tariff orders and regulations notified by the West Bengal Electricity Regulatory Commission (WBERC), which are subject matter of Annual Performance Review (APR) and will be adjusted in tariffs to be notified in the future years. Management exercises judgement in estimating such amounts using past experience from the issued Tariff / APR order including interpretation of the regulations.

   In consideration of the significant value of regulatory balances, complexity and high degree of estimation involved in computation thereof and pending annual performance reviews, we identified accrual of regulatory balances as a key audit matter.

   How our audit addressed the key audit matter:

   Our audit procedures included the following:-

   - We have understood and carried out testing of the design and implementation of key controls related to accounting, valuation and recoverability of such regulatory balances and its disclosure in the financial statements of the Company.
   - We discussed with the management on the assumptions and estimates used for recognition of these regulatory balances and corroborated them with the applicable regulatory provisions, tariff orders and underlying records of the Company.
   - We discussed with the management on the consistency of its assumptions and basis of estimation for all the years for which APR assessments are pending to be completed and also verified the arithmetical accuracy of such workings.
   - We enquired from the management for notifications and correspondences with the regulator on the pending APR assessments.
   - We have assessed the disclosures in accordance with the requirements of Ind AS 114 "Regulatory Deferral Accounts".

2. **Valuation of non current investment** *(as described in note 8(a) (ii) and (iii) of the consolidated Ind AS financial statements)*

Key Audit Matter:-

A subsidiary company has investments in the equity and preference shares, which is carried at fair value through Other Comprehensive Income (OCI). The said investments were valued as at 31 March 2019 by an independent valuer using discounted cash flow ('DCF') method.

Management's determination of fair valuation of investments is complex and requires estimation and judgement around assumptions used which include, but are not limited to, projections of future cash flows, growth rates, discount rates, estimated future operating and capital expenditure and any change in these assumptions could significantly affect the fair values.

The application of significant judgement in this matter required substantial involvement of senior personnel on the audit engagement.

Accordingly, considering the materiality of balances, complexity of valuation and significance of judgement involved, fair valuation of aforesaid investments has been considered to be a key audit matter for current year's audit.

How the audit addressed the Key Audit Matter:

The auditor of the subsidiary company has performed the following procedures:

- Obtained an understanding of management's processes and controls for determining the fair valuation of investments.
- Evaluated the design of and tested the operating effectiveness of the key controls around the fair valuation of investment.
- Evaluated the independent valuation specialist's competencies, expertise and objectivity.
- Assessed the appropriateness of the valuation methodology used to arrive at the estimated fair value of the investments and reasonableness of the assumptions such as discount rates using an auditor's expert.
- Tested the accuracy of the input data provided by the management to the valuation specialist, reasonableness of the key assumptions used in the cash flow projections and fair valuation, such as growth rates, discount rate, etc.
- Tested the mathematical accuracy of the cash flow projections and fair valuation computation.
- Evaluated the appropriateness of disclosures made in the financial statement in relation to such investments as required by applicable accounting standards.

Information Other than the Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the Directors Report, Management Discussion and Analysis, Report on corporate governance, Additional shareholder information, Report on CSR, Business Responsibility Report and Statement containing salient features of the financial statement of Subsidiaries / Associates / Joint Ventures, but does not include the consolidated Ind AS financial statements and our auditor's report thereon.

Our opinion on the consolidated Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in terms of the requirements of 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 associate and joint venture in accordance with the 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. The respective Board of Directors of the companies included in the Group and of its associate and joint venture 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 associate and joint venture and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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 consolidated Ind AS 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.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associate and joint venture are responsible for assessing the ability of the Group and of its associate and joint venture to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group and of its associate and joint venture are also responsible for overseeing the financial reporting process of the Group and of its associate and joint venture.

Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate and joint venture to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate and joint venture to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate and joint venture of which we are the independent auditors, to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind AS financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2019 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

(a) We did not audit the financial statements and other financial information, in respect of 17 subsidiaries, whose Ind AS financial statements include total assets of `13,562.59 crores as at March 31, 2019, and total revenues of `5,204.47 crores and net cash outflows of `19.91 crores for the year ended on that date. These Ind AS financial statements and other financial information have been audited by other auditors, with 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 loss of ` Nil for the year ended March 31, 2019, as considered in the consolidated Ind AS financial statements, in respect of a joint venture, whose financial statements, other financial information have been audited by other auditor and whose report have been furnished to us by the Management. Our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint venture, 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 and joint venture, is based solely on the report(s) of such other auditors.

(b) The consolidated Ind AS financial statements include the Group's share of net profit of ` 69 crore for the year ended March 31, 2019, as considered in the consolidated Ind AS financial statements, in respect of an associate, whose financial statements, other financial information have not been audited and whose unaudited financial statements, other unaudited financial information have been certified and furnished to us by the Management. Our opinion, in so far as it relates to the amounts and disclosures included in respect of this associate, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid associate, is based solely on such unaudited financial statements and other unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements and other financial information are not material to the Group.

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 and the financial statements and other financial information certified by the Management.

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 and joint venture, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

(a) We/the other auditors whose report 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 purposes 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, the 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 Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2019 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, and joint venture, none of the directors of the Group's companies and joint venture incorporated in India is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act

(f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements of the Holding Company and its subsidiary companies, and joint venture incorporated in India, refer to our separate Report in "Annexure" to this report;

(g) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries, and joint venture incorporated in India, the managerial remuneration for the year ended March 31, 2019 has been paid / provided by the Holding Company, its subsidiaries, and joint venture incorporated in India to their 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 consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries and joint venture, 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 associate and joint venture in its consolidated Ind AS financial statements – Refer Note 32 to the consolidated Ind AS financial statements;

ii. Provision has been made in the consolidated Ind AS financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

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 and joint venture incorporated in India during the year ended March 31, 2019.

For **S.R. Batliboi & CO. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Kamal Agarwal
Partner
Membership Number: 058652

Place: Kolkata
Date: May 17, 2019

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED IND AS FINANCIAL STATEMENTS OF CESC LIMTED

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, 2019, we have audited the internal financial controls over financial reporting of CESC Limited (hereinafter referred to as the "Holding Company") and its subsidiary companies, and its joint venture, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiary companies, and its joint venture, 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, and its joint venture, 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 31,2019, 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 statements of the Holding Company, in so far as it relates to these 17 subsidiary companies and a joint venture, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiary, and joint venture 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: Kolkata
Date: May 17, 2019

Consolidated Balance Sheet as at 31st March, 2019

CESC LIMITED
Energising Lives -Since 1899

` in crore

Particulars		Note No.	As at 31st March, 2019	As at 31st March, 2018
ASSETS				
Non-current Assets				
Property, Plant and Equipment		5	**23,434.61**	23,628.15
Capital work-in-progress			**161.44**	216.63
Investment Property		6	**56.03**	56.03
Intangible Assets		7	**157.90**	169.35
Investment accounted under equity method		51	**473.88**	422.72
Financial Assets				
Investments		8	**198.54**	244.62
Loans		9	**30.98**	31.00
Others		10	**56.21**	57.25
Other Non current assets		11	**151.53**	155.40
	(A)		**24,721.12**	24,981.15
Current Assets				
Inventories		12	**700.45**	582.59
Financial Assets				
Investments		13	**513.03**	506.37
Trade receivables		14	**1,738.85**	1,537.40
Cash and cash equivalent		15	**502.56**	632.17
Bank balances other than cash and cash equivalent		16	**528.11**	561.79
Loans		17	**17.14**	15.26
Others		18	**103.97**	73.27
Current Tax Assets (Net)			**30.84**	21.17
Other current assets		19	**614.74**	508.28
	(B)		**4,749.69**	4,438.30
Regulatory deferral account balances	**(C)**	31	**3,997.51**	3,566.81
TOTAL ASSETS	**(A+B+C)**		**33,468.32**	32,986.26
EQUITY AND LIABILITIES				
Equity				
Equity Share capital		20	**133.22**	133.22
Other Equity		21	**8,840.62**	8,286.95
Non-controlling interest		41	**82.06**	69.39
Total Equity	**(D)**		**9,055.90**	8,489.56
Liabilities				
Non-current Liabilities				
Financial Liabilities				
Borrowings		22	**10,225.34**	11,047.78
Trade Payables				
(a)Total outstanding dues to micro enterprises and small enterprises			**-**	-
(b)Total outstanding dues of creditors other than micro enterprises and small enterprises			**43.63**	41.02
Consumers' Security Deposits		48	**1,484.32**	1,506.74
Others		23	**6.70**	8.32
Provisions		24	**344.27**	295.18
Deferred tax liabilities (Net)		43	**3,940.35**	3,639.86
Other non current liabilities		25	**230.04**	229.75
	(E)		**16,274.65**	16,768.65
Current Liabilities				
Financial Liabilities				
Borrowings		26	**2,386.93**	2,200.48
Trade Payables				
(a)Total outstanding dues to micro enterprises and small enterprises		27	**16.65**	7.58
(b)Total outstanding dues of creditors other than micro enterprises and small enterprises		27	**661.13**	683.09
Others		28	**2,581.76**	2,008.69
Other current liabilities		29	**661.91**	566.04
Provisions		30	**66.85**	88.30
Current Tax Liabilities (Net)			**85.26**	62.27
	(F)		**6,460.49**	5,616.45
Regulatory deferral account balances	**(G)**	31	**1,677.28**	2,111.60
TOTAL EQUITY AND LIABILITIES	**(D+E+F+G)**		**33,468.32**	32,986.26
Notes forming part of Consolidated Financial Statements		1-57		

This is the Consolidated Balance Sheet referred to in our Report of even date.

For and on behalf of Board of Directors

For S.R.BATLIBOI & CO LLP
Chartered Accountants
Firm Registration Number -301003E/E300005

Chairman	Sanjiv Goenka	DIN : 00074796
Managing Director -Generation	Rabi Chowdhury	DIN : 06601588
Managing Director- Distribution	Debasish Banerjee	DIN : 06443204
Company Secretary	Subhasis Mitra	
Executive Director & CFO	Rajarshi Banerjee	

Kamal Agarwal
Partner
Membership No.: 058652
Kolkata, 17th May, 2019

Consolidated Statement of Profit and Loss for the year ended 31st March, 2019

` in crore

Particulars	Note No.	2018-19	2017-18
Revenue from operations	33	**10,664.14**	10,274.86
Other income	34	**204.30**	252.01
Total Income		**10,868.44**	10,526.87
Expenses			
Cost of electrical energy purchased		**2,105.91**	2,004.20
Cost of fuel	35	**3,426.40**	2,890.63
Purchases of stock-in -trade		**19.94**	11.51
Employee benefit expense	36	**1,036.66**	970.23
Finance costs	37	**1,324.72**	1,302.96
Depreciation and amortisation expense	38	**763.78**	751.47
Other expenses	39	**1,259.76**	1,466.61
Total expenses		**9,937.17**	9,397.61
Profit before share in profit of associate and tax		**931.27**	1,129.26
Share in net profit of associate		**69.28**	49.73
Profit before regulatory income		**1,000.55**	1,178.99
Regulatory Income (net)	40	**571.26**	67.45
Profit before tax from continuing operations		**1,571.81**	1,246.44
Tax expense			
Current tax (net)		**362.08**	343.84
Deferred tax - (Income) / expense		**332.90**	(102.21)
Regulatory (Income) / expense - deferred tax		**(321.24)**	114.59
Total Tax expenses		**373.74**	356.22
Profit after Tax from continuing operations		**1,198.07**	890.22
Profit before tax from discontinued operations (Refer note 49)		-	107.30
Tax expense of discontinued operations (Refer note 49)		-	22.27
Profit after Tax from discontinued operations		-	85.03
Profit after Tax		**1,198.07**	975.25
Other comprehensive income (including discontinued operations)			
Items not to be reclassified to profit or loss			
Remeasurement of defined benefit plan		**(42.06)**	(21.70)
Income tax on above		**8.93**	4.78
Gain / (Loss) on fair valuation of Investment		**(16.14)**	30.12
Deferred Tax on above		**2.29**	(8.36)
Regulatory Income/(expense) - deferred tax		**(0.48)**	1.76
		(47.46)	6.60
Items to be reclassified to profit or loss			
Net changes in fair value of cash flow hedges		-	(36.62)
Exchange difference on translation of foreign operations		**0.05**	31.44
		0.05	(5.18)
Total Other Comprehensive Income / (expense)		**(47.41)**	1.42
Total comprehensive income for the year		**1,150.66**	976.67
Profit attributable to			
Owners of the equity		**1,183.98**	912.60
Non-controlling interest		**14.09**	62.65
		1,198.07	975.25
Other Comprehensive Income attributable to			
Owners of the equity		**(45.99)**	(1.85)
Non-controlling interest		**(1.42)**	3.27
		(47.41)	1.42
Total Comprehensive Income attributable to			
Owners of the equity		**1,137.99**	910.75
Non-controlling interest		**12.67**	65.92
		1,150.66	976.67
Earnings per equity share (Face value of `10 per share)	45		
Basic & Diluted from continuing operations		**89.32**	67.01
Basic & Diluted from discontinued operations		-	1.84
Basic & Diluted from continuing and discontinued operations		**89.32**	68.85
Notes forming part of Consolidated Financial Statements	1-57		

This is the Consolidated Statement of Profit and Loss referred to in our Report of even date.

For and on behalf of Board of Directors

For S.R.BATLIBOI & CO LLP
Chartered Accountants
Firm Registration Number -301003E/E300005

Kamal Agarwal
Partner
Membership No.: 058652
Kolkata, 17th May, 2019

Chairman	Sanjiv Goenka	DIN : 00074796
Managing Director -Generation	Rabi Chowdhury	DIN : 06601588
Managing Director- Distribution	Debasish Banerjee	DIN : 06443204
Company Secretary	Subhasis Mitra	
Executive Director & CFO	Rajarshi Banerjee	

Consolidated Cash flow Statement for the year ended 31st March 2019

		` in Crore	
		2018-19	2017-18
A.	**Cash flow from Operating Activities**		
	Profit before tax from continuing operations	**1,571.81**	1,246.44
	Profit before tax from discontinued operations	**-**	107.30
		1,571.81	1,353.74
	Adjustments for :		
	Depreciation and amortisation expenses	**763.78**	811.00
	Loss on sale / disposal of property, plant and equipment (net)	**2.88**	7.87
	Gain on sale/fair valuation of current investments (net)	**(41.56)**	(57.91)
	Dividend Income	**(17.15)**	-
	Employee stock compensation expense	**-**	2.64
	Allowances for doubtful debts / Advances made / Security deposits	**0.80**	20.77
	(Gain)/ loss on sale of domestic contracts	**-**	0.78
	Bad debts, advances, other receivables written off	**77.62**	37.34
	Finance Costs	**1,324.72**	1,333.44
	Interest Income	**(49.00)**	(40.71)
	Effect of Foreign Currency Transactions / Translation (net)	**0.05**	(64.11)
	MTM Loss on derivative	**-**	92.08
	Other Operating/Non Operating Income	**(45.35)**	(58.49)
	Operating Profit before Working Capital changes	**3,588.60**	3,438.44
	Adjustments for change in:		
	Trade and other receivables	**(1,066.12)**	(1,226.90)
	Inventories	**(117.86)**	258.06
	Trade and other payables	**206.13**	371.68
	Cash Generated from Operations	**2,610.75**	2,841.28
	Income Tax paid (net of refund)	**(316.81)**	(372.70)
	Net cash flow from Operating Activities	**2,293.94**	2,468.58
B.	**Cash flow from Investing Activities**		
	Purchase of Property, Plant & Equipment / Capital Work-in-Progress	**(837.84)**	(894.43)
	Proceeds from sale of Property, Plant & Equipment	**6.10**	13.11
	Income from investment property	**13.31**	6.05
	Purchase of Non-current investments	**-**	(206.88)
	Sale/(purchase) of Current Investments (net)	**46.67**	187.33
	Dividend received	**17.15**	-
	Interest received	**33.95**	31.14
	Investment in bodies corporate (net)	**-**	50.76
	Net Movement in Bank Balances not Considered as Cash and Cash Equivalents	**33.68**	(416.86)
	Net cash used in Investing Activities	**(686.98)**	(1,229.78)

` in Crore

		2018-19	2017-18
C.	**Cash flow from Financing Activities**		
	Issue of Share Capital	**-**	2.17
	Proceeds from Non-current Borrowings	**1,599.54**	1,938.49
	Repayment of Non-current Borrowings	**(1,910.61)**	(1,857.37)
	Net movement in Cash Credit facilities and other Current Borrowings	**186.44**	4.27
	Finance Costs paid	**(1,333.59)**	(1,382.81)
	Dividends paid	**(231.35)**	(157.81)
	Dividend tax paid	**(47.68)**	(32.38)
	Net Cash used in Financing Activities	**(1,737.25)**	(1,485.44)
	Net movement in cash and cash equivalents	**(130.29)**	(246.64)
	Cash and Cash equivalents - Opening Balance [Refer Note 15]	**632.17**	1,254.74
	Cash and Cash equivalents - Acquired Pursuant to Scheme of Arrangement [Refer Note 49]	**-**	1.85
	Cash and Cash equivalents - Pursuant to Acquisition during the year	**0.68**	-
	Cash and Cash equivalents - Transferred Pursuant to Scheme of Arrangement [Refer Note 49]	**-**	(377.78)
	Cash and Cash equivalents - Closing Balance [Refer Note 15]	**502.56**	632.17

Note: Previous year figures include discontinued operations

Changes in liabilities arising from financing activities

`in crore

Particulars	1-Apr-18	Cash flows	Other	Transferred pursuant to the Scheme of Arrangement	31-Mar-19
Current borrowings	2,200.48	186.45	-	-	2,386.93
Non-Current borrowings (including Current Matuirities)	12,446.62	(311.07)	15.38	-	12,150.93
Total liabilities from financing activities	**14,647.10**	**(124.62)**	**15.38**	**-**	**14,537.86**

Particulars	1-Apr-17	Cash flows	Other	Transferred pursuant to the Scheme of Arrangement	31-Mar-18
Current borrowings	2,372.30	4.27	135.50	(311.59)	2,200.48
Non-Current borrowings (including Current Matuirities)	13,259.50	81.12	(177.97)	(716.03)	12,446.62
Total liabilities from financing activities	**15,631.80**	**85.39**	**(42.47)**	**(1,027.62)**	**14,647.10**

This is the Consolidated Cash Flow Statement referred to in our Report of even date.

For and on behalf of Board of Directors

For S.R.BATLIBOI & CO LLP
Chartered Accountants
Firm Registration Number -301003E/E300005

Kamal Agarwal
Partner
Membership No.: 058652
Kolkata, 17th May, 2019

Chairman	Sanjiv Goenka	DIN : 00074796
Managing Director -Generation	Rabi Chowdhury	DIN : 06601588
Managing Director- Distribution	Debasish Banerjee	DIN : 06443204
Company Secretary	Subhasis Mitra	
Executive Director & CFO	Rajarshi Banerjee	

Consolidated Statement of Changes in Equity for the year ended 31st March 2019

A **Equity Share Capital**

` in crore

Particulars	Balance at the beginning of the reporting period	Changes in equity share capital during the year	Balance at the end of the reporting period
Equity Shares of `10 each issued, subscribed and fully paid up			
As at 31 March 2018	133.22	-	133.22
As at 31 March 2019	133.22	-	133.22

B **Other Equity**

Particulars	Reserves and Surplus *								Non Controlling Interest	Total
	Fund for unforeseen exigencies	Securities Premium	Capital Redemption Reserve	Retained Earnings	Employee Stock Option Reserve	Effective portion of Cash Flow Hedges	Equity Instruments through Other Comprehensive Income	Exchange differences on translating the financial statements of a foreign operation		
Balance as at 1 April, 2018	**244.17**	**-**	**-**	**8,006.39**	**-**	**-**	**23.68**	**12.71**	**69.39**	**8,356.34**
Profit for the year	-	-	-	1,183.98	-	-	-	-	14.09	1,198.07
Other Comprehensive Income / expense for the year (net of tax)	-	-	-	(31.71)	-	-	(14.33)	0.05	(1.42)	(47.41)
Total	**244.17**	**-**	**-**	**9,158.66**	**-**	**-**	**9.35**	**12.76**	**82.06**	**9,507.00**
Dividends paid (incl tax there on) (Note 20(f))	-	-	-	(279.66)	-	-	-	-	-	(279.66)
Transfer to/from retained earnings	16.26	-	-	(16.26)	-	-	-	-	-	-
Adjustments during the year	-	-	-	2.10	-	-	-	-	-	2.10
Withdrawal of additional depreciation during the year (Refer Note 47)	-	-	-	(304.04)	-	-	-	-	-	(304.04)
Withdrawal of residual amount added on fair valuation consequent to sale/ disposal of assets (Refer Note 47)	-	-	-	(2.72)	-	-	-	-	-	(2.72)
Balance as at 31 March, 2019	**260.43**	**-**	**-**	**8,558.08**	**-**	**-**	**9.35**	**12.76**	**82.06**	**8,922.68**

Particulars	Reserves and Surplus *								Non Controlling Interest	Total
	Fund for unforeseen exigencies	Securities Premium	Capital Redemption Reserve	Retained Earnings	Employee Stock Option Reserve	Effective portion of Cash Flow Hedges	Equity Instruments through Other Comprehensive Income	Exchange differences on translating the financial statements of a foreign operation		
Balance as at 1 April, 2017	228.24	1,745.90	20.13	8,332.28	12.11	60.32	0.19	90.30	1,210.05	11,699.52
Profit for the year	-	-	-	912.60	-	-	-	-	62.65	975.25
Other Comprehensive Income / expense for the year (net of tax)	-	-	-	(22.50)	-	(20.08)	23.49	17.24	3.27	1.42
Total	228.24	1,745.90	20.13	9,222.38	12.11	40.24	23.68	107.54	1,275.97	12,676.19
Adjustment pursuant to Scheme of Arrangement (Refer Note 49)	-	(1,745.90)	(20.13)	(697.18)	(13.55)	(40.24)	-	(94.83)	(1,206.58)	(3,818.41)
Dividends paid (incl tax there on)	-	-	-	(191.45)	-	-	-	-	-	(191.45)
Transfer to/from retained earnings	15.93	-	-	(15.93)	-	-	-	-	-	-
Adjustments during the year	-	-	-	-	1.44	-	-	-	-	1.44
Withdrawal of additional depreciation during the year (Refer Note 47)	-	-	-	(306.25)	-	-	-	-	-	(306.25)
Withdrawal of residual amount added on fair valuation consequent to sale/ disposal of assets (Refer Note 47)	-	-	-	(5.18)	-	-	-	-	-	(5.18)
Balance as at 31 March, 2018	**244.17**	**-**	**-**	**8,006.39**	**-**	**-**	**23.68**	**12.71**	**69.39**	**8,356.34**

* refer note 21

This is the Consolidated Statement of Changes in Equity referred to in our Report of even date.

For and on behalf of Board of Directors

For S.R.BATLIBOI & CO LLP
Chartered Accountants
Firm Registration Number -301003E/E300005

Kamal Agarwal
Partner
Membership No.: 058652
Kolkata, 17th May, 2019

Chairman	Sanjiv Goenka	DIN: 00074796
Managing Director -Generation	Rabi Chowdhury	DIN : 06601588
Managing Director- Distribution	Debasish Banerjee	DIN : 06443204
Company Secretary	Subhasis Mitra	
Executive Director & CFO	Rajarshi Banerjee	

NOTE-1 Significant accounting policies

These Consolidated financial statements have been prepared to comply in all material aspects with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) under Section 133 of the Companies Act, 2013 and other provisions of the Companies Act, 2013 and the regulations under the Electricity Act, 2003 to the extent applicable. A summary of important accounting policies which have been applied consistently are set out below.

Basis of Accounting

The financial statements have been prepared on a historical cost convention, except for the following:

a) Investments are carried at fair value, other than investments in associate and joint venture;

b) Certain financial assets and liabilities (including derivative instruments) are measured at fair value.

(a) Principles of consolidation and equity accounting

(i) Subsidiaries

Subsidiaries are all entities over which the group has control. The group controls an entity when the group is exposed to, or has right to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is acquired by the group. They are deconsolidated from the date that control ceases.

The group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income, expenses and cash flows. Intercompany transactions, balances and unrealized gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss and balance sheet respectively.

(ii) Associates

Associate is an entity over which the group has significant influence but not control or joint control. This is generally the case where the group holds between 20% and 50% of the voting rights. Investment in the associate is accounted for using the equity method of accounting (see (iv) below), after initially being recognized at cost.

(iii) Joint arrangements

Under Ind AS 111 *Joint arrangements,* investment in joint arrangement is classified as either joint operation or joint venture. The classification depends on the contractual rights and obligation of each investor, rather than the legal structure of the joint arrangement.

The Group has interest only in one joint venture.

Interest in joint venture is accounted for using equity method (see (iv) below), after initially being recognized at cost in the consolidated balance sheet.

(iv) Equity method

Under the equity method of accounting, the investment is initially recognized at cost and adjusted thereafter to recognize the group's share of the post-acquisition profits or losses of the investee in profit and loss, and the group's share of other comprehensive income of the investee in other comprehensive income. Dividend received or receivable from associate and joint venture is recognized as a reduction in the carrying amount of investment.

When the group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other long term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the group and its associates and joint ventures are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the group.

The carrying amount of equity accounted investments are tested for impairment in accordance with the policy described in paragraph 1(g) below.

(v) Changes in ownership interests

The group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

When the group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

(b) Use of estimates

As required under the provision of Ind AS for preparation of financial statements in conformity there of, the management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses and disclosures. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

(c) Property, plant and equipment (PPE)

Tangible Assets and Depreciation

Tangible assets are stated either at deemed cost as considered on the date of transition to Ind AS or at cost of acquisition/ construction together with any incidental expenses related to acquisition and appropriate borrowing costs, less accumulated depreciation and accumulated impairment loss, if any. An impairment loss is recognized where applicable, when the carrying value of tangible assets of cash generating unit exceed its fair value or value in use, whichever is higher.

For the Parent and one of its subsidiary company 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 prorata basis at the useful life specified therein, the basis of which is considered by the West Bengal Electricity Regulatory Commission (Commission) in determining the tariff for the year of the Company. Additional charge of depreciation for the year on increase in value arising from fair valuation on the date of transition to Ind AS, is recouped from Retained Earnings. Leasehold land is amortized over the unexpired period of the lease as appropriate. Leasehold improvement is amortized over the unexpired period of the lease.

In case of others, depreciation on property, plant and equipment is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management. The management believes that these estimated useful life are realistic and reflect fair approximation of the period over which the assets are likely to be used. These useful lives are different in some cases than those indicated in Schedule II of the Companies Act 2013, which are disclosed below:

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Useful Life of Tangible Assets

Particulars	Useful Life of Assets
Buildings and Structures	3-60 Years
Plant and Equipment	5-50 Years
Distribution System	25-40 Years
Meters	7-15 Years
River Tunnel	50 Years
Furniture and Fixtures	2-15 Years
Office Equipment	2-15 Years
Vehicles	5-10 Years
Railway Sidings	15-50 Years

(d) Investment properties

Property that is held for long term rental yields is classified as investment property. Carrying amount as per previous GAAP has been considered as deemed cost as on date of transition to Ind AS.

(e) Intangible Assets and Amortisation

Intangible assets comprising Computer Software, Licenses and mining rights, expected to provide future enduring economic benefits are stated either at deemed cost as considered on date of transition to Ind AS or at cost of acquisition / implementation / development less accumulated amortisation. The present value of the expected cost of restoration of the coal mine is included in its cost. An impairment loss is recognized where applicable, when the carrying value of intangible assets of cash generating unit exceed its fair value or value in use, whichever is higher.

Cost of intangible assets are amortised over its estimated useful life based on managements' external or internal assessment. Management believes that the useful lives so determined best represent the period over which the management expects to use these assets. The useful life of Intangible is as follows:

Useful Life of Intangible Assets

Particulars	Useful Life of Assets
Licences	25 Years
Computer Software	3 Years
Mining Rights	20 Years

(f) Leases

A lease is classified as a finance or an operating lease as applicable.

Group as lessee

Finance Lease

Finance leases are capitalised at present value of the minimum lease payments at the lease's inception and disclosed as leased property. Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability.

A leased asset is depreciated over the useful life of the asset.

Operating Lease

Lease payments under operating leases are recognised as an expense on a straight line basis in the statement of profit and loss over the lease term except where the lease payments are structured to increase in line with expected general inflation.

Group as lessor

Operating Lease

Lease earnings under operating leases are recognised as an income on a straight line basis in the statement of profit and loss over the lease term except where increase is in line with expected general inflation. The respective leased assets are included in the balance sheet based on their nature.

(g) Financial asset

The financial assets are classified in the following categories:

1. Financial assets measured at amortised cost,
2. Financial assets measured at fair value through profit and loss, and
3. Equity instruments

The classification of financial assets depends on the Group's business model for managing financial assets and the contractual terms of the cash flow.

At initial recognition, the financial assets are measured at its fair value.

Financial assets measured at amortised cost

Assets that are held for collection of contractual cash flows and where those cash flows represent solely payments of principal and interest are measured at amortised cost. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate method. The losses arising from impairment are recognised in the Statement of Profit or Loss.

Financial instruments measured at fair value through profit and loss (FVTPL)

Financial instruments included within fair value through profit and loss category are measured initially as well as at each reporting period at fair value plus transaction costs as applicable. Fair value movements are recorded in statement of profit and loss.

Investments in mutual funds are measured at fair value through profit and loss.

Equity Instruments

Equity investments in scope of Ind AS 109 are measured at fair value. At initial recognition, the Group makes an irrevocable election to present in other comprehensive income subsequent changes in the fair value. If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI.

Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk (refer note 46).

For trade receivables the simplified approach of expected lifetime losses has been used from initial recognition of the receivables as required by Ind AS 109 Financial Instruments.

(h) Financial Liabilities

Financial liabilities are measured at amortised cost using the effective interest rate method.

(i) Derivatives

The Group uses derivative financial instruments such as forward currency contracts and interest rate swaps to hedge its foreign currency risks and interest rate risks respectively. Such derivative financial instruments are recognised at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Gains or losses arising from such fair valuation of derivatives also give rise to regulatory income or expense which is recognised through Statement of Profit and Loss and would be considered in determining the Parent's future tariff as per the tariff regulations.

(j) Inventories

Inventories of stores and fuel are stated at the lower of cost and net realizable value. Cost is calculated on weighted average basis and comprises expenditure incurred in the normal course of business in bringing such inventories to their location and condition. Obsolete, slow moving and defective inventories are identified at the time of physical verification of inventories and where necessary, adjustment is made for such items.

(k) Foreign currency translation

(i) Functional and presentation currency

These consolidated financial statements are presented in Indian Rupees (INR) which is also the functional currency of the Company and its Indian subsidiaries whereas the functional currency of foreign subsidiary is the currency of its country of domicile.

(ii) Transaction and balances

Foreign currency denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the balance sheet date. The gains or losses resulting from such translations of monetary items are included in net profit in the statement of profit and loss. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

Gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled. Revenue, expense and cash flow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction.

In case of the Parent and one of its subsidiary the outstanding loans repayable in foreign currency are restated at the year-end exchange rate. Exchange gain or loss arising in respect of such restatement also gives rise to regulatory income or expense which is recognised as refundable or recoverable, which will be taken into consideration in determining the Company's future tariff in respect of the amount settled duly considering as appropriate, the impact of the derivative contracts entered into for managing risks thereunder.

(iii) Foreign Operations

The translation of financial statements of the foreign subsidiary to the presentation currency is performed for assets and liabilities using the exchange rate in effect at the balance sheet date and for revenue, expense and cash flow items using the average exchange rate for the respective periods. The gains or losses resulting from such translation are included in foreign currency translation reserves under other components of equity.

When a subsidiary is disposed off in full or the parent ceases the control, the relevant amount in foreign currency translation reserve is transferred to net profit in the statement of profit and loss. However, when a change in the parent's ownership does not result in loss of control of a subsidiary, such changes are recorded through equity.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the exchange rate in effect at the balance sheet date.

(l) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and cash on hand and term deposit.

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalent includes cash, cheques and draft on hand, balances with banks which are unrestricted for withdrawal/usages and highly liquid financial investments that are readily convertible to known amount of cash which are subject to an insignificant risk of changes in value. Bank overdraft are shown within borrowing in current liabilities in the balance sheet.

(m) Revenue from Operations

Revenue from Contracts with Customers is recognised on supply of electricity or when services are rendered to the customers at an amount that reflects the consideration to which the Group is entitled to under applicable regulatory framework.

Revenue to be earned from sale of electricity is regulated based on parameters set out in tariff regulations issued from time to time. Earnings from sale of electricity are net of discount for prompt payment of bills and do not include electricity duty collected from consumers and payable to the State Government.

The Group receives contribution from consumers in accordance with the applicable Regulation that is being used to construct or acquire items of property, plant and equipment in order to connect the consumers to the distribution network. Revenue is recognised in respect for such contributions so received from consumers in the year they are connected to the distribution network.

Income from meter rent is accounted for as per the approved rates.

(n) Other Income

Income from investments and deposits etc. is accounted for on accrual basis inclusive of related tax deducted at source, whereever applicable. Delayed Payment Surcharge, as a general practice, is determined and recognised on receipt of overdue payment from consumers. Interest income arising from financial assets is accounted for using amortised cost method. Dividend income is recognised when right to receive is established.

(o) Employee Benefits

The Group recognises Contributions to Provident Fund and Pension Funds on an accrual basis. Provident Fund contributions are made to a fund administered through duly constituted approved independent trust. The interest rate payable to the members of the trust shall not be lower than the statutory rate of interest declared by the Central Government under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and deficiency, if any, is made good by the Company, impact of which is ascertained by way of actuarial valuation as at the year end.

The Group, as per its schemes, extend employee benefits current and/or post retirement, which are accounted for on an accrual basis and includes actuarial valuation as at the Balance Sheet date in respect of gratuity, leave encashment and certain other retiral benefits, to the extent applicable, done by independent actuary.

Actuarial gains and losses where applicable are recognised through Other Comprehensive Income.

Compensation in respect of voluntary retirement scheme is charged off to Statement of Profit and Loss.

(p) Finance Costs

Finance Costs comprise interest expenses, applicable gain / loss on foreign currency borrowings in appropriate cases and other borrowing costs. Such Finance Costs attributable to acquisition and / or construction of qualifying assets are capitalized as a part of cost of such assets upto the date, where such assets are ready for their intended use. The balance Finance Costs is charged off to Statement of Profit and Loss. Finance Costs in case of foreign currency borrowings is accounted for as appropriate, duly considering the impact of the derivative contracts entered into for managing risks, therefore, interest expense arising from financial liabilities is accounted for under effective interest rate method.

(q) Taxes

The current income tax charge is calculated on the basis of the tax laws enacted at the end of the reporting period in the country where the company and its subsidiaries and associates operate and generate taxable income.

Provision for deferred taxation is made using liability method on temporary difference arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related Deferred Tax Asset (DTA) is realised or the Deferred Tax Liability (DTL) is settled. Deferred Tax Assets are recognized subject to the consideration of prudence and are periodically reviewed to reassess realization thereof. Deferred Tax Liability or Asset will give rise to actual tax payable or recoverable at the time of reversal thereof.

Current and Deferred tax relating to items recognised outside profit or loss, that is either in other comprehensive income (OCI) or in equity, is recognised along with the related items.

In case of the Parent and one of the subsidiary namely, Haldia Energy Limited tax on profits forms part of chargeable expenditure under the applicable regulations, deferred tax liability or asset is recoverable or payable through future tariff. Hence, recognition of deferred tax asset or liability is done with corresponding recognition of regulatory liability or asset, as applicable.

Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set-off against future income tax liability. Accordingly, MAT is recognized as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be recognized and there is a reasonable certainty for such tax credit benefit will be taken in the period(s) till which it is available.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries and associates and interest in joint arrangements where the group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

(r) Provisions and contingent liabilities

Provisions are recognised when the Group has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

A disclosure for contingent liabilities is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources embodying economic benefits will be required to settle or a reliable estimate of the amount cannot be made.

(s) Business combination

Other than under common control

Business combinations have been accounted for using the acquisition method under the provisions of Ind AS 103, Business Combinations.

The cost of an acquisition is measured at the fair value of the assets transferred, equity instruments issued and liabilities incurred or assumed at the date of acquisition, which is the date on which control is transferred to the Group. The cost of acquisition also includes the fair value of any contingent consideration. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value on the date of acquisition.

Transaction costs that the Group incurs in connection with a business combination such as legal fees, due diligence fees, and other professional and consulting fees are expensed as incurred.

Under common control

Business combination involving entities or businesses under common control are accounted for using the pooling of interest method whereby the assets and liabilities of the combining entities / business are reflected at their carrying value and necessary adjustments, if any, have been given effect to as per the scheme approved by National Company Law Tribunal.

(t) Regulatory deferral accounts balances

The Parent and one of the subsidiary company engaged in power business is a rate regulated entity and applies Ind AS 114, Regulatory Deferral Accounts. Expenses/ income recognized as Regulatory Income/Expenses in the Statement of Profit & Loss to the extent recoverable or payable in subsequent periods based on the Company's understanding of the provision of the applicable regulations framed by the West Bengal Electricity Regulatory Commission (WBERC) and/or their pronouncements/ orders, with corresponding balances shown in the Balance Sheet as Regulatory Deferral Account balances. Regulatory Deferral Accounts balances are adjusted from the year in which these crystallise.

NOTE 2A Summary of significant judgements and assumptions

The preparation of financial statements requires the use of accounting estimates, judgements and assumptions which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the group's accounting policies.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the group and that are believed to be reasonable under the circumstances.

The areas involving critical estimates or judgements are :-

Estimation of Restoration liability - Refer Note 1(e)

Impairment of Trade Receivables - Refer Note 1(g)

Estimates used in actuarial valuation of employee benefits -Refer Note 36

Estimates of useful life of intangible assets -Refer Note 1(e)

Estimation of Regulatory Items - Refer Note 31 and 40

Impairment assessment of Investment - Refer Note 1(g)

NOTE 2B Changes in Accounting Policy

Ind AS 115 was issued on March 28, 2018 and supercedes Ind AS 11 "Construction Contracts" and Ind AS 18 "Revenue" and it applied, with limited exception, to all revenue arising from contract with customers from April 1, 2018. The Group has adopted Ind AS 115 using modified retrospective approach. However, the application of standard does not have any impact on the recognition and measurement of revenue and related items.

Other amendments and interpretations apply for the first time in March 2019, but do not have an impact on the financial statements of the Group. The Group has not early adopted any standards or amendments that have been issued but are not yet effective.

NOTE 3 New standards that are not yet effective

The amendments to standards issued but not yet effective up to the date of issuance of the consolidated financial statements is disclosed below. The Group intends to adopt this standard, if applicable, when it becomes effective.

a **Issue of Ind AS 116 Leases**

Ind AS 116 Leases was notified in March 2019 and it replaces Ind AS 17 Leases. Ind AS 116 is effective for annual periods beginning on or after 1 April 2019. It sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. Lessor accounting under Ind AS 116 is substantially unchanged from today's accounting under Ind AS 17. Ind AS 116 requires lessees and lessors to make more extensive disclosures than under Ind AS 17. The Group is in the process of evaluating the requirements of the standard and its impact on its financial statements.

b **Amendment to Existing Ind AS**

The MCA has also carried out amendments of the following accounting standards:

i. Ind AS 12 - Income Taxes
ii. Ind AS 109 - Financial Instruments
iii. Ind AS 19 - Employee Benefits
iv. Ind AS 23 - Borrowing Costs
v. Ind AS 28 - Investments in Associates and Joint Ventures and
vi. Ind AS 103 - Business Combinations

Application of above amendments does not have significant impact on the Group's financial statements.

NOTE 4 The subsidiaries, associates and joint ventures considered in the preparation of the Consolidated Financial Statements are:

Sl. No.	Name of Subsidiaries, Associates and Joint Venture	Country of Incorporation	Percentage of ownership interest as at 31st March, 2019	Percentage of ownership interest as at 31st March, 2018
1	Haldia Energy Limited (HEL)	India	100.00	100.00
2	Dhariwal Infrastructure Limited (DIL)	India	100.00	100.00
3	Surya Vidyut Limited (SVL)	India	100.00	100.00
4	Malegaon Power Supply Limited (formerly Nalanda Power Company Limited) *	India	100.00	100.00
5	CESC Projects Limited *	India	100.00	100.00
6	Bantal Singapore Pte Limited	Singapore	100.00	100.00
7	Pachi Hydropower Projects Limited *	India	100.00	100.00
8	Papu Hydropower Projects Limted *	India	100.00	100.00
9	Ranchi Power Distribution Company Limted *	India	100.00	100.00
10	Crescent Power Limited (CPL)	India	67.83	67.83
11	Kota Electricity Distribution Limited (KEDL)	India	100.00	100.00
12	Bikaner Electricity Supply Limited (BKSL)	India	100.00	100.00
13	Bharatpur Electricity Services Limited (BESL)	India	100.00	100.00
14	CESC Green Power Limited *	India	100.00	100.00
15	Noida Power Company Limited (NPCL) (49.55% Associate)	India	49.55	49.55
16	Noida Solar Energy Private Limited (100% subsidiary of NPCL)	India	49.55	49.55
17	Jharkhand Electric Company Limited * @	India	100.00	-
18	Jarong Hydro-Electric Power Company Limited * @	India	100.00	-
19	Au Bon Pain Café India Limited	India	93.10	93.10
20	Mahuagarhi Coal Company Private Limited (50% joint venture)	India	50.00	50.00
21	Spencer's Retail Limited (merged on 01.10.2017) #	India	-	100.00
22	Music World Retail Limited (merged on 01.10.2017) #	India	-	100.00
23	RP-SG Retail Limited (subsequently renamed as Spencer's Retail Limited) (SRL) #	India	-	100.00
24	Omnipresent Retail India Private Limited (100% subsidiary of SRL) #	India	-	100.00
25	CESC Ventures Limited (formerly RP SG Business Process Services Limited) (CVL) #	India	-	100.00
26	Guiltfree Industries Limited (GIL) (100% Subsidiary of CVL) #	India	-	100.00
27	Quest Properties India Limited. (QPIL) #	India	-	100.00
28	Metromark Green Commodities Private Limited(100% subsidiary of QPIL) #	India	-	100.00
29	CESC Infrastructure Limited (merged on 01.10.2017) #	India	-	100.00
30	Spen Liq Private Limited (merged on 01.10.2017) #	India	-	100.00
31	Firstsource Solutions Limited (FSL) #	India	-	54.47
32	Firstsource Group USA Inc (FG US) (100% subsidiary of FSL) #	USA	-	54.47
33	Firstsource BPO Ireland Limited (100% subsidiary of FSL) #	Ireland	-	54.47
34	Firstsource Solutions UK Limited (FS UK).(100% subsidiary of FSL) #	UK	-	54.47
35	Firstsource Process Management Services Limited (100% subsidiary of FSL) #	India	-	54.47
36	Firstsource-Dialog Solutions Pvt. Limited (74% subsidiary of FSL) #	Sri Lanka	-	40.31
37	Firstsource Business Process Services,LLC (FBPS) (100% subsidiary of FG US) #	USA	-	54.47
38	Firstsource Solutions USA LLC (100% subsidiary of MH Inc.) #	USA	-	54.47
39	Firstsource Advantage LLC (100% subsidiary of FBPS) #	USA	-	54.47
40	Firstsource Transaction Services LLC (100% subsidiary of FS SA) #	USA	-	54.47
41	Firstsource Solutions S.A.(FS SA) (99.98% subsidiary of FS UK) #	Argentina	-	54.46
42	Medassit Holding LLC (MH Inc) (100% subsidiary of FG US) #	USA	-	54.47
43	One Advantage LLC, (100% subsidiary of FBPS) #	USA	-	54.47
44	ISGN Solutions Inc. (100% subsidiary of FG US) #	USA	-	54.47
45	ISGN Fulfillment Services, Inc. (100% subsidiary of ISGN Solutions Inc.) #	USA	-	54.47
46	ISGN Fulfillment Agency, LLC (100% subsidiary of ISGN Fulfillment Services, Inc) #	USA	-	54.47
47	Nanobi Data and Analytics Private Limited (21.79% associate of FSL) #	India	-	11.87
48	New Rising Promoters Private Limited (merged with CPL on 01.10.2017) (100% subsidiary of CPL) #	India	-	67.83
49	Bowlopedia Restaurants India Limited (100% subsidiary of CVL) #	India	-	100.00
50	Apricot Foods Private Limited (70% subsidiary of GIL) #	India	-	70.00

* Yet to commence their commercial operations
@ Subsidiary from 01.10.2018
# Pursuant to Scheme of Arrangement (refer note 49) was subsidiary upto 30.09.2017

NOTE - 5 PROPERTY, PLANT AND EQUIPMENT

` in Crore

PARTICULARS	COST / DEEMED COST						DEPRECIATION / AMORTISATION						NET BLOCK	
	As at 1st April, 2018	Add: Additions/ Adjustments on Acquisition	Add: Additions/ Adjustments	Adjustment pursuant to Scheme of Arrangement	Less: Withdrawals/ Adjustments	**As at 31st March, 2019**	As at 1st April, 2018	Add Additions/ Adjustments on Acquisition	Add Additions/ Adjustments	Adjustment pursuant to Scheme of Arrangement	Less Withdrawals/ Adjustments	**As at 31st March, 2019**	**As at 31st March, 2019**	As at 31st March, 2018
Land														
Freehold	2,508.88	2.23	0.07	-	-	**2,511.18**	-	-	-	-	-	-	**2,511.18**	2,508.88
Leasehold (Refer note below)	706.80	-	0.03	-	-	**706.83**	64.59	-	21.02	-	-	**85.61**	**621.22**	642.21
Buildings and Structures **	1,620.22	-	73.17	-	-	**1,693.39**	217.94	-	63.17	-	-	**281.11**	**1,412.28**	1,402.28
Plant and Equipment	13,568.80	-	207.91	-	5.31	**13,771.40**	1,766.68	-	603.17	-	3.53	**2,366.32**	**11,405.08**	11,802.12
Distribution System	7,339.16	-	457.23	-	21.26	**7,775.13**	756.58	-	297.41	-	18.07	**1,035.92**	**6,739.21**	6,582.58
Meters and Other														
Apparatus on														
Consumers' Premises	353.98	-	81.27	-	11.16	**424.09**	53.15	-	38.43	-	5.79	**85.79**	**338.30**	300.83
River Tunnel	2.78	-	-	-	-	**2.78**	1.65	-	0.56	-	-	**2.21**	**0.57**	1.13
Furniture and Fixtures	38.89	0.04	9.10	-	0.35	**47.68**	9.43	0.04	2.85	-	0.15	**12.17**	**35.51**	29.46
Office Equipment	111.12	0.23	12.02	-	0.69	**122.68**	30.76	0.21	10.80	-	0.38	**41.39**	**81.29**	80.36
Vehicles	11.34	0.05	6.10	-	0.83	**16.66**	3.14	0.02	2.13	-	0.55	**4.74**	**11.92**	8.20
Railway Sidings	299.55	-	20.43	-	-	**319.98**	29.45	-	12.48	-	-	**41.93**	**278.05**	270.10
	26,561.52	**2.55**	**867.33**	**-**	**39.60**	**27,391.80**	**2,933.37**	**0.27**	**1,052.02**	**-**	**28.47**	**3,957.19**	**23,434.61**	23,628.15
Previous Year	26,378.04	62.76	1,057.78	708.02 #	229.03	26,561.52	2,062.14	17.29	1137.09 *	118.06 #	165.09	2,933.37	23,628.15	

Refer Note 49
* includes `94.07 crore relating to discontinued operations
** includes leasehold improvements

Note:
These lease agreements are non-cancellable in nature and cannot be terminated during the tenure of lease. These agreements are generally renewable by mutual consent on mutually agreeable terms. The tenure of lease agreement varies from 30 - 99 years. Future minimum lease obligation in respect of the Parent is payable on leasehold land during next one year `0.83 crore (as on 31.03.2018: `0.83 crore) later than one year but not later than five years `2.64 crore (as on 31.03.2018: `2.64 crore) and later than five years `3.23 crore (as on 31.03.2018: `3.45 crore). In all other cases, lease rent are paid at the time of inception of lease agreement and no amount is payable during the tenure of lease. As generally, rent for the complete tenure of the lease is paid upfront, there are no periodic escalation in the lease rent.

The Parent is in the process of renewing the lease agreement in respect of certain leasehold land having Gross Block `210.34 crore (Net Block `201.46 crore)

NOTE - 6 INVESTMENT PROPERTY

` in crore

PARTICULARS	COST/ DEEMED COST				DEPRECIATION / AMORTISATION				NET BLOCK	
	As at 1st April, 2018	Additions/ Adjustments	Withdrawals/ Adjustments	**As at 31st March, 2019**	As at 1st April, 2018	Additions/ Adjustments	Withdrawals/ Adjustments	**As at 31st March, 2019**	**As at 31st March, 2019**	As at 31st March, 2018
Land - Freehold	56.03	-	-	**56.03**	-	-	-	-	**56.03**	56.03
	56.03	**-**	**-**	**56.03**	-	-	-	**-**	**56.03**	56.03
Previous Year	56.03	-	-	56.03	-	-	-	-	56.03	

a) Income earned recognised in Statement of profit and loss `12.27 crore (31.03.18 : `6.13 crore)

b) Fair valuation of the above land as per rent capitalisation method (income approach) amounts to `288 crore ( as on 31.03.2018 : `282 crore) as per approved independent valuer and categorised as level 2. The main inputs used in determining the fair valuation of the Investment Property are utility, marketability, self liquidity, future rentals, etc.

c) The lease term in respect of Investment property given under Operating Lease is 25 years which can be extended upon the sole discretion of the Parent. This lease has been granted to Quest Properties India Limited to construct, develop, operate and maintain a mall during the said lease term and the aforesaid property has been offered as security in respect of financial assistance availed of by the said Company. Incentive given by the Parent by way of rent free period for development of the Investment Property has been spread across the period of the contract. Future minimum lease rental receivables during next one year `12.27 crore (as on 31.03.2018 : `6.13 crore) later than one year but not later than five years `49.05 crore (as on 31.03.2018 : `49.05 crore)and later than five years `106.28 crore (as on 31.03.2018 : `118.54 crore).

NOTE - 7 INTANGIBLE ASSETS

` in crore

PARTICULARS	COST/DEEMED COST						AMORTISATION					NET BLOCK	
	As at 1st April, 2018	Add Additions/ Adjustments on Acquisition	Add Additions/ Adjustments	Adjustment pursuant to Scheme of Arrangement	Less Withdrawals/ Adjustments	**As at 31st March, 2019**	As at 1st April, 2018	Add Additions/ Adjustments	Adjustment pursuant to Scheme of Arrangement	Less Withdrawals/ Adjustments	**As at 31st March, 2019**	**As at 31st March, 2019**	As at 31st March, 2018
Licences	33.86	-	-	-	-	**33.86**	2.90	1.32	-	-	**4.22**	**29.64**	30.96
Computer Software	23.83	-	4.35	-	-	**28.18**	16.93	6.74	-	-	**23.67**	**4.51**	6.90
Mining Rights	151.88	-	-	-	-	**151.88**	20.39	7.74	-	-	**28.13**	**123.75**	131.49
	209.57	**-**	**4.35**	**-**	**-**	**213.92**	**40.22**	**15.80**	**-**	**-**	**56.02**	**157.90**	169.35
Previous Year	330.12	263.83	46.01	413.16 #	17.23	209.57	86.42	36.17 *	70.86 #	11.51	40.22	169.35	

Refer Note 49

* includes `21.46 crore relating to discontinued operations.

		As at 31st March,2019	As at 31st March,2018
			` in Crore
NOTE - 8	**NON CURRENT INVESTMENTS**		
a.	**Investments carried at fair value through other comprehensive income (FVTOCI)**		
(i)	**Investments in Equity Instruments - Quoted, fully paid up**		
	1,21,95,122 (31.03.2018 : 1,21,95,122) Equity Shares of Resource Generation Limited	**7.53**	4.73
	3,84,608 (31.03.2018 : 3,84,608) Equity Shares of `5 each of ICICI Securities Limited	**9.31**	20.00
(ii)	**Investments in Equity Instruments - Unquoted, fully paid up**		
	13,000 (31.03.2018 : 13,000) Equity Shares of Integrated Coal Mining Limited of `10 each	**21.96**	30.23
(iii)	**Investments in Preference Shares - Unquoted, fully paid up**		
	15,68,80,000 (31.03.2018 : 18,68,80,000) 9% Preference Shares of Integrated Coal Mining Limited of `10 each	**156.88**	186.88
b.	**Investments carried at fair value through profit and loss (FVTPL)**		
(i)	**Investments in Mutual Funds - Quoted**		
	20,00,000 (31.03.2018 : 20,00,000) units of HDFC CFCC - Debt Plan - Direct Option - 100% Dividend Donation of `10 each	**2.00**	2.00
(ii)	**Investments in Preference Shares - Unquoted, fully paid up**		
	5,00,000 (31.03.2018 : 5,00,000) 0.01% Redeemable Preference Shares of face value ` 100 each issued by Spencer's Retail Limited	**0.86**	0.78
		198.54	244.62
	Investment in quoted investments:		
	Aggregate Book value	**18.84**	26.73
	Aggregate Market value	**18.84**	26.73
	Investment in unquoted investments:		
	Aggregate Book value	**179.70**	217.89
NOTE - 9	**NON CURRENT - LOANS**		
	Considered Good - Unsecured		
a.	Security Deposit	**27.03**	27.27
b.	Loans to employees	**3.95**	3.73
		30.98	31.00
NOTE -10	**NON CURRENT - OTHER FINANCIAL ASSETS**		
	Considered Good - Unsecured		
	Lease Receivables	**56.21**	57.25
		56.21	57.25
NOTE -11	**OTHER NON CURRENT ASSETS**		
a.	Capital Advances	**56.69**	29.29
b.	Others Advances (Includes amount incurred by the group for setting up power projects to be transferred to the specific project on completion of the same, prepaid expenses etc.)	**94.84**	126.11
		151.53	155.40
NOTE -12	**INVENTORIES**		
a.	Fuel (includes goods in transit 31.03.2019 : `71.71 crore; 31.03.2018 : `82.58 crore)	**422.83**	295.68
b.	Stores and Spares	**275.22**	283.90
c.	Traded Goods	**2.40**	3.01
		700.45	582.59

NOTE -13 CURRENT INVESTMENTS

	As at 31st March,2019	As at 31st March,2018
		` in crore
Quoted		
Investment in Mutual Funds carried at fair value through profit and loss	**513.03**	506.37
Unquoted		
Investments in Commercial Paper carried at amortised cost *	**-**	-
	513.03	506.37
<u>Investment in quoted investments:</u>		
Aggregate Book value	**513.03**	506.37
Aggregate Market value	**513.03**	506.37
<u>Investment in unquoted investments:</u>		
Aggregate Book value	**-**	-
Aggregate provision for diminuition in value of investments	**30.00**	-

* Fully impaired

NOTE -14 TRADE RECEIVABLES

a.	Considered Good - Secured	**564.64**	599.16
b.	Considered Good - Unsecured	**1,174.24**	938.55
c.	Credit Impaired	**24.44**	24.10
		1,763.32	1,561.81
	Less : Allowances for bad and doubtful debts*	**24.47**	24.41
		1,738.85	1,537.40

* as on 31.03.2019 : `0.03 crore (31.03.2018 : `0.31 crore) was recognised as provision for expected credit losses on Trade Receivables.

NOTE-15 CASH AND CASH EQUIVALENT

a.	Balances with banks		
	- In current accounts	**434.16**	606.35
	- Bank Deposits with original maturity upto 3 months	**62.12**	21.88
b.	Cheques, drafts on hand	**4.11**	2.33
c.	Cash on hand	**2.17**	1.61
		502.56	632.17

NOTE-16 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENT

Unpaid Dividend Account	**5.74**	5.11
Escrow accounts*	**114.85**	113.02
Bank Deposits with original maturity more than 3 months	**407.52**	443.66
	528.11	561.79

* As security for payment of the secured obligation in accordance with Distribution Franchisee Agreement in respect of certain subsidiaries in the capacity of Distribution Franchisee.

a. Amount lying in deposit accounts with banks as at 31st March, 2019 includes `246.86 crore (31.03.2018 : `229.50 crore) appropriated upto the previous year towards Fund for unforeseen exigencies and interest attributable thereto.

b. Bank deposits with original maturity more than 3 months include `179.13 crore (31.03.2018 : `33.71 crore) having original maturity more than 12 months as on the reporting date.

NOTE-17 LOANS

		As at 31st March,2019	As at 31st March,2018
			` in crore
	Considered Good - Unsecured		
a.	Security Deposit	**16.53**	14.62
b.	Loans to employees	**0.61**	0.64
		17.14	15.26

NOTE-18 OTHER FINANCIAL ASSETS

Unsecured, Considered Good		
Interest accrued on Bank Deposits	**13.24**	14.40
MTM gain on derivative financial instruments	**53.02**	30.68
Receivable towards claims and services rendered	**29.82**	19.12
Miscellaneous advances to Bodies Corporate	**3.00**	3.43
Others	**4.89**	5.64
	103.97	73.27

NOTE-19 OTHER CURRENT ASSETS

Advance for goods and services	**438.06**	428.87
Prepaid Expenses	**15.59**	19.35
Others (includes deferred rent, advance to employees etc. and also refer note 32(e))	**161.09**	60.06
	614.74	508.28

NOTE -20 EQUITY

a.	**Authorised Share Capital** 3,15,60,00,000 (31.03.2018: 3,15,60,00,000) Equity Shares of Rs10 each	**3,156.00**	3,156.00
b.	**Issued Capital** 13,88,57,015 (31.03.2018 : 13,88,57,015) Equity Shares of `10 each fully paid up	**138.86**	138.86
c.	**Subscribed and paid up capital** 13,25,57,043 (31.03.2018 :13,25,57,043) Equity Shares of `10 each fully paid up	**132.56**	132.56
d.	**Forfeited Shares (amount originally paid up)**	**0.66**	0.66
		133.22	133.22

e. Reconciliation of the shares outstanding at the beginning and at the end of the year

Particulars	**As at 31st March, 2019**		As at 31st March, 2018	
	No. of shares	**Amount (`crore)**	No. of shares	Amount (`crore)
At the beginning of the year	**13,25,57,043**	**132.56**	13,25,57,043	132.56
Add : Change during the year	-	-	-	-
At the end of the year	**13,25,57,043**	**132.56**	13,25,57,043	132.56

For the period of five years immediately preceding 31st March,2019, no shares were : - (i) allotted as fully paid up pursuant to any contract without consideration being received in cash, (ii) allotted as fully paid up by way of bonus shares and (iii) bought back.

f. Terms /rights attached to equity shares :

The Company has only one class of equity shares having a par value of `10 per share fully paid up. Holders of equity shares are entitled to one vote per share. An Interim dividend of `17.50 per equity share (31.03.18 : `12 per equity share) has been paid during the year. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the sale proceeds from remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

g Details of shareholders holding more than 5% shares in the Company

	As at 31st March, 2019		As at 31st March, 2018	
Name of shareholder	**No. of shares**	**% of holding**	No. of shares	% of holding
Rainbow Investments Limited [refer note 54 (a)]	**5,87,96,632**	**44**	5,87,96,632	44
HDFC Trustee Company Limited	**1,19,30,021**	**9**	1,19,30,021	9

NOTE -21 OTHER EQUITY

` in Crore

		As at 31st March, 2019	As at 31st March, 2018
A.	Fund for unforeseen exigencies	**260.43**	244.17
	Foreign Currency Translation Reserve	**12.76**	12.71
	Equity Instruments through Other Comprehensive Income	**9.35**	23.68
	Retained Earnings	**8,558.08**	8,006.39
		8,840.62	8,286.95

B. Nature and purpose of other reserves

Fund for unforeseen exigencies has been created for dealing with unforeseen exegencies and the amount transferred during the year will be invested as per the applicable regulations. Retained Earnings represents profit earned by the Company, net of appropriations till date and adjustments done on transition to Ind AS. FVTOCI reserve represents the cumulative gains and losses arising on fair valuation of equity instruments measured at fair value through other comprehensive income. Foreign Currency Translation Reserve represents exchange difference relating to translation of Group's foreign operation from their functional currencies to Group's presentation currency.

NOTE -22 NON CURRENT BORROWINGS

`in Crore

		As at 31st March, 2019	As at 31st March, 2018
A.	**Secured**		
	Term Loans		
	(i) Rupee Term loans - from banks	**9,869.48**	9,893.48
	(ii) Rupee Term loans - from financial institutions	**1,074.75**	1,089.25
	(iii) Foreign Currency Loan - from banks	**601.70**	629.19
		11,545.93	11,611.92
B.	**Unsecured**		
	(i) Rupee Term loans - from banks	**605.00**	735.00
	(ii) Rupee Term loans - from financial institutions	**-**	99.70
	Total	**12,150.93**	12,446.62
	Less: Current maturities of long term borrowings transferred to Other Current Financial Liabilities (refer note 28)	**1,859.85**	1,329.49
	Less: Unamortised Front end Fees	**65.74**	69.35
		10,225.34	11,047.78

C. **Nature of Security :**

1 (i) Out of the Term Loans in (A) above in respect of the Parent, `4137.50 crore (31.03.2018: `4053.08 crore) are secured, ranking pari passu inter se, by equitable mortgage/hypothecation of the fixed assets of the Parent including its land, building and any other constructions thereon, plant and machinery etc (refer note 5) as a first charge and as a second charge, by hypothecation of the Parent's current assets comprising stock of stores, coal (refer note 12) and other consumables, book debts, monies receivable (refer note 14) and bank balances (refer note 15). However, creation of the said mortgage security in respect of five Rupee loans (31.03.2018 - one Rupee Loan) aggregating `755.50 crore (31.03.2018 - `30 crore) is in process.
(ii) `40.00 crore (31.03.2018: `203.44 crore), in (A) above, in respect of the Parent, are secured, ranking pari passu inter se, by hypothecation of the movable fixed assets and current assets of the Parent by way of a charge subservient to the charge of the first and second charge holders on the said assets.

2 Out of the Term Loan in (A) above, ` 3343.21 crore (31.03.2018: ` 3317.22 crore) in respect of a subsidiary are secured, ranking pari passu inter se with first charge by way of equitable mortgage / hypothecation of fixed assets and current assets of the subsidiary including its land, buildings, any other construction thereon where exists, plant and machinery etc (refer note 5) and loans amounting to `Nil (31.03.2018: `50 crore) are secured with subservient charge on movable fixed assets of the subsidiary.

3 (i) Out of the Term Loan in (A) above, ` 2593.56 crore (31.03.2018- ` 2699.19 crore) in respect of a subsidiary are secured, with first charge by way of mortgage / hypothecation of subsidiary's fixed assets and current assets including its land, buildings and the construction thereon where exists, plant and machinery etc (refer note 5), loans amounting to `375.25 crore (31.03.2018- `Nil) are secured with second charge on all assets of the subsidiary.
(ii) Out of the Term Loan in (A) above, loan of ` 177.78 crore (31.03.2018- `431.82 crore) in respect of the above subsidiary are secured with subservient charge on all current and movable fixed assets of the subsidiary.

4 In respect of one of the subsidiaries, the Term Loans of ` 590.16 crore (31.03.2018- `625.81 crore) in (A) above are secured / to be secured by an exclusive charge by way of mortgage/hypothecation in respect of the fixed assets of the subsidiary including its land, building, construction thereon where exist, plant & machinery etc. (refer note 5) and by way of hypothecation of current assets of the subsidiary, with respect to the project for which the loan was availed. Creation of mortgage security as aforesaid on immovable fixed assets of the projects in Rojmal/Amreli (Gujarat) are currently under process.

5 (i) Term loan of `149.38 crore (31.03.2018 - `80.95 crore) in (A) above , in respect of a subsidiary, is secured by hypothecation of current assets including its stock of stores, coal (refer note 12) and other movable, book debts, monies receivables (refer note 14) and bank balances (refer note 15) and equitable mortgage / hypothecation of the subsidiary’s fixed assets including its land, building and all constructions thereon and plant and machinery (refer note 5), both present and future with respect to the 40 MW AFBC Thermal Power project of the subsidiary near Asansol, West Bengal. The security mentioned above ranks pari passu inter se and with the security for overdraft working capital facilities from banks.
(ii) Term loan of `68.78 crore (31.03.2018 - `75.42 crore) in (A) above, in respect of the above subsidiary, is secured by an exclusive charge by way of mortgage/hypothecation in respect of fixed assets including its land, building, constructions thereon where exist, plant and machinery etc.(refer note 5) and by way of hypothecation of current assets including book debts, receivables,(refer note 14) projects related accounts, revenue of whatsoever nature and wherever arising (present and future) with respect to the 15MW Solar Power project at Ramanathpuram, Tamilnadu

6 Out of the Term Loan in (A) above, ` 70.31 crore (31.03.2018- `75 crore) in respect of a subsidiary are secured by:
• First charge by way of hypothecation on pari passu basis over movable fixed assets of the subsidiary, both present and future (excluding those charged to JVVNL)
• First charge by way of mortgage on pari passu basis over immovable fixed assets of the subsidiary, both present and future (excluding those charged to JVVNL)

D. Major terms of repayment of Non Current Borrowings :

` in crore

Maturity profile of Non Current Borrowings outstanding as at 31st March, 2019	**Rupee Term Loan from Banks**	**Rupee Term Loan from Financial Institutions**	**Foreign Currency Loans**	**Total**	**Current Maturities**
Loans with maturity of upto one year	360.77	-	433.89	**794.66**	794.66
Loans with maturity between 1 and 3 years	829.37	-	87.04	**916.41**	206.23
Loans with maturity between 3 and 5 years	1,456.56	-	80.77	**1,537.33**	320.98
Loans with maturity between 5 and 10 years	2,499.32	-	-	**2,499.32**	303.74
Loans with maturity beyond 10 years	5,328.46	1,074.75	-	**6,403.21**	234.24
Total	**10,474.48**	**1,074.75**	**601.70**	**12,150.93**	**1,859.85**

Interest on Rupee Term Loan from Banks and Financial Institutions are based on spread over Lender's Benchmark rate and that of on Foreign Currency Loan based on spread over LIBOR.
All of the above are repayable in periodic instalments over the maturity period of the respective loans.

` in crore

Maturity profile of Non Current Borrowings as at 31st March, 2018	Rupee Term Loan from Banks	Rupee Term Loan from Financial Institutions	Foreign Currency Loans	Total	Current Maturities
Loans with maturity of upto one year	245.75	-	16.40	**262.15**	262.15
Loans with maturity between 1 and 3 years	1,142.46	-	408.78	**1,551.24**	266.19
Loans with maturity between 3 and 5 years	1,127.14	-	114.80	**1,241.94**	243.38
Loans with maturity between 5 and 10 years	2,766.53	99.70	89.21	**2,955.44**	356.84
Loans with maturity beyond 10 years	5,346.60	1,089.25	-	**6,435.85**	200.93
Total	**10,628.48**	**1,188.95**	**629.19**	**12,446.62**	**1,329.49**

Interest on Rupee Term Loan from Banks and Financial Institutions are based on spread over Lender's Benchmark rate and that of on Foreign Currency Loan based on spread over LIBOR.
All of the above are repayable in periodic instalments over the maturity period of the respective loans.

E. Outstanding foreign currency loans as on 31 March, 2019 as disclosed above, stand fully hedged in Indian Rupees.

NOTE -23 NON CURRENT- OTHER FINANCIAL LIABILITIES

		As at 31st March,2019	As at 31st March,2018
		` in Crore	
a.	Security Deposit against contracting service	**-**	1.91
b.	Lease Obligation	**6.70**	6.41
		6.70	8.32

NOTE -24 NON CURRENT- PROVISIONS

		As at 31st March,2019	As at 31st March,2018
a.	Provision for employee benefits	**311.21**	264.76
b.	Restoration liabilities	**33.06**	30.42
		344.27	295.18

Reconciliation of movement in Restoration liabilities

	As at 31st March,2019	As at 31st March,2018
Opening balance	**30.42**	9.91
Add : Adjustment during the year	**2.64**	20.51
Closing balance	**33.06**	30.42

The Group has recognised present value of restoration liabilty of mine land at Sarisatolli Coal Mine based on applicable Guidelines on Mine Closure Plan included in the cost of Mining Rights.

NOTE -25 OTHER NON CURRENT LIABILITIES

	As at 31st March,2019	As at 31st March,2018
		-
Advance received from consumers	**142.89**	162.98
Others (includes unearned rent, liability provided towards claims etc)	**87.15**	66.77
	230.04	229.75

NOTE -26 CURRENT- BORROWINGS

		` in Crore	
		As at 31st March,2019	As at 31st March,2018
A	**Secured**		
	Loans repayable on demand		-
	(i) Overdraft from banks	**961.93**	1,075.48
	(ii) Short term loan from banks	**125.00**	125.00
B	**Unsecured**		
	Loans repayable on demand		
	(i) Short term loan from banks	**100.00**	-
	(ii) Commercial Paper [including from banks 31.03.2019: `300 crore; 31.03.2018: Nil]	**1,200.00**	1,000.00
		2,386.93	2,200.48

C **Nature of Security**

1 The overdraft facilities from bank in respect of the Parent amounting to `585.44 crore (31.03.2018: `692.93 crore) in (A) (i) above are secured, ranking pari passu inter se, by hypothecation of the Parent's current assets comprising stock of stores, coal (refer note 12) and other consumables, book debts, monies receivable (refer note 14) and bank balances (refer note 15) as a first charge and as a second charge by equitable mortgage/ hypothecation of the fixed assets of the Parent including its land, buildings and other constructions thereon where exists, plant and machinery etc (refer note 5). However, creation of the said security in respect of working capital facilities from banks aggregating `30.65 crore (31.03.2018: Nil) is in process. (refer note 5)

2 The overdraft facilities from banks in respect of one of the subsidiaries amounting to `145.76 crore (31.03.2018: `111.02 crore) in (A) (i) above, is secured with first charge by way of mortgage/hypothecation of the subsidiary's fixed and current assets including its land and buildings, the construction thereon where exists, plant and machinery etc (refer note 5) and loans amounting to `Nil (31.03.2018: `89.65 crore) in (A) (i) above are secured by hypothecation of entire current assets and loan amounting to `125 crore (31.03.2018: `125 crore) in (A) (ii) above are secured by second pari passu charge by hypothecation over entire current assets and movable fixed assets of the subsidiary.

3 The overdraft facilities in respect of one of the subsidiary amounting to `50.05 crore (31.03.2018 : `49.59 crore) in (A) (i) above, is secured with first charge by way of mortgage / hypothecation of fixed assets and current assets of the subsidiary including its land, building, the construction thereon where exists, plant and machinery etc (refer note 5).

4 The overdraft facilities in respect of certain subsidiaries amounting to `180.68 crore (31.03.2018: `92.43 crore) in (A) (i) above, is secured ranking pari passu inter se, by hypothecation of respective subsidiary's current assets as a second charge.

		` in Crore	
		As at 31st March,2019	As at 31st March,2018
NOTE - 27	**TRADE PAYABLES**		
a.	Total outstanding dues to micro enterprises and small enterprises	**16.65**	7.58
b.	Total outstanding dues of creditors other than micro enterprises and small enterprises	**661.13**	683.09
		677.78	690.67
NOTE- 28	**OTHER FINANCIAL LIABILITIES**		
a.	Current maturities of long-term debt	**1,859.85**	1,329.49
b.	Interest accrued but not due	**17.02**	13.67
c.	Unclaimed dividends	**5.74**	5.11
d.	Others (refer note e)	**699.15**	660.42
		2,581.76	2,008.69

e. Others include current portion of consumer security deposit (including accrued interest thereon) , employee related liabilities, liabilities on capital account, liabilities towards contractual obligations, etc.

		As at 31st March,2019	As at 31st March,2018
		` in Crore	
NOTE- 29	**OTHER CURRENT LIABILITIES**		
a.	Liabilities towards stautory taxes, duties etc.	**364.40**	349.60
b.	Advance received from Consumers	**80.58**	30.29
c.	Receipt from consumers for jobs	**146.54**	124.20
d.	Others	**70.39**	61.95
		661.91	566.04
NOTE - 30	**CURRENT PROVISIONS**		
a.	Provision for employee benefits	**66.63**	88.08
b.	Others	**0.22**	0.22
		66.85	88.30
NOTE-31	**REGULATORY DEFERRAL ACCOUNT BALANCES**		
	REGULATORY DEFERRAL ACCOUNT BALANCES -CREDIT BALANCES	**1,677.28**	2,111.60
	REGULATORY DEFERRAL ACCOUNT BALANCES -DEBIT BALANCES	**3,997.51**	3,566.81

(Refer Note 40 for details)

NOTE-32 CONTINGENT LIABILITIES AND COMMITMENTS

a. **Claims against the group not acknowledged as debts:**

The West Bengal Taxation Tribunal had held meter rentals received by the Parent from consumers to be deemed sales under the provisions of the Bengal Finance (Sales Tax) Act, 1941 and that sales tax was payable on such rentals. Based on such findings the Commercial Taxes Directorate assessed `0.69 crore as sales tax on meter rentals received during the year ended 31st March, 1993 and raised a demand of `0.36 crore on account of interest. Against the above demand, the Parent had deposited a sum of `0.75 crore with the sales tax authorities and obtained a stay against the balance demand from the Deputy Commissioner of Commercial Taxes. The sales tax authorities also indicated their intention to levy such sales tax on meter rentals for the subsequent years as well, against which, the Parent filed a writ petition in the Calcutta High Court and prayed for an interim order, interalia, restraining the sales tax authorities from proceeding with the assessment for the subsequent year till disposal of the appeal. An interim order has been issued by the High Court permitting the sales tax authorities to carry out assessments but restraining them from serving any assessment order on the Parent. The disposal of the case is still pending.

b. An Appeal under the Electricity Act, 2003 has been filed before the Hon'ble Appellate Tribunal for Electricity (APTEL) by two Appellants against the Hon'ble Uttar Pradesh Electricity Regulatory Commission's Order dated April 20, 2016, wherein the Hon'ble UPERC has approved the Power Purchase Agreement between one of the subsidiary and Noida Power Company Limited for supply of 170 MW power for a period of 25 years. Filing of pleadings are complete and the matter is likely to be listed before APTEL and such financial impact, if any, connot be ascertained at this stage.

c. **Other matters for which the Group is contingently liable (including share in Associate) :** **` in crore**

Particulars	**31st March, 2019**	31st March, 2018
- Income Tax (refer Note below)	**0.01**	53.52
- Bank Guarantees	**593.76**	318.98
-Letters of credit	-	247.81

Note :
Income Tax demands under appeal, pending in different forums, in respect of which the associate do not expect any unfavourable outcome.

d. Commitments of the Group on account of estimated amount of contracts remaining to be executed on capital account not provided for amount to `191.79 crore (31.03.2018: `310.22 crore)

e. The Ministry of Coal had encashed the bank guarantee of the Parent amounting to `66.15 crore in April 2018, in terms of its letter dated 25.04.2018, alleging non-compliance with the mining plan for the years 2015-16 and 2016-17 as per the Coal Mine Development and Production Agreement (CMDPA). Further, in terms of the above letter, the Ministry had directed the Parent to top-up the bank guarantee with the aforesaid encashed amount. The Hon'ble High Court of Delhi while disposing of the petition filed by the Parent against the Ministry's letter dated 25.04.2018, stayed the operation of this letter and further directed the Parent to approach the Tribunal. The Parent has accordingly filed a petition before the Special Tribunal at Godda, Jharkhand challenging the letter dated 25.04.2018 and further seeking refund of the encashed amount. Based on a legal opinion, the Parent expects a favourable outcome in the matter, and no provision has been considered necessary in the books of account.

f. There are numerous interpretative issues relating to the Supreme Court (SC) judgement dated 28th February, 2019 in respect of Provident Fund (PF) on the inclusion of allowances for the purpose of PF contribution as well as its effective date. The group is consulting Legal counsel for further clarity and evaluating its impact on its financial statement, if any, and is of the view that it is only possible but not probable that outflow of economic resources will be there in this regard.

g. Commitment relating to leasing arrangement , refer note 5 and 42

NOTE-33 REVENUE FROM OPERATIONS

		` in crore 2018-19	2017-18
a.	Earnings from sale of electricity	**10,396.37**	9,959.97
b.	Other Operating Revenue		
	Revenue from sponsorship etc	**-**	35.57
	Meter Rent	**57.66**	55.74
	Contribution from Consumers	**139.48**	116.15
	Earnings from sale of traded goods	**22.94**	13.09
	Others	**47.69**	94.34
		10,664.14	10,274.86

c. Earnings from sale of electricity in respect of the parent and one of the subsidiary are determined in accordance with the relevant orders of the Commission, to the extent applicable. The said earnings are also net of discount for prompt payment of bills allowed to consumers on a net basis from month to month amounting to ` 102.85 crore (previous year: ` 99.54 crore).

NOTE- 34 OTHER INCOME

		` in crore 2018-19	2017-18
a.	Interest Income	**49.00**	31.74
b.	Dividend Income	**17.15**	-
c.	Gain on sale/fair valuation of current investments (net)	**41.56**	53.71
d.	Profit on sale of property, plant and equipment (net)	**0.03**	1.53
e.	Other Non-operating Income *	**96.56**	165.03
		204.30	252.01

* includes foreign exchange gains (31.03.2019: NiL, 31.03.2018 : `60.36 crore), delayed payment surcharge, usance fee, liabilities written back etc.

NOTE-35 COST OF FUEL

a) Cost of Fuel includes freight `928.68 crore (previous year : `849.46 crore).

b) Cost of Fuel net off gain of `0.99 crore (previous year: gain of `1.03 crore) due to exchange fluctuations.

c) Consumption of fuel: **` in crore**

Particulars	2018-19	2017-18
(a) Consumption of coal	**3409.12**	2873.68
(b) Consumption of oil	**17.28**	16.95
(c) Total (a+b)	**3,426.40**	2,890.63

NOTE-36 EMPLOYEE BENEFIT EXPENSES

		2018-19	2017-18
			` in crore
a.	Salaries, wages and bonus	**1,117.94**	973.29
b.	Contribution to provident and other funds	**101.84**	127.14
c.	Employees' welfare expenses	**58.05**	51.57
		1,277.83	1,152.00
	Less : Transfer to PPE/ CWIP etc.	**199.11**	160.07
		1,078.72	991.93
	Less Transfer to Other Comprehensive Income *	**42.06**	21.70
		1,036.66	970.23

*As per Ind AS 19, Actuarial gain or loss on post retirement defined benefit Plan has been recognised in Other Comprehensive Income.

(i) **Defined Contribution Plan**

The Group makes contribution for Provident Fund towards defined contribution retirement benefit plan for eligible employees. Under the plan, the group is required to contribute a specific percentage of the employees' salaries to fund the benefit. The fund has the form of trust and is governed by the Board of Trustees. The Parent also contributes for family pension schemes (including for superannuation).

During the year, based on applicable rates, the company has contributed and charged ` 64.25 crore (previous year: ` 60.43 crore) on this account in the Statement of Profit and Loss.

The Group also sponsors the Gratuity plan, which is governed by the Payment of Gratuity Act, 1972. The Group makes annual contribution to independent trust, who in turn, invests in the Employees Group Gratuity Scheme of eligible funds for qualifying employees.

Liabilities at the year end for gratuity, leave encashment and other retiral benefits including post-retirement medical benefits have been determined on the basis of actuarial valuation carried out by an independent actuary.

(ii) **The amounts recognised in the balance sheet and the movements in the total defined benefit obligation over the year are as follows:**

` in crore

Gratuity (Funded)	2018-19			2017-18		
	Present value of obligation	**Fair value of plan assets**	**Total amount**	Present value of obligation	Fair value of plan assets	Total amount
Opening Balance	**427.21**	**(361.32)**	**65.89**	390.42	(326.56)	63.86
Current service cost	**18.64**	**-**	**18.64**	19.99	-	19.99
Interest expense/(income)	**26.75**	**(30.41)**	**(3.66)**	25.34	(24.92)	0.42
Past service cost	**0.08**	**-**	**0.08**	39.73	-	39.73
Less: Amount recognised in statement of profit and loss-Discontinued operations			**-**	16.20	(2.15)	14.05
Total amount recognised in profit and loss-Continuing operations	**45.47**	**(30.41)**	**15.06**	68.86	(22.77)	46.09
Remeasurements						
Return on plan assets, excluding amounts included in interest expense/(income)	**-**	**1.37**	**1.37**	-	(1.60)	(1.60)
(Gain)/loss from change in financial assumptions	**6.16**	**-**	**6.16**	16.63	-	16.63
Experience (gains)/losses	**19.28**	**0.02**	**19.30**	(9.25)	0.01	(9.24)
Total amount recognised in other comprehensive income - Continuing operations	**25.44**	**1.39**	**26.83**	7.38	(1.59)	5.79
Employer contributions	**-**	**(67.57)**	**(67.57)**	-	(49.87)	(49.87)
Benefit payments	**(48.08)**	**48.00**	**(0.08)**	(39.45)	39.47	0.02
Closing Balance	**450.04**	**(409.91)**	**40.13**	427.21	(361.32)	65.89

` in crore

	2018-19	2017-18
Leave Obligation (Unfunded)	**Present value of obligation**	Present value of obligation
Opening Balance	**150.65**	147.29
Current service cost	**11.00**	9.60
Interest expense/(income)	**10.95**	9.88
Past service cost	**0.02**	0.02
Remeasurements		
(Gain)/loss from change in financial assumptions	**3.20**	10.73
Experience (gains)/losses	**14.43**	(10.61)
Less: Amount recognised in statement of profit and loss-Discontinued operations	**-**	1.86
Total amount recognised in profit and loss-Continuing operations	**39.60**	17.76
Employer contributions	**-**	-
Benefit payments	**(14.18)**	(14.40)
Closing Balance	**176.07**	150.65

	Post retirement medical benefit (PRMB)		**Pension**	
	2018-19	2017-18	**2018-19**	2017-18
Opening Balance	**77.86**	64.67	**58.44**	44.01
Current service cost	**1.34**	2.32	**0.25**	0.25
Interest expense/(income)	**5.20**	4.45	**4.00**	3.12
Past Service Cost	**-**	-	**9.43**	11.65
Less: Amount recognised in statement of profit and loss-Discontinued operations	**-**	0.90	**-**	0.20
Total amount recognised in profit or loss	**6.54**	5.87	**13.68**	14.82
Remeasurements				
(Gain)/loss from change in financial assumptions	**2.16**	(4.42)	**1.29**	(4.96)
Experience (gains)/losses	**3.23**	14.87	**8.56**	10.42
Total amount recognised in other comprehensive income	**5.39**	10.45	**9.85**	5.46
Employer contributions		-		-
Benefit payments	**(3.67)**	(3.13)	**(6.44)**	(5.85)
Closing Balance	**86.12**	77.86	**75.52**	58.44

(iii) **The expected maturity analysis of undiscounted gratuity, leave, post-employment medical benefits & pension is as follows:**

	1st year	**Between 2-5 years**	**Between 6-10 years**	**More than 10 years**	**Total**
31-Mar-19					
Defined benefit obligation (gratuity)	73.89	199.84	220.86	232.23	**726.82**
Leave obligation	24.07	65.25	76.65	185.07	**351.04**
Post-employment medical benefits	3.24	18.17	32.32	226.72	**280.45**
Pension	7.38	33.42	35.92	71.79	**148.51**
Total	**108.58**	**316.68**	**365.75**	**715.81**	**1,506.82**
31-Mar-18					
Defined benefit obligation (gratuity)	63.73	195.04	208.67	248.67	**716.11**
Leave obligation	19.38	57.91	64.33	168.63	**310.25**
Post-employment medical benefits	2.73	15.74	28.33	229.54	**276.34**
Pension	6.57	30.75	34.08	68.32	**139.72**
Total	**92.41**	**299.44**	**335.41**	**715.16**	**1,442.42**

(iv) **Sensitivity Analysis**

` in crore

	Gratuity		Leave Obligation		Post-employment medical benefits (PRMB)		Pension		Interest rate guarantee on provident fund	
	31-Mar-19	31-Mar-18	**31-Mar-19**	31-Mar-18	**31-Mar-19**	31-Mar-18	**31-Mar-19**	31-Mar-18	**31-Mar-19**	31-Mar-18
DBO at 31st March with discount rate +1%	**421.12**	400.57	**164.09**	141.12	**76.35**	70.29	**68.13**	54.69		
Corresponding service cost	**15.92**	8.83	**9.33**	4.11	**1.11**	1.01	**0.24**	0.12		
DBO at 31st March with discount rate -1%	**470.05**	449.57	**189.71**	163.43	**92.79**	87.14	**77.64**	62.68		
Corresponding service cost	**18.35**	10.27	**11.45**	5.03	**1.55**	1.55	**0.31**	0.12		
DBO at 31st March with +1% salary/benefit escalation	**458.92**	440.28	**193.15**	166.48	**88.10**	85.50				
Corresponding service cost	**17.88**	9.98	**11.74**	5.16	**1.44**	1.57				
DBO at 31st March with -1% salary/benefit escalation	**427.91**	403.19	**161.55**	138.87	**79.85**	71.48				
Corresponding service cost	**16.21**	8.93	**9.13**	4.02	**1.26**	1.04				
DBO at 31st March with +50% withdrawal rate	**444.97**	423.47	**176.41**	151.05	**72.93**	77.38				
Corresponding service cost	**17.10**	9.69	**10.33**	4.55	**1.32**	1.22				
DBO at 31st March with -50% withdrawal rate	**443.60**	422.36	**175.61**	150.31	**73.61**	78.38				
Corresponding service cost	**17.00**	9.63	**10.26**	4.51	**1.35**	1.26				
DBO at 31st March with +10% mortality rate	**444.67**	423.22	**176.26**	150.91	**82.31**	76.46	**70.56**	56.75		
Corresponding service cost	**17.07**	9.67	**10.31**	4.54	**1.31**	1.21	**0.27**	0.12		
DBO at 31st March with -10% mortality rate	**443.90**	422.62	**175.77**	150.46	**85.42**	79.40	**81.31**	60.27		
Corresponding service cost	**17.01**	9.64	**10.27**	4.52	**1.36**	1.27	**0.24**	0.12		
Int guarantee Liability 31st March with discount rate +1%									-	2.77
Int guarantee Liability 31st March with discount rate -1%									**38.38**	2.97
Int guarantee Liability 31st March with EPFO rate +0.5%									**19.75**	39.76
Int guarantee Liability 31st March with portfolio rate -0.5%									**19.75**	-

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.
The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period

(v) **Major categories of total plan assets as per the Gratuity Trust Fund**

	31-Mar-2019	31-Mar-2018
Gratuity		
Cash and cash equivalent	**405.75**	358.01
Non-quoted market price	**405.75**	358.01

(vi) **Actuarial assumptions**

31-Mar-19					
Particulars	**Gratuity**	**Leave obligation**	**Medical**	**Pension**	**Interest guarantee**
Discount rate current year (%)	6.95-7.65%	6.95-7.71%	7.34%	7.34%	7.34%
Mortality rate	Indian Assured Lives Mortality (2006-08) ultimate	Indian Assured Lives Mortality (2006-08) ultimate	Before Separation- Indian Assured Lives Mortality (2006-08) ultimate & After separation- from service : LIC (1996-98) Ultimate rated down by 5 years	Before Separation- Indian Assured Lives Mortality (2006-08) ultimate & After separation- from service : LIC (1996-98) Ultimate rated down by 5 years	Indian Assured Lives Mortality (2006-08) ultimate

31-Mar-18					
Particulars	**Gratuity**	**Leave obligation**	**Medical**	**Pension**	**Interest guarantee**
Discount rate current year (%)	7.16-7.71%	7.16-7.71%	7.60%	7.60%	7.60%
Mortality rate	Indian Assured Lives Mortality (2006-08) ultimate	Indian Assured Lives Mortality (2006-08) ultimate	Before Separation- Indian Assured Lives Mortality (2006-08) ultimate & After separation- from service : LIC (1996-98) Ultimate rated down by 5 years	Before Separation- Indian Assured Lives Mortality (2006-08) ultimate & After separation- from service : LIC (1996-98) Ultimate rated down by 5 years	Indian Assured Lives Mortality (2006-08) ultimate

Expected Remaining Life	**2018-19**	2017-18
Employees Gratuity Fund	**7.02**	11.30
Executive Gratuity Fund	**6.62**	6.72
Leave Encashment	**8.62**	8.84
PRMB - Non Cov	**12.59**	12.00
PRMB - Cov	**12.93**	13.67
Pension	**15.02**	16.26

Expected contributions to be paid in next year for gratuity fund ` 46.13 crore
Expected contributions to be paid for next year for leave obligation, medical & pension is nil

(vii) **Plan assets consist of funds maintained with LICI, ICICI Prudential, Birla Sun Life and HDFC Standard Life.**

	2018-19	2017-18
Actual return on plan assets (` crore)	**28.62**	24.79

(viii) **Risk exposure**

The Plans in India typically expose the Group to some risks, the most significant of which are detailed below:

Discount Rate Risk: Decrease in discount rate will increase the value of the liability. However, this will partially offset by the increase in the value of plan assets.

Future Salary Increase Risk: In case of gratuity & leave the scheme cost is sensitive to the assumed future salary escalation rates for all last drawn salary linked defined benefit Schemes. If actual future salary escalations are higher than that assumed in the valuation actual Scheme cost and hence the value of the liability will be higher than that estimated. But PRMB & pension are not dependant on future salary levels.

Demographic Risk: In the valuation of the liability certain demographic (mortality and attrition rates) assumptions are made. The Group is exposed to this risk to the extent of actual experience eventually being worse compared to the assumptions thereby causing an increase in the scheme cost.

Regulatory Risk: New Act/Regulations may come up in future which could increase the liability significantly in case of Leave obligation, PRMB & Pension. Gratuity Benefit must comply with the requirements of the Payment of Gratuity Act, 1972 (as amended up-to-date). Also in case of interest rate guarantee Exempt Provident Fund must comply with the requirements of the Employees Provident Funds and Miscellaneous Provisions Act 1952 as amended up-to-date.

NOTE- 37 FINANCE COSTS

		` in crore 2018-19	2017-18
a	Interest expense	**1,291.32**	1,279.91
b	Other Borrowing Costs	**48.70**	39.14
c	Applicable net loss on foreign currency transactions and translation	**(0.05)**	0.79
		1,339.97	1,319.84
	Less : Allocated to PPE/ CWIP	**15.25**	16.88
		1,324.72	1,302.96

Weighted average capitalisation rate used is 8.56 % (previous year 8.77%)

NOTE- 38 DEPRECIATION AND AMORTISATION EXPENSE

Depreciation/ amortisation of tangible assets	**1,052.02**	1,043.01
Amortisation of intangible assets	**15.80**	14.71
	1,067.82	1,057.72
Less : Recoupment from retained earnings (refer Note 47)	**304.04**	306.25
	763.78	751.47

NOTE-39 OTHER EXPENSES

a	Power and Fuel	**3.08**	3.63
b	Consumption of stores and spares	**127.43**	108.22
c	Repairs		
	Building	**17.36**	16.91
	Plant and Machinery	**157.23**	147.15
	Distribution System	**132.91**	152.85
	Others	**13.55**	11.09
		321.05	328.00
d	Insurance	**27.15**	31.22
e	Rent	**30.44**	29.22
f	Rates and taxes	**9.81**	19.97
g	Bad debts / Advances made	**39.51**	35.97
h	Loss on sale / disposal of PPE (net)	**2.91**	0.01
i	Provision for Bad Debts	**0.80**	17.67
j	Interest on Consumers' Security Deposits	**107.28**	108.01
k	Foreign Exchange Restatement loss / (gain)	**13.73**	(30.88)
l	Corporate social responsibility activities	**21.50**	25.04
m	Mark to Market loss / (gain) on derivatives	**(19.82)**	115.45
n	Miscellaneous expenses	**574.89**	675.08
		1,259.76	1,466.61

NOTE - 40 REGULATORY INCOME

a. Regulatory (Income) / Expenses arise to the Parent pursuant to the regulatory provisions applicable to the Parent under the provisions of the Electricity Act, 2003 and regulations framed thereunder and disposals made by WBERC on the Parent's various petitions / applications, in terms of the said regulations, at different timeframe including the tariff and APR orders for the years notified till date. The effect of adjustments - (income)/expenses, relating to (a) advance against depreciation, (b) cost of electrical energy purchased, fuel related costs and those having bearing on revenue account, as appropriate, based on the Parent's understanding of the applicable available regulatory provisions and available orders of the competent authorities, and (c) effect of exchange fluctuation including MTM gain amounting to `79.64 crore [31.3.2018 `(198 crore)], `(657 crore) [31.3.2018 `(414.75 crore)], and `6.10 crore [31.3.2018 `(7.51 crore)] respectively have been shown as Regulatory (Income)/Expenses with corresponding sums, reflected in Balance Sheet as Regulatory Deferral Account Balance (see Note 31).

Regulatory deferral account debit balance comprise the effect of (a) Deferred tax, (b) exchange fluctuation and (c) cost of fuel and purchase of power and other adujstments having bearing on revenue account amounting to `3,474.98 crore ( 31.3.2018: `3,487.21 crore) , `48.05 crore (31.3.2018 : `34.33 crore) and `123.23 crore ( 31.3.2018 : Nil) respectively and that relating to credit balance comprise the effect of (a) advance against depreciation, (b) cost of fuel and purchase of power and other adujstments having bearing on revenue account and (c) MTM Gain amount to `1360.71 crore (31.3.2018 : `1,281.07 crore ), Nil ( 31.3.2018 : `533.77 crore) and `40.96 crore ( 31.3.2018 : `21.15 crore) respectively.

The accurate quantification and disposal of the matters with regard to Regulatory deferral account balances, are being given effect to, from time to time, after conclusion of the concerned event/year, as appropriate, on receipt of necessary direction from the appropriate authorities relating to the applicable matters in a comprehensive way including those attributable to the mining of coal from Sarisatolli mine which commenced from 10 April, 2015 following the said mine having been allotted to the Parent effective 1 April 2015 pursuant to the auction conducted by the Ministry of Coal, Government of India under the provisions of the applicable laws.

b. Regulatory (Income) / Expenses arise to one of the subsidiary pursuant to the regulatory provisions applicable to the subsidiary under the provisions of the Electricity Act, 2003 and regulations framed thereunder and disposals made by WBERC on the subsidiary's various petitions / applications, in terms of the said regulations, at different timeframe. The effect of adjustments - (income)/expenses, relating to (a) advance against depreciation, (b) effect of exchange fluctuation amounting to Nil (Previous year `137.81 crore), and Nil (Previous year `3.98 crore) respectively have been shown as Regulatory (Income)/Expenses with corresponding sums, reflected in Balance Sheet as Regulatory Deferral Account Balance (see Note 31).

Regulatory deferral account debit balance comprise the effect of deferred tax amounting to `351.25 crore ( 31.3.2018 : `45.27 crore) and that relating to credit balance comprise the effect of advance against depreciation amounting to `275.61 crore (31.3.2018 : `275.61 crore).

The accurate quantification and disposal of the matters with regard to Regulatory deferral account balances, are being given effect to, from time to time, after conclusion of the concerned event/year, as appropriate, on receipt of necessary direction from the appropriate authorities relating to the applicable matters in a comprehensive way.

Note -41 Non Controlling Interest (NCI)

Set out below is summarised financial information for each subsidiary that has non-controlling interests that are material to the group. The amounts disclosed for each subsidiary are before inter-company eliminations.

` in crore

Summarised Balance Sheet	**Crescent Power Limited**		**Au Bon Pain Café India Limited**		**Firstsource Solutions Limited (Consolidated) #**	
	31 March 2019	31 March 2018	**31 March 2019**	31 March 2018	**31 March 2019**	31 March 2018
Non Current assets	**435.19**	488.00	**0.01**	0.01	-	-
Current assets	**116.38**	107.05	**1.22**	4.76	-	-
Total Assets	**551.57**	595.05	**1.23**	4.77	-	-
Non current liabilities	**231.34**	266.70	**-**	-	-	-
Current liabilities	**65.17**	113.27	**0.80**	2.27	-	-
Total Liabilities	**296.51**	379.97	**0.80**	2.27	-	-
Net Assets	**255.06**	215.08	**0.43**	2.50	-	-
Accumulated Non Controlling Interest	**82.06**	69.22	*	0.17	-	-

* Negative hence not disclosed

` in crore

Summarised Statement of Profit and Loss	**Crescent Power Limited**		**Au Bon Pain Café India Limited**		**Firstsource Solutions Limited (Consolidated) #**	
	2018-19	2017-18	**2018-19**	2017-18	**2018-19**	1 Apr 17 to 30 Sep 17
Revenue	**180.01**	251.74	**0.86**	6.96		1,756.09
Profit / (Loss) after tax	**44.41**	6.33	**(2.17)**	(21.25)		134.16
Profit after Tax (PAT) from continuing operations	**44.41**	6.33	**(2.17)**	(21.25)		
Total Other Comprehensive Income for the year, net of tax	**(4.43)**	16.07	**-**	-		(4.14)
Total Comprehensive Income for the year	**39.98**	22.40	**(2.17)**	**(21.25)**	-	130.02
Profits attributable to NCI of discontinued operation						60.18
Profits allocated to NCI	**12.86**	7.21	*	*		

* Negative hence not disclosed

`in crore

Summarised Cash Flows	**Crescent Power Limited**		**Au Bon Pain Café India Limited**		**Firstsource Solutions Limited (Consolidated) #**	
	2018-19	2017-18	**2018-19**	2017-18	**2018-19**	1 Apr 17 to 30 Sep 17
Cash flow from Operating Activities	**73.72**	63.28	**(0.59)**	(9.22)		42.11
Cash Flow from Investing Activities	**44.14**	(133.82)	**0.50**	0.91		55.08
Cash Flow from Financing Activities	**(102.52)**	49.90	**0.10**	7.85		(87.18)
Net Increase/Decrease in Cash and cash Equivalents	**15.34**	**(20.64)**	**0.01**	**(0.46)**	-	**10.01**

Refer Note 49

NOTE-42 Lease :

Future rentals payable in respect of non-cancellable leases for assets comprising various equipment and vehicles acquired under operating leases for the period ranging between 36-60 months work out to `6.27 crore (as on 31.03.2018 : `0.39 crore) and `18.21 crore (as on 31.03.2018 : `1.29 crore) during next one year and thereafter till five years respectively. There are no restrictions in respect of such leases.

NOTE-43 The major components of net Deferred Tax Assets / (Liabilities) based on the timing difference as at 31st March, 2019 are as under :

` in crore

Deferred Tax Liabilities	**April 1, 2018**	**Recognised through P&L**	**Recognised through OCI**	**Others**	**Transferred Pursuant to Scheme #**	**March 31, 2019**
Liabilities						
Excess of tax depreciation over book depreciation	(4,346.59)	(84.20)	-	30.12	-	(4,400.67)
Financial Instruments at Fair Value through OCI	(8.36)	-	2.29	-	-	(6.07)
Other Timing difference	(29.33)	1.08	-	-	-	(28.25)
Assets						
Business loss and Unabsorbed depreciation	682.32	(250.45)	-	-	-	431.87
Other Timing Differences	60.98	1.79	-	-	-	62.77
Net Deferred Tax Liability	**(3,640.98)**	**(331.78)**	**2.29**	**30.12**	**-**	**(3,940.35)**

Deferred Tax Assets	**April 1, 2018**	**Recognised through P&L**	**Recognised through OCI**	**Others**	**Transferred Pursuant to Scheme #**	**March 31, 2019**
Assets						
Other Timing Differences	1.12	(1.12)	-	-	-	(0.00)
Net Deferred Tax Assets	**1.12**	**(1.12)**	**-**	**-**	**-**	**(0.00)**

` in crore

Deferred Tax Liabilities	**April 1, 2017**	**Recognised through P&L**	**Recognised through OCI**	**Others**	**Transferred Pursuant to Scheme #**	**March 31, 2018**
Liabilities						
Excess of tax depreciation over book depreciation	(3,901.15)	(768.26)	-	56.96	265.86	(4,346.59)
Financial Instruments at Fair Value through OCI	-	-	(8.36)	-	0	(8.36)
Other Timing difference	(65.30)	1.94	-	-	34.03	(29.33)
Assets						
Business loss and Unabsorbed depreciation	33.78	648.54	-	-	-	682.32
Other Timing Differences	45.39	15.59	-	-	-	60.98
Net Deferred Tax Liability	(3,887.28)	(102.19)	(8.36)	56.96	299.89	(3,640.98)

Deferred Tax Assets	**April 1, 2017**	**Recognised through P&L**	**Recognised through OCI**	**Others**	**Transferred Pursuant to Scheme #**	**March 31, 2018**
Assets						
Business loss and Unabsorbed depreciation	264.29	-	-	-	(264.29)	-
Cash Flow Hedges	(34.62)	-	-	-	34.62	-
Other Timing Differences	177.93	(0.02)	-	-	(176.79)	1.12
Net Deferred Tax Assets	407.60	(0.02)	-	-	(406.46)	1.12

refer note 49

NOTE-44 **Income tax expense**

a **i) Income tax recognised in profit or loss**

` in crore

	March 31, 2019	March 31, 2018
Current tax expense		
Continuing Operations	362.08	343.84
Discontinued Operations	-	22.27
Deferred tax expense		
Deferred tax-(Income) / expense	332.90	(102.21)
Regulatory (Income) / expense -deferred tax	(321.24)	114.59
Total income tax expense	373.74	378.49

ii) Income tax recognised in Other Comprehensive Income (OCI)

	March 31, 2019	March 31, 2018
Current tax expense		
Remeasurement of defined benefit plan	(8.93)	(4.78)
Deferred tax expense		
Deferred Tax on Gain on fair value of Investment	(2.29)	8.36
Regulatory (Income) / expense -deferred tax	0.48	(1.76)
Total income tax expense relating to OCI items	**(10.74)**	**1.82**

b **Reconciliation of tax expense and accounting profit**

	March 31, 2019	March 31, 2018
Accounting profit before tax after Comprehensive Income	**1,513.63**	**1,356.98**
Tax using the Company's domestic tax rate (Current year 34.944% and Previous Year 34.608%)	528.92	469.62
Income/expenses not considered for tax purpose including difference in depreciation	(148.48)	(195.31)
Incentive & deduction allowed under Income Tax including MAT Adjustments	(66.84)	(44.23)
Other adjustments	49.40	150.23
INCOME TAX EXPENSE	**363.00**	**380.31**

NOTE-45 Earnings per share:

(i) Computation of Earnings per share from continuing operations

Particulars	2018-19	2017-18
A. Profit after tax attributable to owners of the equity (` in Crore)	**1,183.98**	888.19
B. Weighted Average no. of shares for Earnings per share	**13,25,57,043**	13,25,57,043
Basic and Diluted Earnings per share of `10/- = [(A) / (B)] (`)	**89.32**	67.01

Computation of Earnings per share from discontinued operations

Particulars	2018-19	2017-18
A. Profit after tax attributable to owners of the equity (` in Crore)		24.42
B. Weighted Average no. of shares for Earnings per share		13,25,57,043
Basic and Diluted Earnings per share of `10/- = [(A) / (B)] (`)		1.84

Computation of Earnings per share from continuing and discontinued operations

Particulars	2018-19	2017-18
A. Profit after tax attributable to owners of the equity (` in Crore)	**1183.98**	912.60
B. Weighted Average no. of shares for Earnings per share	**13,25,57,043**	13,25,57,043
Basic and Diluted Earnings per share of `10/- = [(A) / (B)] (`)	**89.32**	68.85

(ii) Computation of Earnings per share from continuing operations - excluding regulatory (income)/ expense (net)

Particulars	2018-19	2017-18
A. Profit after tax attributable to owners of the equity (` in Crore)	**735.83**	835.59
B. Weighted Average no. of shares for Earnings per share	**13,25,57,043**	13,25,57,043
Basic and Diluted Earnings per share of `10/- = [(A) / (B)] (`)	**55.51**	63.04

Computation of Earnings per share from discontinued operations - excluding regulatory (income)/ expense (net)

Particulars	2018-19	2017-18
A. Profit after tax attributable to owners of the equity (` in Crore)		24.42
B. Weighted Average no. of shares for Earnings per share		13,25,57,043
Basic and Diluted Earnings per share of `10/- = [(A) / (B)] (`)		1.84

Computation of Earnings per share from continuing and discontinued operations - excluding regulatory (income)/ expense (net)

Particulars	2018-19	2017-18
A. Profit after tax attributable to owners of the equity (` in Crore)	**735.83**	860.02
B. Weighted Average no. of shares for Earnings per share	**13,25,57,043**	13,25,57,043
Basic and Diluted Earnings per share of `10/- = [(A) / (B)] (`)	**55.51**	64.88

NOTE-46 Financial risk management and Capital Management :

The regulated operations of generation and distribution of electricity are governed by the provisions of the Electricity Act 2003 and Regulations framed thereunder by the West Bengal Electricity Regulatory Commission and accordingly the parent, being a licensee under the said statute, is subject to regulatory provisions/guidelines and issues evolving therefrom, having a bearing on the Company's liquidity, earning, expenditure and profitability, based on efficiency parameters provided therein including timing of disposal of applications /matters by the authority.

The Group being the provider of electricity in the licensed area has been managing the operations keeping in view its profitability and liquidity in terms of the above regulations. In order to manage the credit risk arising from sale of electricity, multipronged approach is followed like maintenance of security deposit, precipitation of action against defaulting consumers, obtaining support of the administrative authority (for consumers providing utility service), credit rating and appraisal by external agencies and lending bodies.

The Group manages its liquidity risk on financial liabilities by maintaining healthy working capital and liquid fund position keeping in view the maturity profile of its borrowings and other liabilities as disclosed in the respective notes.

The Group market risk relating to variation of foreign currency, interest rate and commodity price is mitigated through applicable regulations, long term sale contracts and availability of bulk commodity namely coal is generally sourced from own captive mine, domestic long term linkage and Special Forward E-Auction conducted by Coal India Limited and/or its subsidiaries.

While managing the capital, the Group ensures to take adequate precaution for providing returns to the shareholders and benefit for other stakeholders, including protecting and strengthening the balance sheet. Availability of capital and liquidity is also managed, in consonance with the applicable regulatory provisions.

NOTE- 47 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, the basis of which be considered by the West Bengal Electricity Regulatory Commission (Commission) in determining the Parent's tariff for the year, which is also required to be used for accounting purpose as specified in the said Regulations. Based on legal opinions and independent accounting opinions obtained, the Parent continues with the consistently followed practice of recouping from the retained earnings an additional charge of depreciation relatable to the increase in value of assets arising from fair valuation , which for the current year amounts to `304.04 crore ( 31.03.2018 : `306.25 crore) and corresponding withdrawal of `2.72 crore (31.03.2018 : `5.18 crore) consequent to sale / disposal of such assets and the same will be followed in subsequent years.

NOTE-48 Liability in respect of the security deposit collected by the parent company , in terms of applicable regulations, has been classified as non – current, given the nature of its business in the license area, excepting to the extent of the sum refundable / payable within a year, based on experience.

NOTE-49 The Parent, in the financial statements for the year ended March 31, 2018, had given effect to the composite scheme of arrangement approved by Hon'ble National Company Law Tribunal (NCLT) (the appropriate authority) except for demerger of the Generation Undertaking which shall be effective upon approval of the Hon'ble West Bengal Electricity Regulatory Commission (WBERC) to the Power Purchase Agreement (PPA) between the Parent and Haldia Energy Limited (One of the Scheme Companies) which is awaited.

NOTE-50 Statement pursuant to requirement of Schedule III to the Companies Act 2013 relating to Company's interest in subsidiary companies / Associates / Joint Venture for the year ended 31 March 2019

` in crore

Sl No.	Name of the Entities	Country of Incorporation	31-Mar-19 Net Assets	31-Mar-19 As % of Consolidated Net Assets	2018-19 Profit	2018-19 As % of Consolidated Profit/ (Loss)	2018-19 Share in Other Comprehensive Income	2018-19 As % of Consolidated Other Comprehensive Income	2018-19 Share in Total Comprehensive Income	2018-19 As % of Consolidated Total Comprehensive Income
	Parent									
	CESC Limited	India	9,764.07	108.81%	937.05	79.14%	(34.25)	74.47%	902.80	79.33%
	Subsidiaries - Indian									
1	Haldia Energy Limited (HEL)	India	2,268.40	25.28%	324.49	27.41%	(10.94)	23.79%	313.55	27.55%
2	Dhariwal Infrastructure Limited	India	423.15	4.72%	(92.70)	(7.83%)	(0.50)	1.09%	(93.20)	(8.19%)
3	Surya Vidyut Limited (SVL) (70% CESC, 30% HEL)	India	279.86	3.12%	9.43	0.80%	(0.00)	0.00%	9.43	0.83%
4	Malegaon Power Supply Limited (formerly Nalanda Power Company Limited)	India	0.01	0.00%	(0.01)	(0.00%)	-	0.00%	(0.01)	(0.00%)
5	CESC Projects Limited	India	4.62	0.05%	(3.89)	(0.33%)	(0.06)	0.13%	(3.95)	(0.35%)
6	Pachi Hydropower Projects Limited	India	1.58	0.02%	(0.01)	(0.00%)	-	0.00%	(0.01)	(0.00%)
7	Papu Hydropower Projects Limited	India	0.78	0.01%	(0.01)	(0.00%)	-	0.00%	(0.01)	(0.00%)
8	Ranchi Power Distribution Company Limited	India	(3.59)	(0.04%)	(1.49)	(0.13%)	0.00	(0.00%)	(1.49)	(0.13%)
9	Kota Electricity Distribution Limited	India	96.26	1.07%	(47.46)	(4.01%)	(0.04)	0.09%	(47.50)	(4.17%)
10	Bharatpur Electricity Services Limited	India	12.84	0.14%	1.56	0.13%	(0.01)	0.02%	1.55	0.14%
11	Bikaner Electricity Supply Limited	India	74.42	0.83%	(13.80)	(1.17%)	(0.01)	0.02%	(13.81)	(1.21%)
12	Crescent Power Limited (CPL) (67.83% CESC)	India	173.00	1.93%	30.12	2.54%	(3.00)	6.52%	27.12	2.38%
13	CESC Green Power Limited	India	0.05	0.00%	(0.00)	(0.00%)	-	0.00%	(0.00)	(0.00%)
14	Jharkhand Electric Company Limited	India	30.12	0.34%	(0.24)	(0.02%)	-	0.00%	(0.24)	(0.02%)
15	Jarong Hydro Electric Power Company Limited	India	1.55	0.02%	(0.03)	(0.00%)	-	0.00%	(0.03)	(0.00%)
16	Au Bon Pain Café India Limited (93.1% subsidiary of CESC)	India	0.40	0.00%	(2.02)	(0.17%)	-	0.00%	(2.02)	(0.18%)
	Subsidiaries - Foreign									
17	Bantal Singapore Pte Limited	Singapore	8.26	0.09%	(0.19)	(0.02%)	2.86	(6.21%)	2.67	0.23%
	Non Controlling interest		(82.06)	(0.91%)	14.09	1.19%	(1.42)	3.09%	12.67	1.11%
	Investment in Associates (Equity Method)									
18	Noida Power Company Limited	India	473.21	5.27%	69.28	5.85%	(0.02)	0.04%	69.26	6.09%
19	NPCL Solar Private Limited	India	-	0.00%	-	0.00%	-	0.00%	-	0.00%
	Investment in Joint Venture (Equity Method)									
20	Mahuagarhi Coal Company Private Limited	India	-	0.00%	-	0.00%	-	0.00%	-	0.00%
	Adjustment		(4,553.09)	(50.74%)	(40.19)	(3.39%)	1.40	(3.04%)	(38.79)	(3.41%)
			8,973.84	**100%**	**1,183.98**	**100%**	**(45.99)**	**100%**	**1,137.99**	**100%**

Note -51 Investment in Associate and Joint Venture

1 The Group holds 49.55% stake in Noida Power Company Limited accounted for in Equity method amounting to ` 473.88 crore (31.03.18 : ` 422.72 crore)

The table below provides summarised financial information for Noida Power Company Limited. The information disclosed reflects the amount presented in the financial statements of Noida Power Company Limited and not group's share of those amount

` in crore

Summarised Balance Sheet	**Noida Power Company Limited**	
	31 March 2019	31 March 2018
Non Current assets	**1,075.25**	988.32
Current assets	**320.05**	197.76
Total Assets	**1,395.30**	1,186.08
Non current liabilities	**254.89**	220.37
Current liabilities	**378.36**	319.51
Total Liabilties	**633.25**	539.88
Regulatory Deferral Account Balances	**192.97**	205.22

For Commitment and Contingency - Refer note 32

Summarised Statement of Profit and Loss	**Noida Power Company Limited**	
	2018-19	2017-18
Revenue	**1,546.06**	1,375.27
Profit after tax before net movement in Regulatory deferral account balances	**152.07**	179.33
Net Movement in Regulatory deferral & related Deferred Tax	**(12.25)**	(78.97)
Profit after net movement in Regulatory deferral account balances	**139.82**	100.36
Total Other Comprehensive Income for the year, net of tax	**(0.05)**	(0.23)
Total Comprehensive Income for the year	**139.77**	100.13
Group share in profit in associate for the year	**69.28**	49.73
Group share in OCI in associate for the year	**(0.02)**	(0.11)
Dividend Received by Parent	**15.00**	7.49

2 The Group's interests in jointly controlled entity (incorporated joint venture) remains in Mahuagarhi Coal Company Private Limited, which was incorporated in India on 4th April, 2008 and percentage of ownership interest as at 31st March, 2019 stands at 50%. The company was incorporated for the development of Mahuagarhi coal field and exploration of coal therefrom. However the entity , being not material related disclosure has not been given.

NOTE-52 Fair value measurements

a) The carrying value and fair value of financial instruments by categories as at March 31 2019 and March 31, 2018 is as follows:

` in crore

	31-Mar-19			31-Mar-18		
	Cost / Amortized cost	FVTOCI	FVTPL	Cost / Amortized cost	FVTOCI	FVTPL
Financial assets						
Investments						
- Equity #	-	38.80	-	-	54.96	-
- Preference shares	-	156.88	0.86	-	186.88	0.78
- Mutual funds	-	-	515.03	-	-	508.37
Trade Receivables	1,738.85	-	-	1,537.40	-	-
Loans	48.12	-	-	46.26	-	-
Cash and cash equivalents	502.56	-	-	632.17	-	-
Bank balances other than cash and cash equivalents	528.11	-	-	561.79	-	-
Derivative Asset	-	-	53.02	-	-	30.68
Others financial assets	107.16	-	-	99.84	-	-
Total financial assets	**2,924.80**	**195.68**	**568.91**	**2,877.46**	**241.84**	**539.83**
Financial liabilities						
Borrowings	14,472.12	-	-	14,577.75	-	-
Trade Payables	721.41	-	-	731.69	-	-
Security Deposit	1,484.32	-	-	1,506.74	-	-
Others	728.61	-	-	687.52	-	-
Total financial liabilities	**17,406.46**	**-**	**-**	**17,503.70**	**-**	**-**

excludes investments accounted under equity method

b) Fair value hierarchy

The table shown below analyses financial instruments carried at fair value, by valuation method.

` in crore

Financial assets and liabilities measured at fair value	Level 1	Level 2	Level 3	Total fair value	Total carrying amount
As at 31 March 2019					
Financial assets					
Investment in equity shares	16.84	-	21.96	38.80	38.80
Investment in preference shares	-	-	157.74	157.74	157.74
Investment in liquid mutual fund units	515.03	-	-	515.03	515.03
Derivative financial instrument - cross currency swap	-	53.02	-	53.02	53.02
Total financial assets	**531.87**	**53.02**	**179.70**	**764.59**	**764.59**
As at 31 March 2018					
Financial assets					
Investment in equity shares	24.73	30.23	-	54.96	54.96
Investment in preference shares	-	186.88	0.78	187.66	187.66
Investment in liquid mutual fund units	508.37	-	-	508.37	508.37
Derivative financial instrument - cross currency swap	-	30.68	-	30.68	30.68
Total financial assets	**533.10**	**247.79**	**0.78**	**781.67**	**781.67**

The different levels have been defined below:

Level 1: financial instruments measured using quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price. The mutual funds are valued using the closing NAV.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data.

c) The following methods and assumptions were used to estimate the fair values

i. The fair values of the mutual fund instruments are based on net asset value of units declared at the close of the reporting date. The fair value of equity shares are based on net asset value of entity as at reporting date.

ii. The fair values of the cross currency swap is determined using discounted cash flow analysis and swaps and options pricing models.

iii. The fair value of preference share is determined on the basis of discounted cash flow wherein future cash flows are based on the terms of preference share discounted at rate that reflects market rate. Significant unobservable input used is discount rate and 0.50% increase / decrease in discount rate would results in decrease / increase in fair value of preference share by `1.50 crore. The fair value of equity share is determined on the basis of discounted cash flow (31.03.18 net asset value). Significant unobservable input used is discount rate and growth rate and 0.50% increase / decrease in discount rate and growth rate would result in decrease / increase in fair value of equity share by ` 0.19 crore and ` 0.04 crore respectively.

iv. The carrying amounts of trade receivables, trade payables, investment in commercial paper, receivable towards claims and services rendered, other bank balances, interest accrued payable/receivable, cash and cash equivalents are considered to be the same as their fair values, due to their short term nature.

v. Loans, non-current borrowings, lease receivable and security deposits are based on discounted cash flows using a current borrowing rate.

vi. Fair Value of financial Intruments which is determined on the basis of discounted cash flow analysis, considering the nature, risk profile and other qualitative factors. The carrying amounts will be reasonable approximation of the fair value.

d) Ind AS requires all financial assets / liabilities to be carried at fair value. Accordingly the difference between fair value and transaction value has been recognised as per applicable Ind AS.

NOTE-53 Miscellaneous expenses includes goodwill writeoff amounting to ` 2 crore (previous year : Nil) and ` 20 crore (previous year : ` 31.50 crore) towards contribution under section 182 of the Companies Act, 2013.

NOTE-54 Related Party and their relationship

a) Parent- under de facto control as defined in Ind AS -110
Rainbow Investments Limited

b) (i) Entities under common control

Name
Integrated Coal Mining Limited
RPG Power Trading Co Ltd
Philips Carbon Black Ltd.
Harrison Malayalam Limited
STEL Holdings Limited
Dotex Merchandise Pvt. Ltd.
Castor Investment Limited
RP-SG Retail Limited (Subsequently renamed as Spencer's Retail Limited) #
Woodlands Multispeciality Hospital Limited
Sarala Real Estate Limited
Saregama India Ltd
Open Media Network Ltd
Kolkata Games & Sports Private Limited (KGSPL)
Kolkata Metro Network Pvt Limited
APA Services Private Limited
Bowlopedia Restaurants India Limited #
CESC Ventures Limited (Formerly known as RP-SG Business Process Services Limited) #
Quest Properties India Limited #
Noida Power Company Limited (Associate of Parent)

subsidiary of the Parent upto 30th September 2017. Thereafter entity under common control

(ii) Key Management Personnel

Name	Relationship
Mr. S. Goenka	Chairman
Mr. P. Chaudhuri	Director
Mr. C .K Dhanuka	Director
Mr. K. Jairaj	Director
Mr. B .M Khaitan	Director (upto 23rd May 18)
Mr. P.K. Khaitan	Director
Ms. R.Sethi	Director
Mr. Aniruddha Basu	Managing Director (upto 27th May 18)
Mr. Debasish Banerjee	Managing Director-Distribution (w.e.f. 28th May 18)
Mr. Rabi Chowdhury	Managing Director-Generation (w.e.f. 28th May 18)
Mr. Subhasis Mitra	Company Secretary
Mr. Rajarshi Banerjee	Executive Director & Chief Financial Officer

(iii) Other Related Parties

Name
Ms.Preeti Goenka (Shareholder and Relative of KMP)
Mr.Shashwat Goenka (Shareholder and Relative of KMP)
Khaitan & Co LLP
Khaitan & Co. (Mumbai)
Khaitan & Co. (New Delhi)
Khaitan & Co. AOR
Khaitan & Co. (Kolkata)
Khaitan Consultants Ltd.
CESC Limited Provident Fund
Calcutta Electric Supply Corporation (I) Ltd. Senior Staff Pension Fund
CESC Executive Gratuity Fund
CESC Limited Employee's Gratuity Fund

NOTE 54 Related Party and their relationship....contd

c) Details of transaction between the Company and related parties and status of outstanding balance ` in Crore

Sl No	Nature of Transactions	Parent having Control in terms of Ind AS -110		Entities under common control		Key Management Personnel		Other Related Parties		Total	
		31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
1	**Acquisition of Investment**	-	-	-	180.32	-	-	-	-	-	180.32
2	**Redemption of Preference Share**	-	-	**30.00**	-	-	-	-	-	**30.00**	-
3	**Advance for Share Subscription**	-	-	-	(50.76)	-	-	-	-	-	(50.76)
4	**Short Term Advance paid**	-	-	-	30.77	-	-	-	-	-	30.77
5	**Short Term Advance Received**	-	-	-	7.49	-	-	-	-	-	7.49
6	**Expense (Reimbursed)/Recovered**	-	-	**70.58**	20.90	-	-	-	-	**70.58**	20.90
7	**Income from sale/services**	-	-	**663.68**	619.97	-	-	-	-	**663.68**	619.97
8	**Dividend Received**	-	-	**16.86**	-	-	-	-	-	**16.86**	-
9	**Expenses incurred**	-	-	**540.30**	531.93	-	-	**6.74**	7.81	**547.04**	539.74
10	**Provident Fund & Retiral funds**	-	-	-	-	-	-	**264.71**	240.43	**264.71**	240.43
11	**(Sale)/Purchase of Assets**	-	-	**(0.19)**	0.24	-	-	-	-	**(0.19)**	0.24
12	**Dividend paid**	**102.89**	70.56	**12.41**	8.51	**0.24**	0.16	**0.26**	0.16	**115.80**	79.39
13	**Security Deposit Received**	-	-	**0.03**	0.02	-	-	-	-	**0.03**	0.02
14	**Remuneration of Key Mangerial Personnel**										
	Short Term Employee Benefits	-	-	-	-	**13.09**	7.46	-	-	**13.09**	7.46
	Post Employment Benefits	-	-	-	-	**2.91**	1.84	-	-	**2.91**	1.84
15	**Remuneration of Directors**	-	-	-	-	**48.79**	33.37	-	-	**48.79**	33.37
	<u>Outstanding Balance :</u>										
1	Debit	-	-	**163.54**	54.23	-	-	-	-	**163.54**	54.23
2	Credit	-	-	-	-	**48.19**	34.31	**15.85**	15.50	**64.04**	49.81

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables.

NOTE-55 Contract Liability at the beginning of the year in respect of Contribution from Consumers for certain jobs stood at `124.20 crore, out of which `35.39 crore has been dealt with in the revenue account during the year, on satisfaction of performance obligation. The balance of the said contract liability as at the year-end stood at `146.54 crore pending satisfaction of the performance obligation.

NOTE-56 Consequent to the Scheme of Arrangement done in the previous year (refer note 49), from the current year the Group is primarily engaged in generation and distribution of electricity which is the only reportable business segment in line with the segment wise information which is being presented to the CODM. The Parent is also running a single retail store in the state of Gujrat which is not significant for the CODM and hence not considered as reportable segment.

The Group primarily operates in India and has all significant assets in India. No disclosure given for geographical segment as it is not material for CODM

NOTE-57 The Group has reclassified previous year's figures to conform to this years classification alongwith other regrouping / rearrangement wherever necessary.

For and on behalf of Board of Directors

For S.R.BATLIBOI & CO LLP
Chartered Accountants
Firm Registration Number -301003E/E300005

Kamal Agarwal
Partner
Membership No.: 058652
Kolkata, 17th May, 2019

Chairman	Sanjiv Goenka	DIN : 00074796
Managing Director -Generation	Rabi Chowdhury	DIN : 06601588
Managing Director- Distribution	Debasish Banerjee	DIN : 06443204
Company Secretary	Subhasis Mitra	
Executive Director & CFO	Rajarshi Banerjee	

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 accounts 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;

   (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 No. : 058652

Kolkata
November 14, 2018

Annexure '1' to Independent Auditors' Report

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, service tax, sales-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 Croes)	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.

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

Kolkata
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.

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

Kolkata
November 14, 2018

Balance Sheet as at 31st March, 2018

₹ in crore

Particulars		Note No.	As at 31st March, 2018	As at 31st March, 2017
ASSETS				
Non-current Assets				
Property, Plant and Equipment		4	**14,594.03**	14,596.29
Capital work-in-progress			**126.66**	187.84
Investment Property		5	**56.03**	56.03
Intangible Assets		6	**137.28**	217.29
Financial Assets				
Investments		7	**4,193.29**	4,086.23
Loans		8	**32.42**	53.83
Others		9	**217.25**	2,384.96
Other Non current assets		10	**134.04**	190.20
	(A)		**19,491.00**	21,772.67
Current Assets				
Inventories		11	**386.97**	378.62
Financial Assets				
Investments		12	**506.37**	506.24
Trade receivables		13	**1,041.49**	968.53
Cash and cash equivalent		14	**435.68**	682.81
Bank balances other than cash and cash equivalent		15	**286.92**	241.57
Others		16	**97.15**	146.33
Other current assets		17	**262.39**	114.47
	(B)		**3,016.97**	3,038.57
Regulatory deferral account balances	**(C)**	18	**3,521.54**	3,619.97
TOTAL ASSETS	**(A+B+C)**		**26,029.51**	28,431.21
EQUITY AND LIABILITIES				
Equity				
Equity Share capital		19	**133.22**	133.22
Other Equity		20	**9,314.47**	13,190.53
	(D)		**9,447.69**	13,323.75
Liabilities				
Non-current Liabilities				
Financial Liabilities				
Borrowings		21	**3,667.49**	3,772.24
Trade Payables				
(a) Total outstanding dues to Micro Enterprise & Small Enterprises			**–**	–
(b) Total outstanding dues of Creditors other than Micro Enterprise & Small Enterprises			**41.02**	10.50
Others		22	**6.41**	6.58
Provisions		23	**286.63**	234.90
Deferred tax liabilities (Net)		24	**3,487.21**	3,554.76
Consumers' Security Deposits		45	**1,505.59**	1,618.54
Other non current liabilities		25	**165.70**	55.25
	(E)		**9,160.05**	9,252.77
Current Liabilities				
Financial Liabilities				
Borrowings		26	**1,292.93**	1,435.13
Trade Payables		27		
(a) Total outstanding dues to Micro Enterprise & Small Enterprises			**6.92**	6.07
(b) Total outstanding dues of Creditors other than Micro Enterprise & Small Enterprises			**480.85**	371.26
Others		28	**3,120.81**	1,330.27
Other current liabilities		29	**537.62**	438.22
Provisions		30	**84.39**	70.59
Current Tax Liabilities (net)			**62.26**	10.60
	(F)		**5,585.78**	3,662.14
Regulatory deferral account balances	**(G)**	18	**1,835.99**	2,192.55
TOTAL EQUITY & LIABILITIES	**(D+E+F+G)**		**26,029.51**	28,431.21
Notes forming part of Financial Statements		1-55		

This is the Balance Sheet referred to in our Report of even date.

For S. R. BATLIBOI & CO LLP
Chartered Accountants
Firm Registration Number - 301003E/E300005

Kamal Agarwal
Partner
Membership No. : 058652
Kolkata, 14th November, 2018

For and on behalf of Board of Directors

Chairman	Sanjiv Goenka
Managing Director - Generation	Rabi Chowdhury
Managing Director - Distribution	Debasish Banerjee
Company Secretary	Subhasis Mitra
Executive Director & CFO	Rajarshi Banerjee

Statement of Profit and Loss for the year ended 31st March, 2018

₹ in crore

Particulars	Note No.	2017-18	2016-17
Revenue from operations	32	**7,785.84**	7,220.07
Other income	33	**167.94**	136.55
Total Income		**7,953.78**	7,356.62
Expenses			
Cost of electrical energy purchased		**2,958.18**	2,614.37
Cost of fuel	34	**1,401.65**	1,358.74
Purchase of stock-in-trade		**11.51**	–
Employee benefits expense	35	**859.67**	779.80
Finance costs	36	**483.90**	447.80
Depreciation and amortisation expense	37	**425.64**	401.33
Other expenses	38	**920.09**	846.09
Total expenses		**7,060.64**	6,448.13
Profit from continuing operations before regulatory income and tax		**893.14**	908.49
Regulatory Income (net)	39	**209.24**	190.23
Profit before tax , from continuing operations		**1,102.38**	1,098.72
Tax expense			
Current tax		**(237.72)**	(237.84)
Deferred tax- Income / (expense)		**69.32**	(48.75)
Regulatory Income / (expense) -deferred tax		**(69.32)**	48.75
Profit for the year from continuing operations		**864.66**	860.88
Profit/(loss) before tax , from discontinued operations	52	**(3.75)**	2.51
Tax credit/(expense) of discontinued operations		**0.80**	(0.53)
Profit/(loss) for the year from discontinued operations		**(2.95)**	1.98
Profit for the year		**861.71**	862.86
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit plan		**(20.84)**	(49.73)
Income tax on above		**4.50**	10.62
Gain on fair value of Investments		**7.55**	–
Deferred tax expense on above		**(1.76)**	–
Regulatory Income / (expense) -deferred tax		**1.76**	–
Other comprehensive income for the year (net of tax)		**(8.79)**	(39.11)
Total comprehensive income for the year		**852.92**	823.75
Earnings per equity share (Face value of ₹ 10 per share)	48		
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 forming part of Financial Statements	1-55		

This is the Statement of Profit and Loss referred to in our Report of even date.

For S. R. BATLIBOI & CO LLP
Chartered Accountants
Firm Registration Number - 301003E/E300005

Kamal Agarwal
Partner
Membership No. : 058652
Kolkata, 14th November, 2018

For and on behalf of Board of Directors

Chairman	Sanjiv Goenka
Managing Director - Generation	Rabi Chowdhury
Managing Director - Distribution	Debasish Banerjee
Company Secretary	Subhasis Mitra
Executive Director & CFO	Rajarshi Banerjee

Cash Flow Statement for the year ended 31st March, 2018

₹ in crore

	Particulars	2017-18	2016-17
A.	**Cash flow from Operating Activities**		
	Profit before tax from continuing operations	**1,102.38**	1,098.72
	Profit/(loss) before tax for the year from discontinued operations	**(3.75)**	2.51
	Adjustments for :		
	Depreciation and amortisation expense	**429.39**	408.83
	Loss/(Profit) on sale / disposal of Property, Plant and Equipment (net)	**(1.53)**	3.27
	Gain on sale/ fair valuation of current investments (net)	**(50.46)**	(44.12)
	Gain on sale of long term investments Fair Valuation	**(0.04)**	–
	Provision for Bad debts	**17.60**	–
	Bad debts, advances, other receivables written off	**67.00**	31.61
	Dividend Income	**(7.49)**	–
	Finance costs	**483.90**	447.80
	Interest Income	**(17.58)**	(29.73)
	Unwinding of discount on security deposit	**(1.84)**	(0.52)
	Income from financial assets at amortised cost	**(2.72)**	(2.14)
	Other operating / non-operating income	**(58.25)**	(62.62)
	Operating Profit before Working Capital changes	**1,956.61**	1,853.61
	Adjustments for change in:		
	Trade & other receivables	**(109.51)**	118.07
	Inventories	**(8.35)**	(62.10)
	Trade and other payables	**(120.20)**	(21.43)
	Cash Generated from Operations	**1,718.55**	1,888.15
	Income Tax paid (net of refund)	**(160.50)**	(201.89)
	Net cash flow from Operating Activities	**1,558.05**	1686.26
B.	**Cash flow from Investing Activities**		
	Purchase of Property, Plant and Equipment / Capital Work-in-Progress	**(604.14)**	(753.85)
	Proceeds from Sale of Property, Plant and Equipment	**10.39**	12.07
	Investment in Subsidiaries, Associates and Joint Ventures including Share Subsription	**(534.46)**	(1,047.43)
	Sale/(purchase) of Current/Non-Current Investments (net)	**96.30**	37.44
	Income from investment property	**12.10**	12.10
	Net Movement in Bank Balance other than Cash and Cash Equivalents	**(45.35)**	2.34
	Redemption of Non Current Investments	**–**	0.01
	Dividend received	**7.49**	–
	Interest received	**15.27**	29.47
	Net cash used in Investing Activities	**(1,042.40)**	(1,707.85)

Cash Flow Statement for the year ended 31st March, 2018

₹ in crore

	Particulars	2017-18	2016-17
C.	**Cash flow from Financing Activities**		
	Proceeds from Long Term Borrowings	**1,140.00**	1,616.63
	Repayment of Long Term Borrowings	**(991.32)**	(870.59)
	Net decrease in Cash credit facilities and other short term borrowings	**(190.20)**	(23.82)
	Receipt from consumers for capital jobs	**15.82**	25.61
	Finance Costs paid	**(502.19)**	(476.24)
	Dividend paid	**(157.81)**	(132.92)
	Dividend tax paid	**(32.38)**	(26.99)
	Net Cash flow from/(used in) Financing Activities	**(718.08)**	111.68
	Net Increase / (decrease) in cash and cash equivalents	**(202.43)**	90.09
	Cash and Cash equivalents - Opening Balance [Refer Note 14]	**682.81**	592.72
	Cash and Cash equivalents - Acquired Pursuant to Scheme of Amalgamation [Refer Note 52]	**0.30**	–
	Cash and Cash equivalents - Transferred Pursuant to Scheme of Arrangement [Refer Note 52]	**(45.00)**	–
	Cash and Cash equivalents - Closing Balance [Refer Note 14]	**435.68**	682.81

Changes in liabilities arising from financing activities

Particulars	01-Apr-17	Cash flows	Other	31-Mar-18
Current borrowings	**1,435.13**	**(190.20)**	**48.00**	**1,292.93**
Non-Current borrowings (including Current Maturities)	**4,550.29**	**148.68**	**(32.45)**	**4,666.52**
Total liabilities from financing activities	**5,985.42**	**(41.52)**	**15.55**	**5,959.45**

This is the Cash Flow Statement referred to in our Report of even date.

For S. R. BATLIBOI & CO LLP
Chartered Accountants
Firm Registration Number - 301003E/E300005

Kamal Agarwal
Partner
Membership No. : 058652
Kolkata, 14th November, 2018

For and on behalf of Board of Directors

Chairman	Sanjiv Goenka
Managing Director - Generation	Rabi Chowdhury
Managing Director - Distribution	Debasish Banerjee
Company Secretary	Subhasis Mitra
Executive Director & CFO	Rajarshi Banerjee

Statement of changes in Equity for the year ended 31 st March 2018

A Equity Share Capital

₹ in crore

Particulars	Balance at the beginning of the reporting period	Changes in equity share capital during the year	Balance at the end of the reporting period
Equity Shares of Rs. 10 each issued, subscribed and fully paid			
As at 31 March 2017	133.22	–	133.22
As at 31 March 2018	133.22	–	133.22

B Other Equity

Particulars	Reserves and Surplus					Total
	Securities Premium	Capital Redemption Reserve	Retained Earnings (refer note 20)	Fund for unforeseen exigencies	FVTOCI Reserve	
Balance as at 1 April, 2016	1,738.03	20.13	10,897.59	212.08	–	12,867.83
Profit for the year	–	–	862.86	–	–	862.86
Other Comprehensive Income/(expense) for the year (net of tax)	–	–	(39.11)	–	–	(39.11)
Total	**1,738.03**	**20.13**	**11,721.34**	**212.08**	**–**	**13,691.58**
Dividends paid (incl tax there on)	–	–	(159.55)	–	–	(159.55)
Transfer to/ from retained earnings (refer note 20)	–	–	(16.16)	16.16	–	–
Withdrawal of additional depreciation during the year (Refer Note 50)	–	–	(318.41)	–	–	(318.41)
Withdrawal of residual amount added on fair valuation consequent to sale / disposal of assets (refer note 50)	–	–	(23.09)	–	–	(23.09)
Balance as at 31 March, 2017	**1,738.03**	**20.13**	**11,204.13**	**228.24**	**–**	**13,190.53**

Particulars	Reserves and Surplus					Total
	Securities Premium	Capital Redemption Reserve	Retained Earnings (refer note 20)	Fund for unforeseen exigencies	FVTOCI Reserve	
Balance as at 1 April, 2017	1,738.03	20.13	11,204.13	228.24	–	13,190.53
Profit for the year	–	–	861.71	–	–	861.71
Other Comprehensive Income/(expense) for the year (net of tax)	–	–	(16.34)	–	7.55	(8.79)
Total	**1,738.03**	**20.13**	**12,049.50**	**228.24**	**7.55**	**14,043.45**
Adjustment pursuant to Scheme of Arrangement (Refer Note 52)	**(1,738.03)**	**(20.13)**	(2,467.94)	–	–	(4,226.10)
Dividends paid (incl tax there on) (Note 19 & 20)	–	–	(191.45)	–	–	(191.45)
Transfer to/from retained earnings (Note 20)	–	–	(15.93)	15.93	–	–
Withdrawal of additional depreciation during the year (Refer Note 50)	–	–	(306.25)	–	–	(306.25)
Withdrawal of residual amount added on fair valuation consequent to sale/ disposal of assets (Note 50)	–	–	(5.18)	–	–	(5.18)
Balance as at 31 March, 2018	**–**	**–**	**9,062.75**	**244.17**	**7.55**	**9,314.47**

This is the Statement of Changes in Equity referred to in our Report of even date.

For S. R. BATLIBOI & CO LLP
Chartered Accountants
Firm Registration Number - 301003E/E300005

Kamal Agarwal
Partner
Membership No. : 058652
Kolkata, 14th November, 2018

For and on behalf of Board of Directors

Chairman Sanjiv Goenka
Managing Director - Generation Rabi Chowdhury
Managing Director - Distribution Debasish Banerjee
Company Secretary Subhasis Mitra
Executive Director & CFO Rajarshi Banerjee

NOTE - 1 The operations of the Company are governed by the Electricity Act, 2003 and various Regulations and / or Policies framed thereunder by the appropriate authorities. Accordingly, in preparing the financial statements the relevant provisions of the said Act, Regulations etc. have been duly considered.

NOTE - 2A SIGNIFICANT ACCOUNTING POLICIES

The standalone financial statements have been prepared to comply in all material aspects with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) notified under Section 133 of the Companies Act, 2013 and other provisions of the Companies Act, 2013 and the regulations under the Electricity Act, 2003 to the extent applicable. A summary of important accounting policies which have been applied consistently are set out below.

(a) Basis of Accounting

The financial statements have been prepared on the historical cost convention except for the following :

i. Investments except investment in subsidiaries, associates and joint ventures are carried at fair value.

ii. Certain financial assets and liabilities (including derivative instruments) are measured at fair value.

(b) Use of estimate

As required under the provisions of Ind AS for preparation of financial statements in conformity thereof, the management has made judgements, estimates and assumptions that affect the application of accounting policies, and the reported amount of assets, liabilities, income, and expenses and disclosures. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

(c) Property, plant and equipment (PPE)

Tangible Assets and Depreciation

Tangible Assets are stated either at deemed cost as considered on the date of transition to Ind- AS or at cost of acquisition / construction together with any incidental expenses related to acquisition and appropriate borrowing costs , less accumulated depreciation and accumulated impairment loss, if any. An impairment loss is recognized where applicable, when the carrying value of tangible assets of cash generating unit exceed its fair value or value in use, whichever is higher.

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 useful life specified therein, the basis of which is considered by the West Bengal Electricity Regulatory Commission (Commission) in determining the tariff for the year of the Company. Leasehold land is amortized over the unexpired period of the lease. Additional charge of depreciation for the year on increase in value arising from fair valuation at the transition date, is recouped from Retained Earnings. Leasehold improvement is amortized over the unexpired period of the lease.

Useful Life of Tangible Assets is as follows :

Particulars	Useful Life of Assets
Buildings and Structures	25-50 Years
Plant and Equipment	5-25 Years
Distribution System	25-35 Years
Meters	7-15 Years
River Tunnel	50 Years
Furniture and Fixtures	15 Years
Office Equipment	5-15 Years
Vehicles	5 Years
Railway Sidings	50 Years

(d) Investment properties

Property that is held for long term rental yields is classified as investment property. Carrying amount as per previous GAAP has been considered as deemed cost as at transition date.

(e) Intangible Assets and amortisation

Intangible assets comprising computer software, brands and mining rights, expected to provide future enduring economic benefits are stated at cost of acquisition / implementation / development less accumulated amortisation which is as per previous GAAP and considered as deemed cost as on transition date . The present value of the expected cost of restoration of the coal mine is included in its cost. An impairment loss is recognized where applicable, when the carrying value of intangible assets of cash generating unit exceed its fair value or value in use, whichever is higher.

Cost of intangible assets, comprising Computer Software related expenditure, are amortised in three years over its estimated useful life and those relating to brands in twenty years, based on useful life assessed by an independent valuer. Mining rights are also amortised over the estimated useful life of the assets of twenty years based on management's internal assessment.

(f) Lease

A lease is classified as a finance or an operating lease as applicable.

Company as lessee

Finance lease

Finance leases are capitalised at present value of the minimum lease payments at the lease's inception and disclosed as leased property. Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability.

A leased asset is depreciated over the useful life of the asset.

Operating lease

Lease payments under operating leases are recognised as an expense on a straight line basis in the Statement of Profit and Loss over the lease term except where the lease payments are structured to increase in line with expected general inflation.

Company as lessor

Operating lease

Lease earnings under operating leases are recognised as an income on a straight line basis in the Statement of Profit and Loss over the lease term. The respective leased assets are included in the Balance Sheet based on their nature.

(g) Financial asset

The financial assets are classified in the following categories :

1) Financial assets measured at amortised cost.
2) Financial assets measured at fair value through profit and loss.
3) Equity instruments

The classification of financial assets depends on the Company's business model for managing financial assets and the contractual terms of the cash flow.

At initial recognition, the financial assets are measured at their fair value.

Financial assets measured at amortised cost

Assets that are held for collection of contractual cash flows and where those cash flows represent solely payments of principal and interest are measured at amortised cost. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate method. The losses arising from impairment are recognised in the Statement of Profit and Loss.

Financial instruments measured at fair value through profit and loss (FVTPL)

Financial instruments included within fair value through profit and loss category are measured initially as well as at each reporting period at fair value plus transaction costs as applicable. Fair value movements are recorded in Statement of Profit and Loss.

Equity instruments

Equity investments in scope of Ind AS 109 are measured at fair value. At initial recognition, the Company make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. Investment in subsidiaries, associates and joint ventures are carried at cost or at deemed cost as considered on the date of transition to

Ind-AS less provision for impairment loss, if any. Investments are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. Investments in mutual funds are measured at fair value through profit and loss.

Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk (refer Note 41).

For trade receivables the simplified approach of expected life time losses has been used from initial recognition of the receivables as required by Ind AS 109 Financial Instruments.

(h) Financial liabilities

Financial liabilities are measured at amortised cost using the effective interest rate method.

Cost of commitment for borrowings of subsidiaries/associates are recognised as a liability at the time such commitment is issued. The liability is initially measured at fair value and subsequently at the amount initially recognised less cumulative amortisation.

(i) Derivatives

The Company uses derivative financial instruments such as forward currency contracts, interest rate swaps to hedge its foreign currency risks and interest rate risks respectively. Such derivative financial instruments are recognised at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Gains or losses arising from such fair valuation of derivatives also give rise to regulatory income or expense which is recognised through Statement of Profit and Loss and would be considered in determining the Company's future tariff as per the tariff regulations.

(j) Inventories

Inventories of stores, fuel and traded goods are valued at lower of cost and net realizable value. Cost is calculated on weighted average basis and comprises expenditure incurred in the normal course of business in bringing such inventories to their present location and condition.

Obsolete, slow moving and defective inventories are identified at the time of physical verification of inventories and where necessary, adjustment is made for such items.

(k) Foreign Currency Transactions

The Company's financial statements are presented in INR which is also the functional currency of the Company. Transactions in foreign currency are accounted for at the exchange rate prevailing on the date of transactions. Transactions remaining unsettled are translated at the exchange rate prevailing at the end of the financial year. Exchange gain or loss arising on settlement/ translation of monetary items is recognized in the Statement of Profit and Loss.

The outstanding loans repayable in foreign currency are restated at the year-end exchange rate. Exchange gain or loss arising in respect of such restatement also gives rise regulatory income or expense which is recognised as refundable or recoverable, which will be taken into consideration in determining the Company's future tariff in respect of the amount settled duly considering as appropriate, the impact of the derivative contracts entered into for managing risks thereunder.

(l) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and term deposits

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalent includes cash, cheques and draft on hand, balances with banks which are unrestricted for withdrawal/usages and highly liquid financial investments that are readily convertible to known amount of cash which are subject to an insignificant risk of changes in value. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

(m) Revenue from Operations

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made.

Revenue to be earned from sale of electricity is regulated based on parameters set out in tariff regulations issued from time to time.

Earnings from sale of electricity are net of discount for prompt payment of bills and do not include electricity duty collected from consumers and payable to the State Government.

The Company receives contribution from consumers in accordance with the Regulation, that is being used to construct or acquire items of property, plant and equipment in order to connect the consumer to the Company's distribution network. The Company recognises revenue in respect for such contributions so received from consumers in the year they are connected to the distribution network.

Income from meter rent is accounted for as per the approved rates.

(n) Other Income

Income from investments and deposits etc. is accounted for on accrual basis inclusive of related tax deducted at source, wherever applicable. Delayed Payment Surcharge as a general practice is determined and recognised on a receipt of overdue payment from consumer. Interest income arising from financial assets is accounted for using amortised cost method.

(o) Employee Benefits

The Company recognises contributions to provident fund, pension funds on an accrual basis. Provident Fund contributions are made to a fund administered through duly constituted approved independent trust. The interest rate payable to the members of the trust shall not be lower than the statutory rate of interest declared by the Central Government under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and deficiency, if any, is made good by the Company, impact of which is ascertained by way of actuarial valuation as at the year end. The Company, as per its schemes, extends employee benefits current and/or post retirement which are accounted for on accrual basis, and includes actuarial valuation as at the Balance Sheet date in respect of gratuity, leave encashment and certain other retiral benefits, to the extent applicable, done by independent actuary. Actuarial gains and losses, where applicable, are recognised through Other Comprehensive Income. Compensation in respect of voluntary retirement scheme is charged to revenue.

(p) Finance Costs

Finance Costs comprise interest expenses, applicable gain / loss on foreign currency borrowings in appropriate cases and other borrowing costs. Such Finance costs attributable to acquisition and / or construction of qualifying assets are capitalized as a part of cost of such assets up to the date, where such assets are ready for their intended use. The balance Finance Costs is charged off to Statement of Profit and Loss. Finance Costs in case of foreign currency borrowings is accounted for as appropriate, duly considering the impact of the derivative contracts entered into for managing risks thereof. Interest expense arising from financial liabilities is accounted for under effective interest rate method.

(q) Taxes

Current tax represents the amount payable based on computation of tax as per prevailing taxation laws under the Income Tax Act, 1961.

Provision for deferred taxation is made using liability method on temporary difference arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled. Deferred Tax Assets are recognized subject to the consideration of prudence and are periodically reviewed to reassess realization thereof. Deferred Tax Liability or Asset will give rise to actual tax payable or recoverable at the time of reversal thereof.

Current and Deferred tax relating to items recognised outside profit or loss, that is either in other comprehensive income (OCI) or in equity, is recognised along with the related items.

Since tax on profits forms part of chargeable expenditure under the applicable regulations, deferred tax liability or asset is recoverable or payable through future tariff. Hence, recognition of deferred tax asset or liability is done with corresponding recognition of regulatory liability or asset, as applicable.

(r) Provisions and contingent liabilities

Provisions are recognised when the Company has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

A disclosure for contingent liabilities is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources embodying economic benefits will be required to settle or a reliable estimate of the amount cannot be made.

(s) Business combination

Business combination involving entities or businesses under common control are accounted for using the pooling of interest method whereby the assets and liabilities of the combining entities / business are reflected at their carrying value and necessary adjustments, if any, have been given effect to as per the scheme approved by National Company Law Tribunal.

(t) Regulatory deferral account balances

The Company is a rate regulated entity and has elected to adopt Ind AS 114, Regulatory Deferral Accounts. Expenses/Income are recognized as Regulatory Income/Expenses in the Statement of Profit and Loss to the extent recoverable or payable in subsequent periods based on the Company's understanding of the provision of the applicable regulations framed by the West Bengal Electricity Regulatory Commission (WBERC) and/or their pronouncements/orders, with corresponding balances shown in the Balance Sheet as Regulatory Deferral Account balances. Regulatory Deferral Account balances are adjusted from the year in which these crystallise.

NOTE - 2B Summary of significant judgements and assumptions

The preparation of financial statements requires the use of accounting estimates, judgements and assumptions which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

The areas involving critical estimates or judgements are :-

Estimated useful life of Intangible Assets -Note -2(e)

Estimated Fair Valuation of certain Investments -Note-7

Estimation of Regulatory Items - Note -18 & 39

Estimation of Restoration Liability- Note- 2 (e)

Impairment of Trade Receivables -Note - 2(g)

Estimates used in Actuarial Valuation of Employee benefits -Note-35

NOTE - 3 New standards that are not yet effective

The amendments to standards issued but not yet effective up to the date of issuance of the Company's financial statements is disclosed below. The Company intends to adopt this standard, if applicable, when it becomes effective.

The Ministry of Corporate Affairs (MCA) has issued the Companies (Indian Accounting Standards) Amendment Rules, 2017 and Companies (Indian Accounting Standards) Amendment Rules, 2018 amending the following standard :

a. Issue of Ind AS 115 Revenue from Contracts with Customers

The Company has evaluated the impact of implementation of Ind AS 115 “Revenue from Contracts with Customers” which is applicable to it w.e.f 1st April 2018 and basis the evaluation done and based on the arrangement that the Company has with its consumers, the implementation of Ind AS 115 does not have any significant impact on the profit or loss of the Company.

b. Amendment to Existing issued Ind AS

The MCA has also carried out amendments of the following accounting standards :

i. Ind AS 21 - The Effects of Changes in Foreign Exchange Rates

ii. Ind AS 40 - Investment Property

iii. Ind AS 12 - Income Taxes

iv. Ind AS 28 - Investments in Associates and Joint Ventures and

v. Ind AS 112 - Disclosure of Interests in Other Entities

Application of above amendments does not have significant impact on the Company's financial statement.

NOTE - 4 PROPERTY, PLANT AND EQUIPMENT

₹ in Crore

PARTICULARS	COST/ DEEMED COST					DEPRECIATION / AMORTISATION					NET BLOCK	
	As at 1st April 2017	Additions/ Adjustments	Add : Adjustment pursuant to Scheme of Arrangement #	Less : Withdrawals/ Adjustments	**As at 31st March, 2018**	As at 1st April 2017	Additions/ Adjustments	Add : Adjustment pursuant to Scheme of Arrangement #	Less : Withdrawals/ Adjustments	**As at 31st March, 2018**	**As at 31st March, 2018**	As at 31st March, 2017
Land												
Freehold	2,472.21	1.93	–	–	**2,474.14**	–	–	–	–	–	**2,474.14**	2,472.21
Leasehold (refer note below)	577.39	0.23	–	–	**577.62**	38.08	21.88	–	–	**59.96**	**517.66**	539.31
Buildings and Structures *	676.41	23.71	9.88	–	**710.00**	66.84	33.54	8.88	–	**109.26**	**600.74**	609.57
Plant and Equipment	5,292.93	219.56	1.38	7.77	**5,506.10**	607.07	346.76	0.74	3.94	**950.63**	**4,555.47**	4,685.86
Distribution System	6,316.67	436.03	–	49.44	**6,703.26**	487.19	265.37	–	43.09	**709.47**	**5,993.79**	5,829.48
Meters and Other Apparatus on Consumers' Premises	299.65	35.40	–	11.23	**323.82**	25.13	35.33	–	7.88	**52.58**	**271.24**	274.52
River Tunnel	2.78	–	–	–	**2.78**	1.10	0.55	–	–	**1.65**	**1.13**	1.68
Furniture and Fixtures	21.14	3.18	3.46	0.18	**27.60**	2.54	1.86	2.95	0.07	**7.28**	**20.32**	18.60
Office Equipment	86.98	5.38	1.51	0.29	**93.58**	15.03	8.77	1.46	0.18	**25.08**	**68.50**	71.95
Vehicles	5.61	2.74	0.03	1.86	**6.52**	1.37	1.48	–	1.50	**1.35**	**5.17**	4.24
Railway Sidings	94.55	–	–	–	**94.55**	5.68	3.00	–	–	**8.68**	**85.87**	88.87
	15,846.32	**728.16**	**16.26**	**70.77**	**16,519.97**	**1,250.03**	**718.54**	**14.03**	**56.66**	**1,925.94**	**14,594.03**	**14,596.29**
Previous Year	15,242.38	707.87	–	103.93	15,846.32	609.40	706.12	–	65.49	1,250.03	14,596.29	

#Refer Note 52

*includes leasehold improvements

The lease term in respect of land acquired under finance lease ranges from 30 - 99 years which is renewable at the option of lessee or as mutually agreed. Future minimum lease obligation payable on leasehold land during next one year ₹ 0.83 crores (as on 31.03.17: ₹ 0.83 crores) later than one year but not later than five years ₹ 2.64 crore (as on 31.03.17: ₹ 2.64 crores) and later than five years ₹ 3.45 crore (as on 31.03.17: ₹ 3.66 crores).

NOTE - 5 INVESTMENT PROPERTY

₹ in Crore

PARTICULARS	COST/ DEEMED COST				DEPRECIATION / AMORTISATION				NET BLOCK	
	As at 1st April, 2017	Additions/ Adjustments	Withdrawals/ Adjustments	**As at 31st March, 2018**	As at 1st April 2017	Additions/ Adjustments	Withdrawals/ Adjustments	**As at 31st March, 2018**	**As at 31st March, 2018**	As at 31st March, 2017
Land -Freehold	56.03	–	–	**56.03**	–	–	–	–	**56.03**	56.03
	56.03	–	–	**56.03**	–	–	–	–	**56.03**	**56.03**
Previous Year	56.03	–	–	56.03	–	–	–	–	56.03	

a. Income earned recognised in Statement of profit and loss ₹ 12.26 crore (previous year : ₹ 12.26 crore)

b. Fair valuation of the above land as per rent capitalisation method (income approach) amounts to ₹ 282 crore(as on 31.03.17 : ₹ 272 crore) as per approved independent valuer and categorised as level 2. The main inputs used in determining the fair valuation of the Investment Property are utility, marketability, self liquidity, future rentals, etc.

c. The lease term in respect of Investment property given under Operating Lease is 25 years which can be extended upon the sole discretion of the Company. This lease has been granted to Quest Properties India Limited to construct, develop, operate and maintain a mall during the said lease term and the aforesaid property has been offered as security in respect of finanical assistance availed of by the said Company. Incentive given by the Company by way of rent free period for development of the Investment Property has been spread across the period of the contract. Future minimum lease rental receivables during next one year ₹ 12.26 crore (as on 31.03.17: ₹ 12.26 crore) later than one year but not later than five years ₹ 49.05 crore (as on 31.03.17: ₹ 49.05 crores) and later than five years ₹ 118.54 crore (as on 31.03.17: ₹ 130.81 crores).

NOTE - 6 INTANGIBLE ASSETS

₹ in Crore

PARTICULARS	COST					AMORTISATION					NET BLOCK	
	As at 1st April, 2017	Additions/ Adjustments	Less : Adjustment pursuant to Scheme of Arrangement #	Less : Withdrawals/ Adjustments	**As at 31st March, 2018**	As at 1st April, 2017	Additions/ Adjustments *	Less : Adjustment pursuant to Scheme of Arrangement #	Less : Withdrawals/ Adjustments	**As at 31st March, 2018**	**As at 31st March, 2018**	As at 31st March, 2017
Brand	105.00	–	105.00	–	–	15.00	3.75	18.75	–	–	–	90.00
Computer Software	19.44	3.15	–	–	**22.59**	11.19	5.61	–	–	**16.80**	**5.79**	8.25
Mining Rights	131.69	20.19	–	–	**151.88**	12.65	7.74	–	–	**20.39**	**131.49**	119.04
	256.13	**23.34**	**105.00**	–	**174.47**	**38.84**	**17.10**	**18.75**	–	**37.19**	**137.28**	**217.29**
Previous Year	**243.88**	**12.25**	–	–	**256.13**	**17.78**	**21.12**	–	**0.06**	**38.84**	**217.29**	

#Refer Note 52

*includes ₹ 3.75 crore (as on 31.03.17 : ₹ 7.50 crore) relating to discontinued operations.

NOTE - 7 NON CURRENT - INVESTMENTS

₹ in Crore

		As at 31st March, 2018	As at 31st March, 2017
a	**Investments in Equity Instruments, unquoted, carried at fair value through other comprehensive income :**		
	3,250 (31.03.2017 : 3,250) Equity Shares of Integrated Coal Mining Limited of ₹ 10 each	**7.56**	–
b	**Investments in Mutual Funds, quoted, carried at fair value through profit & loss**		
	20,00,000 (31.03.2017 : 20,00,000) units of HDFC CFCC - Debt Plan - Direct Option - 100% Dividend Donation of ₹ 10 each	**2.00**	2.00
c	**Investment in Subsidiary Companies, unquoted, carried at cost**		
	Nil (31.03.2017 : 29,67,53,585) Equity Shares of Spencer's Retail Limited of ₹ 10 each #	**–**	448.32
	Nil (31.03.2017 : 25,93,10,000) Equity Shares of Quest Properties India Limited of ₹ 10 each #	**–**	259.31
	13,50,000 (31.03.2017 : 13,50,000) Equity Shares of Nalanda Power Company Limited of ₹ 10 each	**1.35**	1.35
	Nil (31.03.2017 : 2,68,80,50,000) Equity Shares of CESC Infrastructure Limited of ₹ 10 each #	**–**	2,697.59
	2,67,00,000 (31.03.2017 : 2,35,00,000) Equity Shares of Ranchi Power Distribution Company Limited of ₹ 10 each *	**–**	–
	Nil (31.03.2017 : 47,10,28,050) Equity Shares of Spen Liq Private Limited of ₹ 10 each #	**–**	471.45
	50,000 (31.03.2017 : NIL) Equity Shares of CESC Green Power Limited of ₹ 10 each	**0.05**	–
	28,20,615 (31.03.2017 : 28,20,615) Equity Shares of Papu Hydropower Projects Limited of ₹ 10 each *	**–**	–
	44,17,983 (31.03.2017 : 44,17,983) Equity Shares of Pachi Hydropower Projects Limited of ₹ 10 each*	**–**	–
	13,55,05,800 (31.03.2017 : 9,42,35,800) Equity Shares of Surya Vidyut Limited of ₹ 10 each	**135.51**	94.24
	3,38,50,000 (31.03.2017 : 1,88,50,000) Equity Shares of CESC Projects Limited of ₹ 10 each *	**–**	–
	1,10,00,000 (31.03.2017 : 1,10,00,000) Equity Shares of Bantal Singapore Pte Limited of USD 1 each	**6.94**	6.94
	26,40,80,000 (31.03.2017 : 50,000) Equity Shares of Kota Electricity Distribution Limited (previously Sheesham Commercial Private Limited) of ₹ 10 each	**265.70**	1.39
	4,20,50,000 (31.03.2017 : 50,000) Equity Shares of Bikaner Electricity Supply Limited (previously Water Hyacinth Commosale Private Limited) of ₹ 10 each	**43.25**	0.63
	2,00,50,000 (31.03.2017 : 50,000) Equity Shares of Bharatpur Electricity Services Limited (previously Wigeon Commotrade Private Limited) of ₹ 10 each	**20.53**	0.53
	4,06,99,994 (31.03.2017 : 4,06,99,994) Equity Shares of Crescent Power Limited of ₹ 10 each	**72.31**	71.85
	1,20,34,41,049 (31.03.2017 : Nil) Equity Shares of Haldia Energy Limited of ₹ 10 each#	**1,206.44**	–
	2,08,27,68,954 (31.03.2017 : Nil) Equity Shares of Dhariwal Infrastructure Limited of ₹ 10 each#@	**2,400.24**	–
	10,80,00,000 (31.03.2017 : Nil) Equity Shares of Aou Bon Pain Café Indian Limited of ₹ 10 each#*	**–**	–
d	**Investment in Associate, unquoted, carried at cost :**		
	2,97,28,500 (31.03.2017 : 2,97,28,500) Equity Shares of Noida Power Company Limited of ₹ 10 each	**30.63**	30.63
e	**Investment in Joint Venture, unquoted, carried at cost :**		
	24,29,800 (31.03.2017 : 24,29,800) Equity Shares of Mahuagarhi Coal Company Private Limited of ₹ 10 each*	**–**	–
f	**Investment in Preference Shares, unquoted, carried at fair value through Profit & Loss**		
	5,00,000 (31.03.2017 : Nil) 0.01% non cumulative compulsorily reedemable Preference shares of face value ₹ 100 each to be issued by RPSG Retail Limited. #	**0.78**	–
		4,193.29	4,086.23
	Investment in quoted investments :		
	Aggregate Book value	**2.00**	2.00
	Aggregate Market value	**2.00**	2.00
	Investment in unquoted investments :		
	Aggregate Book value	**4,191.29**	4,084.23
	Aggregate provision for diminuition in value of investments	**29.30**	11.10

* Fully impaired

Investment cancelled / acquired persuant to scheme of arrangment (Refer Note 52)

@ Based on valuation carried out by an Independent third party, there is no impairment

₹ in Crore

		As at 31st March, 2018	As at 31st March, 2017
NOTE - 8	**NON CURRENT - LOANS**		
	Considered good - Unsecured		
	a Security Deposit	**29.62**	51.34
	b Loan to employees	**2.80**	2.49
		32.42	53.83
NOTE - 9	**NON CURRENT - OTHER FINANCIAL ASSETS**		
	a. Share application money to subsidiaries	**160.00**	2,211.44
	b. Others		
	Lease Receivables	**57.25**	57.09
	Others (refer Note 39)	**–**	116.43
		217.25	2,384.96
NOTE - 10	**OTHER NON CURRENT ASSETS**		
	a. Capital Advances	**26.74**	73.19
	b. Other Advances (includes amount incurred by the company for setting up power projects to be transferred to the specific projects on completion of the same, prepaid expenses etc)	**107.30**	117.01
		134.04	190.20
NOTE - 11	**INVENTORIES**		
	a. Fuel (includes goods in transit 31.03.2018 : ₹ 71.98 crore; 31.03.17 : ₹ 54.33 crore)	**193.41**	193.05
	b. Stores and Spares	**190.55**	185.57
	c. Traded Goods	**3.01**	–
		386.97	378.62

NOTE - 12 CURRENT INVESTMENTS

₹ in Crore

	As at 31st March, 2018	As at 31st March, 2017
Quoted		
Investments in Mutual Funds carried at fair value through profit and loss		
45,73,387.7293 units of ₹ 335.0808 each (31.03.2017 : 48,43,348.1579 units of ₹ 312.5737 each) of ICICI Prudential Flexible Income Plan - Dir - Growth	**153.25**	151.39
Nil units (31.03.2017 : 12,34,243.646 units of ₹ 406.0303 each) of Birla Sun Life Cash Manager - Dir - Growth	**–**	50.11
Nil units (31.03.2017 : 3,35,66,769.6047 units of ₹ 28.3595 each) of HDFC Floating Rate Income Fund - Short Term Plan - Direct Plan - Wholesale Option - Growth Option	**–**	95.19
Nil units (31.03.2017 : 24,98,272.445 units of ₹ 200.6473 each) of Birla Sun Life Floating Rate Fund - LTP - Dir - Growth	**–**	50.13
1,36,45,878.5353 units of ₹ 37.2022 each (31.03.2017 : 1,44,56,716.5908 units of ₹ 34.6897 each) of Reliance Medium Term Fund - Dir - Growth	**50.77**	50.15
37,914.5065 units of ₹ 2,656.9874 each (31.03.2017 : 1,00,960.0778 units of ₹ 2,481.5445 each) of Tata Ultra Short Term Fund - Dir - Growth	**10.07**	25.05
Nil units (31.03.2017 : 74,53,786.5233 units of ₹ 26.9023 each) of L&T Ultra Short Term Fund - Dir - Growth	**–**	20.05
Nil units (31.03.2017 : 73,773.1914 units of ₹ 2,718.0909 each) of UTI Floating Rate Fund - STP - Dir - Growth	**–**	20.05
36,54,823.8192 units of ₹ 27.618 each (31.03.2017 : 77,93,624.8149 units of ₹ 25.7509 each) of LIC MF Savings Plus Fund - Dir - Growth	**10.09**	20.07
40,65,586.0338 units of ₹ 24.7968 each (31.03.2017 : 43,31,516.9838 units of ₹ 23.1528 each) of IDFC Ultra Short Term Fund - Dir - Growth	**10.08**	10.03
79,06,075.8192 units of ₹ 12.7502 each (31.03.2017 : 75,74,227.4288 units of ₹ 11.9077 each) of DSP BlackRock Low Duration Fund-Direct Plan- Growth (erstwhile DSP BlackRock Ultra Short term Fund-Growth)	**10.08**	9.02
Nil units (31.03.2017 : 19,41,679.7082 units of ₹ 25.7509 each) of LIC MF Savings Plus Fund - Dir - Growth	**–**	5.00
194,33,668.5873 units of ₹ 52.417 each (31.03.2017 : Nil units) of Aditya Birla Sun Life Banking & PSU Debt Fund-Dir- Growth	**101.87**	–
94,60,066.6934 units of ₹ 21.3326 each (31.03.2017 : Nil units) of DHFL Pramerica Ultra Short Term Fund - Direct Plan -Growth	**20.18**	–
9,50,00,000 units of ₹ 10.0732 each (31.03.2017 : Nil units) of HDFC FMP 92D February 2018 (1)	**95.70**	–
3,00,00,000 units of ₹ 10.065 each (31.03.2017 : Nil units) of ICICI Prudential Fixed Maturity Plan - Series 82 - 103 Days Plan O	**30.20**	–
48,387.4318 units of ₹ 2909.0976 each (31.03.2017 : Nil units) of SBI Magnum Insta Cash Fund - Liquid Floater - Dir - Growth	**14.08**	–
	506.37	506.24
Investment in quoted investments :		
Aggregate Book value	**506.37**	506.24
Aggregate Market value	**506.37**	506.24

		As at 31st March, 2018	As at 31st March, 2017
			₹ in Crore
NOTE - 13	**TRADE RECEIVABLES**		
	a. Considered good - Secured	**597.14**	581.78
	b. Considered good - Unsecured	**444.67**	386.85
	c. Credit Impaired	**23.75**	6.15
		1,065.56	974.78
	Less : Allowances for bad and doubtful debts*	**24.07**	6.25
		1,041.49	968.53
	*includes adjustment on account of Expected Credit Loss ₹ 0.32 crore (31.03.17 ₹ 0.10 crore)		
NOTE - 14	**CASH AND CASH EQUIVALENT**		
	a. Balances with banks		
	– In current accounts	**433.20**	671.49
	b. Cheques, drafts on hand	**0.93**	8.98
	c. Cash on hand	**1.55**	2.34
		435.68	682.81
NOTE - 15	**BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENT**		
	Unpaid Dividend Account	**5.11**	3.85
	– Bank Deposits with original maturity more than 3 months	**281.81**	237.72
		286.92	241.57

a. Amount lying in deposit accounts with banks as at 31st March, 2018 includes ₹ 229.50 crore (31.03.2017: ₹ 213.50 crore) appropriated for upto the previous year towards Fund for unforeseen exigencies and interest attributable thereto.

b. Bank deposits with original maturity more than 3 months include ₹ 33.00 crore (31.03.2017 : ₹ 86.50 crore) having maturity more than 12 months as on the reporting date.

		As at 31st March, 2018	As at 31st March, 2017
NOTE - 16	**OTHER FINANCIAL ASSETS**		
	Unsecured, considered good		
	Advances to bodies corporate	**1.88**	1.84
	Advances to and receivable from Related Parties	**58.46**	54.71
	Interest accrued on Bank Deposits	**13.30**	10.99
	MTM gain on derivative financial instruments	**21.15**	44.52
	Receivable towards claims and services rendered	**2.36**	34.27
		97.15	146.33
NOTE - 17	**OTHER CURRENT ASSETS**		
	Advance for goods and services	**248.24**	104.23
	Others (Includes prepaid expenses etc)	**14.15**	10.24
		262.39	114.47
NOTE - 18	**REGULATORY DEFERRAL ACCOUNT BALANCES**		
	Regulatory deferral account - debit balances	**3,521.54**	3,619.97
	Regulatory deferral account - credit balances	**1,835.99**	2,192.55
	(Refer note no. 39 for details)		

₹ in Crore

		As at 31st March, 2018	As at 31st March, 2017
NOTE - 19	**EQUITY**		
a.	**Authorised Share Capital**		
	3,15,60,00,000 (31.03.2017 : 15,00,00,000) Equity Shares of ₹ 10/- each #	**3,156.00**	150.00
b.	**Issued Capital**		
	13,88,57,015 (31.03.2017 : 13,88,57,015) Equity Shares of ₹ 10/- each	**138.86**	138.86
c.	**Subscribed and paid up capital**		
	13,25,57,043 (31.03.2017 :13,25,57,043) Equity Shares of ₹ 10/- each	**132.56**	132.56
d.	**Forfeited Shares (amount originally paid up)**	**0.66**	0.66
		133.22	133.22

Adjustment pursuant to Scheme of Arrangement (Refer Note 52)

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

Particulars	**As at 31st March, 2018**		As at 31st March, 2017	
	No. of shares	Amount (₹ Crore)	No. of shares	Amount (₹ Crore)
At the beginning of the reporting period	13,25,57,043	132.56	13,25,57,043	132.56
Add : Change during the year	–	–	–	–
At the end of the reporting period	13,25,57,043	132.56	13,25,57,043	132.56

For the period of five years immediately preceding 31st March,2018, no share was : - (i) allotted as fully paid up pursuant to any contract without consideration being received in cash, (ii) allotted as fully paid up by way of bonus shares and (iii) bought back.

f. Terms / rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10/- per share fully paid up. Holders of equity shares are entitled to one vote per share. An Interim dividend of ₹ 12/- per equity share has been paid during the year ended 31st March 2018. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the sale proceeds from remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

g. Details of shareholders holding more than 5% shares in the company

Name of Shareholder	**As at 31st March, 2018**		As at 31st March, 2017	
	No. of shares	% of holding	No. of shares	% of holding
Rainbow Investments Limited [refer note 42 (A)]	5,87,96,632	44	5,87,96,632	44
HDFC Trustee Company Limited	1,19,30,021	9	1,19,30,021	9
ICICI Asset Management Company Limited	–	–	97,11,354	7

₹ in Crore

		As at 31st March, 2018	As at 31st March, 2017
NOTE - 20	**OTHER EQUITY**		
A.	a. Capital Redemption Reserve	**–**	20.13
	b. Others		
	Securities Premium Account	**–**	1,738.03
	Fund for unforeseen exigencies	**244.17**	228.24
	Retained Earnings	**9,062.75**	11,204.13
	FVTOCI Reserve	**7.55**	–
		9,314.47	13,190.53
B.	a. Capital Redemption Reserve		
	As at beginning of the year	**20.13**	20.13
	Adjustment pursuant to Scheme of Arrangement (Refer Note 52)	**(20.13)**	–
	As at end of the year	**–**	20.13
	b. Others		
	i) Securities Premium Account		
	As at beginning of the year	**1,738.03**	1,738.03
	Adjustment pursuant to Scheme of Arrangement (Refer Note 52)	**(1,738.03)**	–
	As at end of the year	**–**	1,738.03
	ii) Fund for unforeseen exigencies		
	At the beginning of the year	**228.24**	212.08
	Add : Transfer during the year from Surplus	**15.93**	16.16
	As at end of the year	**244.17**	228.24
	iii) Retained Earnings		
	Surplus at the beginning of the year	**11,204.13**	10,897.59
	Adjustment pursuant to Scheme of Arrangement (Refer Note 52)	**(2,467.94)**	–
	Add : Profit for the year	**861.71**	862.86
	Less: Transfer to fund for unforseen exigencies	**15.93**	16.16
	Less : Withdrawal on account of depreciation / amortisation of surplus on fair valuation (refer note 50)	**306.25**	318.41
	Less : Withdrawal of the residual surplus on fair valuation consequent to sale/disposal of assets (refer note 50)	**5.18**	23.09
	Less: Dividend	**159.07**	132.56
	Less: Dividend distribution tax on above	**32.38**	26.99
	Less: Items that will not be reclassified to profit or loss Remeasurement of defined benefit plan (Net of tax)	**16.34**	39.11
		9,062.75	11,204.13
	iv) Fair Value through Other Comprehensive Income (FVTOCI) Reserve		
	At the beginning of the year	**–**	–
	Add : Items that will not be reclassified to profit or loss		
	Gain on fair value of Investment	**7.55**	–
		9,314.47	13,190.53

C. Nature and purpose of other reserves

Capital Redemption Reserve has been created on redemption of Redeemable Preference shares in the earlier years. Securities Premium Account is used to record the premium on issue of shares. Fund for unforeseen exigencies has been created for dealing with unforeseen exigencies and the amount transferred during the year will be invested as per the applicable regulations. Retained Earnings represents profit earned by the Company, net of appropriations till date and adjustments done on transition to Ind AS. FVTOCI reserve represents the cumulative gains and losses arising on fair valuation of equity instruments measured at fair value through other comprehensive income.

		As at 31st March, 2018	As at 31st March, 2017
			₹ in Crore
NOTE - 21	**NON CURRENT - BORROWINGS**		
a.	**Secured**		
	Term Loans		
	(1) Rupee Loans from Banks	**3,716.54**	3,410.07
	(2) Foreign Currency Loans from Banks	**539.98**	740.22
		4,256.52	4,150.29
b.	**Unsecured**		
	Term Loans		
	Rupee Loans from Banks	**410.00**	400.00
		4,666.52	4,550.29
	Less : Current maturities of long term borrowings transferred to Other Current Financial Liabilities (refer note 28)	**986.54**	762.09
	Less : Unamortised front end fees	**12.49**	15.96
		3,667.49	3,772.24

c. Nature of Security :

Out of the Term Loans in (a) above, loans amounting to :

(a) ₹ 4053.08 crore (31.03.2017- ₹ 3825.60 crore) are secured, ranking pari passu inter se, by equitable mortgage/hypothecation of the fixed assets of the Company including its land, buildings and any other constructions thereon, plant and machinery, etc. (refer note 4) as a first charge and, as a second charge, by hypothecation of the Company's current assets comprising stock of stores, coal (refer note 11) and other consumables, book debts, monies receivable (refer note 13) and bank balances (refer note 14). However, creation of the said mortgage security in respect of one Rupee Loan (31.03.2017 - five Rupee Loans) aggregating ₹ 30.00 crore (31.03.2017- ₹ 633.13 crore) is in process and

(b) ₹ 203.44 crore (31.03.2017- ₹ 324.69 crore) are secured, ranking pari passu inter se, by hypothecation of the movable fixed assets and current assets of the Company by way of a charge subservient to the charge of the first and second charge holders on the said assets.

d. **Major terms of repayment of Non Current Borrowings :**

₹ in Crore

Maturity Profile of Long Term Borrowings outstanding as at 31st March 2018	Rupee Term Loan from Banks	Foreign Currency Loans	Total	Current Maturities
Loans with residual maturity of upto 1 year	223.44	16.40	239.84	239.84
Loans with residual maturity between 1 and 3 years	767.46	408.78	1,176.24	266.19
Loans with residual maturity between 3 and 5 years	793.50	114.80	908.30	213.75
Loans with residual maturity between 5 and 10 years	2,042.14	–	2,042.14	251.76
Loans with residual maturity beyond 10 years	300.00	–	300.00	15.00
Total	**4,126.54**	**539.98**	**4,666.52**	**986.54**

Interest rates on Rupee Term Loans from Banks and Financial Institutions are based on spread over respective Lenders' benchmark rate and that of Foreign Currency Loans are based on spread over LIBOR.
All of the above are repayable in periodic instalments over the maturity period of the respective loans.

Maturity Profile of Long Term Borrowings outstanding as at 31st March 2017	Rupee Term Loan from Banks	Foreign Currency Loans	Total	Current Maturities
Loans with residual maturity of upto 1 year	9.69	22.86	32.55	32.55
Loans with residual maturity between 1 and 3 years	1,115.84	570.44	1,686.28	362.00
Loans with residual maturity between 3 and 5 years	591.26	146.92	738.18	113.65
Loans with residual maturity between 5 and 10 years	1,677.37	–	1,677.37	223.49
Loans with residual maturity beyond 10 years	415.91	–	415.91	30.40
Total	**3,810.07**	**740.22**	**4,550.29**	**762.09**

Interest rates on Rupee Term Loans from Banks and Financial Institutions are based on spread over respective Lenders' benchmark rate and that of Foreign Currency Loans are based on spread over LIBOR.
All of the above are repayable in periodic instalments over the maturity period of the respective loans.

₹ in Crore

NOTE - 22 NON CURRENT - OTHER FINANCIAL LIABILITIES

	As at 31st March,2018	As at 31st March,2017
Lease obligation	**6.41**	6.58
	6.41	6.58

NOTE - 23 NON CURRENT - PROVISIONS

a	Provision for employee benefits	**256.21**	227.35
b	Restoration liabilities	**30.42**	7.55
		286.63	234.90
	Reconciliation of movement in Restoration Liability		
	Opening balance	**7.55**	6.86
	Add: Adjustment during the year	**22.83**	0.69
	Add: Adjustment pursuant to Scheme of Arrangement (refer note 52)	**0.04**	–
	Closing balance	**30.42**	7.55

The Company has recognised present value of restoration liabilty of mine land at Sarisatolli Coal Mine based on applicable Guidelines on Mine Closure Plan included in the cost of Mining Rights.

NOTE - 24 DEFERRED TAX LIABILITY (NET)

Deferred Tax Liabilities	**3,546.61**	3,599.50
Deferred Tax Assets	**(59.40)**	(44.74)
Total Deferred Tax Liabilities (net) (refer note 44 for further details)	**3,487.21**	3,554.76

		As at 31st March, 2018	As at 31st March, 2017
			₹ in Crore
NOTE - 25	**OTHER NON CURRENT LIABILITIES**		
	Advance from consumers	**140.24**	28.87
	Financial guarantee obligations	**6.08**	7.00
	Others	**19.38**	19.38
		165.70	55.25
NOTE - 26	**CURRENT - BORROWINGS**		
a.	**Secured**		
	Loans repayable on demand		
	Overdraft from banks	**692.93**	735.13
b.	**Unsecured**		
	Short term loan from banks	**–**	100.00
	Commercial Paper [including from banks 31.03.2018 : ₹ Nil, 31.03.2017 : ₹ 100 crore]	**600.00**	600.00
		1,292.93	1,435.13

c. **Nature of Security**

Overdraft facilities from bank in (a) above are secured, ranking pari passu inter se, by hypothecation of the Company's current assets comprising stock of stores, coal and other consumables (refer note 11), book debts, monies receivable (refer note 13) and bank balances (refer note 14) as a first charge and, as a second charge, by equitable mortgage / hypothecation of fixed assets of the Company including its land, buildings and any other construction thereon, where exists plant and machinery etc (refer note 4).

NOTE - 27 CURRENT - TRADE PAYABLES

₹ 0.08 crore (31.3.2017- ₹ Nil), ₹ Nil (31.03.2017 - ₹ Nil), ₹ 0.52 crore (31.03.2017- ₹ 0.11 crore) and ₹ 1.39 crore (31.03.2017- ₹ 0.87 crore), ₹ Nil (31.03.2017 - ₹ Nil) representing interest due on amount outstanding as at the year end, interest paid along with amount of payment made beyond the appointed day, interest due and payable for the period of delay in making payment during the year, amount of interest accrued and remaining unpaid at the year end, amount of further interest remaining due and payable in the succeeding years, respectively due to Micro and Small Enterprises, as defined in the Micro, Small and Medium Enterprises Development Act, 2006 on information available with the Company.

NOTE - 28	**OTHER FINANCIAL LIABILITIES**		
a.	Current maturities of long-term debt	**986.54**	762.09
b.	Interest accrued	**10.65**	12.02
c.	Unclaimed dividends	**5.11**	3.85
d.	Others (refer note e)	**2,118.51**	552.31
		3,120.81	1,330.27

e. Others include current portion of consumer security deposit (including accrued interest thereon), employee related liability, liabilities on capital account, liabilities towards contractual obligations and ₹ 1492.00 crore payable to Haldia Energy Limited including ₹ 575.00 crore towards transfer of shares etc.

NOTE - 29	**OTHER CURRENT LIABILITIES**		
a.	Receipt from consumers for capital jobs	**124.20**	108.37
b.	Liability towards statutory taxes, duties etc.	**383.13**	329.85
c.	Advances received from Consumers	**30.29**	–
		537.62	438.22
NOTE - 30	**CURRENT PROVISIONS**		
a.	Provision for employee benefits	**84.17**	70.59
b.	Provision for claims on lease property (refer note 52)	**0.22**	–
		84.39	70.59

NOTE - 31 CONTINGENT LIABILITIES AND COMMITMENTS

a. Claims against the Company not acknowledged as debts :

The West Bengal Taxation Tribunal had held meter rentals received by the Company from consumers to be deemed sales under the provisions of the Bengal Finance (Sales Tax) Act, 1941 and that sales tax was payable on such rentals. Based on such findings the Commercial Taxes Directorate assessed ₹ 0.69 crore as sales tax on meter rentals received during the year ended 31st March, 1993 and raised a demand of ₹ 0.36 crore on account of interest. Against the above demand, the Company had deposited a sum of ₹ 0.75 crore with the sales tax authorities and obtained a stay against the balance demand from the Deputy Commissioner of Commercial Taxes. The sales tax authorities also indicated their intention to levy such sales tax on meter rentals for the subsequent years as well, against which, the Company filed a writ petition in the Calcutta High Court and prayed for an interim order, inter alia, restraining the sales tax authorities from proceeding with the assessment for the subsequent years till disposal of the appeal. An interim order has been issued by the High Court permitting the sales tax authorities to carry out assessments but restraining them from serving any assessment order on the Company. The disposal of the case is still pending.

b. Commitments of the Company on account of estimated amount of contracts remaining to be executed on capital account and the same (letter of comfort) towards borrowing / financing obligations of subsidiaries from banks, not provided for amount to ₹ 75.27 crore (31.03.2017 : ₹151.18 crore), ₹ 1497.55 crore (31.03.2017 : ₹1550.05 crore) respectively (refer note 42 for details).

c. The Ministry of Coal had encashed the bank guarantee of the Company amounting to ₹ 66.15 crore in April 2018, in terms of its letter dated 25.04.2018, alleging non-compliance with the mining plan for the years 2015-16 and 2016-17 as per the CMDPA. Further, in terms of the above letter, the Ministry had directed the Company to top-up the bank guarantee with the aforesaid encashed amount. The Hon'ble High Court of Delhi while disposing of the petition filed by the Company against the Ministry's letter dated 25.04.2018, stayed the operation of this letter and further directed the Company to approach the Tribunal. Company has accordingly filed a petition before the Special Tribunal at Godda, Jharkhand challenging the letter dated 25.04.2018 and further seeking refund of the encashed amount. Based on a legal opinion, the Company expects a favourable outcome in the matter, and no provision has been considered necessary in the books of account.

d. The Company has given bank guarantee of ₹ 222.76 crore (31.03.2017 : ₹ 325.41 crore) for procurement of coal, etc. which is outsantding as on the reporting date.

e. The Company has ongoing commitment to extend support and provide equity to the subsidiaries, in respect of various projects and otherwise (where, in certain cases there are restriction on transfer of investments). The future cash outflow in respect of above cannot be ascertained at this stage.

f. Commitment relating to leasing arrangement, refer note 4 and 47.

₹ in Crore

		2017-18	2016-17
NOTE - 32	**REVENUE FROM OPERATIONS**		
a.	Earnings from sale of electricity	**7,595.12**	6,979.69
b.	Other Operating Revenue		
	Meter Rent	**50.02**	48.74
	Contributions from Consumers	**116.15**	130.21
	Earnings from sale of traded goods	**13.09**	–
	Others	**11.46**	61.43
		7,785.84	7,220.07

c. Earnings from sale of electricity are determined in accordance with the relevant orders of the Commission, to the extent applicable. The said earnings are also net of discount for prompt payment of bills allowed to consumers on a net basis from month to month amounting to ₹ 87.85 crore (previous year : ₹ 82.86 crore). In accordance with Appendix C of Ind AS 18, contribution received from consumers for the acquisition or construction of property, plant and equipment has been recognised as revenue when the service is performed.

		2017-18	2016-17
NOTE - 33	**OTHER INCOME**		
a	Interest Income	**17.58**	29.73
b	Dividend Income	**7.49**	–
c	Gain on sale/ fair valuation of current investments (net)	**50.46**	44.12
d	Profit on sale of property,plant and equipment (net)	**1.53**	–
e	Unwinding of interest on security deposit	**1.84**	0.52
f	Income from financial assets at amortised cost	**2.72**	2.14
g	Other Non -operating Income *	**86.32**	60.04
		167.94	136.55

*includes Delayed payment surcharge, Usance fee, liabilities written back, etc.

NOTE - 34 COST OF FUEL

a Cost of Fuel includes freight ₹ 296.12 crore (previous year : ₹ 262.07 crore)

b Cost of Fuel includes gain of NIL (previous year: gain of ₹ 0.59 crore) due to exchange fluctuations.

c Consumption of fuel :

Particulars	UOM	2017-18	2016-17
(a) Consumption of coal			
Quantity	Tonnes	38,22,213	36,46,133
Value	₹ in crore	1389.89	1346.32
(b) Consumption of oill			
Quantity	Kilolitres	2,555.76	2687.09
Value	₹ in crore	11.76	12.42

		2017-18	2016-17 ₹ in Crore
NOTE - 35	**EMPLOYEE BENEFITS EXPENSE**		
a	Salaries, wages and bonus	866.54	821.25
b	Contribution to provident and other funds	127.30	105.96
c	Employees' welfare expenses	45.62	45.28
		1,039.46	972.49
	Less : Transfer to PPE / CWIP etc.	158.95	142.96
		880.51	829.53
	Less : Transfer to Other Comprehensive Income*	20.84	49.73
		859.67	779.80

*As per Ind AS 19, Actuarial gain or loss on post retirement defined benefit Plan has been recognised in Other Comprehensive Income.

(i) **Defined contribution plans**

The Company makes contributions for provident fund and family pension schemes (including for superannuation) towards retirement benefit plans for eligible employees. Under the said plan, the Company is required to contribute a specified percentage of the employees' salaries to fund the benefits. The fund has the form of trust and is governed by the Board of Trustees. During the year, based on applicable rates, the Company has contributed ₹ 56.76 crore (previous year : ₹ 57.00 crore) on this count in the Statement of Profit and Loss.

The Company also sponsors the Gratuity plan, which is governed by the Payment of Gratuity Act, 1972. The Company makes annual contribution to independent trust, who in turn, invests in the Employees Group Gratuity Scheme of eligible agencies for qualifying employees.

Liabilities at the year end for gratuity, leave encashment and other retiral benefits including post-retirement medical benefits have been determined on the basis of actuarial valuation carried out by an independent actuary, based on the method prescribed in IND AS 19 - "Employee Benefits" of the The Companies (Indian Accounting Standards) Rules, 2015.

₹ in Crore

(ii) **The amounts recognised in the balance sheet and the movements in the total defined benefit obligation over the year are as follows :**

	2017-18			2016-17		
Gratuity (Funded)	**Present value of obligation**	**Fair value of plan assets**	**Total amount**	Present value of obligation	Fair value of plan assets	Total amount
Opening Balance	**370.88**	**(323.04)**	**47.84**	321.76	(280.48)	41.28
Current service cost	**19.03**	**–**	**19.03**	18.24	–	18.24
Interest expense/(income)	**25.14**	**(23.19)**	**1.95**	23.78	(20.72)	3.06
Past Service Cost	**38.44**	**–**	**38.44**	–	–	–
Less: Amount recognised in statement of profit and loss-Discontinued operations	**3.79**	**–**	**3.79**	–	–	–
Total amount recognised in profit and loss-Continuing operations	**78.82**	**(23.19)**	**55.63**	42.02	(20.72)	21.30
Remeasurements						
Return on plan assets, excluding amounts included in interest expense/(income)	**–**	**(1.60)**	**(1.60)**	–	(6.40)	(6.40)
(Gain)/loss from change in financial assumptions	**17.74**	**–**	**17.74**	19.17	–	19.17
Experience (gains)/losses	**(11.21)**	**–**	**(11.21)**	14.88	–	14.88
Total amount recognised in other comprehensive income - Continuing Operations	**6.53**	**(1.60)**	**4.93**	34.05	(6.40)	27.65
Employer contributions	**–**	**(49.38)**	**(49.38)**	–	(42.39)	(42.39)
Benefit payments	**(39.20)**	**39.20**	**–**	(26.95)	26.95	–
Closing Balance	**417.03**	**(358.01)**	**59.02**	370.88	(323.04)	47.84

	2017-18	2016-17
Leave Obligation (Unfunded)	**Present value of obligation**	Present value of obligation
Opening Balance	**141.41**	117.83
Current service cost	**8.34**	8.80
Interest expense/(income)	**9.55**	9.13
Remeasurements		
(Gain)/loss from change in financial assumptions	**11.06**	–
Experience (gains)/losses	**(11.50)**	–
Less: Amount recognised in statement of profit and loss-Discontinued operations	**1.86**	–
Total amount recognised in profit and loss-Continuing operations	**15.59**	17.93
(Gain)/loss from change in financial assumptions	**–**	6.48
Experience (gains)/losses	**–**	7.01
Total amount recognised in other comprehensive Income - Continuing operations	**–**	13.49
Benefit payments	**(11.95)**	(7.84)
Closing Balance	**145.05**	141.41

₹ in Crore

	Post retirement medical benefit		Pension	
	2017-18	2016-17	**2017-18**	2016-17
Opening balance	**64.67**	50.49	**44.02**	31.27
Current service cost	**2.32**	2.89	**0.25**	0.25
Interest expense/(income)	**4.45**	3.91	**3.12**	2.42
Past Service Cost	**–**	6.04	**11.65**	10.13
Less: Amount recognised in statement of profit and loss-Discontinued operations	**0.86**	–	**0.19**	–
Total amount recognised in profit and loss-Continuing operations	**5.91**	12.84	**14.83**	12.80
Remeasurements				
(Gain)/loss from change in financial assumptions	**(4.42)**	4.75	**(4.96)**	1.97
Experience (gains)/losses	**14.83**	(1.26)	**10.41**	3.13
Total amount recognised in other comprehensive income - Continuing operations	**10.41**	3.49	**5.45**	5.10
Benefit payments	**(3.13)**	(2.15)	**(5.85)**	(5.15)
Closing Balance	**77.86**	64.67	**58.45**	44.02

No additional liability has been recognised as interest rate announced by PF trust is higher than the statutory rate announced by Employee Provident Fund Organization.

Expected remaining life for PF interest guarantee was 7.63 years in 2017-18 against 7.79 years in 2016-17

(iii) **The expected maturity analysis of undiscounted gratuity, leave, post-employment medical benefits & pension is as follows :**

	1st year	Between 2-5 years	Between 6-10 years	More than 10 years	Total
31-Mar-18					
Defined benefit obligation (gratuity)	61.56	194.65	207.24	238.41	701.86
Leave obligation	17.53	57.40	62.70	157.15	294.78
Post-employment medical benefits	2.73	15.74	28.33	229.54	276.34
Pension	6.57	30.75	34.08	68.32	139.72
Total	**88.39**	**298.54**	**332.35**	**693.42**	**1,412.70**
31-Mar-17					
Defined benefit obligation (gratuity)	46.78	171.10	170.54	223.44	611.86
Leave obligation	14.50	55.83	65.24	136.01	271.58
Post-employment medical benefits	2.24	13.54	25.57	190.91	232.26
Pension	6.07	28.64	32.11	60.50	127.32
Total	**69.59**	**269.11**	**293.46**	**610.86**	**1,243.02**

₹ in Crore

(iv) **Sensitivity Analysis**

	Gratuity		Post-employment medical benefits		Leave Obligation		Pension		Interest rate guarantee on provident fund	
	31-Mar-18	31-Mar-17	**31-Mar-18**	31-Mar-17	**31-Mar-18**	31-Mar-17	**31-Mar-18**	31-Mar-17	**31-Mar-18**	31-Mar-17
DBO at 31st March with discount rate +1%	**394.65**	349.90	**70.29**	57.61	**135.20**	131.65	**54.69**	41.05	**–**	–
Corresponding service cost	**8.72**	15.62	**1.01**	2.12	**3.93**	7.25	**0.12**	0.22	**–**	–
DBO at 31st March with discount rate -1%	**441.95**	394.33	**87.14**	73.45	**156.22**	152.54	**62.68**	47.38	**–**	–
Corresponding service cost	**10.12**	18.23	**1.55**	3.33	**4.81**	8.87	**0.12**	0.28	**–**	–
DBO at 31st March with +1% salary/benefit escalation	**432.68**	388.58	**85.50**	68.88	**159.27**	155.84	**–**	–	**–**	–
Corresponding service cost	**9.83**	17.95	**1.57**	3.05	**4.94**	9.08	**–**	–	**–**	–
DBO at 31st March with -1% salary/benefit escalation	**397.27**	351.82	**71.48**	60.88	**132.95**	128.80	**–**	–	**–**	–
Corresponding service cost	**8.81**	15.69	**1.04**	2.35	**3.84**	7.08	**–**	–	**–**	–
DBO at 31st March with +50% withdrawal rate	**417.56**	371.42	**77.38**	64.27	**145.35**	141.61	**–**	–	**–**	–
Corresponding service cost	**9.56**	16.87	**1.22**	2.58	**4.35**	8.02	**–**	–	**–**	–
DBO at 31st March with -50% withdrawal rate	**416.51**	370.32	**78.38**	65.10	**144.65**	141.20	**–**	–	**–**	–
Corresponding service cost	**9.50**	16.79	**1.26**	2.94	**4.32**	7.97	**–**	–	**–**	–
DBO at 31st March with +10% mortality rate	**417.32**	371.20	**76.46**	63.55	**145.22**	141.51	**56.75**	42.69	**–**	–
Corresponding service cost	**9.54**	16.85	**1.21**	2.58	**4.34**	8.00	**0.12**	0.24	**–**	–
DBO at 31st March with -10% mortality rate	**416.75**	370.54	**79.40**	65.90	**144.78**	141.31	**60.27**	45.46	**–**	–
Corresponding service cost	**9.51**	16.81	**1.27**	2.95	**4.33**	7.99	**0.12**	0.25	**–**	–
Int guarantee Liability 31st March with discount rate +1%	**–**	–	**–**	–	**–**	–	**–**	–	**2.77**	–
Int guarantee Liability 31st March with discount rate -1%	**–**	–	**–**	–	**–**	–	**–**	–	**2.97**	42.72
Int guarantee Liability 31st March with EPFO rate +0.5%	**–**	–	**–**	–	**–**	–	**–**	–	**39.76**	19.47
Int guarantee Liability 31st March with portfolio rate -0.5%	**–**	–	**–**	–	**–**	–	**–**	–	**19.88**	19.47

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

(v) **Major categories of total plan assets**

	31-Mar-18	31-Mar-17
Gratuity		
Cash & cash equivalents	**358.01**	323.04
thereof non-quoted market price	**358.01**	323.04

(vi) **Actuarial assumptions**

31-Mar-18					
Particulars	**Gratuity**	**Leave obligation**	**Medical**	**Pension**	**Interest guarantee**
Discount rate current year (%)	7.60%	7.60%	7.60%	7.60%	7.60%
Mortality rate	Indian Assured Lives Mortality (2006-08) ultimate	Indian Assured Lives Mortality (2006-08) ultimate	Before Separation- Indian Assured Lives Mortality (2006-08) ultimate & After separation- from service : LIC (1996-98) Ultimate rated down by 5 years	Before Separation- Indian Assured Lives Mortality (2006-08) ultimate & After separation- from service : LIC (1996-98) Ultimate rated down by 5 years	Before Separation- Indian Assured Lives Mortality (2006-08) ultimate & After separation- from service : LIC (1996-98) Ultimate rated down by 5 years

31-Mar-17					
Particulars	**Gratuity**	**Leave obligation**	**Medical**	**Pension**	**Interest guarantee**
Discount rate current year (%)	7.10%	7.10%	7.10%	7.10%	7.10%
Mortality rate	Indian Assured Lives Mortality (2006-08) ultimate	Indian Assured Lives Mortality (2006-08) ultimate	Before Separation- Indian Assured Lives Mortality (2006-08) ultimate & After separation- from service : LIC (1996-98) Ultimate rated down by 5 years	Before Separation- Indian Assured Lives Mortality (2006-08) ultimate & After separation- from service : LIC (1996-98) Ultimate rated down by 5 years	Indian Assured Lives Mortality (2006-08) ultimate

Expected Remaining Life	**2017-18**	2016-17
Employees Gratuity Fund	**11.30**	7.55
Executive Gratuity Fund	**6.72**	6.77
Leave Encashment	**8.84**	7.63
PRMB - Non Cov	**12.00**	10.33
PRMB - Cov	**13.67**	13.78
Pension	**16.26**	12.76

Expected contributions to be paid for next year for gratuity for 2017-18 - ₹ 94.12 cr (2016-17-₹ 69.85 cr.)

Expected contributions to be paid for next year for leave obligation, medical & pension is nil.

(vii) **Plan assets consist of funds maintained with LICI, ICICI Prudential, Birla Sun Life and HDFC Standard Life.**

	2017-18	2016-17
Actual return on plan assets (₹ cr.)	24.79	27.11

(viii) **Risk exposure**

The Plans in India is typically expose the Company to some risks, the most significant of which are detailed below :

Discount Rate risk : Decrease in discount rate will increase the value of the liability. However, this will partially offset by the increase in the value of plan assets.

Demographic Risk : In the valuation of the liability certain demographic (mortality and attrition rates) assumptions are made. The Company is exposed to this risk to the extent of actual experience eventually being worse compared to the assumptions thereby causing an increase in the scheme cost.

Future Salary Increase Risk : In case of gratuity & leave the scheme cost is sensitive to the assumed future salary escalation rates for all final salary defined benefit Schemes. If actual future salary escalations are higher than that assumed in the valuation actual Scheme cost and hence the value of the liability will be higher than that estimated. But PRMB & pension are not dependant on future salary levels.

Regulatory Risk : New Act/Regulations may come up in future which could increase the liability significantly in case of Leave obligation, PRMB & Pension. Gratuity Benefit must comply with the requirements of the Payment of Gratuity Act, 1972 (as amended up-to-date). Also in case of interest rate guarantee Exempt Provident Fund must comply with the requirements of the Employees Provident Funds and Miscellaneous Provisions Act 1952 as amended up-to-date.

NOTE - 36 FINANCE COSTS

₹ in Crore

		2017-18	2016-17
a)	Interest expense	**490.42**	457.46
b)	Other Borrowing Costs	**8.83**	5.80
		499.25	463.26
	Less : Allocated to PPE / CWIP	**15.35**	15.46
		483.90	447.80

Weighted average capitalisation rate used is 8.11 % (previous year 7.77%)

Under Ind AS, transaction costs incurred towards origination of borrowings are amortised over the tenure of the loan as part of interest expense using the effective interest rate method.

NOTE - 37 DEPRECIATION AND AMORTISATION EXPENSE

Depreciation / amortisation of tangible assets	**718.54**	706.12
Amortisation of intangible assets	**13.35**	13.62
	731.89	719.74
Less : Recoupment from Retained Earnings (refer note 50)	**306.25**	318.41
	425.64	401.33

₹ in Crore

		2017-18	2016-17
NOTE - 38	**OTHER EXPENSES**		
a)	Consumption of stores and spares	**193.38**	234.21
b)	Repairs		
	Building	**15.84**	19.06
	Plant and Machinery	**68.45**	75.88
	Distribution System	**105.65**	125.80
	Others	**4.79**	5.00
		194.73	225.74
c)	Insurance	**12.66**	7.98
d)	Rent (including lease rent ₹ 10.23 crore; previous year - ₹ 11.58 crore)	**24.91**	22.58
e)	Rates and taxes	**9.67**	8.17
f)	Bad debts / Advances made	**35.97**	31.61
g)	Provision for Bad Debts	**17.60**	–
h)	Loss on sale / disposal of Property , Plant & Equipment (net)	**–**	3.27
i)	Interest on Consumers' Security Deposits	**108.01**	109.89
j)	Foreign Exchange Restatement loss / (gain)	**(30.88)**	(68.15)
k)	Mark to Market loss / (gain) on derivatives	**23.37**	79.76
l)	Corporate social responsibility activities (refer note 51)	**19.42**	17.47
m)	Miscellaneous expenses	**430.29**	324.25
		1,039.13	996.78
	Less : transfer to PPE / CWIP etc.	**119.04**	150.69
		920.09	846.09
NOTE - 39	**REGULATORY INCOME**	**209.24**	190.23

Regulatory (Income) / Expenses arise to the Company pursuant to the regulatory provisions applicable to the Company under the provisions of the Electricity Act, 2003 and regulations framed thereunder and disposals made by WBERC on the Company's various petitions / applications, in terms of the said regulations, at different timeframe including the tariff and APR orders for the years notified till date. The effect of adjustments - (income) / expenses, relating to (a) advance against depreciation, (b) cost of electrical energy purchased, fuel related costs including effect of balance sum relating to additional levy 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, and (c) effect of exchange fluctuation including MTM gain, amounting to ₹ 198 crore (Previous year ₹ 73.38 crore), ₹ (414.75 crore) [Previous year ₹ (252 crore)], and ₹ 7.51 crore [Previous year ₹ (11.61 crore)] respectively have been shown as Regulatory (Income) / Expenses with corresponding sums, reflected in Balance sheet as Regulatory Deferral Account Balance (see Note 18).

Regulatory deferral account debit balance comprise the effect of (a) tax, (b) exchange fluctuation amounting to ₹ 3,487.21 crore (31.03.2017 : ₹ 3,554.76 crore) and ₹ 34.33 crore (31.03.2017 : ₹ 65.21 crore) respectively and that relating to credit balance comprise the effect of (a) advance against depreciation, (b) cost of fuel and purchase of power and other adujstments having bearing on revenue account and (c) MTM Gain amount to ₹ 1281.07 crore (31.03.2017 : ₹ 1,083.07 crore), ₹ 533.77 crore (31.03.2017 : ₹ 1,064.96 crore) and ₹ 21.15 crore (31.03.2017 : ₹ 44.52 crore) respectively.

The accurate quantification and disposal of the matters with regard to Regulatory deferral account balances, are being given effect to, from time to time, after conclusion of the concerned event / year, as appropriate, on receipt of necessary direction from the appropriate authorities relating to the applicable matters in a comprehensive way including those attributable to the mining of coal from Sarisatolli mine which commenced from 10 April, 2015 following the said mine having been allotted to the Company effective 1 April 2015 pursuant to the auction conducted by the Ministry of Coal, Government of India under the provisions of the applicable laws.

NOTE - 40 Fair value measurements

a) **The carrying value and fair value of financial instruments by categories as at end of the year are as follows :**

₹ in crore

	31-Mar-18			31-Mar-17		
	Amortized cost	**FVTOCI**	**FVTPL**	Amortized cost	FVTOCI	FVTPL
Financial assets						
Investments						
– Equity	**4,182.95**	**7.56**		4,084.23		
– Mutual funds			**508.37**			508.24
– Preference Shares			**0.78**			
Trade Receivables	**1,041.49**			968.53		
Loans	**32.42**			53.83		
Cash and cash equivalents	**435.68**			682.81		
Other Bank balances	**286.92**			241.57		
Lease Receivables	**57.25**			57.09		
Advance to related party / bodies corporate	**220.34**			2,267.99		
Interest accrued on Bank Deposit	**13.30**			10.99		
Derivative Asset			**21.15**			44.52
Receivable towards claims and services rendered	**2.36**			34.27		
Others				116.43		
Total financial assets	**6,272.71**	**7.56**	**530.30**	8,517.74	–	552.76
Financial liabilities						
Borrowings	**5,946.96**			5,969.46		
Trade Payables	**528.79**			387.83		
Interest accrued	**10.65**			12.02		
Unclaimed dividend	**5.11**			3.85		
Consumers' Security Deposits	**1,607.50**			1,699.28		
Others	**2,023.01**			478.15		
Total financial liabilities	**10,122.02**	–	–	8,550.59	–	–

b) **Fair value hierarchy**

The table shown below analyses financial instruments carried at fair value, by valuation method.

₹ in crore

Financial assets and liabilities measured at fair value	**Level 1**	**Level 2**	**Level 3**	**Total fair value**	**Total carrying amount**
As at 31 March 2018					
Financial assets					
Investment in equity shares	–	7.56	–	7.56	7.56
Investment in liquid mutual fund units	508.37	–	–	508.37	508.37
Investment in Preference Share	–	–	0.78	0.78	0.78
Derivative financial instrument - cross currency swap	–	21.15	–	21.15	21.15
Total	**508.37**	**28.71**	**0.78**	**537.86**	**537.86**
As at 31 March 2017					
Financial assets					
Investment in equity shares	–	–	–	–	–
Investment in liquid mutual fund units	508.24	–	–	508.24	508.24
Derivative financial instrument - cross currency swap	–	44.52	–	44.52	44.52
Total	**508.24**	**44.52**	**–**	**552.76**	**552.76**

The different levels have been defined below :

Level 1 : financial instruments measured using quoted price. The fair value of all equity instruments which are traded in the stock exchanges is determined using the closing price. The mutual funds are valued using the closing NAV.

Level 2 : inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e., derived from prices).

Level 3 : inputs for the asset or liability that are not based on observable market data.

c) **The following methods and assumptions were used to estimate the fair values.**

i. The fair values of the mutual fund instruments are based on net asset value of units declared at the close of the reporting date. The fair value of equity shares are based on net asset value of entity as at reporting date.

ii. The fair values of the cross currency swap is determined using discounted cash flow analysis and swaps and options pricing models.

iii. The fair value of preference share is determined on the basis of discounted cash flow wherein future cash flows are based on the terms of preference share discounted at rate that reflects market rate. Significant unobservable input used is discount rate and 0.50% increase / decrease in discount rate would results in decrease / increase in fair value of preference share by ₹ 0.07 crore respectively.

iv. The carrying amounts of trade receivables, trade payables, investment in commercial paper, receivable towards claims and services rendered, other bank balances, interest accrued payable/receivable, cash and cash equivalents are considered to be the same as their fair values, due to their short term nature.

v. Loans, non-current borrowings, lease receivable, security deposits and restoration liability are based on discounted cash flows using a current borrowing rate.

vi. Fair value of financial instuments which is determined on the basis of discounted cash flow analysis, considering the nautre , risk profile and other qualitative factors. The carrying amounts will be reasonable approximation of the fair value.

NOTE - 41 Financial risk management and Capital Management

The Company's operations of generation and distribution of electricity are governed by the provisions of the Electricity Act 2003 and Regulations framed thereunder by the West Bengal Electricity Regulatory Commission and accordingly the Company, being a licensee under the said statute, is subject to regulatory provisions/ guidelines and issues evolving therefrom, having a bearing on the Company's liquidity, earning, expenditure and profitability, based on efficiency parameters provided therein including timing of disposal of applications / matters by the authority.

The Company being the sole provider of electricity in the licenced area has been managing the operations keeping in view its profitability and liquidity in terms of above regulations. In order to manage credit risk arising from sale of electricity, multipronged approach is followed like maintenance of security deposit, precipitation of action against defaulting consumers, obtaining support of the administrative authority. Credit risk towards Investment of surplus funds is managed by obtaining support of credit rating and appraisal by external agencies and lending bodies. The Company extends financial support by way of loans / guarantees etc. to its subsidiaries / step down subsidiaries only.

The Company manages its liquidity risk on financial liabilities by maintaining healthy working capital and liquid fund position keeping in view the maturity profile of its borrowings and other liabilities as disclosed in the respective notes.

The Company's market risk relating to variation of foreign currency, interest rate and commodity price is mitigated through relevant regulation.

While managing the capital, the Company ensures to take adequate precaution for providing returns to the shareholders and benefit for other stakeholders, including protecting and strengthening the balance sheet. Availability of capital and liquidity is also managed, in consonance with the applicable regulatory provisions.

NOTE - 42 Related Parties and their Relationship

A. Parent- under de facto control as defined in Ind AS - 110

Rainbow Investments Limited

B. Subsidiary / Joint Venture / Associates

Name	Relationship
Spencer's Retail Limited (SRL)	Subsidiary #
Quest Properties India Limited	Subsidiary #
CESC Infrastructure Limited (CIL)	Subsidiary #
Surya Vidyut Limited	Subsidiary
Nalanda Power Company Limited	Subsidiary
CESC Projects Limited	Subsidiary
Bantal Singapore Pte. Limited	Subsidiary

Name	Relationship
Ranchi Power Distribution Company Limited	Subsidiary
Pachi Hydropower Projects Limited	Subsidiary
Papu Hydropower Projects Limited	Subsidiary
Spen Liq Private Limited	Subsidiary #
Crescent Power Limited (CPL)	Subsidiary
Kota Electricity Distribution Limited (KEDL)	Subsidiary
Bikaner Electricity Supply Limited (BKESL)	Subsidiary
Bharatpur Electricity Services Limited (BESL)	Subsidiary
RP-SG Retail Limited	Subsidiary #(w.e.f 13 May 2017)
RP-SG Business Process Services Limited	Subsidiary # (w.e.f 13 May 2017)
CESC Green Power Limited	Subsidiary (w.e.f 13 May 2017)
Au Bon Pain Café India Limited	Subsidiary **
Haldia Energy Limited (HEL)	Subsidiary **
Dhariwal Infrastructure Limited (DIL)	Subsidiary **
Music World Retail Limited	Step Down Subsidiary #
Omnipresent Retail India Private Limited	Step Down Subsidiary #
Metromark Green Commodities Pvt. Ltd	Step Down Subsidiary #
New Rising Promoters Private Limited	Step Down Subsidiary #
Guiltfree Industries Limited	Step Down Subsidiary #
Firstsource Solutions Limited	Step Down Subsidiary #
Firstsource Group USA, Inc.	Step Down Subsidiary #
MedAssist Holding, LLC	Step Down Subsidiary #
Firstsource Solutions USA, LLC	Step Down Subsidiary #
Firstsource Transaction Services, LLC	Step Down Subsidiary #
Firstsource Business Process Services, LLC	Step Down Subsidiary #
Firstsource Advantage, LLC	Step Down Subsidiary #
Firstsource BPO Ireland Ltd.	Step Down Subsidiary #
Firstsource Solutions UK Ltd.	Step Down Subsidiary #
Firstsource Solutions S.A.	Step Down Subsidiary #
Firstsource-Dialog Solutions Pvt. Ltd.	Step Down Subsidiary #
One Advantage LLC	Step Down Subsidiary #
Firstsource Process Management Services Limited	Step Down Subsidiary #
ISGN Solutions Inc.	Step Down Subsidiary #
ISGN Fulfillment Services, Inc.	Step Down Subsidiary #
ISGN Fulfillment Agency, LLC	Step Down Subsidiary #
Bowlopedia Restaurants India Limited	Step Down Subsidiary #
Apricot Foods Private Limited	Step Down Subsidiary #
Mahuagarhi Coal Company Private Limited	Joint Venture
Noida Power Company Limited	Associate
NPCL Solar Energy Pvt. Ltd	Associate (w.e.f 23rd May 2017)
Nanobi Data and Analytics Private Limited	Associate #

Subsidiary / Step Down Subsidiary / Associate upto 30th September 2017.

**Step Down Subsidiary upto 30th September 2017 and Subsidiary from 1st October 2017.

C. **Other Related Parties having transaction during the year**

i) **Entities under common control**

RPG Power Trading Company Limited
Integrated Coal Mining Limited
Open Media Network Limited
Harrison Malayalam Limited
Phillips Carbon Black Limited
Saregama India Ltd
Woodlands Multispeciality Hospital Limited
Sarala Real Estate Limited
Dotex Merchandise Private Limited
Kolkata Metro Networks Limited
Kolkata Games And Sports Private Limited (KGSPL)
Stel Holdings Limited
RP-SG Retail Limited (w.e.f 01 October 2017)
RP-SG Business Process Services Limited (w.e.f 01 October 2017)
Castor Investments Limited

ii) **Key Management Personnel (KMP)**

Name	Relationship
Mr. S. Goenka	Chairman
Mr. P. Chaudhuri	Director
Mr. C .K Dhanuka	Director
Mr. K. Jairaj	Director
Mr. B .M Khaitan	Director
Mr. P.K. Khaitan	Director
Ms. R.Sethi	Director
Mr. Aniruddha Basu	Managing Director (till 28 May 2018)
Mr. Subhasis Mitra	Company Secretary
Mr. Rajarshi Banerjee	Executive Director & Chief Financial Officer

iii) **Other Related Parties**

Ms.Preeti Goenka (Shareholder and Relative of KMP)
Mr.Shashwat Goenka (Shareholder and Relative of KMP)
Khaitan & Co LLP
Khaitan & Co. (Mumbai)
Khaitan & Co. (New Delhi)
Khaitan & Co. AOR
Khaitan & Co. (Kolkata)
Khaitan Consultants Ltd.
CESC Limited Provident Fund
Calcutta Electric Supply Coporation (I) Ltd. Senior Staff Pension Fund
CESC Executive Gratuity Fund
CESC Limited Employee's Gratuity Fund

Sl. No.	Nature of Transactions	Parent having Control in terms of Ind AS -110, Subsidiaries, Joint Venture & Associate		Entities under common control		Key Management Personnel		Other Related Parties		Total	
D.	**Details of transactions between the Company and related parties and status of outstanding balances**										
											₹ in crore
		31-Mar-18	31-Mar-17	**31-Mar-18**	31-Mar-17	**31-Mar-18**	31-Mar-17	**31-Mar-18**	31-Mar-17	**31-Mar-18**	31-Mar-17
1.	**Acquisition of Investment :**										
	RPSG Business Process Services Limited from Haldia energy Limited	**575.05**	–	–	–	–	–	–	–	**575.05**	–
	Spencers Retail Limited	**236.32**	(0.83)	–	–	–	–	–	–	**236.32**	(0.83)
	Kota Electricity Distribution Limited	**224.03**	1.39	–	–	–	–	–	–	**224.03**	1.39
	Bikaner Electricity Supply Limited	**40.00**	0.62	–	–	–	–	–	–	**40.00**	0.62
	Noida Power Company Limited from CESC Infrastructure Limited	–	29.70	–	–	–	–	–	–	–	29.70
	Others	**7.20**	3.23	–	–	–	–	–	–	**7.20**	3.23
2.	**Advance for Share Subscription :**										
	Spencers Retail Limited	**1.40**	690.00	–	–	–	–	–	–	**1.40**	690.00
	CESC Infrastructure Limited	–	210.00	–	–	–	–	–	–	–	210.00
	Dhariwal Infrastructure Limited (DIL)	**(48.00)**	–	–	–	–	–	–	–	**(48.00)**	–
	Surya Vidyut Limited	–	41.27	–	–	–	–	–	–	–	41.27
	Kota Electricity Distribution Limited	–	40.00	–	–	–	–	–	–	–	40.00
	Others	–	36.31	–	–	–	–	–	–	–	36.31
3.	**Short Term Advance :**										
	RP-SG Retail Limited	**44.11**	–	–	–	–	–	–	–	**44.11**	–
	RPSG Business Process Services Limited	**29.40**	–	–	–	–	–	–	–	**29.40**	–
	Haldia Energy Limited	**48.00**	–	–	–	–	–	–	–	**48.00**	–
4.	**Expense Recoverable / (Payable) :**	**25.49**	(5.97)	**21.97**	(1.03)					**47.46**	**(7.00)**
5.	**Income from sale / services :**										
	Crescent Power Limited	**34.58**	27.47	–	–	–	–	–	–	**34.58**	27.47
	Quest Properties India Limited	**14.35**	25.49	**11.22**	–	–	–	–	–	**25.57**	25.49
	Others	**1.04**	11.71	**0.10**	0.08	–	–	–	–	**1.14**	11.79
6.	**Expenses incurred :**										
	Haldia Energy Limited (Purchase of Power)	**2,217.17**	2,032.47	–	–	–	–	–	–	**2,217.17**	2,032.47
	Integrated Coal Mining Limited	–	–	**274.44**	251.45	–	–	–	–	**274.44**	251.45
	RPG Power Trading Company Limited (Purchase of Power)	–	–	**171.84**	179.02	–	–	–	–	**171.84**	179.02
	RPSG Business Process Services Limited	–	–	**22.50**	–	–	–	–	–	**22.50**	–
	KGSPL	–	–	**47.38**	–	–	–	–	–	**47.38**	–
	Others	**18.39**	23.28	**7.43**	5.24	–	–	**7.81**	3.10	**33.63**	31.62

D. Details of transactions between the Company and related parties and status of outstanding balances *(Contd.)*

₹ in crore

Sl. No.	Nature of Transactions	Parent having Control in terms of Ind AS -110, Subsidiaries, Joint Venture & Associate		Entities under common control		Key Management Personnel		Other Related Parties		Total	
		31-Mar-18	31-Mar-17	**31-Mar-18**	31-Mar-17	**31-Mar-18**	31-Mar-17	**31-Mar-18**	31-Mar-17	**31-Mar-18**	31-Mar-17
7.	**Sale of Shares of Integrated Coal Mining Limited**	–	0.01	–	–	–	–	–	–	–	0.01
8.	**Provident Fund & Retiral funds :**										
	CESC Limited Provident Fund	–	–	–	–	–	–	**182.30**	174.41	**182.30**	174.41
	CESC Limited Employee's Gratuity Fund	–	–	–	–	–	–	**37.70**	31.20	**37.70**	31.20
	Others	–	–	–	–	–	–	**20.43**	19.98	**20.43**	19.98
9.	**Balances written off / Provided**	**7.10**	11.10	–	–	–	–	–	–	**7.10**	11.10
10.	**Security Deposit Received / (Refunded)**	–	0.02	–	–	–	–	–	–	–	0.02
11.	**Dividend paid :**										
	Rainbow Investments Limited	**70.56**	58.80	–	–	–	–	–	–	**70.56**	58.80
	Others	–	–	**8.51**	5.16	**0.16**	0.26	**0.16**	0.03	**8.83**	5.45
12.	**Remuneration of Key Mangerial Personnel :**										
	Short Term Employee Benefits	–	–	–	–	**7.46**	6.02	–	–	**7.46**	6.02
	Post Employment Benefits	–	–	–	–	**1.84**	1.43	–	–	**1.84**	1.43
13.	**Remuneration of Directors :**										
	Sitting Fees and Commission	–	–	–	–	**33.37**	24.55	–	–	**33.37**	24.55
	Outstanding Balance :										
	1. Debit	–	1,782.66	**39.88**	14.29	–	–	–	–	**39.88**	1,796.95
	2. Credit	1,498.83	–	–	–	**34.31**	33.44	**15.50**	15.01	**1,548.64**	48.45

a. Shares alloted during the year in repsect of Share Aplication money paid in earlier years are : KEDL- ₹ 40 crore (31.03.17 : Nil) and Others - ₹ 75.58 crore (31.03.17 : Nil).

b. Refer Note. 31(b) above relating to committments (letter of comfort) provided to banks towards borrowing obligations as on 31.03.2018 in respect of DIL, HEL, BESL, BKESL, KEDL and CPL amounting to ₹ 862.35 crore (31.03.17: ₹ 761.03 crore), ₹ 105.45 crore, (31.03.2017: ₹ 400.00 crore), ₹ 64.22 crore (31.03.2017: ₹ 64.72 crore), ₹ 161.23 crore (31.03.2017: ₹ 95 crore), ₹ 204.30 crore (31.03.2017: ₹ 229.30 crore) and ₹ 100 crore (31.03.2017 : Nil) respectively.

c. Outstanding balances are unsecured and settlement occurs in cash.

₹ in Crore

NOTE - 43 Miscellaneous expenses shown in Note no. 38 (m) , include Auditors' Remuneration and expenses :

	2017-18	2016-17
As Statutory Auditors :		
Statutory audit and Limited reviews	**1.83**	1.69
Other services *	**0.98**	0.23
As a Tax Auditor	**0.10**	0.10
Others	**0.06**	0.12
Reimbursement of expenses including applicable taxes	**0.56**	0.33

*paid to previous auditors of the Company ₹ 0.74 crore.

NOTE - 44 The major components of Deferred Tax Assets / (Liabilities) based on the temporary difference as at 31st March, 2018 are as under :

a) Deferred tax assets and liabilities (Net)

Deferred tax relates to the following :

₹ in Crore

	April 1, 2017	Recognised through P&L	Recognised through OCI	**March 31, 2018**
Liabilities				
Difference in WDV of Property, Plant and Equipment	(3,568.88)	49.32	–	**(3,519.56)**
Fair Valuation of Equity Investment as per IND AS	–	–	(1.76)	**(1.76)**
Others	(30.62)	5.33	–	**(25.29)**
Assets				
Items covered under section 43B of Income Tax Act, 1961	3.91	0.70	–	**4.61**
Others including items covered under section 35DDA of Income Tax Act, 1961	40.83	13.97	–	**54.80**
Total Deferred Tax Liabilities (Net)	(3,554.76)	69.32	(1.76)	**(3,487.21)**

	April 1, 2016	Recognised through P&L	Recognised through OCI	March 31, 2017
Liabilities				
Difference in WDV of Property, Plant and Equipment	(3,523.43)	(45.45)	–	(3,568.88)
Others	(28.91)	(1.71)	–	(30.62)
Assets				
Items covered under section 43B of Income Tax Act, 1961	3.82	0.09	–	3.91
Others including items covered under section 35DDA of Income Tax Act, 1961	42.51	(1.68)	–	40.83
Total Deferred Tax Liabilities (Net)	(3,506.01)	(48.75)	–	(3,554.76)

b) Income tax expense

i) Income tax recognised in profit or loss

Current tax expense	**March 31, 2018**	March 31, 2017
Continuing Operations	**(237.72)**	(237.84)
Discontinued Operations	**0.80**	(0.53)
Deferred tax expense		
Deferred tax-(Income) / expense	**69.32**	(48.75)
Regulatory (Income) / expense -deferred tax	**(69.32)**	48.75
Total income tax expense	**(236.92)**	(238.37)

₹ in Crore

ii) **Income tax recognised in OCI**

Current tax expense	**March 31, 2018**	March 31, 2017
Remeasurements of defined benefit plans	**4.50**	10.62
Deferred tax expense		
Deferred Tax on Gain on fair value of Investment	**(1.76)**	–
Regulatory (Income) / expense -deferred tax	**1.76**	–
Total income tax expense relating to OCI items	**4.50**	10.62

₹ in Crore

c) **Reconciliation of tax expense and accounting profit**

	March 31, 2018	March 31, 2017
Accounting profit before tax after Comprehensive Income	**1,077.79**	1,051.50
Tax using the Company's domestic tax rate (Current year 34.608% and Previous Year 34.608%)	**373.00**	363.90
Tax effect of amounts adjustable in calculating taxable Income/expenses not considered for tax purpose including difference in depreciation	**(97.58)**	(172.34)
Invcentive & deduction allowed under Income Tax	**(32.67)**	(37.75)
MAT Adjustments	**(10.33)**	73.94
INCOME TAX EXPENSE	**232.42**	227.75

NOTE - 45 Liability in respect of the security deposit collected by the company, in terms of applicable regulations of the WBERC, has been classified as non – current, given the nature of its business in the license area, excepting to the extent of the sum refundable / payable within a year, based on experience.

NOTE - 46 Outstanding foreign currency loans as on 31st March, 2018 as disclosed in Note 21, stands fully hedged in Indian Rupee.

NOTE - 47 Future rentals payable in respect of non-cancellable leases for assets comprising various equipment and vehicles acquired under operating leases for the period ranging between 36-60 months work out to ₹ 0.39 crore (as on 31.03.17 : ₹ 2.39 crore) and ₹ 1.29 crore (as on 31.03.17 : ₹ 3.01 crore) during next one year and thereafter till five years respectively. There are no restrictions in respect of such leases.

NOTE - 48 **Earnings per share :**

(i) **Computation of Earnings per share from continuing operations**

Particulars		**2017-18**	2016-17
Profit for the year from continuing operations after tax (₹ in Crore)	**(A)**	**864.66**	860.88
Weighted Average no. of shares for Earnings per share	**(B)**	**13,25,57,043**	13,25,57,043
Basic and Diluted Earnings per share of ₹ 10/- = [(A) / (B)] (₹)		**65.23**	64.94

Computation of Earnings per share from discontinued operations

Particulars		**2017-18**	2016-17
Profit/ (loss) from discontinued operations after tax for EPS (₹ in Crore)	**(A)**	**-2.95**	1.98
Weighted Average no. of shares for Earnings per share	**(B)**	**13,25,57,043**	13,25,57,043
Basic and Diluted Earnings per share of ₹ 10/- = [(A) / (B)] (₹)		**-0.22**	0.15

Computation of Earnings per share - from discontinued & continuing operations (net of tax)

Particulars		**2017-18**	2016-17
Profit after tax for EPS (₹ in Crore)	**(A)**	**861.71**	862.86
Weighted Average no. of shares for Earnings per share	**(B)**	**13,25,57,043**	13,25,57,043
Basic and Diluted Earnings per share of ₹ 10/- = [(A) / (B)] (₹)		**65.01**	65.09

(ii) Computation of Earnings per share from continuing operations-excluding regulatory Income (net of tax)

Particulars		2017-18	2016-17
Profit After Tax excluding regulatory income (₹ in Crore)	(A)	**700.08**	711.27
Weighted Average no. of shares for Earnings per share	(B)	**13,25,57,043**	13,25,57,043
Basic and Diluted Earnings per share of ₹ 10/- = [(A) / (B)] (₹)		**52.81**	53.66

Computation of Earnings per share from discontinued & continuing operations- excluding regulatory Income (net of tax)

Particulars		2017-18	2016-17
Profit After Tax excluding regulatory income (₹ in Crore)	(A)	**697.13**	713.24
Weighted Average no. of shares for Earnings per share	(B)	**13,25,57,043**	13,25,57,043
Basic and Diluted Earnings per share of ₹ 10/- = [(A) / (B)] (₹)		**52.59**	53.81

NOTE - 49 The Company is primarily engaged in generation and distribution of electricity which is the only reportable business segment in line with the segment wise information which is being presented to the CODM. There are no reportable geographical segments, since all business is within India.

The Company is also running a single retail store in state of Gujarat which is not significant for the CODM and hence not considered as reportable segment.

NOTE - 50 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, the basis of which be considered by the West Bengal Electricity Regulatory Commission (Commission) in determining the Company's tariff for the year, which is also required to be used for accounting purpose as specified in the said Regulations. Based on legal opinions and independent accounting opinions obtained, the Company continues with the consistently followed practice of recouping from the retained earnings an additional charge of depreciation relatable to the increase in value of assets arising from fair valuation , which for the current year amounts to ₹ 306.25 crore (previous year- ₹ 318.41 crore) and corresponding withdrawal of ₹ 5.18 crore (previous year : ₹ 23.09 crore) consequent to sale / disposal of such assets and the same will be followed in subsequent years.

NOTE - 51 In terms of the provisions of Companies Act, 2013, the required Corporate Social Responsibility (CSR) spending for the year works out to ₹ 19.35 crore (previous year : ₹ 17.47 crore). The said requirement of CSR spending was met by way of contribution to a trust set up for the said purpose and direct expenditure of ₹ 17.10 crore (previous year : ₹ 15.00 crore) and ₹ 2.25 crore (previous year :₹ 2.47 crore) respectively. Expenditure on account of CSR activities shown under Note no. 38 also include a sum of ₹ 0.07 crore relates to an adjustment pursuant to the Scheme of Arrangement. (refer note 52)

NOTE - 52 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 (Scheme Companies). The Scheme provides for restructuring of the Parent and its undertakings (all under common control as per Ind-AS 103) 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 the 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 (WBERC) to the Power Purchase Agreement (PPA) between the Company and Haldia Energy Limited (One of the Scheme Companies) . Pending the said approval, with necessary legal consultation, the Board of Directors at its meeting held on 12 October, 2018 has decided to give effect to the Scheme as below :

a) Demerger of the Generation undertaking to be given effect after receipt of necessary approvals from WBERC.

b) the remaining parts of the Scheme to be given effect from the Appointed Date in terms of the order of Hon'ble NCLT, whereby,

i) the said Retail Undertaking (Retail undertaking 1 as per the scheme) and IT Undertaking have been demerged into two entities as stipulated in the Scheme, viz. RP-SG Retail Limited (RSRL) and RP-SG Business Process Services Limited (RSBP) respectively.

ii) the three wholly owned subsidiaries , viz; CESC Infrastructure Limited (CIL) (engaged in the business of promoting and supporting entities engaged in infrastructure sector including power), Spencer's Retail Limited (SRL) post demerger of its retail undertaking (Retail undertaking 2 as per the scheme) (engaged in developing and conducting organized retail business) and Music World Retail Limited (MWL) (engaged in the business of organised music retailing stores and selling of music accessories) have been merged with the Company. The balances and transactions of CIL, have been merged on the basis of audited financials of CIL for the six months ended 30th September, 2017 and year ended 31st March, 2018.

c) Each shareholder of the Company registered on the record date of 31 October, 2018 in respect of every 10 shares is entitled to additional 6 fully paid up equity shares of Rs. 5 each in RP-SG Retail Limited and additional 2 fully paid up equity shares of Rs. 10 each in the RP-SG Business Process Services Limited. CESC Limited is entitled to 500000 fully paid up 0.01% non-cumulative compulsorily redeemable preference shares of Rs. 100 each by RP-SG Retail Limited. Three entities merged with the Company, as stated above, were wholly owned subsidiaries of the Company and hence no consideration was to be given in lieu of transfer of said undertakings.

d) Necessary accounting effect of the above has been given in these financial statements in terms of the above NCLT order, in the manner detailed herein :

i) The assets and liabilities as at the Appointed Date acquired/transferred by the Company in terms of the Scheme at book value are summarized below :

₹ in Crore

Particulars	Acquired pursuant to Merger of CIL, SRL and MWL	Transferred pursuant to Demerger of Retail and IT undertaking
ASSETS		
Non-current Assets		
Property, Plant and Equipment	**2.23**	–
Capital work-in-progress	**1.61**	–
Intangible Assets	–	(86.25)
Financial assets		
Investments	**3,597.06**	(733.97)
Others	**208.36**	–
Other Non current assets	**1.87**	(23.38)
	3,811.13	(843.60)
Current Assets		
Inventories	3.00	–
Financial assets		
Investments	**47.42**	(575.10)
Cash and cash equivalent	**0.30**	(130.00)
Others	**15.16**	(114.80)
Current Tax Assets (Net)	**3.12**	–
Other current assets	**0.19**	(0.35)
	69.19	(820.25)
Total Assets	**3,880.32**	(1,663.85)
LIABILITIES		
Non-current Liabilities		
Financial Liabilities		
Borrowings	**20.39**	–
Provisions	**0.12**	(2.90)
	20.51	(2.90)
Current Liabilities		
Financial Liabilities		
Trade Payables		
(a) Total outstanding dues to Micro Enterprises & Small Enterprises	–	–
(b) Total outstanding dues of Creditors other than Micro Enterprises & Small Enterprises	**3.72**	–
Others	**965.90**	–
Other current liabilities	**1.56**	(0.12)
Provisions	**0.22**	(4.25)
	971.40	(4.37)
Total liabilities	**991.91**	(7.27)
Difference between Asset and Liability acquired / transferred	**2,888.41**	(1,656.58)
Add : Impact on cancellation of investments pursuant to the Scheme	**(5,458.66)**	–
Less: Consideration (Preference shares) receivable pursuant to scheme of arrangement at fair value	–	0.74
Net Difference arising pursuant to scheme of arrangement	**(2,570.25)**	(1,655.84)

ii) Pursuant to the Scheme, adjustment of difference arising on application of the Scheme is given in following manner : ₹ in Crore

Particulars	**Acquired pursuant to Merger of CIL, SRL and MWL**	Transferred pursuant to Demerger of Retail and IT undertaking
Adjusted with Capital Redemption reserve	**(20.13)**	–
Adjusted with Security premium	**(1,738.02)**	–
Adjusted with Retained earnings (represents negative capital reserve arising on merger which has been adjusted with retained earnings)	**(812.10)**	(1,655.84)
	(2,570.25)	(1,655.84)

iii) Authorised share capital of the Company has been increased pursuant to the Scheme of Arrangement.

The above accounting from the Appointed date is as per the Order of the Hon'ble NCLT rather than from effective date for the demergers and first day of the previous period presented for the mergers

e) Further, in respect of discontinued operation for the period upto 30th September 2017 following has been disclosed : ₹ in Crore

Particulars	**April 1, 2017 to September 30, 2017**	2016-17
Other income	–	10.01
Expenses	**3.75**	7.50
Profit / (Loss) before tax	**(3.75)**	2.51
Cash flows :		
Cash flow (used in) /from investing activity	**(311.33)**	(610.00)

NOTE - 53 Quantitative information : **(Million kWh)**

	Particulars	**2017-18**	2016-17
(a)	Total number of units generated during the year	**6337**	6053
(b)	Total number of units consumed in Generating Stations	**499**	498
(c)	Total number of units sent out	**5838**	5556
(d)	Total number of units purchased during the year	**5638**	5146
(e)	Total number of units through Unscheduled Interchange (Net)	**20**	52
(f)	Total number of units delivered	**11496**	10753
(g)	Total number of units sold as per meter readings	**9739**	9370
(h)	Total number of units sold to persons other than own consumers and WBSEDCL	**611**	139
(i)	Total number of units consumed in Company's premises	**47**	24
(j)	Total number of Units sold to WBSEDCL	**38**	40

NOTE - 54 The derated installed capacity of the Generating Stations of the Company (as per certification of technical expert) as on 31st March, 2018 was 1125000 kW (31st March, 2017 : 1125000 kW).

NOTE - 55 The Company has reclassified previous year's figures to conform to this year's classification alongwith other regrouping / rearrangement wherever necessary.

For S. R. BATLIBOI & CO LLP
Chartered Accountants
Firm Registration Number - 301003E/E300005

Kamal Agarwal
Partner
Membership No. : 058652
Kolkata, 14th November, 2018

For and on behalf of Board of Directors

Chairman Sanjiv Goenka
Managing Director - Generation Rabi Chowdhury
Managing Director - Distribution Debasish Banerjee
Company Secretary Subhasis Mitra
Executive Director & CFO Rajarshi Banerjee

CONSOLIDATED FINANCIAL STATEMENTS

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 27subsidiaries, 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) With respect to the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements of the Holding Company and its subsidiary companies, associate companies and joint ventures incorporated in India, refer to our separate report in "Annexure 1" to this report.

(f) 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 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;

(g) 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;

(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 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 No. : 058652

Kolkata
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 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 No. : 058652

Kolkata
November 14, 2018

Consolidated Balance Sheet as at 31st March, 2018

₹ in crore

Particulars		Note No.	As at 31st March, 2018	As at 31st March, 2017
ASSETS				
Non-current Assets				
Property, Plant and Equipment		5	**23,628.15**	24,315.90
Capital work-in-progress			**216.63**	390.54
Investment Property		6	**56.03**	56.03
Goodwill			**–**	2,010.56
Other Intangible Assets		7	**169.35**	243.70
Intangible Assets under development			**–**	1.35
Investment accounted under equity method			**422.72**	404.95
Financial Assets				
Investments		8	**244.62**	17.47
Loans		9	**31.00**	126.16
Others		10	**57.25**	174.86
Deferred Tax Assets (Net)		45	**1.12**	407.60
Other Non current Assets		11	**154.25**	392.18
	(A)		**24,981.12**	28,541.30
Current Assets				
Inventories		12	**582.59**	845.36
Financial Assets				
Investments		13	**506.37**	687.08
Trade receivables		14	**1,537.40**	1,559.64
Cash and cash equivalent		15	**880.53**	1,254.74
Bank balances other than cash and cash equivalent		16	**313.43**	351.32
Loans		17	**15.26**	26.05
Others		18	**74.42**	479.22
Current Tax Assets (Net)			**21.17**	64.24
Other Current Assets		19	**508.28**	410.30
	(B)		**4,439.45**	5,677.95
Regulatory deferral account balances	**(C)**	31	**3,566.81**	3,653.42
TOTAL ASSETS	**(A+B+C)**		**32,987.38**	37,872.67
EQUITY AND LIABILITIES				
EQUITY				
Equity Share capital		20	**133.22**	133.22
Other Equity		21	**8,286.95**	10,489.47
Total equity attributable to equity holders of the Company			**8,420.17**	10,622.69
Non-controlling interest		42	**69.39**	1,210.05
Total equity	**(D)**		**8,489.56**	11,832.74
LIABILITIES				
Non-current Liabilities				
Financial Liabilities				
Borrowings		22	**11,047.78**	11,589.67
Trade Payables				
(a) Total outstanding dues to micro enterprises and small enterprises			**–**	–
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises			**41.02**	10.50
Others		23	**8.32**	37.56
Provisions		24	**295.18**	280.37
Deferred tax liabilities (Net)		45	**3,640.98**	3,887.28
Consumers' Security Deposits		52	**1,506.74**	1,619.01
Other non current liabilities		25	**188.77**	56.11
	(E)		**16,728.79**	17,480.50
Current Liabilities				
Financial Liabilities				
Borrowings		26	**2,200.48**	2,372.30
Trade Payables				
(a) Total outstanding dues to micro enterprises and small enterprises		27	**7.58**	6.07
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		27	**683.09**	782.97
Others		28	**2,008.69**	2,283.94
Other current liabilities		29	**607.02**	644.19
Provisions		30	**88.30**	95.46
Current Tax Liabilities (Net)			**62.27**	14.67
	(F)		**5,657.43**	6,199.60
Regulatory deferral account balances	**(G)**	31	**2,111.60**	2,359.83
TOTAL EQUITY & LIABILITIES	**(D+E+F+G)**		**32,987.38**	37,872.67
Notes forming part of Consolidated Financial Statements		1-58		

This is the Consolidated Balance Sheet referred to in our Report of even date.

For S. R. BATLIBOI & CO LLP
Chartered Accountants
Firm Registration Number - 301003E/E300005

Kamal Agarwal
Partner
Membership No. : 058652
Kolkata, 14th November, 2018

For and on behalf of Board of Directors

Chairman	Sanjiv Goenka
Managing Director - Generation	Rabi Chowdhury
Managing Director - Distribution	Debasish Banerjee
Company Secretary	Subhasis Mitra
Executive Director & CFO	Rajarshi Banerjee

Consolidated Statement of Profit and Loss for the year ended 31st March, 2018

₹ in crore

Particulars	Note No.	2017-18	2016-17
Revenue from operations	33	**10,274.86**	8,363.36
Other income	34	**252.01**	229.97
Total Income		**10,526.87**	8,593.33
Expenses			
Cost of electrical energy purchased for Power Business		**2,004.20**	948.22
Cost of fuel for Power Business	35	**2,890.63**	2,526.73
Cost of materials consumed for Retail Business	36	**–**	6.86
Purchases of stock-in -trade for Retail Business		**11.51**	29.68
Employee benefit expense	37	**970.23**	872.77
Finance costs	38	**1,302.96**	1,372.36
Depreciation and amortisation expense	39	**751.47**	714.78
Other expenses	40	**1,466.61**	1,240.21
Total expenses		**9,397.61**	7,711.61
Profit before share in profit of associate and tax		**1,129.26**	881.72
Share in net profit of associate		**49.73**	48.39
Profit before regulatory (income) / expense		**1,178.99**	930.11
Regulatory Income (net)	41	**(67.45)**	(45.61)
Profit before tax from continuing operations		**1,246.44**	975.72
Tax expense			
Current tax (net)		**343.84**	331.24
Deferred tax - (Income) / expense		**(102.21)**	38.50
Regulatory (Income) / expense - deferred tax		**114.59**	(48.75)
Total Tax expenses		**356.22**	320.99
Profit after Tax (PAT) from continuing operations		**890.22**	654.73
Profit before tax from discontinued operations		**107.30**	214.76
Tax expense of discontinued operations		**22.27**	59.30
Profit after Tax (PAT) from discontinued operations		**85.03**	155.46
Profit after Tax (PAT)		**975.25**	810.19
Other comprehensive Income (including discontinued operations)			
Items not to be reclassified to profit or loss			
Remeasurement of defined benefit plan		**(21.70)**	(51.34)
Income Tax on above		**4.78**	10.78
Gain on Fair Valuation of Investment		**30.12**	2.38
Deferred Tax expense on above		**(8.36)**	–
Regulatory Income/(expense) - deferred tax		**1.76**	–
		6.60	(38.18)
Items to be reclassified to profit or loss			
Net changes in fair value of cash flow hedges		**(36.62)**	20.62
Exchange difference on translation of foreign operations		**31.44**	(68.59)
		(5.18)	(47.97)
Total Other Comprehensive Income		**1.42**	(86.15)

₹ in crore

Particulars	Note No.	2017-18	2016-17
Total comprehensive Income for the year		**976.67**	724.04
Profit attributable to			
Owners of the equity		**912.60**	690.84
Non-controlling interest		**62.65**	119.35
		975.25	810.19
Other Comprehensive Income attributable to			
Owners of the equity		**(1.85)**	(64.84)
Non-controlling interest		**3.27**	(21.31)
		1.42	(86.15)
Total Comprehensive Income attributable to			
Owners of the equity		**910.75**	626.00
Non-controlling interest		**65.92**	98.04
		976.67	724.04
Earnings per equity share (Face value of Rs 10 per share)	**46**		
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 forming part of Consolidated Financial Statements	**1-58**		

This is the Consolidated Statement of Profit and Loss referred to in our Report of even date.

For S. R. BATLIBOI & CO LLP
Chartered Accountants
Firm Registration Number - 301003E/E300005

Kamal Agarwal
Partner
Membership No. : 058652
Kolkata, 14th November, 2018

For and on behalf of Board of Directors

Chairman	Sanjiv Goenka
Managing Director - Generation	Rabi Chowdhury
Managing Director - Distribution	Debasish Banerjee
Company Secretary	Subhasis Mitra
Executive Director & CFO	Rajarshi Banerjee

Consolidated Cash Flow Statement for the year ended 31st March 2018

₹ in crore

	Particulars	2017-18	2016-17
A.	**Cash flow from Operating Activities**		
	Profit before tax from continuing operations	**1,246.44**	975.72
	Profit before tax from discontinued operations	**107.30**	214.76
		1,353.74	1,190.48
	Adjustments for :		
	Depreciation and amortisation expenses	**811.00**	714.78
	Loss on sale / disposal of assets (net)	**7.87**	4.83
	Gain on sale of current investments (net)	**(57.91)**	(51.17)
	Gain on sale of Non current investments	**(0.04)**	–
	Employee stock compensation expense	**2.64**	–
	Provision for obsolete stock	**–**	0.12
	Allowances for doubtful debts, Store / Lease Deposits / Advances made / Security deposit	**20.77**	–
	(Gain)/ loss on sale of domestic contracts	**0.78**	–
	Bad debts, advances, other receivables written off	**37.34**	18.51
	Finance Cost	**1,333.44**	1,372.36
	Interest Income	**(40.71)**	(33.74)
	Effect of Foreign Currency Transactions / Translation (net)	**(64.11)**	(54.43)
	MTM Loss on derivative	**92.08**	16.25
	Other Operating/Non Operating Income	**(58.45)**	(85.35)
	Operating Profit before Working Capital changes	**3,438.44**	3,092.64
	Adjustments for :		
	Trade and other receivables	**(1,226.90)**	(932.30)
	Inventories	**258.06**	(148.63)
	Trade and other payables	**335.23**	989.11
	Cash Generated from Operations	**2,804.83**	3,000.82
	Income Tax paid (net of refund)	**(372.70)**	(345.66)
	Net cash flow from Operating Activities	**2,432.13**	2,655.16
B.	**Cash flow from Investing Activities**		
	Purchase of Property, Plant & Equipment / Capital Work-in-Progress	**(894.43)**	(1,471.96)
	Proceeds from sale of Property, Plant & Equipment	**13.11**	21.95
	Income from investment property	**6.05**	–
	Purchase of Non-current investments	**(206.88)**	–
	Sale/(purchase) of Current Investments (net)	**187.33**	(10.29)
	Sale of Non current Investments	**–**	0.02
	Interest received	**31.14**	37.51
	Investment in bodies corporate (net)	**50.76**	(63.43)
	Net Movement in Bank Balance not Considered as Cash and Cash Equivalents	**(168.50)**	(6.98)
	Net cash used in Investing Activities	**(981.42)**	(1,493.18)

₹ in crore

	Particulars	2017-18	2016-17
C.	**Cash flow from Financing Activities**		
	Issue of Share Capital	**2.17**	15.78
	Proceeds from Long Term Borrowings	**1,938.49**	2,478.86
	Repayment of Long Term Borrowings	**(1,857.37)**	(1,603.53)
	Net increase/(decrease) in Cash Credit facilities and other Short Term Borrowings	**4.27**	(13.09)
	Advance received from Consumers	**36.45**	25.61
	Finance Costs paid	**(1,382.81)**	(1,503.63)
	Dividends paid	**(157.81)**	(132.92)
	Dividend tax paid	**(32.38)**	(26.99)
	Net Cash flow from Financing Activities	**(1,448.99)**	(759.91)
	Net Increase / (Decrease) in cash and cash equivalents	**1.72**	402.07
	Cash and Cash equivalents - Opening Balance [Refer Note 15]	**1,254.74**	852.67
	Cash and Cash equivalents - Acquired Pursuant to Scheme of Arrangement* [Refer Note 53]	**1.85**	–
	Cash and Cash equivalents - Transferred Pursuant to Scheme of Arrangement (net) [Refer Note 53]	**(377.78)**	–
	Cash and Cash equivalents - Closing Balance [Refer Note 15]	**880.53**	1,254.74

Note : Above statement includes discontinued operations

Changes in liabilities arising from financing activities

₹ in crore

Particulars	**1-Apr-17**	**Cash flows**	**Other**	**Transferred pursuant to the Scheme of Arrangement**	**31-Mar-18**
Current borrowings	2,372.30	4.27	135.50	(311.59)	**2,200.48**
Non-Current borrowings (including Current Matuirities)	13,259.50	81.12	(177.97)	(716.03)	**12,446.62**
Total liabilities from financing activities	15,631.80	85.39	(42.47)	(1,027.62)	**14,647.10**

This is the Consolidated Cash Flow Statement referred to in our Report of even date.

For S. R. BATLIBOI & CO LLP
Chartered Accountants
Firm Registration Number - 301003E/E300005

Kamal Agarwal
Partner
Membership No. : 058652
Kolkata, 14th November, 2018

For and on behalf of Board of Directors

Chairman Sanjiv Goenka
Managing Director - Generation Rabi Chowdhury
Managing Director - Distribution Debasish Banerjee
Company Secretary Subhasis Mitra
Executive Director & CFO Rajarshi Banerjee

Consolidated Statement of Changes in Equity for the year ended 31st March 2018

A Equity Share Capital

₹ in crore

Particulars	Balance at the beginning of the reporting period	Changes in equity share capital during the year	Balance at the end of the reporting period
Equity Shares of Rs 10 each issued, subscribed and fully paid			
As at 31 March 2017	133.22	–	133.22
As at 31 March 2018	133.22	–	133.22

B Other Equity

Particulars	Reserves and Surplus								Total
	Fund for unforeseen exigencies	Securities Premium	Capital Redemption Reserve	Retained Earnings (refer note 21)	Employee Stock Option Reserve	Effective portion of Cash Flow Hedges	FVTOCI Reserve	Exchange differences on translating the financial statements of a foreign operation	
Balance as at 1 April, 2016	212.08	1,738.07	20.13	8,295.41	8.40	39.70	(2.19)	158.89	10,470.49
Profit for the year	–	–	–	690.84	–	–	–	–	690.84
Other Comprehensive Income / others for the year	–	–	–	(19.25)	–	20.62	2.38	(68.59)	(64.84)
Total Comprehensive Income for the year	**212.08**	**1,738.07**	**20.13**	**8,967.00**	**8.40**	**60.32**	**0.19**	**90.30**	**11,096.49**
Dividends paid (incl tax there on)	–	–	–	(159.55)	–	–	–	–	(159.55)
Transfer to/from retained earnings	16.16	–	–	(16.16)	–	–	–	–	–
Adjustments during the year	–	7.83	–	(117.51)	3.71	–	–	–	(105.97)
Withdrawal of additional depreciation during the year (Refer Note 51)	–	–	–	(318.41)	–	–	–	–	(318.41)
Withdrawal of residual amount added on fair valuation consequent to sale/ disposal of assets	–	–	–	(23.09)	–	–	–	–	(23.09)
Balance as at 31 March, 2017	**228.24**	**1,745.90**	**20.13**	**8,332.28**	**12.11**	**60.32**	**0.19**	**90.30**	**10,489.47**

Particulars	Reserves and Surplus								Total
	Fund for unforeseen exigencies	Securities Premium	Capital Redemption Reserve	Retained Earnings (refer note 21)	Employee Stock Option Reserve	Effective portion of Cash Flow Hedges	FVTOCI Reserve	Exchange differences on translating the financial statements of a foreign operation	
Balance as at 1 April, 2017	228.24	1,745.90	20.13	8,332.28	12.11	60.32	0.19	90.30	10,489.47
Profit for the year	–	–	–	912.60	–	–	–	–	912.60
Other Comprehensive Income / others for the year	–	–	–	(17.35)	–	(20.08)	18.34	17.24	(1.85)
Total Comprehensive Income for the year	**228.24**	**1,745.90**	**20.13**	**9,227.53**	**12.11**	**40.24**	**18.53**	**107.54**	**11,400.22**
Adjustment pursuant to Scheme of Arrangement (Refer Note 53)	–	(1,745.90)	(20.13)	(697.18)	(13.55)	(40.24)	–	(94.83)	(2,611.83)
Dividends paid (incl tax there on) (Note 20)	–	–	–	(191.45)	–	–	–	–	(191.45)
Transfer to/from retained earnings	15.93	–	–	(15.93)	–	–	–	–	–
Adjustments during the year	–	–	–	–	1.44	–	–	–	1.44
Withdrawal of additional depreciation during the year (Refer Note 51)	–	–	–	(306.25)	–	–	–	–	(306.25)
Withdrawal of residual amount added on fair valuation consequent to sale/disposal of assets (Note 51)	–	–	–	(5.18)	–	–	–	–	(5.18)
Balance as at 31 March, 2018	**244.17**	**–**	**–**	**8,011.54**	**–**	**–**	**18.53**	**12.71**	**8,286.95**

This is the Consolidated Statement of Changes in Equity referred to in our Report of even date.

For S. R. BATLIBOI & CO LLP
Chartered Accountants
Firm Registration Number - 301003E/E300005

Kamal Agarwal
Partner
Membership No. : 058652
Kolkata, 14th November, 2018

For and on behalf of Board of Directors

Chairman Sanjiv Goenka
Managing Director - Generation Rabi Chowdhury
Managing Director - Distribution Debasish Banerjee
Company Secretary Subhasis Mitra
Executive Director & CFO Rajarshi Banerjee

NOTE - 1 SIGNIFICANT ACCOUNTING POLICIES

These Consolidated financial statements have been prepared to comply in all material aspects with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) notified under Section 133 of the Companies Act, 2013 and other provisions of the Companies Act, 2013, the regulations under the Electricity Act, 2003 to the extent applicable. A summary of important accounting policies which have been applied consistently are set out below.

Basis of Accounting

The financial statements have been prepared on a historical cost basis, except for the following :

a) Certain financial assets and liabilities (including derivative instruments) that is measured at fair value;

b) Invetsments are carried at fair value

(a) Principles of consolidation and equity accounting

(i) Subsidiaries

Subsidiaries are all entities over which the group has control. The group controls an entity when the group is exposed to, or has right to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is acquired by the group. They are deconsolidated from the date that control ceases.

The group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealized gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss and balance sheet respectively.

(ii) Associates

Associate is an entity over which the group has significant influence but not control or joint control. This is generally the case where the group holds between 20% and 50% of the voting rights. Investment in the associate is accounted for using the equity method of accounting (see (iv) below), after initially being recognized at cost.

(iii) Joint arrangements

Under Ind AS 111 *Joint arrangements*, investment in joint arrangement is classified as either joint operation or joint venture. The classification depends on the contractual rights and obligation of each investor, rather than the legal structure of the joint arrangement.

The Group's has interests only in one joint venture.

Interest in joint venture is accounted for using equity method (see (iv) below), after initially being recognized at cost in the consolidated balance sheet.

(iv) Equity method

Under the equity method of accounting, the investment is initially recognized at cost and adjusted thereafter to recognize the group's share of the post-acquisition profits or losses of the investee in profit and loss, and the group's share of other comprehensive income of the investee in other comprehensive income. Dividend received or receivable from associate and joint venture is recognized as a reduction in the carrying amount of investment.

When the group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other long term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the group and its associates and joint ventures are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the group.

The carrying amount of equity accounted investments are tested for impairment in accordance with the policy described in paragraph 1(l) below.

(v) Changes in ownership interests

The group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

When the group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed off the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

(b) Use of estimates

As required under the provision of Ind AS for preparation of financial statements in conformity thereof, the management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses and disclosures. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

(c) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

(d) Foreign currency translation

(i) Functional and presentation currency

These consolidated financial statements are presented in Indian Rupees (INR) which is also the functional currency of the Company and its Indian subsidiaries whereas the functional currency of foreign subsidiaries and branches is the currency of their country of domicile.

(ii) Transaction and balances

Foreign currency denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the balance sheet date. The gains or losses resulting from such translations of monetary items are included in net profit in the statement of profit and loss. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

Gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled. Revenue, expense and cash flow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction.

In case of the Parent and one of its subsidiary the outstanding loans repayable in foreign currency are restated at the year-end exchange rate. Exchange gain or loss arising in respect of such restatement also gives rise to regulatory income or expense which is recognised as refundable or recoverable, which will be taken into consideration in determining the Company's future tariff in respect of the amount settled duly considering as appropriate, the impact of the derivative contracts entered into for managing risks thereunder.

(iii) Foreign Operations

The translation of financial statements of the foreign subsidiaries to the presentation currency is performed for assets and liabilities using the exchange rate in effect at the balance sheet date and for revenue, expense and cash flow items using the average exchange rate for the respective periods. The gains or losses resulting from such translation are included in foreign currency translation reserves under other components of equity.

When a subsidiary is disposed off in full or the parent ceases the control, the relevant amount in foreign currency translation reserve is transferred to net profit in the statement of profit and loss. However, when a change in the Parent's ownership does not result in loss of control of a subsidiary, such changes are recorded through equity.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the exchange rate in effect at the balance sheet date.

(e) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made.

Recognizing revenue from major business activities :

Sale of Power

Revenue to be earned from sale of electricity is regulated based on parameters set out in tariff regulations issued from time to time. Earnings from sale of electricity are net of discount for prompt payment of bills and do not include electricity duty collected from consumers and payable to the State Government.

The Parent and some of its subsidiaries receive contribution from consumers in accordance with the Regulation that is being used to construct or acquire items of property, plant and equipment in order to connect the consumers to the distribution network. Revenue is recognised in respect for such contributions so received from consumers in the year they are connected to the distribution network.

Income from meter rent is accounted for as per the approved rates.

Process Outsourcing

Revenue from contact center and transaction processing services comprises from both time / unit price and fixed fee based service contracts. Revenue from time / unit price based contracts is recognized as services are rendered and is billed in accordance with the contractual terms specified in the customer contracts. Revenue from fixed fee based service contracts is recognized on achievement of performance milestones specified in the customer contracts. Revenue from contracts containing milestones are recognised only when the services for a given milestone are provided and accepted by the customer and the billable amount are no longer contingent upon any further service. Unbilled receivables represent cost incurred and revenues recognised on contracts to be billed in subsequent periods as per the terms of the contract.

Revenue from debt collection services is recognized when debts are collected. Income from contingency based contracts, in which the client is invoiced for a percentage of the reimbursement, is recognized on completion of services.

Revenue from sale of goods and services (Retail Operations)

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances and discounts.

The said subsidiary company has concluded that it is the principal in all its revenue arrangements except in case of Sale of Concessionaire's products where the title of the goods passes to the subsidiary at the time of sale to customer and inventory risk remains with the vendor. The subsidiary considers concessionaire to be the primary obligor and hence recognises only its net margin in the statement of profit and loss.

Gift vouchers /cards sales are recognised when the vouchers are redeemed and goods are sold to the customers.

Income from recoveries and services mainly represents recoveries made on account of advertisement for use of space by the customers and other expenses charged from suppliers and are recognized and recorded based on the arrangements with concerned parties.

Other Income

Income from investments and deposits etc. is accounted for on accrual basis inclusive of related tax deducted at source, where applicable. Delayed Payment Surcharge as a general practice is determined and recognised on a receipt of overdue payment from consumer. Interest income arising from financial assets is accounted for using amortised cost method.

(f) Government grants

Government grants are recognized when reasonable certainty exists that the conditions precedent will be / are met and the grants will be recognized, on a systematic basis over the period necessary to match them with the related costs which they are intended to compensate.

(g) Income tax

(i) Current Tax

The current income tax charge is calculated on the basis of the tax laws enacted at the end of the reporting period in the country where the company and its subsidiaries and associates operate and generate taxable income.

The current tax payable by Process Outsourcing Operations in India is income tax payable after taking credit for tax relief available for export operations in Special Economic Zones (SEZs).

(ii) Deferred tax

Provision for deferred taxation is made using liability method on temporary difference arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements using tax rates (and laws) that have been substantially enacted by the end of the reporting period and are expected to apply when the related Deferred Tax Asset (DTA) is realised or the Deferred Tax Liability (DTL) is settled. Deferred Tax Assets are recognized subject to the consideration of prudence and are periodically reviewed to reassess realization thereof. Deferred Tax Liability or Asset will give rise to actual tax payable or recoverable at the time of reversal thereof.

In case of the Parent and one of the subsidiary namely, Haldia Energy Limited since tax on profits forms part of chargeable expenditure under the applicable regulations, deferred tax liability or asset is recoverable or payable through future tariff. Hence, recognition of deferred tax asset or liability is made with corresponding provision of liability or asset, as applicable.

Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set-off against future income tax liability. Accordingly, MAT is recognized as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be recognized and there is a reasonable certainty for such tax credit benefit will be taken in the period(s) till which it is available.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be recognized. Deferred income tax liabilities are recognized for all taxable temporary differences except in respect of taxable temporary differences associated with investments in subsidiaries where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where the group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

(h) Leases

A lease is classified as a finance or an operating lease as applicable.

Company as lessee

Finance Lease

Finance leases are capitalised at present value of the minimum lease payments at the lease's inception and disclosed as leased property. Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability.

A leased asset is depreciated over the useful life of the asset.

Operating Lease

Lease payments under operating leases are recognised as an expense on a straight line basis in the statement of profit and loss over the lease term except where the lease payments are structured to increase in line with expected general inflation.

Company as lessor

Lease payments received under operating leases are recognised as an income on a straight line basis in the statement of profit and loss over the lease term. The respective leased assets are included in the balance sheet based on their nature.

(i) Business combinations

Other than under common control

Business combinations have been accounted for using the acquisition method under the provisions of Ind AS 103, Business Combinations.

The cost of an acquisition is measured at the fair value of the assets transferred, equity instruments issued and liabilities incurred or assumed at the date of acquisition, which is the date on which control is transferred to the Group. The cost of acquisition also includes the fair value of any contingent consideration. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value on the date of acquisition.

Transaction costs that the Company incurs in connection with a business combination such as legal fees, due diligence fees, and other professional and consulting fees are expensed as incurred.

Under common control

Business combination involving entities or businesses under common control are accounted for using the pooling of interest method whereby the assets and liabilities of the combining entities / business are reflected at their carrying value and necessary adjustments, if any, have been given effect to as per the scheme approved by National Company Law Tribunal.

(j) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and cash on hand and term deposit.

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalent includes cash, cheques and draft on hand, balances with banks which are unrestricted for withdrawal/usages and highly liquid financial investments that are readily convertible to known amount of cash which are subject to an insignificant risk of changes in value. Bank overdraft are shown within borrowing in current liabilities in the balance sheet.

(k) Inventories

Raw Materials, traded goods, packing materials, stores and fuel are stated at the lower of cost and net realizable value. Cost is calculated on weighted average basis and comprises expenditure incurred in the normal course of business in bringing such inventories to their location and condition. Obsolete, slow moving and defective inventories are identified at the time of physical verification of inventories and where necessary, adjustment is made for such items.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

(l) Financial asset

The financial assets are classified in the following categories :

1. financial assets measured at amortised cost,
2. financial assets measured at fair value through profit and loss, and
3. equity instruments

The classification of financial assets depends on the Company's business model for managing financial assets and the contractual terms of the cash flow.

At initial recognition, the financial assets are measured at its fair value.

Financial assets measured at amortised cost

Assets that are held for collection of contractual cash flows and where those cash flows represent solely payments of principal and interest are measured at amortised cost. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate method. The losses arising from impairment are recognised in the Statement of Profit or Loss.

Financial instruments measured at fair value through profit and loss

Financial instruments included within fair value through profit and loss category are measured initially as well as at each reporting period at fair value plus transaction costs as applicable. Fair value movements are recorded in statement of profit and loss.

Investments in units of mutual funds are accounted for at fair value and the changes in fair value are recognised in statement of Profit and Loss.

Equity Instruments

Equity investments in scope of Ind AS 109 are measured at fair value. At initial recognition, the Company make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI.

Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables the simplified approach of expected lifetime losses has been used from initial recognition of the receivables as required by Ind AS 109 Financial Instruments.

(m) Derivatives and Hedging

The Company uses derivative financial instruments such as forward currency contracts, interest rate swaps to hedge its foreign currency risks and interest rate risks respectively. Such derivative financial instruments are recognised at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

In respect of the Parent and one of its subsidiary, gains or losses arising from such fair valuation of derivatives is recognised as regulatory income or expense through profit or loss and would be considered in determining the Company's future tariff.

Cash Flow Hedges

The Group also designates certain foreign exchange forwards as hedge instruments in respect of foreign exchange risks. These hedges are accounted for as cash flow hedges.

The Group uses hedging instruments that are governed by the policies of the Group which provide written principles on the use of such financial derivatives consistent with the risk management strategy of the Group. The hedge instruments are designated and documented as hedges at the inception of the contract. The effectiveness of hedge instruments to reduce the risk associated with the exposure being hedged is assessed and measured at inception and on an ongoing basis. The ineffective portion of designated hedges is recognized immediately in the statement of profit and loss.

The effective portion of change in the fair value of the designated hedging instrument is recognized in Other comprehensive income and accumulated under Cash flow hedge reserve.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or no longer qualifies for hedge accounting. Any gain or loss recognized in Other comprehensive income and accumulated in equity till that time remains and is recognized in statement of profit and loss when the forecasted transaction is no longer expected to occur; the cumulative gain or loss accumulated in statement of changes in equity is transferred to the statement of profit and loss.

(n) Financial Liabilities

Financial liabilities are measured at amortised cost using the effective interest rate method.

For trade and other payables maturing within one year from the balance sheet date, the carrying amount approximates fair value to short-term maturity of these instruments.

A financial liability (or a part of financial liability) is de-recognised from Group's balance sheet when obligation specified in the contract is discharged or cancelled or expired.

(o) Property, plant and equipment (PPE)

In case of the Power Business, tangible assets are stated either at deemed cost as considered on the date of transition to Ind AS or at cost of acquisition/ construction together with any incidental expenses related to acquisition and approprite borrowing cost less accumulated depreciation and accumulated impairment loss, if any. An impairment loss is recognized where applicable, when the carrying value of tangible assets of cash generating unit exceed its fair value or value in use, whichever is higher.

For the Parent and one of its subsidiary company 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 prorata basis at the useful life specified therein, the basis of which is considered by the West Bengal Electricity Regulatory Commission (Commission) in determining the tariff for the year of the Company. Additional charge of depreciation for the year on increase in value arising from fair valuation is recouped from Retained Earnings. Leasehold land is amortized over the unexpired period of the lease.

In case of other business operations, depreciation on property, plant and equipment is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management. The management believes that these estimated useful life are realistic and reflect fare approximation of the period over which the assets are likely to be used. These useful lives are different in some cases than those indicated in Schedule II of the Companies Act 2013, which are disclosed below :

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Useful Life of Tangible Assets

Particulars	Useful Life of Assets
Leasehold Land	25-99 Years
Buildings and Structures	3-60 Years
Plant and Equipment	5-50 Years
Distribution System	25-40 Years
Meters	7-15 Years
River Tunnel	50 Years
Furniture and Fixtures	2-15 Years
Office Equipment	2-15 Years
Vehicles	5-10 Years
Railway Sidings	15-50 Years

(p) Investment properties

Property that is held for long term rental yields or for capital appreciation or both, and that is not occupied by the group, is classified as investment property. Investment property is measured initially as its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognized.

(q) Intangible assets

Intangible assets comprising Computer Softwares, Licenses and mining rights, expected to provide future enduring economic benefits are stated at cost of acquisition / implementation less accumulated amortisation. The present value of the expected cost of restoration of the coal mine is included in its cost. An impairment loss is recognized where applicable, when the carrying value of intangible assets of cash generating unit exceed its market value or value in use, whichever is higher.

Cost of intangible assets are amortised over its estimated useful life based on managements' external or internal assessment. Management believes that the useful lives so determined best represent the period over which the management expects to use these assets. The useful lives are as indicated in Intangible assets schedule.

The useful life is reviewed at the end of each reporting period for any changes in the estimates of useful life and, accordingly, the asset is amortized over the remaining useful life.

(r) Employee Benefits

Short- term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

Contributions to Provident Fund and Contributory Pension Fund are accounted for on accrual basis. Provident Fund contributions are made to a fund administered through duly constituted approved independent trust. The interest rate payable to the members of the trust shall not be lower than the statutory rate of interest declared by the Central Government under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and deficiency, if any, is made good by the Company, impact of which is ascertained by way of actuarial valuation as at the year end.

The Company, as per its schemes, extend employee benefits current and/or post retirement, which are accounted for on accrual basis and includes actuarial valuation as at the Balance Sheet date in respect of gratuity, leave encashment and certain other retiral benefits, to the extent applicable, made by independent actuary.

The current and non-current bifurcation has been done as per the Actuarial report. Acturial gains and losses where applicable are recognised through Other Comprehensive Income.

Compensation in respect of voluntary retirement scheme is charged off to revenue.

(s) Employee Stock Compensation cost

The Group operates equity-settled, share-based compensation plans. The fair value of the employee services received in exchange for the granting of the options and the discount on the shares granted are recognised as an expense, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award (i.e. the vesting date). Non-market vesting conditions are included in assumption about the number of options that are expected to become exercisable. On each balance sheet date the Group revises its estimates of the number of options that are expected to become exercisable. The impact of the revision of original estimates, if any, is recognised immediately in the Statement of Profit and Loss with a corresponding adjustment to equity.

(t) Regulatory deferral accounts balances

The Parent and one of the subsidiary company engaged in power business is a rate regulated entity and applies Ind AS 114, Regulatory Deferral Accounts. Expenses/ income recognized as Regulatory Income/Expenses in the Statement of Profit & Loss to the extent recoverable or payable in subsequent periods based on the Company's understanding of the provision of the applicable regulations framed by the West Bengal Electricity Regulatory Commission (WBERC) and/or their pronouncements/orders, with corresponding balances shown in the Balance-sheet as Regulatory Deferral Account balances. Regulatory Deferral Accounts balances are adjusted from the year in which these crystalise.

(u) Provisions and contingencies

Provisions are recognised when the Group has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

A disclosure for contingent liabilities is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources embodying economic benefits will be required to settle or a reliable estimate of the amount cannot be made.

(v) Finance Cost

Finance Costs comprise interest expenses, applicable gain / loss on foreign currency borrowings in appropriate cases and other borrowing costs. Such Finance Costs attributable to acquisition and / or construction of qualifying assets are capitalized as a part of cost of such assets upto the date, where such assets are ready for their intended use. The balance Finance Costs is charged off to revenue. Finance Costs in case of foreign currency borrowings is accounted for as appropriate, duly considering the impact of the contracts entered into for managing risks, therefore, interest expense arising from financial liabilities is accounted for in effective interest rate method.

NOTE - 2 The preparation of financial statements requires the use of accounting estimates, judgements and assumptions which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Group's accounting policies.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the group and that are believed to be reasonable under the circumstances.

The areas involving critical estimates or judgements are :-

Estimation of Restoration liability - Refer Note 1(q)

Impairment of Trade Receivables - Refer Note 1(l)

Estimates used in actuarial valuation of employee benefits - Refer Note 37

Estimates of useful life of intangible assets - Refer Note 7

Recognition of DTA for carryforward of tax losses - Refer Note 45

Estimation of Regulatory Items - Note 31 and 41

Note - 3 **New standards that are not yet effective**

The amendments to standards issued but not yet effective up to the date of issuance of the Consolidated financial statements is disclosed below. The Group intends to adopt this standard, if applicable, when it becomes effective.

The Ministry of Corporate Affairs (MCA) has issued the Companies (Indian Accounting Standards) Amendment Rules, 2017 and Companies (Indian Accounting Standards) Amendment Rules, 2018 amending the following standard :

a. Issue of Ind AS 115 Revenue from Contracts with Customers

The Group has evaluated the impact of implementation of Ind AS 115 “Revenue from Contracts with Customers” which is applicable to it w.e.f 1st April 2018 and basis the evaluation done and based on the arrangement that the Group has with its consumers, the implementation of Ind AS 115 does not have any significant impact on the profit or loss of the Company.

b. Amendment to Existing issued Ind AS

The MCA has also carried out amendments of the following accounting standards :

i. Ind AS 21 - The Effects of Changes in Foreign Exchange Rates

ii. Ind AS 40 - Investment Property

iii. Ind AS 12 - Income Taxes

iv. Ind AS 28 - Investments in Associates and Joint Ventures and

v. Ind AS 112 - Disclosure of Interests in Other Entities

Application of above amendments does not have significant impact on the Group's financial statement.

NOTE - 4 The subsidiaries and associates considered in the preparation of the Consolidated Financial Statements are :

Sl. No.	Name of Subsidiaries and Associates	Country of Incorporation	Percentage of ownership interest as at 31st March, 2018	Percentage of ownership interest as at 31st March, 2017
1	Haldia Energy Limited(HEL)	India	100.00	100.00
2	Dhariwal Infrastructure Limited (DIL)	India	100.00	100.00
3	Surya Vidyut Limited (SVL)	India	100.00	100.00
4	Nalanda Power Company Limited *	India	100.00	100.00
5	CESC Projects Limited *	India	100.00	100.00
6	Bantal Singapore Pte Limited	Singapore	100.00	100.00
7	Pachi Hydropower Projects Limited *	India	100.00	100.00
8	Papu Hydropower Projects Limted *	India	100.00	100.00
9	Ranchi Power Distribution Company Limted *	India	100.00	100.00
10	Crescent Power Limited (CPL)	India	67.83	67.83
11	Kota Electricity Distribution Limited (KEDL)	India	100.00	100.00
12	Bikaner Electricity Supply Limited (BKSL)	India	100.00	100.00
13	Bharatpur Electricity Services Limited (BESL)	India	100.00	100.00
14	CESC Green Power Limited	India	100.00	100.00
15	Noida Power Company Limited (NPCL) (49.55% Associate)	India	49.55	49.55
16	Noida Solar Energy Private Limited (100% subsidiary of NPCL)	India	49.55	–
17	Spencer's Retail Limited (SRL) # @	India	100.00	100.00
18	Music World Retail Limited (100% subsidiary of SRL) # @	India	100.00	100.00
19	Au Bon Pain Café India Limited #	India	93.10	93.10
20	RP-SG Retail Limited (RRL) #	India	100.00	100.00
21	Omnipresent Retail India Private Limited (100% subsidiary of RRL) #	India	100.00	100.00
22	RP-SG Business Process Limited (RP BPS) #	India	100.00	100.00
23	Guiltfree Industries Limited (GIL) (100% Subsidiary of RP BPS) #	India	100.00	100.00
24	Quest Properties India Limited (QPL) #	India	100.00	100.00
25	Metromark Green Commodities Private Limited(100% subsidiary of QPL) #	India	100.00	100.00
26	CESC Infrastructure Limited (CIL) # @	India	100.00	100.00
27	Spen Liq Private Limited (SLPL) #	India	100.00	100.00
28	Firstsource Solutions Limited (FSL) #	India	54.47	54.89
29	Firstsource Group USA Inc (FG US) (100% subsidiary of FSL) #	USA	54.47	54.89
30	Firstsource BPO Ireland Limited (100% subsidiary of FSL) #	Ireland	54.47	54.89
31	Firstsource Solutions UK Limited (FS UK).(100% subsidiary of FSL) #	UK	54.47	54.89
32	Firstsource Process Management Services Limited (100% subsidiary of FSL) #	India	54.47	54.89
33	Firstsource-Dialog Solutions Pvt. Limited (74% subsidiary of FSL) #	Sri Lanka	40.31	40.62
34	Firstsource Business Process Services,LLC (FBPS) (100% subsidiary of FG US) #	USA	54.47	54.89
35	Firstsource Solutions USA LLC (100% subsidiary of MH Inc.) #	USA	54.47	54.89
36	Firstsource Advantage LLC (100% subsidiary of FBPS) #	USA	54.47	54.89
37	Firstsource Transaction Services LLC (100% subsidiary of FS SA) #	USA	54.47	54.89
38	Firstsource Solutions S.A.(FS SA) (99.98% subsidiary of FS UK) #	Argentina	54.46	54.88
39	Medassit Holding LLC (MH Inc) (100% subsidiary of FG US) #	USA	54.47	54.89
40	One Advantage LLC (100% subsidiary of FBPS) #	USA	54.47	54.89
41	ISGN Solutions Inc. (100% subsidiary of FG US) #	USA	54.47	54.89
42	ISGN Fulfillment Services, Inc. (100% subsidiary of ISGN Solutions Inc.) #	USA	54.47	54.89
43	ISGN Fulfillment Agency, LLC (100% subsidiary of ISGN Fulfillment Services, Inc) #	USA	54.47	54.89
44	Nanobi Data and Analytics Private Limited (21.79% associate of FSL) #	India	11.87	11.87
45	New Rising Promoters Private Limited (100% subsidiary of CPL) # @	India	67.83	67.83
46	Bowlopedia Restaurants India Limited (100% subsidiary of RP BPS) #	India	100.00	100.00
47	Apricot Foods Private Limited (70% subsidiary of GIL) #	India	70.00	–

* Subsidiary companies are yet to commence their commercial operations
# Pursuant to Scheme of Arrangement (refer note 53) was subsidiary upto 30.09.2017
@ Merged with the immediate parent company (refer note 53) w.e.f 01.10.2017

NOTE - 5 PROPERTY, PLANT AND EQUIPMENT

₹ in Crore

PARTICULARS	COST / DEEMED COST						DEPRECIATION / AMORTISATION						NET BLOCK	
	As at 1st April 2017	Add: Additions/ Adjustments on Acquisition	Add: Additions/ Adjustments	Less: Adjustment pursuant to Scheme of Arrangement #	Less: Withdrawals/ Adjustments	**As at 31st March, 2018**	As at 1st April 2017	Add: Additions/ Adjustments on Acquisition	Add: Additions/ Adjustments*	Less: Adjustment pursuant to Scheme of Arrangement #	Less: Withdrawals/ Adjustments	**As at 31st March, 2018**	**As at 31st March, 2018**	As at 31st March, 2017
Land														
Freehold	2,507.13	22.92	2.18	23.12	0.23	**2,508.88**	–	–	–	–	–	–	**2,508.88**	2,507.13
Leasehold (Refer note below)	706.90	–	0.40	0.50	–	**706.80**	40.43	–	24.16	–	–	**64.59**	**642.21**	666.47
Buildings and Structures	2,033.58	8.76	51.29	431.69	41.72	**1,620.22**	180.26	1.61	83.30	13.50	33.73	**217.94**	**1,402.28**	1,853.32
Plant and Equipment	13,319.31	27.91	342.86	81.42	39.86	**13,568.80**	1,130.65	13.32	663.57	36.00	4.86	**1,766.68**	**11,802.12**	12,188.66
Distribution System	6,914.71	–	473.89	–	49.44	**7,339.16**	517.92	–	281.75	–	43.09	**756.58**	**6,582.58**	6,396.79
Meters and Other Apparatus on Consumers' Premises	302.70	–	62.51	–	11.23	**353.98**	25.16	–	35.87	–	7.88	**53.15**	**300.83**	277.54
River Tunnel	2.78	–	–	–	–	**2.78**	1.10	–	0.55	–	–	**1.65**	**1.13**	1.68
Furniture and Fixtures	116.11	0.06	11.98	85.51	3.75	**38.89**	33.25	0.05	10.81	32.27	2.41	**9.43**	**29.46**	82.86
Office Equipment	233.33	1.46	38.34	81.19	80.82	**111.12**	110.93	1.22	24.14	34.06	71.47	**30.76**	**80.36**	122.40
Vehicles	11.22	1.65	4.50	4.04	1.98	**11.34**	3.16	1.09	2.75	2.21	1.65	**3.14**	**8.20**	8.06
Railway Sidings	230.27	–	69.82	0.54	–	**299.55**	19.28	–	10.19	0.02	–	**29.45**	**270.10**	210.99
	26,378.04	**62.76**	**1,057.78**	**708.02**	**229.03**	**26,561.52**	**2,062.14**	**17.29**	**1,137.09**	**118.06**	**165.09**	**2,933.37**	**23,628.15**	**24,315.90**
Previous Year	25,011.97	86.41	1,433.89	–	154.23	26,378.04	972.64	85.88	1,091.88	–	88.26	2,062.14	24,315.90	

Refer Note 53

* includes Rs 94.07 crore (31.03.2017 : Rs 75.11 crore) relating to discontinued operations

Note :

These lease agreements are non-cancellable in nature and cannot be terminated during the tenure of lease. These agreements are generally renewable by mutual consent on mutually agreeable terms. In all the cases, lease rent are paid at the time of inception of lease agreement and no amount is payable during the tenure of lease. The tenure of lease agreement varies from 90 year or 99 years. As generally, rent for the complete tenure of the lease is paid upfront, there are no periodic escalation in the lease rent.

NOTE - 6 INVESTMENT PROPERTY

₹ in Crore

PARTICULARS	COST / DEEMED COST						DEPRECIATION / AMORTISATION					NET BLOCK	
	As at 1st April 2017	Add: Additions/ Adjustments on Acquisition	Add: Additions/ Adjustments	Less: Adjustment pursuant to Scheme of Arrangement #	Less: Withdrawals/ Adjustments	**As at 31st March, 2018**	As at 1st April 2017	Add: Additions/ Adjustments	Less: Adjustment pursuant to Scheme of Arrangement #	Less: Withdrawals/ Adjustments	**As at 31st March, 2018**	**As at 31st March, 2018**	As at 31st March, 2017
Land - Freehold	56.03	–	–	–	–	**56.03**	–	–	–	–	–	**56.03**	56.03
	56.03	–	–	–	–	**56.03**	–	–	–	–	–	**56.03**	**56.03**
Previous Year	56.03	–	–	–	–	56.03	–	–	–	–	–	56.03	

a) Income earned recognised in Statement of profit and loss Rs 6.13 crore

b) Fair valuation of the above land as per rent capitalisation method (income approach) amounts to Rs 282 crore (as on 31.03.2017 : Rs 272 crore) as per approved independent valuer and categorised as level 2. The main inputs used in determining the fair valuation of the Investment Property are utility , marketability , self liquidity , future rentals , etc.

c) The lease term in respect of Investment property given under Operating Lease is 25 years which can be extended upon the sole discretion of the Company. This lease has been granted to Quest Properties India limited to construct, develop, operate and maintain a mall during the said lease term and the aforesaid property has been offered as security in respect of financial assistance availed of by the said Company. Incentive given by the Company by way of rent free period for development of the Investment Property has been spread across the period of the contract. Future minimum lease rental receivables during next one year Rs 12.26 crore later than one year but not later than five years Rs 49.05 crore and later than five years Rs 118.54 crore.

Refer Note 53

NOTE - 7 INTANGIBLE ASSETS

₹ in Crore

PARTICULARS	COST						AMORTISATION					NET BLOCK	
	As at 1st April 2017	Add: Additions/ Adjustments on Acquisition	Add: Additions/ Adjustments	Less: Adjustment pursuant to Scheme of Arrangement #	Less: Withdrawals/ Adjustments	**As at 31st March, 2018**	As at 1st April 2017	Add: Additions/ Adjustments*	Less: Adjustment pursuant to Scheme of Arrangement #	Less: Withdrawals/ Adjustments	**As at 31st March, 2018**	**As at 31st March, 2018**	As at 31st March, 2017
Trademarks	22.40	–	–	22.40	–	–	3.20	3.75	6.95	–	–	–	19.20
Licences	45.59	–	2.31	12.10	1.94	**33.86**	4.16	2.17	2.79	0.64	**2.90**	**30.96**	41.43
Customer Contracts	10.81	–	0.07	10.88	–	–	3.73	1.78	5.37	0.14	–	–	7.07
Computer Software	119.63	–	23.44	103.95	15.29	**23.83**	62.68	19.37	54.39	10.73	**16.93**	**6.90**	56.95
Mining Rights	131.69	–	20.19	–	–	**151.88**	12.65	7.74	–	–	**20.39**	**131.49**	119.04
Non Compete Fees	–	5.43	–	5.43	–	–	–	0.46	0.46	–	–	–	–
Distributor Relationship	–	21.25	–	21.25	–	–	–	0.90	0.90	–	–	–	–
Brand	–	237.15	–	237.15	–	–	–	–	–	–	–	–	–
	330.12	**263.83**	**46.01**	**413.16**	**17.23**	**209.57**	**86.42**	**36.17**	**70.86**	**11.51**	**40.22**	**169.35**	**243.70**
Previous Year	245.57	14.90	74.74	–	5.09	330.12	34.43	57.55	–	5.56	86.42	243.70	

Refer Note 53

*includes Rs 21.46 crore (31.03.2017 : Rs 26.53 crore) relating to discontinued operations.

NOTE - 8 NON CURRENT INVESTMENTS

₹ in Crore

		As at 31st March, 2018	As at 31st March, 2017
a	**Investments carried at fair value through other comprehensive income (FVTOCI)**		
(i)	**Investments in Equity Instruments - Quoted**		
	1,21,95,122 (31.03.2017 : 1,21,95,122) fully paid Equity Shares of Resource Generation Limited	**4.73**	4.88
	3,84,608 (31.03.2017 : Nil) fully paid Equity Shares of Rs 5 each of ICICI Securities Limited	**20.00**	–
(ii)	**Investments in Equity Instruments - Unquoted**		
	13,000 (31.03.2017 : 13,000) fully paid Equity Shares of Integrated Coal Mining Limited of Rs 10 each	**30.23**	–
	Nil (31.03.2017 : 10,000) fully paid Equity Shares of Retailer's Association of India Limited of Rs 10 each #	**–**	0.01
(iii)	**Investments in Preference Shares - Unquoted**		
	18,68,80,000 (31.03.2017 : Nil) fully paid Preference Shares of Integrated Coal Mining Limited of Rs 10 each *	**186.88**	–
	5,00,000 (31.03.2017 : Nil) 0.01% non cumulative compulsorily reedemable Preference shares of face value Rs. 100 each shall be issued by RPSG Retail Limited #	**0.78**	–
b	Inve**stments in associate - Unquoted - carried at fair value through OCI**		
	Nil (31.03.2017 : 1,000) fully paid Equity Shares of Rs 10 each of Nanobi Data and Analytics Private Limited #	**–**	0.01
	Nil (31.03.2017 : 375,884) fully paid Compulsorily Convertible Cumulative Preference Shares of Rs 10 each of Nanobi Data and Analytics Private Limited #	–	2.99
c	**Investments in associate - Unquoted - carried at fair value through profit and loss**		
	Nil (31.03.2017 : 263,159) fully paid Compulsorily Convertible Cumulative Preference Shares of Rs 10 each of Nanobi Data and Analytics Private Limited #	**–**	5.00
d	**Investments carried at amortised cost - Unquoted**		
	Philippines treasury bills**#	**–**	2.58
e	**Investments in Mutual Funds - Quoted - carried at fair value through profit and loss**		
	20,00,000 (31.03.2017 : 20,00,000) units of HDFC CFCC - Debt Plan - Direct Option - 100% Dividend Donation of Rs 10 each	**2.00**	2.00
		244.62	17.47

*Preference shares are convertible into equity at the ratio of 1:1 at the option of the issuer or redeemable at the end of 20 years from the date of issue (31.03.2018). Payment of dividend is discretionary and non-cumulative.

**These securities have been earmarked in favour of SEC, Philippines in compliance with corporation code of Philippines.

Investment transferred/ acquired pursuant to Scheme of Arrangement (refer Note 53)

	2018	2017
Investment in quoted investments :		
Aggregate Book value	**26.73**	6.88
Aggregate Market value	**26.73**	6.88
Investment in unquoted investments :		
Aggregate Book value	**217.89**	10.59

₹ in Crore

		As at 31st March, 2018	As at 31st March, 2017
NOTE - 9	**NON CURRENT - LOANS**		
	Considered good - Unsecured		
	Security Deposit	**27.27**	122.58
	Loans to employees	**3.73**	3.81
	Deposits - credit impaired	–	1.14
		31.00	127.53
	Less : Provision for doubtful Deposits	–	1.37
		31.00	126.16

		As at 31st March, 2018	As at 31st March, 2017
NOTE - 10	**OTHER NON CURRENT FINANCIAL ASSETS**		
	Considered good - Unsecured		
	Lease Receivables	**57.25**	–
	Margin Money deposits	–	26.00
	Others (includes deferred rent, derivative assets etc. also refer note 41)	–	148.86
		57.25	174.86

		As at 31st March, 2018	As at 31st March, 2017
NOTE - 11	**OTHER NON CURRENT ASSETS**		
	a. Capital Advances	**29.29**	112.72
	b. Advances other than capital advances		
	Lease Receivable	–	1.53
	Unexpired Rebate	–	17.53
	Prepaid Expenses	**7.71**	44.28
	Others	**117.25**	216.12
	(Includes amount incurred by the company for setting up power projects to be transferred to the specific project on completion of the same, arrear revenue sharing etc.)		
		154.25	392.18

		As at 31st March, 2018	As at 31st March, 2017
NOTE - 12	**INVENTORIES**		
	a. Raw Materials	–	1.84
	b. Work-in-progress	–	12.12
	c. Finished Goods	–	0.06
	d. Traded Goods	**3.01**	240.47
	e. Fuel (includes goods in transit Rs 82.58 crore; 31.03.2017 : Rs 63.70 crore)	**295.68**	338.67
	f. Stores and Spares	**283.90**	255.08
	g. Packing Materials	–	2.49
		582.59	850.73
	Less : Provision for obsolete stock of Traded Goods and Packing Materials	–	5.37
		582.59	845.36

₹ in Crore

		As at 31st March, 2018	As at 31st March, 2017
NOTE - 13	CURRENT INVESTMENTS		
	Investments in Mutual funds carried at fair value through profit and loss - Quoted	**506.37**	**680.52**
	Investment in Equity Instruments carried at cost - Unquoted		
	Nil (31.03.17: 65,56,800) Equity Shares of APA Services Private Limited of Rs 10 each fully paid up	**–**	6.56
		506.37	687.08
	Investment in quoted investments:		
	Aggregate Book value	**506.37**	680.52
	Aggregate Market value	**506.37**	680.52
	Investment in unquoted investments:		
	Aggregate Book value	**–**	6.56
NOTE - 14	**TRADE RECEIVABLES**		
	a. Considered good - Secured	**599.16**	592.27
	b. Considered good - Unsecured	**938.55**	967.47
	c. Credit Impaired	**24.10**	30.83
		1,561.81	1,590.57
	Less : Allowances for bad and doubtful debts*	**24.41**	30.93
		1,537.40	1,559.64

*includes adjustment on account of Expected Credit Loss of ₹ 0.31 crore (31.03.17 ₹ 0.10 crore).

NOTE - 15	**CASH AND CASH EQUIVALENT**		
	a. Balances with banks		
	– In current accounts	**606.35**	919.25
	– Bank Deposits with original maturity upto 3 months	**157.22**	162.90
	b. Cheques and drafts on hand	**2.33**	56.12
	c. Cash on hand	**1.61**	7.71
	d. Escrow accounts*	**113.02**	114.97
		880.53	1,260.95
	Less: Current account balance held in trust for customers in respect of certain subsidiaries	**–**	6.21
		880.53	1,254.74

*As security for payment of the secured obligation in accordance with Distribution Franchisee Agreement in respect of certain subsidiaries in the capacity of Distribution Franchisee.

NOTE - 16	**BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENT**		
	Unpaid Dividend Account	**5.11**	3.85
	Bank Deposits with original maturity more than 3 months	**308.32**	347.47
		313.43	351.32

a. Amount lying in deposit accounts with banks as at 31st March, 2018 includes ₹ 229.50 crore (31.03.2017 : ₹ 213.50 crore) appropriated for upto the previous year towards Fund for unforeseen exigencies and interest attributable thereto.

b. Bank deposits with original maturity more than 3 months include ₹ 33.71 crore (31.03.2017 : ₹ 93.06 crore) having orginal maturity more than 12 months as on the reporting date.

₹ in Crore

		As at 31st March, 2018	As at 31st March, 2017
NOTE - 17	**LOANS**		
	Considered good - Unsecured		
	Security Deposits	**14.62**	25.40
	Loans to employees	**0.64**	0.65
		15.26	26.05
NOTE - 18	**OTHER FINANCIAL ASSETS**		
	Considered good - Unsecured		
	Interest accrued on Bank Deposits	**14.40**	21.52
	Derivative Asset	**30.68**	195.26
	Receivable towards claims and services rendered	**19.12**	45.18
	Advance against equity to related party	**–**	50.76
	Miscellaneous advances to Bodies Corporate	**3.43**	2.04
	Unbilled Receivable	**–**	152.07
	Others	**6.79**	12.39
		74.42	479.22
NOTE - 19	**OTHER CURRENT ASSETS**		
	Advance for goods and services	**443.67**	220.94
	Prepaid Expenses	**19.35**	40.87
	Others (includes deferred rent, advance to employees etc.)	**45.26**	148.49
		508.28	410.30
NOTE - 20	**EQUITY**		
a.	**Authorised Share Capital**		
	3,15,60,00,000 (31.03.2017: 15,00,00,000) Equity Shares of ₹ 10 each #	**3,156.00**	150.00
b.	**Issued Capital**		
	13,88,57,015 (31.03.2017 : 13,88,57,015) Equity Shares of ₹ 10/- each	**138.86**	138.86
c.	**Subscribed and paid up capital**		
	13,25,57,043 (31.03.2017 :13,25,57,043) Equity Shares of Rs 10/- each	**132.56**	132.56
d.	**Forfeited Shares (amount originally paid up)**	**0.66**	0.66
		133.22	133.22

#Adjustment pursuant to Scheme of Arrangement (Refer Note 53)

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

	As at 31st March, 2018		As at 31st March, 2017	
	No. of shares	**Amount (₹ Crore)**	No. of shares	Amount (₹ Crore)
Balance at the beginning of the year	**13,25,57,043**	**132.56**	13,25,57,043	132.56
Add : Share issued and alloted during the year	**–**	**–**	–	–
Closing Balance	**13,25,57,043**	**132.56**	13,25,57,043	132.56

For the period of five years immediately preceding 31 March,2018, no share was : - (i) allotted as fully paid up pursuant to any contract without payment being received in cash, (ii) allotted as fully paid up by way of bonus shares and (iii) bought back.

f. Terms / rights attached to equity shares :

The Company has only one class of equity shares having a par value of ₹ 10 per share fully paid up. Holders of equity shares are entitled to one vote per share. An Interim dividend of ₹ 12/- per equity share has been paid during the year ended 31st March 2018. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the sale proceeds from remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

g. Details of shareholders holding more than 5% shares in the Company

	As at 31st March, 2018		As at 31st March, 2017	
Name of shareholder	**No. of shares**	**% of holding**	No. of shares	% of holding
Rainbow Investments Limited [refer note 57(a)]	**5,87,96,632**	**44**	5,87,96,632	44
HDFC Trustee Company Limited	**1,19,30,021**	**9**	1,19,30,021	9
ICICI Asset Management Company Limited	**–**	**–**	97,11,354	7

₹ in Crore

		As at 31st March, 2018	As at 31st March, 2017
NOTE - 21	**OTHER EQUITY**		
A	a. Capital Redemption Reserve #	**–**	20.13
	b. Others		
	Securities Premium #	**–**	1,745.90
	Fund for unforeseen exigencies	**244.17**	228.24
	Effective portion of cash flow hedges #	**–**	60.32
	Foreign Currency Translation Reserve #	**12.71**	90.30
	Employee stock option reserve #	**–**	12.11
	FVTOCI Reserve	**18.53**	0.19
	Retained Earnings #	**8,011.54**	8,332.28
		8,286.95	10,489.47

Refer Note 53

B Nature and purpose of other reserves

Capital Redemption Reserve has been created on redemption of Redeemable Preference shares in the earlier years. Securities Premium is used to record the premium on issue of shares. Fund for unforeseen exigencies has been created for dealing with unforeseen exegencies and the amount transferred during the year will be invested as per the applicable regulations. Retained Earnings represents profit earned by the Company, net of appropriations till date and adjustments done on transition to Ind AS. FVTOCI reserve represents the cumulative gains and losses arising on fair valuation of equity instruments measured at fair value through other comprehensive income. Effective portion of cash flow hedges represents the cummulative effective portion of gain/(losses) arising on changes in fair value of hedging instruments entered into for cashflow hedge. Foreign Currency Translation Reserve represents exchange difference relating to translation of Group's foreign operation from their functional currencies to Group's presentation currency . Employee stock option reserve is used to recognise the value of equity settled share based payments provided as part of the ESOP scheme.

₹ in Crore

		As at 31st March, 2018	As at 31st March, 2017
NOTE - 22	**NON CURRENT - BORROWINGS**		
A.	**Secured**		
	Term Loans		
	(i) Rupee Term loans - from banks	**9,893.48**	9,620.16
	(ii) Rupee Term loans - from financial institutions	**1,089.25**	346.50
	(iii) Foreign Currency Loan - from banks	**629.19**	2,365.66
	(iv) Finance Lease obligations	**–**	9.31
		11,611.92	12,341.63
B.	**Unsecured**		
	(i) Rupee Term loans - from banks	**735.00**	900.00
	(ii) Rupee Term loans - from financial institutions	**99.70**	17.87
		834.70	917.87
	Total	**12,446.62**	13,259.50
	Less : Current maturities of long term borrowings (Including finance lease obligation 31.03.2018 : Rs 5.24 crore, 31.03.2017 : Rs 5.19 crore) transferred to Other Current Liabilities (refer note 28)	**1,329.49**	1,637.41
	Less : Unamortised Front end Fees	**69.35**	32.42
		11,047.78	11,589.67

C. Nature of Security :

1 (i) Out of the Term Loans in (A) above in respect of the Parent, ₹ 4053.08 crore (31.03.2017: ₹ 3825.60 crore) are secured, ranking pari passu inter se, by equitable mortgage/hypothecation of the fixed assets of the Parent including its land, building and any other constructions thereon, plant and machinery etc (refer note 5) as a first charge and as a second charge by hypothecation of the Parent's current assets comprising stock of stores, coal (refer note 12) and other consumables, book debts, monies receivable (refer note 14) and bank balances (refer note 15). However, creation of the said mortgage security in respect of one Rupee loan (31.03.2017 - five Rupee Loans) aggregating ₹ 30 crore (31.03.2017 - Rs 633.13 crore) is in process.

(ii) ₹ 203.44 crore (31.03.2017: ₹ 324.69 crore), in (A) above, in respect of the Parent, are secured, ranking pari passu inter se, by hypothecation of the movable fixed assets and current assets of the Parent by way of a charge subservient to the charge of the first and second charge holders on the said assets.

2 Out of the Term Loan in (A) above, Rs. 3317.22 crore (31.03.2017: Rs. 3288.89 crore) in respect of another subsidiary are secured, ranking pari passu inter se with first charge by way of equitable mortgage / hypothecation of fixed assets and current of the subsidiary including its land, buildings, any other construction thereon where exists, plant and machinery etc (refer note 5) and loans of Rs 50 crore (31.03.2017: Nil) are secured with subservient charge on movable fixed assets of the subsidiary.

3 (i) Out of the Term Loan in (A) above, Rs. 2699.19 crore (31.03.2017- Rs 2665.80 crore) in respect of another subsidiary are secured, with first charge by way of mortgage / hypothecation of subsidiary's fixed assets and current assets including its land, buildings and the construction thereon where exists, plant and machinery etc (refer note 5), loans amounting to Rs Nil (31.03.2017- Rs 195.90 crore) are secured with second charge on all assets of the subsidiary.

(ii) Out of the Term Loan in (A) above, loan of Rs. 431.82 crore (31.03.2017- Rs 455.00 crore) in respect of the above subsidiary are secured with subservient charge on all current and movable fixed assets of the subsidiary.

4 In respect of one of the subsidiaries, the Term Loans of Rs. 625.81 crore (31.03.2017- Rs 597.21 crore) in (A) above are secured / to be secured by an exclusive charge by way of mortgage/hypothecation in respect of the fixed assets of the subsidiary including its land, building, construction thereon where exist, plant & machinery etc. (refer note 5) and by way of hypothecation of current assets of the subsidiary, with respect to the project for which the loan was availed. Creation of mortgage security as aforesaid on immovable fixed assets of the projects in Surendranagar (Gujarat), and Rojmal/Amreli (Gujarat) are currently under process.

5 (i) Term loan of Rs 80.95 crore (31.03.2017- Rs 40.06 crore) in (A) above , in respect of certain subsidiaries, is secured by hypothecation of current assets of certain subsidiary including its stock of stores, coal (refer note 12) and other movable, book debts, monies receivables (refer note 14) and bank balances (refer note 15) and equitable mortgage / hypothecation of the subsidiary's fixed assets including its land, building and all constructions thereon and plant and machinery (refer note 5), both present and future with respect to the 40 MW AFBC Thermal Power project of the subsidiary near Asansol, West Bengal. The security mentioned above ranks pari passu inter se and with the security for overdraft working capital facilities from banks.However, creation of mortgage security for term loan facility of Rs 60 crore is in process.

(ii) Term loan of Rs 75.42 crore (31.03.2017- Rs 82.06 crore) in (A) above, in respect of one of the subsidiaries , is secured by an exclusive charge by way of mortgage/hypothecation in respect of fixed assets including its land, building, constructions thereon where exist, plant and machinery etc.(refer note 5) and by way of hypothecation of current assets of including book debts, receivables,(refer note 14) projects related accounts, revenue of whatsoever nature and wherever arising (present and future) with respect to the 15MW Solar Power project at Ramanathpuram, Tamilnadu.

6 Out of the Term Loan in (A) above, Rs. 75.00 crore (31.03.2017- Nil) in respect of another subsidiary are secured by:

- First charge by way of hypothecation on pari passu basis over movable fixed assets of the subsidiary, both present and future (excluding those charged to JVVNL)
- First charge by way of mortgage on pari passu basis over immovable fixed assets of the subsidiary, both present and future (excluding those charged to JVVNL)

7 (i) In respect of certain subsidiaries, out of foreign currency loans, in (A) above, loans amounting to Rs. 107.93 crore as on 31.03.2017 was secured against pari passu charge on all current assets, non-current assets and fixed assets of the subsidiary

(ii) Term Loan of Rs 577.40 crore as on 31.03.2017 in (A) above , in respect of certain subsidiaries , was secured against pari passu charge on all current assets, non-current assets and fixed assets of certain subsidiaries and guarantee given by the subsidiary.

(iii) Finance lease obligation amounting to Rs 9.31 Crore as on 31.03.2017 in (A) above, in respect of certain subsidiaries, was secured by way of hypothecation of underlying fixed assets taken on lease.

8 Out of the Term Loan in (A) above, Rs 171.78 crore as on 31.03.2017 in respect of one of the subsidiaries , was secured by way of hypothecation with an exclusive charge on all movable fixed assets, current assets, and scheduled receivables of the subsidiary with respect to their Mall project, both present & future, and also with equitable assignments of all rights under the Development Agreement executed with the Parent.

Major terms of repayment of Non Current Borrowings : ₹ in Crore

	Balance outstanding as on 31st March, 2018					
Maturity profile of Non Current Borrowings / finance lease obligations outstanding as at 31st March, 2018	**Rupee Term Loan from Banks**	**Rupee Term Loan from Financial Institutions**	**Finance Lease Obligations**	**Foreign Currency Loans**	**Total**	**Current Maturities**
Residual maturity of upto one year	245.75	–	–	16.40	262.15	262.15
Residual maturity between 1 and 3 years	1,142.46	–	–	408.78	1,551.24	266.19
Residual maturity between 3 and 5 years	1,127.14	–	–	114.80	1,241.94	243.38
Residual maturity between 5 and 10 years	2,766.53	99.70	–	89.21	2,955.44	356.84
Residual maturity beyond 10 years	5,346.60	1,089.25	–	–	6,435.85	200.93
Total	**10,628.48**	**1,188.95**	**–**	**629.19**	**12,446.62**	**1,329.49**

Interest on Rupee Term Loan from Banks and Financial Institutions are based on spread over Lender's Benchmark rate and that of on Foreign Currency Loan based on spread over LIBOR.
Long term borrowings included above are repayable in periodic instalments over the maturity period of the respective loans.

₹ in Crore

	Balance outstanding as on 31st March, 2017					
Maturity profile of Non Current Borrowings / finance lease obligations outstanding as at 31st March, 2017	**Rupee Term Loan from Banks**	**Rupee Term Loan from Financial Institutions**	**Finance Lease Obligations**	**Foreign Currency Loans**	**Total**	**Current Maturities**
Residual maturity of upto one year	9.70	–	–	218.75	228.45	228.45
Residual maturity between 1 and 3 years	1,615.84	–	–	1,451.67	3,067.51	768.48
Residual maturity between 3 and 5 years	631.24	17.87	9.31	146.93	805.35	145.02
Residual maturity between 5 and 10 years	2,049.15	–	–	548.31	2,597.46	304.97
Residual maturity beyond 10 years	6,214.23	346.50	–	–	6,560.73	190.49
Total	**10,520.16**	**364.37**	**9.31**	**2,365.66**	**13,259.50**	**1,637.41**

Interest on Rupee Term Loan from Banks and Financial Institutions are based on spread over Lender's Benchmark rate and that of on Foreign Currency Loan based on spread over LIBOR.
Long term borrowings included above are repayable in periodic instalments over the maturity period of the respective loans.

₹ in Crore

		As at 31st March, 2018	As at 31st March, 2017
NOTE - 23	**OTHER NON CURRENT - FINANCIAL LIABILITIES**		
	Security Deposit against contracting service	**1.91**	30.98
	Lease Obligation	**6.41**	6.58
		8.32	37.56
NOTE - 24	**NON CURRENT - PROVISIONS**		
	Provision for employee benefits	**264.76**	270.46
	Restoration liabilities	**30.42**	9.91
		295.18	280.37
	Movement of Restoration Liabilities		
	Opening balance	**9.91**	2.26
	Addition during the year	**20.51**	7.65
	Closing balance	**30.42**	9.91

The Parent has recognised present value of restoration liabilty of mine land at Sarisatolli Coal Mine based on applicable Guidelines on Mine Closure Plan and expected cost of removal of assets situated at various rented premises.

		As at 31st March, 2018	As at 31st March, 2017
NOTE - 25	**OTHER NON CURRENT LIABILITIES**		
	Advance from consumers	**162.98**	28.87
	Others (includes deferred revenue, unearned rent, liability provided towards claims etc)	**25.79**	27.24
		188.77	56.11
NOTE - 26	**CURRENT - BORROWINGS**		
A.	**Secured**		
	Loans repayable on demand		
	(i) Overdraft from banks	**1,075.48**	1,164.62
	(ii) Short term loan from banks	**125.00**	–
B.	**Unsecured**		
	Loans repayable on demand		
	(i) Export Finance from banks	**–**	61.93
	(ii) Overdraft from banks	**–**	145.75
	(iii) Short term loan from banks	**–**	100.00
	(iv) Commercial Paper [including from banks 31.03.2018: Nil; 31.03.2017: Rs 250 crores]	**1,000.00**	900.00
		2,200.48	2,372.30

C. **Nature of Security**

1 The overdraft facilities from bank in respect of the Parent amounting to Rs 692.93 crore (31.03.2017: Rs 735.13 crore) in (A) (i) above are secured, ranking pari passu inter se, by hypothecation of the Parent's current assets comprising stock of stores, coal (refer note 12) and other consumables, book debts, monies receivable (refer note 14) and bank balances (refer note 15) as a first charge and as a second charge by equitable mortgage/ hypothecation of the fixed assets of the Parent including its land, buildings and other constructions thereon where exists, plant and machinery etc (refer note 5). However, creation of the said mortgage security in respect of overdraft facilities from banks aggregating Rs Nil (31.03.2017: Rs 518.00 crore) is in process. (refer note 5)

2 The overdraft facilities from banks in respect of one of the subsidiaries amounting to Rs 111.02 Crore (31.03.2017: Nil) in (A) (i) above, is secured with first charge by way of mortgage/hypothecation of the subsidiary's fixed and current assets including its land and buildings, the construction thereon where exists, plant and machinery etc (refer note 5) and loans amounting to Rs 89.65 crore (31.03.2017: Rs 92.83 crore) in (A) (i) above are secured by hypothecation of entire current assets and loan amounting to Rs 125 crore (31.03.2017: Nil) in (A) (ii) above are secured by second pari passu charge by hypothecation over entire current assets and movable fixed assets of the subsidiary.

3 The overdraft facilities in respect of certain subsidiaries amounting to Rs 39.86 crore (31.03.2017: Rs 101.45 crore) in (A) (i) above, is secured by pari passu charge on movable and immovable fixed assets (refer note 5) of the subsidiary and charge over escrow account for routing of cash flows pertaining of 40 MW thermal power project of the subsidiary. However, creation of the said mortgage security in respect of working capital facility from banks aggregating Rs 39.86 crore is in process.

4 The overdraft facilities in respect of one of the subsidiary amounting to Rs 49.59 crore (31.03.2017: Rs 0.03 crore) in (A) (i) above, is secured with first charge by way of mortgage / hypothecation of fixed assets and current assets of the subsidiary including its land, building, the construction thereon where exists, plant and machinery etc (refer note 5).

5 The overdraft facilities in respect of one of the subsidiary amounting to Rs 25.50 crore (31.03.2017: Rs 26.11 crore) in (A) (i) above, is secured by hypothecation over subsidiary's current and movable fixed assets of the subsidiary.

6 The overdraft facilities in respect of one of the subsidiary amounting to Rs 66.93 crore (31.03.2017: Rs 95.30 crore) in (A) (i) above, is secured by second charge on pari passu basis over subsidiary's current assets (both present and future).

7 (i) The overdraft facilities in respect of one of the subsidiary amounting to Nil (31.03.2017: Rs 73.13 crore) in (A) (i) above, is secured by second charge on gross margin (net of receivables and payables) to the extent allowed as per Distribution Franchisee Agreement of the subsidiary.

(ii) The overdraft facilities in respect of one of the subsidiary amounting to Nil (31.03.2017: Rs 24.64 crore) in (A) (i) above, is secured by second charge on pari passu over subsidiary's current assets (both present and future).

8 The overdraft facilities from banks in respect of one of the subsidiaries amounting to Rs 16.00 Crore as on 31.03.2017 in (A) (i) above, was secured against margin money deposits.

₹ in Crore

		As at 31st March, 2018	As at 31st March, 2017
NOTE - 27	**TRADE PAYABLES**		
a.	Total outstanding dues to micro enterprises and small enterprises	**7.58**	6.07
b.	Total outstanding dues of creditors other than micro enterprises and small enterprises	**683.09**	782.97
		690.67	789.04

c. Rs 0.08 crore (31.03.2017- Nil) , Nil (31.03.2017 - Nil) , Rs 0.52 crore (31.03.2017- Rs 0.11 crore) Rs 1.39 crore (31.03.2017- Rs 0.87 crore) and Nil (31.03.2017 - Nil) representing interest due on amount outstanding as at the year end, interest paid along with amount of payment made beyond the appointed day, interest due and payable for the period of delay in making payment during the year, amount of interest accrued and remaining unpaid at the year end and amount of further interest remaining due and payable in the succeeding years, respectively due to Micro and Small Enterprises, as defined in the Micro, Small and Medium Enterprises Development Act , 2006 on information available with the Company.

NOTE - 28	**OTHER FINANCIAL LIABILITIES**		
a.	Current maturities of long-term debt	**1,329.49**	1,632.22
b.	Current maturities of finance lease obligations	**–**	5.19
c.	Interest accrued but not due on borrowings	**13.67**	31.66
d.	Unclaimed dividends	**5.11**	3.85
e.	Book Overdraft in current account	**–**	48.95
f.	Others (refer note g)	**660.42**	562.07
		2,008.69	2,283.94

g. Others include current portion of consumer security deposit (including accrued interest thereon) , employee related liability, liabilities on capital account, liabilities towards contractual obligations, etc.

NOTE - 29	**OTHER CURRENT LIABILITIES**		
a.	Liabilities towards stautory taxes and duties	**374.16**	366.05
b.	Advance from Customers	**30.29**	10.59
c.	Receipt from consumers for capital jobs	**124.20**	108.37
d.	Others (includes employee benefit liabilities, etc.)	**78.37**	159.18
		607.02	644.19

₹ in Crore

		As at 31st March, 2018	As at 31st March, 2017
NOTE - 30	**CURRENT PROVISIONS**		
a.	Provision for employee benefits	**88.08**	81.41
b.	Provision for Claims on Lease Properties [refer Note below]	**0.22**	11.37
c.	Provision for Tax Disputes	**–**	2.68
		88.30	95.46

Claims on Lease Properties

The movement in provision for claims on lease properties has arisen pursuant to a special leave petition before the Hon'ble Supreme Court of India in respect of Service Tax on lease rentals.

Movement of provision for Claims on Lease Properties

Opening balance	**11.37**	11.13
Add: Provision created during the year	**–**	1.37
Less: Provision adjusted during the year (Refer note 53)	**11.15**	1.13
Closing balance	**0.22**	11.37

NOTE - 31 REGULATORY DEFERRAL ACCOUNT BALANCES

Regulatory deferral account balances-credit balances	**2,111.60**	2,359.83
Regulatory deferral account balances-debit balances	**3,566.81**	3,653.42

(Refer Note 41 for details)

NOTE - 32 CONTINGENT LIABILITIES AND COMMITMENTS

a. **Claims against the group not acknowledged as debts :**

The West Bengal Taxation Tribunal had held meter rentals received by the parent from consumers to be deemed sales under the provisions of the Bengal Finance (SalesTax) Act, 1941 and that sales tax was payable on such rentals. Based on such findings the Commercial Taxes Directorate assessed Rs 0.69 crore as sales tax on meter rentals received during the year ended 31st March, 1993 and raised a demand of Rs 0.36 crore on account of interest. Against the above demand, the Company had deposited a sum of Rs 0.75 crore with the sales tax authorities and obtained a stay against the balance demand from the Deputy Commissioner of Commercial Taxes. The sales tax authorities also indicated their intention to levy such sales tax on meter rentals for the subsequent years as well, against which, the Company filed a writ petition in the Calcutta High Court and prayed for an interim order, interalia, restraining the sales tax authorities from proceeding with the assessment for the subsequent year till disposal of the appeal. An interim order has been issued by the High Court permitting the sales tax authorities to carry out assessments but restraining them from serving any assessment order on the Company. The disposal of the case is still pending.

b. An Appeal under the Electricity Act, 2003 has been filed before the Hon'ble Appellate Tribunal for Electricity (APTEL) by two Appellants against the Hon'ble Uttar Pradesh Electricity Regulatory Commission's Order dated April 20, 2016, wherein the Hon'ble UPERC has approved the Power Purchase Agreement between one of the subsidiary and Noida Power Company Limited for supply of 170 MW power for a period of 25 years. Filing of pleadings are complete and the matter is likely to be listed before APTEL and such financial impact, if any, cannot be ascertained at this stage.

c. **Other matters for which the Group is contingently liable :** ₹ in Crore

Particulars	**31st March, 2018**	31st March, 2017
– Income Tax (refer Note below)	**108.01**	248.51
– Sales tax demands under appeal	**–**	9.33
– Service tax demands under appeal	**–**	22.75
– Claim against the Group not acknowledged as debt	**–**	12.24
– Entry Tax	**–**	22.96
– Bank Guarantees	**319.01**	417.01
– Letters of credit	**247.81**	172.76
– Guarantees given to the Government of India, Customs and Central excise department in relation to duty securities.	**–**	1.80

Note :
Income Tax demands under appeal, pending in different forums, in respect of which the subsidiaries / associate do not expect any unfavourable outcome.

d. Commitments of the Company on account of estimated amount of contracts remaining to be executed on capital account not provided for amounting to ₹ 325.29 crore (31.03.2017: ₹ 151.18 crore).

e. The Ministry of Coal had encashed the bank guarantee of the Parent amounting to ₹ 66.15 crore in April 2018, in terms of its letter dated 25.04.2018, alleging non-compliance with the mining plan for the years 2015-16 and 2016-17 as per the CMDPA. Further, in terms of the above letter, the Ministry had directed the Company to top-up the bank guarantee with the aforesaid encashed amount. The Hon'ble High Court of Delhi while disposing of the petition filed by the Company against the Ministry's letter dated 25.04.2018, stayed the operation of this letter and further directed the Company to approach the Tribunal. Company has accordingly filed a petition before the Special Tribunal at Godda, Jharkhand challenging the letter dated 25.04.2018 and further seeking refund of the encashed amount. Based on a legal opinion, the Company expects a favourable outcome in the matter, and no provision has been considered necessary in the books of account.

f. Commitment relating to leasing arrangement , refer note 5 and 44

₹ in Crore

		2017-18	2016-17
NOTE - 33	**REVENUE FROM OPERATIONS**		
a.	Earnings from sale of electricity	**9,959.97**	8,007.05
b.	Other Operating Revenue		
	Revenue from sponsorship etc.	**35.57**	51.13
	Meter Rent	**55.74**	53.66
	Contribution from Consumers	**116.15**	130.21
	Earnings from sale of traded goods	**13.09**	–
	Others	**94.34**	121.31
		10,274.86	8,363.36

c. Earnings from sale of electricity in respect of the parent and one of the subsidiary company are determined in accordance with the relevant orders of the Commission, to the extent applicable. The said earnings are also net of discount for prompt payment of bills allowed to consumers on a net basis from month to month amounting to ₹ 87.85 crore (previous year : ₹ 82.86 crore). In accordance with Appendix C of Ind AS 18, contribution received from consumers for the acquisition or construction of property, plant and equipment has been recognised as revenue when the service is performed.

₹ in Crore

		2017-18	2016-17
NOTE - 34	**OTHER INCOME**		
a	Interest Income	**31.74**	33.74
b	Gain on sale / fair valuation of current investments (net)	**53.71**	51.17
c	Profit on sale of property, plant and equipment (net)	**1.53**	–
d	Other Non-operating Income *	**165.03**	145.06
		252.01	229.97

* includes foreign exchange gains/(loss), delayed payment surcharge, usance fee, liabilities written back etc.

NOTE - 35 COST OF FUEL FOR POWER BUSINESS

a Cost of Fuel includes freight ₹ 849.46 crore (previous year : ₹ 374.95 crore)

b Cost of Fuel net off gain of ₹ 1.03 crore (previous year: gain of ₹ 2.22 crore) due to exchange fluctuations.

c Consumption of fuel :

Particulars	UOM	2017-18	2016-17
(a) Consumption of coal			
Quantity	Tonnes	**88,06,299**	78,34,182
Value	₹ in crore	**2873.68**	2,509.97
(b) Consumption of oil			
Quantity	Kilolitres	**3,719**	3637
Value	₹ in crore	**16.95**	16.76

₹ in Crore

		2017-18	2016-17
NOTE - 36	**COST OF MATERIALS CONSUMED FOR RETAIL BUSINESS**		
	Opening Stock of Raw Material	**1.02**	0.39
	Add : Purchases	**–**	7.49
	Less : Transferred pursuant to Scheme of Arrangement (refer note 53)	**1.02**	–
	Less : Closing stock of Raw Material	**–**	1.02
		–	6.86
NOTE - 37	**EMPLOYEE BENEFITS EXPENSE**		
a	Salaries, wages and bonus	**973.29**	953.12
b	Contribution to provident and other funds	**127.14**	81.24
c	Employees' welfare expenses	**51.57**	50.75
		1152.00	1,085.11
	Less : Transfer to PPE / CWIP etc.	**160.07**	161.00
		991.93	924.11
	Less : Transfer to Other Comprehensive Income*	**21.70**	51.34
		970.23	872.77

*As per Ind AS 19, Actuarial gain or loss on post retirement defined benefit Plan has been recognised in Other Comprehensive Income.

(i) **Defined Contribution Plans**

The group make contribution for Provident Fund towards defined contribution retirement benefit plan for eligible employees. Under the plan, the company is required to contribute a specific percentage of the employees' salaries to fund the benefit. The Parent company also contributes for family pension schemes (including for superannuation).

During the year, based on applicable rates, the company has recognised Rs. 60.43 crore (previous year: Rs. 84.71 crore) on this account in the Statement of Profit and Loss.

(ii) **The amounts recognised in the balance sheet and the movements in the total defined benefit obligation over the year are as follows :**

₹ in Crore

Gratuity (Funded)	2017-18			2016-17		
	Present value of obligation	**Fair value of plan assets**	**Total amount**	Present value of obligation	Fair value of plan assets	Total amount
Opening Balance	**390.42**	**(326.56)**	**63.86**	338.90	(284.19)	54.71
Current service cost	**19.99**	**–**	**19.99**	21.79	–	21.79
Interest expense/(income)	**25.34**	**(24.92)**	**0.42**	24.84	(20.95)	3.89
Past service cost	**39.73**	**–**	**39.73**	0.16	–	0.16
Less: Amount recognised in statement of profit and loss-Discontinued operations	**16.20**	**(2.15)**	**14.05**	–	–	–
Total amount recognised in profit and loss-Continuing operations	**68.86**	**(22.77)**	**46.09**	46.79	(20.95)	25.84
Remeasurements						
Return on plan assets, excluding amounts included in interest expense/(income)	**–**	**(1.60)**	**(1.60)**	–	(6.36)	(6.36)
(Gain)/loss from change in demographic assumptions	**–**	**–**	**–**	0.01	–	0.01
(Gain)/loss from change in financial assumptions	**16.63**	**–**	**16.63**	19.96	–	19.96
Experience (gains)/losses	**(9.25)**	**0.01**	**(9.24)**	15.45	0.02	15.47
Total amount recognised in other comprehensive income - Continuing operations	**7.38**	**(1.59)**	**5.79**	35.42	(6.34)	29.08
Employer contributions	**–**	**(49.87)**	**(49.87)**	–	(45.77)	(45.77)
Benefit payments	**(39.45)**	**39.47**	**0.02**	(30.69)	30.69	–
Closing Balance	**427.21**	**(361.32)**	**65.89**	390.42	(326.56)	63.86

₹ in Crore

Leave Obligation (Unfunded)	2017-18 Present value of obligation	2016-17 Present value of obligation
Opening Balance	**147.29**	121.64
Current service cost	**9.60**	10.42
Interest expense/(income)	**9.88**	9.43
Past service cost	**0.02**	0.04
Remeasurements		
(Gain)/loss from change in financial assumptions	**10.73**	–
Experience (gains)/losses	**(10.61)**	–
Less: Amount recognised in statement of profit and loss-Discontinued operations	**1.86**	–
Total amount recognised in profit and loss-Continuing operations	**17.76**	19.89
(Gain)/loss from change in financial assumptions	**–**	6.83
Experience (gains)/losses	**–**	6.85
Total amount recognised in other comprehensive income - Continuing operations	**–**	13.68
Employer contributions	**–**	–
Benefit payments	**(14.40)**	(7.92)
Closing Balance	**150.65**	147.29

	Post retirement medical benefit		Pension	
	2017-18	2016-17	**2017-18**	2016-17
Opening balance	**64.67**	50.49	**44.01**	31.27
Current service cost	**2.32**	2.89	**0.25**	0.25
Interest expense/(income)	**4.45**	3.91	**3.12**	2.42
Past Service Cost	**–**	6.04	**11.65**	10.13
Less : Amount recognised in statement of profit and loss-Discontinued operations	**0.90**	–	**0.20**	–
Total amount recognised in profit or loss	**5.87**	12.84	**14.82**	12.80
Remeasurements				
(Gain)/loss from change in financial assumptions	**(4.42)**	4.75	**(4.96)**	1.97
Experience (gains)/losses	**14.87**	(1.26)	**10.42**	3.12
Total amount recognised in other comprehensive income - Continuing operations	**10.45**	3.49	**5.46**	5.09
Employer contributions	**–**	–	**–**	–
Benefit payments	**(3.13)**	(2.15)	**(5.85)**	(5.15)
Closing Balance	**77.86**	64.67	**58.43**	44.01

No additional liability has been recognised by the Parent company as interest rate announced by PF trust is higher than the statutory rate announced by Employee Provident Fund Organization.

Expected remaining life for PF interest guarantee for the Parent company was 7.63 years in 2017-18 against 7.79 years in 2016-17.

₹ in Crore

(iii) **The expected maturity analysis of undiscounted gratuity, leave, post-employment medical benefits & pension is as follows :**

	1st year	Between 2-5 years	Between 6-10 years	More than 10 years	Total
31-Mar-18					
Defined benefit obligation (gratuity)	63.73	195.04	208.67	248.67	716.11
Leave obligation	19.38	57.91	64.33	168.63	310.25
Post-employment medical benefits	2.73	15.74	28.33	229.54	276.34
Pension	6.57	30.75	34.08	68.32	139.72
Total	**92.41**	**299.44**	**335.41**	**715.16**	**1,442.42**
31-Mar-17					
Defined benefit obligation (gratuity)	47.20	171.98	171.49	251.91	642.58
Leave obligation	15.42	57.28	66.83	162.15	301.68
Post-employment medical benefits	2.24	13.54	25.57	190.91	232.26
Pension	6.07	28.64	32.11	60.50	127.32
Total	**70.93**	**271.44**	**296.00**	**665.47**	**1,303.84**

(iv) **Sensitivity Analysis**

	Gratuity		Leave Obligation		Post-employment medical benefits		Pension		Interest rate guarantee on provident fund	
	31-Mar-18	31-Mar-17	**31-Mar-18**	31-Mar-17	**31-Mar-18**	31-Mar-17	**31-Mar-18**	31-Mar-17	**31-Mar-18**	31-Mar-17
DBO at 31st March with discount rate +1%	**400.57**	362.85	**141.12**	155.24	**70.29**	57.61	**54.69**	41.05	**–**	–
Corresponding service cost	**8.83**	18.34	**4.11**	26.66	**1.01**	2.12	**0.12**	0.22	**–**	–
DBO at 31st March with discount rate -1%	**449.57**	411.79	**163.43**	182.12	**87.14**	73.45	**62.68**	47.38	**–**	–
Corresponding service cost	**10.27**	21.87	**5.03**	33.36	**1.55**	3.33	**0.12**	0.28	**–**	–
DBO at 31st March with +1% salary/ benefit escalation	**440.28**	405.52	**166.48**	185.46	**85.50**	68.88	**–**	–	**–**	–
Corresponding service cost	**9.98**	21.53	**5.16**	33.60	**1.57**	3.05	**–**	–	**–**	–
DBO at 31st March with -1% salary/ benefit escalation	**403.19**	364.85	**138.87**	152.31	**71.48**	60.88	**–**	–	**–**	–
Corresponding service cost	**8.93**	18.42	**4.02**	26.42	**1.04**	2.35	**–**	–	**–**	–
DBO at 31st March with +50% withdrawal rate	**423.47**	386.48	**151.05**	168.02	**77.38**	64.27	**–**	–	**–**	–
Corresponding service cost	**9.69**	20.01	**4.55**	29.81	**1.22**	2.58	**–**	–	**–**	–
DBO at 31st March with -50% withdrawal rate	**422.36**	385.19	**150.31**	167.38	**78.38**	65.10	**–**	–	**–**	–
Corresponding service cost	**9.63**	19.92	**4.51**	29.57	**1.26**	2.94	**–**	–	**–**	–
DBO at 31st March with +10% mortality rate	**423.22**	386.19	**150.91**	167.82	**76.46**	63.55	**56.75**	42.69	**–**	–
Corresponding service cost	**9.67**	19.99	**4.54**	29.72	**1.21**	2.58	**0.12**	0.24	**–**	–
DBO at 31st March with -10% mortality rate	**422.62**	385.49	**150.46**	167.58	**79.40**	65.90	**60.27**	45.46	**–**	–
Corresponding service cost	**9.64**	19.94	**4.52**	29.66	**1.27**	2.95	**0.12**	0.25	**–**	–
Int guarantee Liability 31st March with discount rate +1%	**–**	–	**–**	–	**–**	–	**–**	–	**2.77**	–
Int guarantee Liability 31st March with discount rate -1%	**–**	–	**–**	–	**–**	–	**–**	–	**2.97**	42.72
Int guarantee Liability 31st March with EPFO rate +0.5%	**–**	–	**–**	–	**–**	–	**–**	–	**39.76**	19.47
Int guarantee Liability 31st March with portfolio rate -0.5%	**–**	–	**–**	–	**–**	–	**–**	–	**–**	19.47

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

(v) **Major categories of total plan assets**

₹ in Crore

	31-Mar-18	31-Mar-17
Gratuity		
Approved Fund	**358.01**	323.04
thereof non-quoted market price	**358.01**	323.04

(vi) **Actuarial assumptions**

31-Mar-18					
Particulars	**Gratuity**	**Leave obligation**	**Medical**	**Pension**	**Interest guarantee**
Discount rate current year (%)	7.16-7.71%	7.16-7.71%	7.60%	7.60%	7.60%
Mortality rate	Indian Assured Lives Mortality (2006-08) ultimate	Indian Assured Lives Mortality (2006-08) ultimate	Before Separation- Indian Assured Lives Mortality (2006-08) ultimate & After separation- from service : LIC (1996-98) Ultimate rated down by 5 years	Before Separation- Indian Assured Lives Mortality (2006-08) ultimate & After separation- from service : LIC (1996-98) Ultimate rated down by 5 years	Indian Assured Lives Mortality (2006-08) ultimate

31-Mar-17					
Particulars	**Gratuity**	**Leave obligation**	**Medical**	**Pension**	**Interest guarantee**
Discount rate current year (%)	6.68-7.50%	6.68-7.50%	7.10%	7.10%	7.10%
Mortality rate	Indian Assured Lives Mortality (2006-08) ultimate	Indian Assured Lives Mortality (2006-08) ultimate	Before Separation- Indian Assured Lives Mortality (2006-08) ultimate & After separation- from service : LIC (1996-98) Ultimate rated down by 5 years	Before Separation- Indian Assured Lives Mortality (2006-08) ultimate & After separation- from service : LIC (1996-98) Ultimate rated down by 5 years	Indian Assured Lives Mortality (2006-08) ultimate

₹ in Crore

Duration	2017-18	2016-17
Employees Gratuity Fund	**11.30**	7.55
Executive Gratuity Fund	**6.72**	6.77
Leave Encashment	**8.84**	7.63
PRMB - Non Cov	**12.00**	10.33
PRMB - Cov	**13.67**	13.78
Pension	**16.26**	12.76

Expected contributions to be paid for next year for gratuity for 2017-18 - ₹ 94.12 cr (2016-17-₹ 69.85 cr.)

Expected contributions to be paid for next year for leave obligation, medical & pension is nil.

(vii) **Plan assets consist of funds maintained with LICI, ICICI Prudential, Birla Sun Life and HDFC Standard Life.**

	2017-18	2016-17
Actual return on plan assets (₹ cr.)	24.79	27.11

(viii) **Risk exposure**

Discount Rate risk : Decrease in discount rate will increase the value of the liability. However, this will partially offset by the increase in the value of plan assets.

Liquidity Risk : This risk arises from the short term asset and liability cash-flow mismatch thereby causing the company being unable to pay the benefits as they fall due in the short term. Such a situation could be the result of holding large illiquid assets disregarding the results of cash-flow projections and cash outgo inflow mismatch. (Or it could be due to insufficient assets/cash.)

Future Salary Increase Risk : In case of gratuity & leave the scheme cost is sensitive to the assumed future salary escalation rates for all final salary defined benefit Schemes. If actual future salary escalations are higher than that assumed in the valuation actual Scheme cost and hence the value of the liability will be higher than that estimated. But PRMB & pension are not dependant on future salary levels.

Demographic Risk : In the valuation of the liability certain demographic (mortality and attrition rates) assumptions are made. The Company is exposed to this risk to the extent of actual experience eventually being worse compared to the assumptions thereby causing an increase in the scheme cost.

Regulatory Risk : New Act/Regulations may come up in future which could increase the liability significantly in case of Leave obligation, PRMB & Pension. Gratuity Benefit must comply with the requirements of the Payment of Gratuity Act, 1972 (as amended up-to-date). Also in case of interest rate guarantee Exempt Provident Fund must comply with the requirements of the Employees Provident Funds and Miscellaneous Provisions Act 1952 as amended up-to-date.

₹ in Crore

		2017-18	2016-17
NOTE - 38	**FINANCE COSTS**		
a)	Interest expense	**1,279.91**	1,344.38
b)	Other Borrowing Costs	**39.14**	45.02
c)	Applicable net loss on foreign currency transactions and translation	**0.79**	2.74
		1,319.84	1,392.14
	Less : Transfer to PPE/ CWIP etc.	**16.88**	19.78
		1,302.96	1,372.36

Weighted average capitalisation rate used is 8.77 % (previous year 8.66%).

Under Ind AS, transaction costs incurred towards origination of borrowings are amortised over the tenure of the loan as part of interest expense using the effective interest rate method.

		2017-18	2016-17
NOTE - 39	**DEPRECIATION AND AMORTISATION EXPENSE**		
	Depreciation / amortisation of tangible assets	**1,043.01**	1,016.79
	Amortisation of intangible assets	**14.71**	16.40
		1,057.72	1,033.19
	Less : Recoupment from Retained Earnings (refer note 51)	**306.25**	318.41
		751.47	714.78

		2017-18	2016-17
			₹ in Crore
NOTE - 40	**OTHER EXPENSES**		
a	Power and Fuel	**3.63**	15.02
b	Consumption of stores and spares	**282.62**	270.43
c	Repairs		
	Building	**16.91**	26.42
	Plant and Machinery	**147.15**	141.11
	Distribution System	**152.85**	138.02
	Others	**11.09**	9.85
		328.00	315.40
d	Insurance	**31.22**	22.15
e	Rent	**29.22**	32.04
f	Rates and taxes	**19.97**	12.77
g	Bad debts / Advances made	**35.97**	18.51
h	Loss on sale / disposal of assets (net)	**0.01**	4.83
i	Provision for Bad Debts	**17.67**	-
j	Interest on Consumers' Security Deposits	**108.01**	109.89
k	Foreign Exchange Restatement loss / (gain)	**(30.88)**	(68.16)
l	Corporate social responsibility activities	**25.04**	20.99
m	Mark to Market loss / (gain) on derivatives	**115.45**	94.30
n	Miscellaneous expenses*	**675.08**	552.04
		1,641.01	1,400.21
	Less : transfer to PPE / CWIP etc.	**174.40**	160.00
		1,466.61	1,240.21

*includes donation of Rs 31.50 crore for political purposes (previous year : Rs 9.50 crore)

NOTE - 41 REGULATORY (INCOME) / EXPENSES - NET

a. Regulatory (Income) / Expenses arise to the Parent pursuant to the regulatory provisions applicable to the Parent under the provisions of the Electricity Act, 2003 and regulations framed thereunder and disposals made by WBERC on the Parent's various petitions / applications, in terms of the said regulations, at different timeframe including the tariff and APR orders for the years notified till date. The effect of adjustments - (income) / expenses, relating to (a) advance against depreciation, (b) cost of electrical energy purchased, fuel related costs including effect of balance sum relating to additional levy 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, and (c) effect of exchange fluctuation including MTM gain. amounting to ₹ 198 crore (Previous year ₹ 73.38 crore), (₹ 414.75 crore) [Previous year (₹ 252 crore)] and ₹ 7.51 crore [(Previous year (₹ 11.61 crore)] respectively have been shown as Regulatory (Income) / Expenses with corresponding sums, reflected in Balance-sheet as Regulatory Deferral Account Balance (see Note 31).

Regulatory deferral account debit balance comprise the effect of (a) tax, (b) exchange fluctuation amounting to ₹ 3,487.21 crore (31.03.2017 : ₹ 3,554.76 crore) and ₹ 34.33 crore (31.03.2017 : ₹ 65.21 crore) respectively and that relating to credit balance comprise the effect of (a) advance against depreciation, (b) cost of fuel and purchase of power and other adujstments having bearing on revenue account and (c) MTM Gain amount to ₹ 1281.07 crore (31.03.2017 : ₹ 1,083.07 crore), ₹ 533.77 crore (31.03.2017 : ₹ 1,064.96 crore) and ₹ 21.15 crore (31.03.2017 : ₹ 44.52 crore) respectively.

The accurate quantification and disposal of the matters with regard to Regulatory deferral account balances, are being given effect to, from time to time, after conclusion of the concerned event/year, as appropriate, on receipt of necessary direction from the appropriate authorities relating to the applicable matters in a comprehensive way including those attributable to the mining of coal from Sarisatolli mine which commenced from 10 April, 2015 following the said mine having been allotted to the Company effective 1 April 2015 pursuant to the auction conducted by the Ministry of Coal, Government of India under the provisions of the applicable laws.

b. Regulatory (Income) / Expenses arise to one of the subsidiary pursuant to the regulatory provisions applicable to the subsidiary under the provisions of the Electricity Act, 2003 and regulations framed thereunder and disposals made by WBERC on the subsidiary's various petitions / applications, in terms of the said regulations, at different timeframe. The effect of adjustments - (income)/expenses, relating to (a) advance against depreciation, (b) effect of exchange fluctuation including MTM gain, amounting to ₹ 137.81 crore (Previous year ₹ 137.81 crore), and ₹ 3.98 crore [Previous year ₹ 6.81 crore] respectively have been shown as Regulatory (Income)/Expenses with corresponding sums, reflected in Balance-sheet as Regulatory Deferral Account Balance (see Note 31).

Regulatory deferral account debit balance comprise the effect of (a) exchange fluctuation (b) deferred tax amounting to ₹ Nil (31.03.2017 : ₹ 33.45 crore), ₹ 45.27 crore (31.03.2017 : Nil) respectively and that relating to credit balance comprise the effect of (a) advance against depreciation, (b) MTM Gain amount to ₹ 275.61 crore (31.03.2017 : ₹ 137.81 crore) and ₹ Nil (31.03.2017 : ₹ 29.47 crore) respectively.

The accurate quantification and disposal of the matters with regard to Regulatory deferral account balances, are being given effect to, from time to time, after conclusion of the concerned event/year, as appropriate, on receipt of necessary direction from the appropriate authorities relating to the applicable matters in a comprehensive way.

NOTE - 42 Non Controlling Interest (NCI)

Set out below is summarised financial information for each subsidiary that has non-controlling interests that are material to the group. The amounts disclosed for each subsidiary are before inter-company eliminations.

₹ in crore

Summarised Balance Sheet	**Crescent Power Limited (Consolidated)**		**Au Bon Pain Café India Limited**		**Firstsource Solutions Limited (Consolidated)#**	
	31-Mar-18	31-Mar-17	**31-Mar-18**	31-Mar-17	**31-Mar-18**	31-Mar-17
Non Current assets	**488.00**	290.59	**0.01**	17.28	–	2,736.78
Current assets	**107.05**	193.46	**4.76**	4.11	–	782.52
Total Assets	**595.05**	484.05	**4.77**	21.39	–	3,519.30
Non current liabilities	**266.70**	144.58	**–**	0.38	–	674.15
Current liabilities	**113.27**	146.77	**2.27**	5.10	–	815.97
Total Liabilities	**379.97**	291.35	**2.27**	5.48	–	1,490.12
Net Assets	**215.08**	192.69	**2.50**	15.91	–	2,029.18
Accumulated Non Controlling Interest	**69.22**	62.18	**0.17**	(3.92)	–	1,151.79

Summarised Statement of Profit and Loss	**Crescent Power Limited (Consolidated)**		**Au Bon Pain Café India Limited**		**Firstsource Solutions Limited (Consolidated)**	
	2017-18	2016-17	**2017-18**	2016-17	**1 Apr 17 to 30 Sep 17 #**	2016-17
Revenue	**251.74**	221.44	**6.96**	16.15	**1,756.09**	3,558.82
Profit / (Loss) after tax	**6.33**	(13.73)	**(21.25)**	(21.07)	**134.16**	279.24
Profit after Tax (PAT) from continuing operations	**6.33**	(13.73)	**(21.25)**	(21.07)	**–**	–
Profit after Tax (PAT) from discontinued operations	**–**	–	**–**	–	**134.16**	279.24
Total Other Comprehensive Income for the year, net of tax	**16.07**	(0.13)	**–**	(0.01)	**(4.14)**	(48.01)
Total Comprehensive Income for the year	**22.40**	(13.86)	**(21.25)**	(21.08)	**130.02**	231.23
Profits attributable to NCI of discontinued operation	**–**	–	**–**	–	**60.18**	**104.28**
Profits allocated to NCI	**7.21**	(4.46)	**(1.47)**	(1.78)	**–**	**–**

Summarised Cash Flows	**Crescent Power Limited (Consolidated)**		**Au Bon Pain Café India Limited**		**Firstsource Solutions Limited (Consolidated)**	
	2017-18	2016-17	**2017-18**	2016-17	**1 Apr 17 to 30 Sep 17 #**	2016-17
Cash flow from Operating Activities	**63.28**	(0.81)	**(9.22)**	(15.16)	**42.11**	198.13
Cash Flow from Investing Activities	**(133.82)**	(55.16)	**0.91**	(5.92)	**55.08**	(231.49)
Cash Flow from Financing Activities	**49.90**	59.81	**7.85**	21.10	**(87.18)**	3.51
Net Increase/Decrease in Cash and cash Equivalents	**(20.64)**	3.84	**(0.46)**	0.02	**10.01**	**(29.85)**

Refer Note 53

NOTE - 43 Business Segments Information

(₹ in Crore)

	Power		Others		Retail		Property		Process Outsourcing		Total	
	2017-18	2016-17	**2017-18**	2016-17	**2017-18**	2016-17	**2017-18**	2016-17	**2017-18**	2016-17	**2017-18**	2016-17
Segment Revenue :												
Continuing operations	**10,198.30**	8,312.23	**76.56**	51.13							**10,274.86**	8,363.36
Discontinued operations					**1,100.70**	1,976.04	**51.11**	88.65	**1,756.09**	3,554.72	**2,907.90**	5,619.41
Total Segment Revenue	**10,198.30**	8,312.23	**76.56**	51.13	**1,100.70**	1,976.04	**51.11**	88.65	**1,756.09**	3,554.72	**13,182.76**	13,982.77
Segment Result Before Depreciation, Interest, and OCI :												
Continuing operations	**3,198.99**	2,982.31	**(33.30)**	(52.75)							**3,165.69**	2,929.56
Depreciation (including amortisation of Intangible assets)	**751.47**	714.78									**751.47**	714.78
Segment Result Before Interest and Tax	**2,447.52**	2,267.53	**(33.30)**	(52.75)							**2,414.22**	2,214.78
Less: Unallocated Finance cost											**1,302.96**	1,372.36
Add : Unallocated - Income											**85.45**	84.91
Add : Share in net Profit of associate											**49.73**	48.39
Profit before tax and Minority Interest											**1,246.44**	975.72
Profit/(loss) before tax and Minority Interest from discontinued operation											**107.30**	214.76
Provision for taxation											**378.49**	380.29
Profit after Taxation before Minority Interest											**975.25**	810.19
Other Comprehensive Income /(expense) (Net)											**1.42**	(86.15)
Segment Assets	**32,435.73**	33,146.34	**22.99**	46.36		557.01		497.76		1,190.94	**32,458.72**	35,438.41
Unallocated Assets											**528.66**	2,434.26
Total Assets											**32,987.38**	37,872.67
Segment Liabilities	**6,148.45**	5,715.98	**(0.98)**	110.62		336.41		60.02		282.60	**6,147.47**	6,505.63
Unallocated Liability											**18,350.35**	19,534.30
Total Liabilities											**24,497.82**	26,039.93

Note:

Unallocated Assets comprise of goodwill, investments, deferred tax asset and current tax asset.

Unallocated Liabilities comprise of borrowings, deferred tax liabilities and current tax liabilities.

Business Segments:

The internal business segmentations and the activities encompassed therein are as follows:

Power: Generation / Distribution of electricity;

Retail: Organised Retailing;

Property: Property Development;

Process Outsourcing : Business Process Outsourcing.

Geographical Segments :

Post restructuring the Group primarily operates in India and has all significant assets in India. No disclosure given for geographical segment as it is not material for CODM.

NOTE - 44 Leases

(a) Future rentals payable in respect of non-cancellable leases for assets comprising various equipment and vehicles acquired under operating leases for the period ranging between 36-60 months work out to ₹ 0.39 crore (as on 31.03.2017 : ₹ 2.39 crore) and ₹ 1.29 crore (as on 31.03.2017 : ₹ 3.01 crore) during next one year and thereafter till five years respectively. There are no restrictions in respect of such leases.

(b) Future minimum lease obligation payable on leasehold land during next one year ₹ 0.83 crores (as on 31.03.2017: ₹ 0.83 crores) later than one year but not later than five years ₹ 2.64 crore (as on 31.03.2017 : ₹ 2.64 crores) and later than five years ₹ 3.45 crore (as on 31.03.2017: ₹ 3.66 crores).

(c) Certain subsidiaries have taken retail stores, office facilities on operating lease and lease rent of ₹ 81.92 crores (31.03.2017: ₹ 224.35 crores) is recognised.

NOTE-45 The major components of net Deferred Tax Assets / (Liabilities) based on the timing difference as at 31st March, 2018 are as under :

₹ in Crore

Deferred Tax Liabilities	April 1, 2017	Recognised through P&L	Recognised through OCI	Others	Transferred Pursuant to Scheme #	March 31, 2018
Liabilities						
Excess of tax depreciation over book depreciation	(3,901.15)	(768.26)	–	56.96	265.86	(4,346.59)
Financial Instruments at Fair Value through OCI	–	–	(8.36)	–	–	(8.36)
Other Timing difference	(65.30)	1.94	–	–	34.03	(29.33)
Assets						
Business loss and Unabsorbed depreciation	33.78	648.54	–	–	–	682.32
On Business Combination	–	–	–	–	–	–
Other Timing Differences	45.39	15.59	–	–	–	60.98
Net Deferred Tax Liability	**(3,887.28)**	**(102.19)**	**(8.36)**	**56.96**	**299.89**	**(3,640.98)**

Deferred Tax Assets	April 1, 2017	Recognised through P&L	Recognised through OCI	Others	Transferred Pursuant to Scheme #	March 31, 2018
Assets						
Business loss and Unabsorbed depreciation	264.29	–	–	–	(264.29)	–
Cash Flow Hedges	(34.62)	–	–	–	34.62	–
Other Timing Differences	177.93	(0.02)	–	–	(176.79)	1.12
Net Deferred Tax Assets	**407.60**	**(0.02)**	**–**	**–**	**(406.46)**	**1.12**

₹ in Crore

Deferred Tax Liabilities	April 1, 2016	Recognised through P&L	Recognised through OCI	Others	March 31, 2017
Excess of tax depreciation over book depreciation	(3,799.45)	(120.51)	–	18.81	(3,901.15)
Other Timing difference	(78.42)	12.93	–	0.19	(65.30)
Assets					
Business loss and Unabsorbed depreciation	0.64	33.14	–	–	33.78
Other Timing Differences	46.57	(1.18)	–	–	45.39
Net Deferred Tax Liability	**(3,830.66)**	**(75.62)**	**–**	**19.00**	**(3,887.28)**

Deferred Tax Assets	April 1, 2016	Recognised through P&L	Recognised through OCI	Others	March 31, 2017
Assets					
Business loss and Unabsorbed depreciation	216.77	47.81	–	(0.29)	264.29
Cash Flow Hedges	–	(34.62)	–	–	(34.62)
Other Timing Differences	154.00	23.93	–	–	177.93
Net Deferred Tax Assets	**370.77**	**37.12**	**–**	**(0.29)**	**407.60**

refer note 53

NOTE - 46 Earnings per share:

(i) Computation of Earnings per share from continuing operations

Particulars	**2017-18**	2016-17
A. Profit after tax attributable to owners of the equity (₹ in Crore)	**888.19**	659.16
B. Weighted Average no. of shares for Earnings per share	**13,25,57,043**	13,25,57,043
Basic and Diluted Earnings per share of ₹ 10/- = [(A) / (B)] (₹)	**67.01**	49.73

Computation of Earnings per share from discontinued operations

Particulars	**2017-18**	2016-17
A. Profit after tax attributable to owners of the equity (₹ in Crore)	**24.42**	31.69
B. Weighted Average no. of shares for Earnings per share	**13,25,57,043**	13,25,57,043
Basic and Diluted Earnings per share of ₹ 10/- = [(A) / (B)] (₹)	**1.84**	2.39

Computation of Earnings per share from continuing and discontinued operations

Particulars	**2017-18**	2016-17
A. Profit after tax attributable to owners of the equity (₹ in Crore)	**912.60**	690.84
B. Weighted Average no. of shares for Earnings per share	**13,25,57,043**	13,25,57,043
Basic and Diluted Earnings per share of ₹ 10/- = [(A) / (B)] (₹)	**68.85**	52.12

(ii) Computation of Earnings per share from continuing operations - excluding regulatory (income)/ expense (net)

Particulars	**2017-18**	2016-17
A. Profit after tax attributable to owners of the equity (₹ in Crore)	**835.59**	623.39
B. Weighted Average no. of shares for Earnings per share	**13,25,57,043**	13,25,57,043
Basic and Diluted Earnings per share of ₹ 10/- = [(A) / (B)] (₹)	**63.04**	47.03

Computation of Earnings per share from discontinued operations - excluding regulatory (income)/ expense (net)

Particulars	**2017-18**	2016-17
A. Profit after tax attributable to owners of the equity (₹ in Crore)	**24.42**	31.69
B. Weighted Average no. of shares for Earnings per share	**13,25,57,043**	13,25,57,043
Basic and Diluted Earnings per share of ₹ 10/- = [(A) / (B)] (₹)	**1.84**	2.39

Computation of Earnings per share from continuing and discontinued operations - excluding regulatory (income)/ expense (net)

Particulars	**2017-18**	2016-17
A. Profit after tax attributable to owners of the equity (₹ in Crore)	**860.02**	655.08
B. Weighted Average no. of shares for Earnings per share	**13,25,57,043**	13,25,57,043
Basic and Diluted Earnings per share of ₹ 10/- = [(A) / (B)] (₹)	**64.88**	49.42

NOTE - 47 INCOME TAX EXPENSE

a. **i) Income tax recognised in profit or loss** ₹ in Crore

	March 31, 2018	March 31, 2017
Current tax expense		
Continuing Operation	**343.84**	331.24
Discontinuing Operation	**22.27**	59.30
Deferred tax expense		
Deferred tax-(Income) / expense	**(102.21)**	38.50
Regulatory (Income) / expense -deferred tax	**114.59**	(48.75)
Total income tax expense	**378.49**	380.29

ii) Income tax recognised in Other Comprehensive Income (OCI)

₹ in Crore

	March 31, 2018	March 31, 2017
Current tax expense		
Remeasurement of defined benefit plan	**(4.78)**	(10.78)
Deferred tax expense		
Deferred tax on Gain on fair value of Investment	**8.36**	–
Regulatory (Income) / expense -deferred tax	**(1.76)**	–
Total income tax expense relating to OCI items	**1.82**	(10.78)

b. **Reconciliation of tax expense and accounting profit**

	March 31, 2018	March 31, 2017
Accounting profit before tax after Comprehensive Income	**1,356.98**	1,093.54
Tax using the Company's domestic tax rate (Current year 34.608% and Previous Year 34.608%)	**469.62**	378.45
Tax effect Due to Non Taxable in India	**–**	(38.27)
Income / expenses not considered for tax purpose including difference in depreciation	**(195.31)**	(263.49)
Incentive & deduction allowed under Income Tax	**(32.67)**	(37.79)
MAT Adjustments	**(11.56)**	73.97
Other adjustments	**150.23**	256.64
INCOME TAX EXPENSE	**380.31**	369.51

NOTE - 48 FINANCIAL RISK MANAGEMENT AND CAPITAL MANAGEMENT :

The regulated operations of generation and distribution of electricity are governed by the provisions of the Electricity Act 2003 and Regulations framed thereunder by the West Bengal Electricity Regulatory Commission and accordingly the parent, being a licensee under the said statute, is subject to regulatory provisions/guidelines and issues evolving therefrom, having a bearing on the Company's liquidity, earning, expenditure and profitability, based on efficiency parameters provided therein including timing of disposal of applications / matters by the authority.

The Parent being the sole provider of electricity in the licenced area has been managing the operations keeping in view its profitability and liquidity in terms of above regulations. In order to manage credit risk arising from sale of electricity, multipronged approach is followed like maintenance of security deposit, precipitation of action against defaulting consumers, obtaining support of the administrative authority. Credit risk towards Investment of surplus funds is managed by obtaining support of credit rating and appraisal by external agencies and lending bodies.

The group being the provider of electricity in the licensed area has been managing the operations keeping in view its profitability and liquidity in terms of the above regulations. In order to manage the credit risk arising from sale of electricity, multipronged approach is followed like maintenance of security deposit, precipitation of action against defaulting consumers, obtaining support of the administrative authority (for consumers providing utility service), credit rating and appraisal by external agencies and lending bodies. Availability of capital and liquidity is also managed, in consonance with the applicable regulatory provisions.

The Group manages its liquidity risk on financial liabilities by maintaining healthy working capital and liquid fund position keeping in view the maturity profile of its borrowings and other liabilities as disclosed in the respective notes.

The Group market risk relating to variation of foreign currency, interest rate and commodity price is mitigated through applicable regulation.

While managing the capital, the Group ensures to take adequate precaution for providing returns to the shareholders and benefit for other stakeholders, including protecting and strengthening the balance sheet. Availability of capital and liquidity is also managed, in consonance with the applicable regulatory provisions.

NOTE - 49 The Group has a process annually all long term contracts (including derivative contracts) are assessed for material forseeable losses. At the year end, the group has reviewed and ensured that adequate provision as required under any law / Accounting Standards for material forseeable losses on such long term contracts (including derivative contracts) has been made in the books of accounts.

NOTE - 50 Employee Stock Option Plans

Certain subsidiaries of the company have following stock option plans. These subsidiaries ceases to be subsidiary pursuant to the Scheme of Arrangement (refer note 53)

Employee stock option Scheme 2003 ('Scheme 2003')

The Employee Stock Option Scheme 2003 ('the Scheme') approved by the Board of Directors and the members of the Company and administered by the Nomination and Remuneration Committee ('the Committee') is effective October 11, 2003. The key terms and conditions included in the scheme are in line with Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (as amended by SEBI (shared based employee benefits) Regulations, 2014). As per the Scheme, the Committee issued stock options to the identified employees at an exercise price equal to the fair value on the date of grant and there stock options would vest in tranches over a period of four years as stated below and shall be exercised within a period of ten years from the date of the grant of the options.

Period within which options will vest unto the participant	% of options that will vest
End of 12 months from the date of grant of options	25
End of 18 months from the date of grant of options	12.5
End of 24 months from the date of grant of options	12.5
End of 30 months from the date of grant of options	12.5
End of 36 months from the date of grant of options	12.5
End of 42 months from the date of grant of options	12.5
End of 48 months from the date of grant of options	12.5

Employee stock option activity under Scheme 2003 is as follows :

Description	Exercise Range	30th September 2017	
		Shares arising out of options	Weighted Average period in months
Outstanding at the beginning of the year	00.00 - 30.00	1,06,52,500	66.81
	30.01 - 60.00	79,77,687	69.71
	60.01 - 90.00	6,40,000	5.43
		1,92,70,187	
Granted during the year	00.00 - 30.00	–	
	30.01 - 60.00	30,00,000	
	60.01 - 90.00	–	
		30,00,000	
Forfeited during the year	00.00 - 30.00	2,78,125	
	30.01 - 60.00	3,86,249	
	60.01 - 90.00	–	
		6,64,374	
Exercised during the year*	00.00 - 30.00	8,48,000	
	30.01 - 60.00	84,650	
	60.01 - 90.00	–	
		9,32,650	

Description	Exercise Range	30th September 2017	
		Shares arising out of options	Weighted Average period in months
Expired during the period	00.00 - 30.00	–	
	30.01 - 60.00	–	
	60.01 - 90.00	–	
		–	
Outstanding at the end of the year	00.00 - 30.00	95,26,375	60.51
	30.01 - 60.00	1,05,06,788	92.29
	60.01 - 90.00	6,40,000	0.63
		2,06,73,163	
Exercisable at the end of the year	00.00 - 30.00	90,06,135	59.84
	30.01 - 60.00	35,04,234	57.04
	60.01 - 90.00	6,40,000	0.63
		1,31,50,369	

* The weighted average share price of these options was Rs 22.23 for the period ended 30 September 2017

The key assumptions used to estimate the fair value of options are :

Particulars	**March'18**
Dividend yield	**0%**
Expected Life	**5.5-7 years**
Risk free interest rate	**6.50% to 9.06%**
Volatility	**0% to 75%**
Model Used	**Black & Scholes**

The expense arises from equity settled share based payment transaction amounting to ₹ 1.44 crore (31.03.2017 : ₹ 3.71 crore) for the period ended 30 September 2017.

NOTE - 51 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, the basis of which be considered by the West Bengal Electricity Regulatory Commission (Commission) in determining the Parent's tariff for the year, which is also required to be used for accounting purpose as specified in the said Regulations. Based on legal opinions and independent accounting opinions obtained, the Parent continues with the consistently followed practice of recouping from the retained earnings an additional charge of depreciation relatable to the increase in value of assets arising from fair valuation, which for the current year amounts to ₹ 306.25 crore (previous year- ₹ 318.41 crore) and corresponding withdrawal of ₹ 5.18 crore (previous year : ₹ 23.09 crore) consequent to sale/ disposal of such assets and the same will be followed in subsequent years.

NOTE - 52 Liability in respect of the security deposit collected by the parent company , in terms of applicable regulations of the WBERC, has been classified as non – current, given the nature of its business in the license area, excepting to the extent of the sum refundable / payable within a year, based on experience.

NOTE - 53 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 (Scheme Companies). The Scheme provides for restructuring of the Parent and its undertakings (all under common control as per Ind-AS 103) 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 Parent on 5th October, 2018 has received from Hon'ble National Company Law Tribunal (NCLT) (the appropriate authority), the certified copy of the order dated 28th 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 (WBERC) to the Power Purchase Agreement (PPA) between the Parent and Haldia Energy Limited (One of the Scheme Companies). Pending the said approval, with necessary legal consultation, the Board of Directors at its meeting held on 12th October, 2018 has decided to give effect to the Scheme as below:

a) Demerger of the Generation undertaking to be given effect after receipt of necessary approvals from WBERC.

b) the remaining parts of the Scheme to be given effect from the Appointed Date in terms of the order of Hon'ble NCLT, whereby,

   i) the said Retail Undertaking (Retail undertaking 1 as per the scheme) and IT Undertaking have been demerged into two entities as stipulated in the Scheme, viz. RP-SG Retail Limited (RSRL) and RP-SG Business Process Services Limited (RSBP) respectively.

   ii) the three wholly owned subsidiaries , viz; CESC Infrastructure Limited (CIL) (engaged in the business of promoting and supporting entities engaged in infrastructure sector including power), Spencer's Retail Limited (SRL) post demerger of its retail undertaking (Retail undertaking 2 as per the scheme) (engaged in developing and conducting organized retail business) and Music World Retail Limited (MWL) (engaged in the business of organised music retailing stores and selling of music accessories) have been merged with the Parent and New Rising Promoters Pivate Limited wholly owned subsidiary of Crescent Power Limited (CPL) has been merged with CPL. The balances and transactions of CIL, have been merged on the basis of audited financials of CIL for the six months ended 30th September, 2017 and year ended 31st March, 2018.

c) Each shareholder of the Company registered on the record date of 31st October, 2018 in respect of every 10 shares is entitled to additional 6 fully paid up equity shares of Rs. 5 each in RP-SG Retail Limited and additional 2 fully paid up equity shares of Rs. 10 each in the RP-SG Business Process Services Limited. CESC Limited is entitled to 500000 fully paid up 0.01% non-cumulative compulsorily redeemable preference shares of ₹ 100 each by RP-SG Retail Limited. Three entities merged with the Company, as stated above, were wholly owned subsidiaries of the Company and hence no consideration was to be given in lieu of transfer of said undertakings.

d) Necessary accounting effect of the above has been given in these financial statements in terms of the above NCLT order and difference betrween asset and liabilities has been adjusted in Capital Redemption reserve, Securities Premium, Retained earnings and other specific reserves related to demerged entities.

   Authorised share capital of the Parent has been increased pursuant to the Scheme of Arrangement.

   The above accounting from the Appointed date is as per the Order of the Hon'ble NCLT rather than from effective date for the demergers and first day of the previous period presented for the mergers.

e) Further, in respect of discontinued operation for the period upto 30th September 2017 following has been disclosed :

₹ in Crore

Particulars	**April 1, 2017 to September 30, 2017**	2016-17
Revenue	**2,907.90**	5,619.41
Other Income	**13.63**	11.61
Expense	**2,814.23**	5,416.26
Profit / (Loss) before tax	**107.30**	214.76
Cash flow :		
Net cash flow from Operating Activities	**80.51**	178.23
Net cash flow (used in) /from investing activity	**(505.24)**	(245.42)
Net Cash flow from/(used in) Financing Activities	**698.32**	60.67

NOTE-54 Statement pursuant to requirement of Schedule III to the Companies Act 2013 relating to Company's interest in subsidiary companies / Associates /Joint venture for the year ended 31 March 2018

₹ in Crore

Sl No.	Name of the Entities		31-Mar-18		2017-18		2017-18		2017-18	
		Country of Incorporation	Net Assets	As % of Consolidated Net Assets	Profit	As % of Consolidated Profit/ (Loss)	Share in Other Comprehensive Income	As % of Consolidated Other Comprehensive Income	Share in Total Comprehensive Income	As % of Consolidated Total Comprehensive Income
	Parent									
	CESC Limited	India	9,447.69	112.20%	861.71	94.42%	(8.79)	476.10%	852.92	93.65%
	Subsidiaries - Indian									
1	Haldia Energy Limited (HEL) (100% of CIL)	India	1,954.86	23.22%	313.13	34.31%	(0.79)	42.79%	312.34	34.29%
2	Dhariwal Infrastructure Limited (100% of CIL)	India	356.35	4.23%	(198.58)	(21.76%)	(0.32)	17.33%	(198.90)	(21.84%)
3	Surya Vidyut Limited (SVL) (70% CESC, 30% HEL)	India	270.43	3.21%	5.10	0.56%	(0.12)	6.59%	4.97	0.55%
4	Nalanda Power Company	India	0.02	0.00%	(0.00)	(0.00%)	–	0.00%	(0.00)	(0.00%)
5	CESC Projects Limited	India	5.58	0.07%	(5.46)	(0.60%)	(0.06)	3.25%	(5.52)	(0.61%)
6	Pachi Hydropower Projects Limited	India	1.59	0.02%	0.00	0.00%	–	0.00%	0.00	0.00%
7	Papu Hydropower Projects Limited	India	0.79	0.01%	(0.00)	(0.00%)	–	0.00%	(0.00)	(0.00%)
8	Ranchi Power Distribution Company Limited	India	(3.10)	(0.04%)	(1.69)	(0.19%)	0.02	(1.08%)	(1.67)	(0.18%)
9	Kota Electricity Distribution Limited	India	143.76	1.71%	(84.64)	(9.27%)	–	0.00%	(84.64)	(9.29%)
10	Bharatpur Electricity Services Limited	India	11.29	0.13%	(4.12)	(0.45%)	–	0.00%	(4.12)	(0.45%)
11	Bikaner Electricity Supply Limited	India	10.22	0.12%	(31.63)	(3.47%)	–	0.00%	(31.63)	(3.47%)
12	Crescent Power Limited (CPL) (67.83% CESC)	India	320.55	3.81%	47.50	5.20%	16.08	(870.87%)	63.58	6.98%
13	CESC Green Power Limited	India	0.05	0.00%	(0.00)	(0.00%)	–	0.00%	(0.00)	(0.00%)
14	Bantal Singapore Pte Limited	Singapore	5.59	0.07%	(0.15)	(0.02%)	(0.14)	7.35%	(0.29)	(0.03%)
15	Spencer's Retail Limited (SRL) #	India	–	0.00%	(19.45)	(2.13%)	(21.02)	1138.62%	(40.47)	(4.44%)
16	Music World Retail Limited (100% subsidiary of SRL) #	India	–	0.00%	–	0.00%	–	0.00%	–	0.00%
17	Au Bon Pain Café India Limited (93.1% subsidiary of SRL) #	India	–	0.00%	(21.25)	(2.33%)	–	0.00%	(21.25)	(2.33%)
18	Omnipresent Retail India Private Limited (100% subsidiary of RRL) #	India	–	0.00%	(4.74)	(0.52%)	0.04	(2.17%)	(4.70)	(0.52%)
19	Guiltfree Industries Limited (GIL) (100% subsidiary of RP BPS) #	India	–	0.00%	(11.82)	(1.30%)	0.11	(5.96%)	(11.71)	(1.29%)
20	Quest Properties India Limited (QPL) #	India	–	0.00%	8.92	0.98%	(0.01)	0.41%	8.92	0.98%
21	Metromark Green Commodities Private Limited (100% subsidiary of QPL) #	India	–	0.00%	(0.09)	(0.01%)	–	0.00%	(0.09)	(0.01%)
22	CESC Infrastructure Limited (CIL) #	India	–	0.00%	(0.36)	(0.04%)	–	0.00%	(0.36)	(0.04%)
23	New Rising Promoters Private Limited (100% subsidiary of CPL) #	India	(104.49)	(1.24%)	(42.69)	(4.68%)	–	0.00%	(42.69)	(4.69%)
24	Spen Liq Private Limited (SLPL) #	India	–	0.00%	(0.01)	(0.00%)	–	0.00%	(0.01)	(0.00%)
25	Firstsource Solutions Limited (FSL) #	India	–	0.00%	94.41	10.35%	(36.39)	1971.18%	58.02	6.37%
26	Firstsource Process Management Services Ltd. (100% subsidiary of FSL) #	India	–	0.00%	0.05	0.01%	–	0.00%	0.05	0.01%
27	Bowlopedia Restaurants India Limited (100% subsidiary of RP BPS) #	India	–	0.00%	(0.13)	(0.01%)	–	0.00%	(0.13)	(0.01%)
28	Apricot Foods Private Limited (70% subsidiary of GIL) #	India	–	0.00%	0.05	0.01%	0.01	(0.36%)	0.06	0.01%
29	RP-SG Retail Limited (RRL) #	India	–	0.00%	(0.03)	(0.00%)	–	0.00%	(0.03)	(0.00%)
30	RP-SG Business Process Services Limited (RP BPS) #	India	–	0.00%	(1.79)	(0.20%)	–	0.00%	(1.79)	(0.20%)
	Subsidiaries - Foreign									
31	Firstsource Group USA, Inc. (FG US) (100% subsidiary of FSL) #	USA	–	0.00%	(30.36)	(3.33%)	8.48	(459.25%)	(21.88)	(2.40%)
32	Firstsource BPO Ireland Ltd. (100% subsidiary of FSL) #	Ireland	–	0.00%	0.36	0.04%	2.89	(156.42%)	3.25	0.36%
33	Firstsource Solutions UK Ltd. (FS UK) (100% subsidiary of FSL) #	UK	–	0.00%	26.90	2.95%	23.81	(1289.52%)	50.71	5.57%
34	Firstsource-Dialog Solutions Pvt. Ltd. (74% subsidiary of FSL) #	Sri Lanka	–	0.00%	0.03	0.00%	(0.01)	0.54%	0.02	0.00%
35	ISGN Fulfillment Services Inc (100% subsidiary of ISGN Solutions Inc) #	USA	–	0.00%	–	0.00%	–	0.00%	–	0.00%
36	Firstsource Business Process Services, LLC (FBPS) (100% subsidiary of FG US) #	USA	–	0.00%	0.03	0.00%	0.96	(52.21%)	0.99	0.11%
37	Firstsource Advantage, LLC (100% subsidiary of FBPS) #	USA	–	0.00%	(1.94)	(0.21%)	0.13	(6.77%)	(1.82)	(0.20%)
38	Firstscource Solutions S.A. (Argentina) (FS SA)(99.98% subsidiary of FS UK) #	Argentina	–	0.00%	–	0.00%	–	0.00%	–	–
39	Firstsource Transaction Services, LLC (100% subsidiary of FS SA) #	USA	–	0.00%	7.94	0.87%	1.14	(61.96%)	9.08	1.00%
40	Firstscource Solution USA LLC (100% subsidiary of MH Inc) #	USA	–	0.00%	–	0.00%	–	0.00%	–	0.00%
41	One Advantage LLC (100% subsidiary of FBPS) #	USA	–	0.00%	6.22	0.68%	0.30	(16.36%)	6.52	0.72%
42	Medassist Holding LLC (MH Inc) (100% subsidiary of FG US) #	USA	–	0.00%	43.97	4.82%	(5.08)	275.04%	38.89	4.27%
43	ISGN Solutions Inc (100% subsidiary of FG US) #	USA	–	0.00%	–	0.00%	–	0.00%	–	0.00%
44	ISGN Fulfillment Agency LLC (100% subsidiary of ISGN Fulfillment Services Inc)#	USA	–	0.00%	–	0.00%	–	0.00%	–	0.00%
	Non Controlling interest		(69.39)	(0.82%)	(62.65)	(6.87%)	(3.27)	177.11%	(65.92)	(7.24%)
	Investment in Associates (Equity Method)									
45	Noida Power Company Limited	India	422.72	5.02%	49.73	5.45%	(0.17)	9.39%	49.56	5.44%
46	Nanobi Data and Analytics Private Limited #	India			(0.00)	(0.00%)	–	0.00%	(0.00)	(0.00%)
47	NPCL Solar Private Limited	India	0.02	0.00%	0.01	0.00%	–	0.00%	0.01	0.00%
	Investment in Joint Venture (Equity Method)									
48	Mahuagarhi Coal Company Private Limited	India	–	0.00%	–	0.00%	–	0.00%	–	0.00%
	Adjustment		(4,354.37)	(51.71%)	(29.85)	(3.26%)	20.36	(1102.73%)	(9.49)	(1.04%)
			8,420.17	**100%**	**912.60**	**100%**	**(1.85)**	**100%**	**910.75**	**100%**

Refer note 53

NOTE-55

(i) Investment in Associate and Joint Venture

The Group holds 49.55% stake in Noida Power Company Limited accounted for in Equity method amounting to ₹ 422.72 crore (31.03.17 : ₹ 404.95 crore)

The table below provides summarised financial information for Noida Power Company Limited which is material to the group . The information disclosed reflects the amount presented in the financial statements of Noida Power Company Limited and not group's share of those amount.

(₹ in Crore)

Summarised Balance Sheet	Noida Power Company Limited	
	31 March 2018	31 March 2017
Non Current assets	**988.32**	874.64
Current assets	**197.76**	187.33
Total Asset	**1,186.08**	1,061.97
Non current liabilities	**220.37**	348.42
Current liabilities	**319.51**	228.40
Total Liabilties	**539.88**	576.82
Regulatory Deferral Account Balances	**205.22**	284.19

For Commitment and Contingency - Refer note 32

₹ in Crore

Summarised Statement of Profit and Loss	Noida Power Company Limited	
	31 March 2018	31 March 2017
Revenue	**1,375.27**	1,199.43
Profit / (Loss) after tax before net movement in Regulatory deferral account balances	**179.33**	307.74
Net Movement in Regulatory deferral & related Deferred Tax	**(78.97)**	(210.08)
Profit / (Loss) after net movement in Regulatory deferral account balances	**100.36**	97.66
Total Other Comprehensive Income for the year, net of tax	**(0.23)**	(0.25)
Total Comprehensive Income for the year	**100.13**	97.41
Group share in profit / (loss) in associate/Joint Venture for the year	**49.73**	48.39
Group share in OCI in associate/Joint Venture for the year	**(0.11)**	(0.12)
Dividend Received by Parent	**7.49**	7.43

Notes :

1. The Group's interests in jointly controlled entity (incorporated joint venture) remains in Mahuagarhi Coal Company Private Limited, which was incorporated in India on 4th April, 2008 and percentage of ownership interest as at 31st March, 2018 stands at 50%. The company was incorporated for the development of Mahuagarhi coal field and exploration of coal therefrom. However the entity, being not material related disclosure not been given.
2. Nanobi Data and Analytics Private Limited is an associate of the process outscourcing business which is not material to the Group.

NOTE - 56 Fair value measurements

a) **The carrying value and fair value of financial instruments by categories as at March 31 2018 and March 31, 2017 is as follows:**

₹ in crore

	31-Mar-18			31-Mar-17		
	Amortized cost	**FVTOCI**	**FVTPL**	Amortized cost	FVTOCI	FVTPL
Financial assets						
Investments						
- Equity	–	**54.96**	–	6.57	4.89	–
- Preference instruments	–	**187.66**	–	–	2.99	5.00
- Mutual funds	–	–	**508.37**	–	–	682.52
- Others	–	–	–	2.58	–	–
Trade Receivables	**1,537.40**	–	–	1,559.64	–	–
Loans	**46.26**	–	–	152.21	–	–
Cash and cash equivalents	**880.53**	–	–	1,254.74	–	–
Bank balances other than cash and cash equivalent	**313.43**	–	–	351.32	–	–
Derivative Asset	–	–	**30.68**	–	–	195.26
Others financial assets	**100.99**	–	–	458.82	–	–
Total financial assets	**2,878.61**	**242.62**	**539.05**	3,785.88	7.88	882.78
Financial liabilities						
Borrowings	**14,577.75**	–	–	15,594.19	–	–
Trade Payables	**731.69**	–	–	799.54	–	–
Security Deposit	**1,506.74**	–	–	1,619.01	–	–
Others	**687.52**	–	–	689.28	–	–
Total financial assets	**17,503.70**	–	–	18,702.02	–	–

b) **Fair value hierarchy**

The table shown below analyses financial instruments carried at fair value, by valuation method. ₹ in crore

Financial assets and liabilities measured at fair value	**Level 1**	**Level 2**	**Level 3**	**Total fair value**	**Total carrying amount**
As at 31 March 2018					
Financial assets					
Investment in equity instruments	24.73	30.23	–	54.96	54.96
Investment in preference instruments	–	186.88	0.78	187.66	187.66
Investment in liquid mutual fund units	508.37	–	–	508.37	508.37
Derivative financial instrument - cross currency swap	–	30.68	–	30.68	30.68
Total financial assets	**533.10**	**247.79**	**0.78**	**781.67**	**781.67**
As at 31 March 2017					
Financial assets					
Investment in equity instruments	4.88	0.01	–	4.89	4.89
Investment in preference instruments	–	7.99	–	7.99	7.99
Investment in liquid mutual fund units	682.52	–	–	682.52	682.52
Derivative financial instrument - cross currency swap	–	195.26	–	195.26	195.26
Total financial assets	**687.40**	**203.26**	**–**	**890.66**	**890.66**

The different levels have been defined below :

Level 1 : financial instruments measured using quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price. The mutual funds are valued using the closing NAV.

Level 2 : inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices)

Level 3 : inputs for the asset or liability that are not based on observable market data.

c) **The following methods and assumptions were used to estimate the fair values**

i. The fair values of the mutual fund instruments are based on net asset value of units declared at the close of the reporting date. The fair value of equity shares are based on net asset value of entity as at reporting date.

ii. The fair values of the cross currency swap is determined using discounted cash flow analysis and swaps and options pricing models.

iii. The fair value of preference share is determined on the basis of discounted cash flow wherein future cash flows are based on the terms of preference share discounted at rate that reflects market rate.

iv. The carrying amounts of trade receivables, trade payables, investment in commercial paper, receivable towards claims and services rendered, other bank balances, interest accrued payable / receivable, cash and cash equivalents are considered to be the same as their fair values, due to their short term nature.

v. Loans, non-current borrowings, lease receivable, security deposits and restoration liability are based on discounted cash flows using a current borrowing rate.

vi. Fair Value of financial Intruments which is determined on the basis of discounted cash flow analysis, considering the nature, risk profile and other qualitative factors. The carrying amounts will be reasonable approximation of the fair value.

d) Ind AS requires all financial assets / liabilities to be carried at fair value. Accordingly the difference between fair value and transaction value has been recognised as per applicable Ind AS.

NOTE-57 Related Party and their relationship

a) **Parent- under de facto control as defined in Ind AS -110**

Rainbow Investments Limited

b) (i) **Entities under common control**

Name
RPG Power Trading Company Limited (RPGPTCL)
Integrated Coal Mining Limited (ICML)
Open Media Network Limited (OMNL)
Harrison Malayalam Limited (HML)
Philips Carbon Black Limited (PCBL)
Saregama India Ltd (SIL)
Woodlands Multispeciality Hospital Limited (WMHL)
Sarala Real Estate Limited (SREL)
Dotex Merchandise Private Limited (DMPL)
APA Services Private Limited (APA)
Kolkata Metro Networks Limited (KMNL)
Kolkata Games And Sports Private Limited (KGSPL)
Stel Holdings Limited (SHL)
RP-SG Retail Ltd #
RPSG Business Process Services Ltd #
Castor Investment Limited

subsidiary of CESC Limited upto 30.September 2017. Thereafter entity under common control

(ii) **Key Management Personnel**

Name	Relationship
Mr. S. Goenka	Chairman
Mr. P. Chaudhuri	Director
Mr. C .K Dhanuka	Director
Mr. K. Jairaj	Director
Mr. B .M Khaitan	Director
Mr. P.K. Khaitan	Director
Ms. R.Sethi	Director
Mr. Aniruddha Basu	Managing Director (upto 28th May 2018)
Mr. Subhasis Mitra	Company Secretary
Mr. Rajarshi Banerjee	Executive Director & Chief Financial Officer

(iii) **Other Related Parties**

Name
Ms.Preeti Goenka (Shareholder and Relative of KMP)
Mr.Shashwat Goenka (Shareholder and Relative of KMP)
Khaitan & Co LLP
Khaitan & Co. (Mumbai)
Khaitan & Co. (New Delhi)
Khaitan & Co. AOR
Khaitan & Co. (Kolkata)
Khaitan Consultants Ltd.
CESC Limited Provident Fund
Calcutta Electric Supply Coporation (I) Ltd. Senior Staff Pension Fund
CESC Executive Gratuity Fund
CESC Limited Employee's Gratuity Fund

c) **Details of transaction between the Company and related parties and status of outstanding balance**

₹ in crore

Sl. No.	Nature of Transactions	Parent having Control in terms of Ind AS -110		Entities under common control		Key Management Personnel		Other Related Parties		Total	
		31-Mar-18	31-Mar-17	**31-Mar-18**	31-Mar-17	**31-Mar-18**	31-Mar-17	**31-Mar-18**	31-Mar-17	**31-Mar-18**	31-Mar-17
1.	**Acquisition of Investment :**										
	Integrated Coal Mining Limited			**180.32**	(7.48)					**180.32**	(7.48)
2.	**Advance for Share Subscription :**										
	APA Services Private Limited	–	–	**(50.76)**	29.20	–	–	–	–	**(50.76)**	29.20
3.	**Short Term Advance Made :**	–	–	**23.28**	–	–	–	–	–	**23.28**	–
4.	**Expense Recoverable / (Payable) :**	–	–	**23.92**	0.52	–	–	–	–	**23.92**	0.52
5.	**Income from sale / services :**										
	RPG Power Trading Company Limited	–	–	**139.63**	135.93	–	–	–	–	**139.63**	135.93
	Others	–	–	**12.97**	0.10	–	–	–	–	**12.97**	0.10
6.	**Expenses incurred :**										
	Integrated Coal Mining Limited	–	–	**274.50**	251.57	–	–	–	–	**274.50**	251.57
	RPG Power Trading Company Limited	–	–	**172.43**	179.33	–	–	–	–	**172.43**	179.33
	RPSG Business Process Services Ltd	–	–	**22.50**	–	–	–	–	–	**22.50**	–
	KGSPL	–	–	**47.79**	0.48	–	–	–	–	**47.79**	0.48
	Others	–	–	**14.70**	4.76	–	–	**7.82**	3.10	**22.52**	7.86
7.	**Provident Fund & Retiral funds :**										
	CESC Limited Provident Fund	–	–	–	–	–	–	**182.30**	174.41	**182.30**	174.41
	CESC Limited Employee's Gratuity Fund	–	–	–	–	–	–	**37.70**	31.20	**37.70**	31.20
	Others	–	–	–	–	–	–	**20.43**	19.98	**20.43**	19.98
8.	**Balances written off / Provided**	–	–	–	–	–	–	–	–	–	–
9.	**Sale of Shares of Integrated Coal Mining Limited**	–	–	–	0.01	–	–	–	–	–	0.01
10.	**Purchase of Assets**	–	–	**0.24**	–	–	–	–	–	**0.24**	–

c) **Details of transaction between the Company and related parties and status of outstanding balance** *(Contd.)*

₹ in crore

Sl. No.	Nature of Transactions	Parent having Control in terms of Ind AS -110		Entities under common control		Key Management Personnel		Other Related Parties		Total	
		31-Mar-18	31-Mar-17	**31-Mar-18**	31-Mar-17	**31-Mar-18**	31-Mar-17	**31-Mar-18**	31-Mar-17	**31-Mar-18**	31-Mar-17
11.	**Dividend paid** :										
	Rainbow Investments Limited	**70.56**	58.80	–	–	–	–	–	–	**70.56**	58.80
	Others	–	–	**8.51**	5.16	**0.16**	0.26	**0.16**	0.03	**8.83**	5.44
12.	**Security Deposit Received / (Refunded)**	–	–	**0.02**	–	–	–	–	–	**0.02**	–
13.	**Remuneration of Key Managerial Personnel** :										
	Short Term Employee Benefits	–	–	–	–	**7.46**	6.02	–	–	**7.46**	6.02
	Post Employment Benefits	–	–	–	–	**1.84**	1.43	–	–	**1.84**	1.43
14.	**Remuneration of Directors** :										
	Sitting Fees and Commission	–	–	–	–	**33.37**	24.55	–	–	**33.37**	24.55
15.	**Outstanding Balance** :										
	1. Debit	–	–	**0.97**	22.74	–	–	–	–	**0.97**	22.74
	2. Credit	–	–	–	–	**34.31**	33.44	**15.50**	15.01	**49.81**	48.45

a. The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables.

b Outstanding balances are unsecured and settlement occurs in cash.

NOTE - 58 The Group has reclassified previous year's figures to conform to this years classification alongwith other regrouping / rearrangement whereever necessary.

For S. R. BATLIBOI & CO LLP
Chartered Accountants
Firm Registration Number - 301003E/E300005

Kamal Agarwal
Partner
Membership No. : 058652
Kolkata, 14th November, 2018

For and on behalf of Board of Directors

Chairman	Sanjiv Goenka
Managing Director - Generation	Rabi Chowdhury
Managing Director - Distribution	Debasish Banerjee
Company Secretary	Subhasis Mitra
Executive Director & CFO	Rajarshi Banerjee

Ref. No.:NSE/LIST/3176 December 22, 2020

The Company Secretary
CESC Limited
CESC House,
Chowringhee Square,
Kolkata - 700001

Kind Attn.: Mr. Subhasis Mitra

Dear Sir,

Sub.: In-principle approval for listing of Non-Convertible Debentures on private placement basis

This is with reference to your application dated 22-Dec-2020 requesting for In-principle approval for listing of Secured, Redeemable, Non-convertible Debentures of face value of Rs. 1000000/- each, for base issue size of Rs. 25 crores with a green shoe option of Rs. 175 crores, aggregating to Rs. 200 crores, to be issued by CESC Limited on private placement basis. In this regard, the Exchange is pleased to grant in-principle approval for the said issue, subject to adequate disclosures to be made in the Offer Document in terms of SEBI (Issue and Listing of Debt Securities) Regulations, 2008 as amended from time to time, applicable SEBI Circulars and other applicable laws in this regard and provided the Company prints the Disclaimer Clause as given below in the Offer Document after the SEBI disclaimer clause:

"As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). It is to be distinctly understood that the aforesaid submission or in-principle approval given by NSE vide its letter Ref.: NSE/LIST/3176 dated December 22, 2020 or hosting the same on the website of NSE in terms of SEBI (Issue and Listing of Debt Securities) Regulations, 2008 as amended from time to time, should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever"

Please note that the approval given by us should not in any way be deemed or construed that the draft Offer Document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this draft offer document; nor does it warrant that the securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of the Company, its promoters, its management or any scheme or project.

Kindly also note that these debt instruments may be listed on the Exchange after the allotment process has been completed, provided the securities of the issuer are eligible for listing on the Exchange as per our listing criteria and the issuer fulfills the listing requirements of the Exchange. The issuer is responsible to ensure compliance with all the applicable guidelines issued by appropriate authorities from time to time including SEBI (Issue and Listing of Debt Securities) Regulations, 2008 as amended from time to time, applicable SEBI Circulars and other applicable laws in this regard.

Yours faithfully,

For National Stock Exchange of India Limited

Priya Iyer
Manager

From: Milind Mahajan <MilindMa@nsdl.co.in>
Sent: 28 December 2020 13:43
To: Shravani Suvre <shravani.suvre@linkintime.co.in>; corpdebt <corpdebt@nsdl.co.in>; cpcd.dep <cpcd.dep@nsdl.co.in>; abheek.mazumdar@rpsg.in
Cc: amit.dabhade@linkintime.co.in; 'Karan Rajawada' <karan.rajawada@linkintime.co.in>; rufina.menezes@linkintime.co.in
Subject: RE: [External] EBP : INE486A07267 - CESC

Dear Sir / Madam,

As per the corporate action(s) executed by you / your R&T Agent/Registry Division, Debentures were credited to the account(s) in the NSDL system, details of which are given below:

ISIN	*ISIN Description*	*D/C*	*Records*	*Quantity*	*Execution Date*
INE486A07267	CESC LIMITED RR NCD 07DC23 FVRS10LAC	*C*	1	2000	*28/12/2020*

Thanks & Regards,

From: Shravani Suvre [mailto:shravani.suvre@linkintime.co.in]
Sent: Monday, December 28, 2020 11:58 AM
To: Milind Mahajan; corpdebt; cpcd.dep
Cc: amit.dabhade@linkintime.co.in; 'Karan Rajawada'; rufina.menezes@linkintime.co.in
Subject: [External] EBP : INE486A07267 - CESC

Further, please note that we have already paid requisite stamp duty vide reference no. AXTB203599060796

Corporate Action Fees has already been paid as well. See details below:

24-Dec-20	**4144**	**D**	**EN36702012240205 Funds Transfer NEFT Outward -debit EN367 DEPOSITORY**

Shravani Sandeep Suvre | Depository | Link Intime India Pvt. Ltd.
Phone: +91 22 49186000 EXT. 2474 **Mob** : 9773347873
Fax: +91 22 49186060
shravani.suvre@linkintime.co.in
www.linkintime.co.in

Do you really need to print this email?

Other Product Offerings

From: abheek.mazumdar@rpsg.in [mailto:abheek.mazumdar@rpsg.in]
Sent: Monday, December 28, 2020 11:45 AM
To: 'Amit Dabhade' <amit.dabhade@linkintime.co.in>
Cc: 'Amit Banerjee' <amit.banerjee@linkintime.co.in>; kuntal.mustafi@linkintime.co.in; 'Rufina Menezes' <rufina.menezes@linkintime.co.in>; 'Sudip Ghosh' <sudip.ghosh@rpsg.in>; jagdish.patra@rpsg.in; 'sayakchatterjee' <sayak.chatterjee@rpsg.in>; joydip.chakraborty@rpsg.in; debtca@linkintime.co.in
Subject: INE486A07267 - NCDs Corporate Action NSDL

Dear Mr. Dabhade,

Kindly please find attached the following executed documents towards corporate action:

1. Beneficiary Details – Annexure 1
2. Corporate Action Form – Annexure 2
3. Fresh Issuance Letter – Annexure 3
4. Allotment Committee Resolution – Annexure – 4
5. Information Memorandum – Annexure – 5
6. Term Sheet – Annexure – 6
7. Filed PAS-3 with challan – Annexure – 7

Further, please note that we have already paid requisite stamp duty vide reference no. AXTB203599060796

Corporate Action Fees has already been paid as well. See details below:

24-Dec-20	**4144**	**D**	**EN36702012240205 Funds Transfer NEFT Outward -debit EN367 DEPOSITORY**

Kindly please take necessary action at your end at the earliest.

CDSL executed documents for corporate action being sent shortly.

Regards,
Abheek

National Securities Depository Limited

NSDL
Technology, Trust & Reach

Issuer Code : 486A	**Bill No : NSDL/2021/015951**
Mr. S. Mitra	**Bill Date : 30/12/2020**
Company Secretary	**Bill Period : From 28/12/2020**
CESC Limited	**To 29/12/2020**
CESC House	**Due Date : Immediate**
Chowringhee Square	
Kolkata - 700001	**ORIGINAL FOR RECIPIENT**
State Code : 19 GSTIN : 19AABCC2903N1ZL	**NSDL GSTIN : 27AADCN9802F1ZG**
SAC Code : 9971 Place of Supply : West Bengal	**NSDL PAN : AADCN9802F**

ISIN		Description	C/D	Execution Date	Records	Quantity	Amount (Rs.)
INE486A07267	*	Allotment	C	28/12/2020	1	2000.00	1000.00
* Special processing charges for online CA							2500.00
Taxable Value (A)							**3500.00**
IGST @ 18.00 % (B)							630.00
Total Invoice Value (C)							**4130.00**

NOTE:

<u>How to Pay:</u>

1. **Please make payment only by way of electronic fund transfer using NEFT/IMPS/RTGS. Amount payable under this bill can be paid by way of NEFT/IMPS/RTGS on or before the due date to the below-mentioned account of NSDL with Kotak Mahindra Bank.**

4th Floor, 'A' Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013, India
Tel.: 91-22-2499 4200 | Fax: 91-22-2497 6351 | CIN-U74120MH2012PLC230380 | Email: info@nsdl.co.in | Web: www.nsdl.co.in

Account No: NSDLCA486A

IFSC code: KKBK0000958

Please mention the above alphanumeric code in the Beneficiary Account Number column while making the remittance. This will facilitate proper credit being given to your account.

2. **In exceptional cases, if you are unable to make electronic fund transfer as above, you can send Demand draft / account payee cheque drawn in favour of "National Securities Depository Limited" and payable at par at Mumbai. Please send the Demand draft / Cheque along with a covering letter containing your company details, GSTIN and the invoice number towards which the payment is made addressed to "Attn: Billing Section, Finance Department" and send the same to "National Securities Depository Limited, Trade World A Wing, Kamala Mills Compound, Lower Parel, Mumbai 400013.**

3. **Kindly email the payment details to <payment_accounts@nsdl.co.in> so that credit to your account with us can be ensured.**

Category : Financial and related Service

For and on behalf of National Securities Depository Ltd.

4th Floor, 'A' Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013, India
Tel.: 91-22-2499 4200 | Fax: 91-22-2497 6351 | CIN-U74120MH2012PLC230380 | Email: info@nsdl.co.in | Web: www.nsdl.co.in

Annexure - C

abheek.mazumdar@rpsg.in

From: Debabrata Bhattacharya <debabrata.bhattacharya@rpsg.in>
Sent: 28 December 2020 14:46
To: 'Rao, H Sunil '; 'Rathie, Akash '; 'Sethi, Vijay '; 'Master, Vispi '; 'Kumar, Rajeev7 '
Cc: sudip.das1@rpsg.in; sudip.ghosh@rpsg.in; vikash.agrawal@rpsg.in; arnab.datta@rpsg.in; sayak.chatterjee@rpsg.in; abheek.mazumdar@rpsg.in; joydip.chakraborty@rpsg.in
Subject: FW: NATIONAL SECURITIES CLEARING CORPOR - 57500000166548
Attachments: FT012281172543.pdf

We have received credit of Rs 200 cr credit in our ICICI Account (Registered with NSE in during our ICICI Issue) inspite of mentioning Citi Bank Account. However, Trust there should be no issue.

You may Kindly ignore our NEFT request for transfer of fund.

Regards,

-----Original Message-----
From: Sudip Ghosh <sudip.ghosh@rpsg.in>
Sent: 28 December 2020 14:41
To: sayak.chatterjee@rpsg.in; abheek.mazumdar@rpsg.in
Cc: debabrata.bhattacharya@rpsg.in
Subject: FW: NATIONAL SECURITIES CLEARING CORPOR - 57500000166548

-----Original Message-----
From: Enetadvicemailing@hdfcbank.net <Enetadvicemailing@hdfcbank.net>
Sent: 28 December 2020 14:32
To: sudip.ghosh@rpsg.in
Subject: NATIONAL SECURITIES CLEARING CORPOR - 57500000166548

Dear Sir/Madam,

1073 - 012281172543

This is a System generated automatic E-Mail Message. Please do not reply.

PAYMENT ADVICE

NATIONAL SECURITIES CLEARING CORPOR

C/O NATIONAL SECURITIES CLEARING CO,EXCHANGE PLZ PLT NO C/1 G BLK,BANDRA KURLA CMPLX

BANDRA E

MUMBAI

400051

Beneficiary's Name	:CESC LIMITED
Beneficiary's Code	:IS_CESC
Beneficiary's Address	:
Client Ref No	:1073
Date	:28/12/2020
Bank Reference No	:012281172543
UTR Number	:HDFCR52020122865679188

We have initiated a credit to the Account Number 000605029831 for the amount of Rs.2000000000 through RTGS for the below mentioned details.

IFC Code	:ICIC0000006
Micr Code	:
Beneficiary Bank Name	:ICIC
Beneficiary Brn Name	:
Payment Details 1	:
Payment Details 2	:
Payment Details 3	:
Payment Details 4	:
Payment Details 5	:
Payment Details 6	:
Payment Details 7	:

This is Computer generated advice. Does not require any signature.

NSE

National Stock Exchange Of India Limited

Ref.: NSE/LIST/3196

December 29, 2020

The Company Secretary
CESC Limited
CESC House,
Chowringhee Square,
Kolkata - 700001

Kind Attn.: Mr. Subhasis Mitra

Dear Sir,

Sub: Listing of Non-convertible Debentures issued by CESC Limited.

This has reference to your application for listing of Secured, Redeemable, Non-cumulative, Taxable, Non-convertible Debentures issued by CESC Limited.

In this connection, we are pleased to inform you that the securities as specified in the application are duly listed on the Debt segment with effect from December 29, 2020 and all members have been suitably informed as per details given below:

Sr. No.	Description of Security	Security Type	Security	Issue	No. of securities	Face Value	Maturity Date	ISIN
1	CESC Ltd T-bill linked 2023	CF	CESC23	RESET	2000	1000000	07-Dec-2023	INE486A07267

Kindly submit the Trust Deed for your Approved Debt Final Listing Application No 3196, as per the applicable regulations, within the prescribed timelines, through NEAPS at Debt -> Listing -> Private Placement -> NCDs -> Final Listing to Trust Deed.

If you require any further clarifications, we shall be glad to oblige.

Yours faithfully,
For National Stock Exchange of India Limited

Priya Iyer
Manager

This Document is Digitally Signed

Signer: Priya Ranjith Iyer
Date: Dec 29, 2020 20:01:14 IST
Location: NSE

S. S. D. & Associates
Chartered Accountants

C/17, New Garia Housing Co-operative Society
KOLKATA-700 094

Chartered Accountant Certificate

IDBI Trusteeship Services Limited (the "**Debenture Trustee**"),
Ground Floor, Asian Building,
17, R Kamani Road, Ballard Estate, Fort,
Mumbai - 400001

We have examined the books of account of CESC Limited having its registered office at CESC House, Chowringhee Square, Kolkata - 700001 ("the Company") and as per information and explanation given to us we certify that the Company has issued 2000 secured, redeemable, rated, listed, non-convertible debentures of face value INR 10,00,000 aggregating upto INR 200,00,00,000 (Rupees Two Hundred Crore Only) (basic issue size upto Rs 25 crore with an option to retain oversubscription upto Rs 175 crore) vide its Information Memorandum dated 24th December 2020, subscribed by Citibank NA and the same has been utilized by the Company for long term working capital purpose.

Santanu Sahu
Proprietor
S.S.D. & Associates
Chartered Accountants
FRN: 322045E
Membership No: 300-52774
UDIN: 21052774AAAAFK4176

S. S. D. & Associates Kolkata Chartered Accountants

Dated,
C/17, New Garia Housing Co-operative Society
Kolkata – 700 094

The 20th day of January, 2021

The Institute of Chartered Accountants of India
(Set up by an Act of Parliament)

Unique Document Identification Number(UDIN) for Practicing Chartered Accountants

Generate UDIN | Bulk UDIN for Certificates | List UDIN | Search | Change Password | Revoke/Cancel UDIN

FAQs | Logout

You have logged in as: CA SANTANU SAHU (052774)

Last login: 20/01/2021 | 17:23:41

UDIN GENERATED

Your document has been submitted successfully.

Unique Document Identification Number (UDIN) for this document is **21052774AAAAFK4176**

GENERATE ANOTHER UDIN

EXIT/LOGOUT

Annexure - F

ICICI Lombard General Insurance Company Ltd.
ICICI LOMBARD HOUSE , 414, Veer Savarkar Marg,
Near Siddhi Vinayak Temple,Prabhadevi,Mumbai - 400 025.
Attached & forming part of
Policy no.1012/200692323/01/000

ICICI Lombard General Insurance Company Ltd.

COMPREHENSIVE MEGA RISKS POLICY

INSURED: M/s. CESC Limited

Budge Budge Generating Station (BBGS), P.O – Pujali, Budge Budge, South 24 Parganas
Pin – 700138 West Bengal

POLICY NO: 1012/200692323/01/000

PERIOD OF INSURNCE: 1st June 2020- 31st May 2021

Insurer:
ICICI Lombard General Insurance Company Ltd

IN CONSIDERATION OF AND SUBJECT TO

M/s. CESC Limited

(Hereinafter called the Insuring Party) named in The Schedule hereto having paid to

ICICI Lombard General Insurance Company Limited

(Hereinafter called The Insurer or Company)

the Premium mentioned in The Schedule, The Insurer agrees subject to the terms, definitions, warranties, exclusions, provisions and conditions contained or endorsed or otherwise expressed herein and covering the interest of The Insured in the property at the Premises described in The Schedule for the purpose of the business

THAT if any of the property or any part thereof used by The Insured at the Premises described in The Schedule for the purpose of the Business, is accidentally physically lost or destroyed or damaged during the Period of Insurance, the Business carried out by The Insured at the Premises be in consequences thereof interrupted or interfered with,

THEN THE INSURER WILL INDEMNIFY THE INSURED

in the manner and to the extent stated in the following Section(s) forming part of this Policy of Insurance:

INSURING AGREEMENTS:		YES	NO
Section I :	All Risk (Non-Marine) Property	Y	-
Section II :	All Risk Machinery Insurance	Y	-
Section III :	All Risk Operational Business Interruption (Including MLOP)	Y	-

The insurance cover provided by this Policy of Insurance is only in respect of and subject to the wording of those Sections to which The Schedule and the table of Insuring Agreements has been completed and which have been signed and dated by The Insurer.

The Insuring Party acknowledges that it has ensured and shall continue to ensure that all parties named as insured in any Section of this Policy of Insurance disclose to it all information required to be provided to The Insurer and shall at all time comply with any obligations which are placed upon The Insured by any provision of this Policy of Insurance.

The due observance and fulfilment of the terms of this Policy of Insurance insofar as they relate to anything to be done or complied with by the Insuring Party and The Insured and the truth of the statements and answers given by or on behalf of The Insured in the Proposal as well as any statements in The Schedules to any Section of this Policy of Insurance shall be a condition precedent to any liability on the part of The Insurer.

No alteration of the terms of this Policy of Insurance which may be agreed as between the Insuring Party and The Insurer shall require the agreement or consent of any other party constituting The Insured under any section.

This Policy of Insurance shall be construed in accordance with the laws of **INDIA**

The Language of Communication under this Policy of Insurance shall be **ENGLISH**

A.1. THE SCHEDULE

POLICY NUMBER:	**1012/200692323/01/000**
The Insurer	**ICICI Lombard General Insurance Company Ltd**

Company	Share Percentage
ICICI Lombard General Insurance Company Ltd.	65 %
National Insurance Company Ltd	10 %
Reliance General Insurance Co Ltd	5 %
Bajaj Allianz General Insurance Co Ltd	7 %
Tata AIG General Insurance Co. Ltd.	3 %
New India Assurance Co Ltd	3 %
United India Insurance Co Ltd	1 %
HDFC ERGO General Insurance Company ltd.	1 %
SBI General Insurance Company ltd.	5 %

PERIOD OF INSURANCE:	12 Month with effect from 01st June – 2020	Time: 00:00 HR.
	Until 31st May -2021	Time: Mid Night 24:00 HR.

RISK LOCATION	Budge Budge Generating Station (BBGS), P.O – Pujali, Budge Budge, South 24 Parganas, Pin – 700138, West Bengal
THE BUSINESS:	Electric Generation Stations 3 x 250 MW- Thermal Power Plant

THE PREMISES - Territorial Limits of Property:	Plant Capacity - 750 MW (3 x 250 MW). Budge Budge Generating Station (BBGS), P.O – Pujali, Budge Budge, South 24 Parganas, Pin – 700138, West Bengal
Geographical Limits for Inland Transit and Temporary Removal only	Within Indian Sub- Continent

A.1.1. Limits of Liability

Unless specified differently, all amounts are stated in Currency [**INR**]

Basic Cover	Sum Insured (INR)
Material Damage	62,30,00,00,000
Machinery Breakdown	40,95,00,00,000
Business Interruption (Including MLOP) Indemnity Period -12 months	5,64,00,00,000
Terrorism(As per Indian Terrorism Pool)	INR 20,000,000,000/- Per Location(MD+BI)

Detailed Sum insured break up mentioned in annexure.

Sum Insured Breakup

Particulars	Sum Insured In Crs
Building	356
P&M	4095
Elect. Installation	174
Stock	213
Transmission & Distribution Lines	1392
Total PD Sum Insured	6230

A.1.2. Deductibles

Section	Deductibles
MD SECTION	• 5% of claim amount subject to minimum of INR 1.25 Crs for each and every loss.
BI SECTION INDEMINITY PERIOD: 12 Months	• FLOP: 30 days of Standard gross profit • MLOP: 45 days of Standard gross profit

TERRORISM(As per Indian Terrorism Pool)	• For material damage :- 5% of the claim amount for each and every claim/loss amount subject to minimum of INR 100,000 and maximum of INR 25,00,000 • For Loss of Profit :- In any one occurrence of loss or damage, the Company shall not be liable for the amount obtained by multiplying seven (7) days standard turnover with rate of gross profit.

- Premiums, Deposit Premiums and Premium Rates:

Particulars	**(Deposit) Premium Currency [INR]**
Total Premium excl. GST	9,15,51,332
Add.: GST @ 18%	1,64,79,240
Total Premium incl. GST	10,80,30,572

Additional Conditions and warranties:-

Add Ons-Material Damage	**Sub Limits**
Civil Authorities / Public Authorities / Local authorities' clause	Agreed upto INR 5 Crs EEL & In Aggregate
Solicitor's and Professional fees.	INR 5 Crs EEL & In Aggregate
Deliberate Damage.	INR 5 Crs EEL & In Aggregate
Demolition and Increased Cost of Construction	INR 5 Crs EEL & In Aggregate
Expediting expenses	INR 5 Crs EEL & In Aggregate
Immediate Repair.	INR 5 Crs EEL & In Aggregate
Restoration of Computer Record, Plans and Document	INR 5 Crs EEL & In Aggregate
Startup/ Shutdown expenses	10 crs AOA and Rs. 50 Crs in the aggregate.
Transmission & Distribution lines	Rs 100 Crores (MD + BI combined)
Earthquake Fire & Shock.	Full Sum Insured
Designation of Property Clause.	Agreed
Reinstatement Value clause.	Agreed
Expenses for Loss Minimization	INR 5 Crs EEL & In Aggregate
Architect's Surveyor's and Consulting Fees	INR 5 Crs EEL & In Aggregate
Spontaneous combustion for coal	Rs 50 Cr AOA and in the aggregate
Escalation	Upto 5% excl. stocks
Additional Customs Duty	INR 5 Crs EEL & In Aggregate
Sprinkler Upgrading Cost	INR 5 Crs EEL & In Aggregate
Coinsurance Clause.	Agreed
New Business Claims	Agreed

Omission to Insured Addition, Alteration or Extensions	5% of BMA SI
Removal of Debris Clause	Upto Rs 25 Cr AOA and in the aggregate.
Machine Warranty Clause	Agreed
Minor Works	INR 5 Crs AOA/AOY
Property plant Testing & Commissioning clause.	Agreed
Underinsurance waiver	15% of MD SI
Temporary Removal (including stock)	Rs.50 Cr AOA : AOY Territorial limit within India.
72 hours clause	Agreed
Property and consignment held in care, custody & control –	Rs. 20 Cr AOA and in the aggregate-Covered if included in sum insured
Technological Advancement Cover	upto 25 Crs AOA:AOY
Inland Transit	Rs 15 crs per sending limit & In Aggregate only for machineries sent for repairing/renovation.
Foam Consumption & Fire Extinguishing expenses.	Rs. 5 Crs AOA and in the aggregate
RSMD coverage	Agreed
Obsolete Parts Coverage	Rs. 5 Crs AOA and in the aggregate
Demurrage Charges	Rs. 5 Crs AOA and in the aggregate
Exploratory Cost	Agreed upto INR 5 Crs EEL & In Aggregate
Claims Preparation Cost (MD+BI)	Agreed Upto INR 5 Crs EEL & In Aggregate
Capital Additions Clause	Agreed. Premium to be charged on Pro Rata Basis
Outage Clause	Agreed
Nominated Adjusters Clause	Agreed
Foreign Technician's Fees & Expenses Clause	Rs. 5 Crs AOA and in the aggregate
Add ons- Business Interruption	
Customer/Supplier's Premises Extension	As per wordings mentioned below
Public Utility Extension	10% of BI SI - As per wordings mentioned below
Aggravation Clause (Under BI Section).	Agreed
Prevention of Access	As per wordings mentioned below
Delayed Indemnity Clause (BI)	Agreed
Additional increased cost of working (BI)	10% of BI SI max. upto INR 5 Crs EEL and in aggregate
Difference Clause	Agreed
Contribution Clause	Agreed
Loss Payee Clause	Agreed
Departmental clause (BI Add-on)	Agreed
Auditor's clause (BI Add-on)	INR 5 Crs EEL & In Aggregate

Alternative basis clause. (BI Add-on)	Agreed

Contingent Business Interruption Extension (Restricted to onshore customers/suppliers/public utilities):

1. Prevention of access with maximum limit of 28 days (over & above the policy time excess) and with maximum radius of 5 kilometers from insured premises & only inland. Coverage under this section shall extend to include loss or reduction resulting from cessation, interruption, interference or inhabitation to the business as consequence of physical destruction of or damage to property belonging to the Insured or property within a radius of 5 kms from the insured premises (inland only) which prevents or hinders the use of or access to the premises (excluding port blockage).

2. Suppliers and/or customers and/or utilities extension up to first tier or direct Suppliers/customers/public utilities.

3. Premises of Named customers & suppliers for a maximum limit of 20% of the limit of indemnity (Business Interruption Sum Insured/ Loss Limit) AOA : AOY-1:1. Coverage to be restricted to FLEXA perils for overseas customer/suppliers, whereas coverage to be restricted to FLEXA and AOG perils for Domestic customer/suppliers.

4. Premises of Un-named customers & suppliers located in India, for a maximum limit of 10% of the limit of indemnity (Business Interruption Sum Insured/ Loss Limit) AOA:AOY-1:1 and coverage restricted to FLEXA perils only. No cover for unnamed suppliers/customers located overseas.

5. Public utilities for a maximum limit of 10% of the limit of indemnity (Business Interruption Sum Insured/ Loss Limit) AOA:AOY-1:1. Coverage to be restricted to the terminal ends of the utilities.

6. The limits specified above are in aggregate across all onshore customers/suppliers/public utilities respectively.

7. Assets like pipelines, transmission & distribution lines, cables, etc. extending beyond the suppliers d/ or customers and/ or utilities premises are excluded from coverage.

Special Condition:

- Transmission / interconnection lines, running between the power plant and the point of connection to the host energy distribution company is covered upto a maximum of loss limit of Rs.100 Crore (100% basis and PD / BI combined) AOA and AOY during the policy period.
- Exposure to Wet risks / Marine properties up to 5% of Sum Insured (Property Damage and Business Interruption combined) is covered subject to maximum limit of INR 5,000 million (Property Damage and Business Interruption combined). The coverage is for Non-Marine perils (Fire, EQ, etc.).

ICICI Lombard General Insurance Company Ltd.
ICICI LOMBARD HOUSE , 414, Veer Savarkar Marg,
Near Siddhi Vinayak Temple,Prabhadevi,Mumbai - 400 025.
Attached & forming part of
Policy no.1012/200692323/01/000

Condition for Transmission & Distribution lines

This insurance does not cover any loss of, destruction of or damage to any kinds of above or below ground conductors (e.g. transmission and distribution lines) including wires, cables, poles, scaffolding, pylons and masts or any property forming a part thereof or connected therewith and including substations and transformer stations unless such conductors for which the insured carries the risk are located no further than 1,500 feet from an insured plant of the insured.

This exclusion also applies to any consequential losses, time element losses or business interruption losses resulting therefrom including but not limited to increased cost of working.

This exclusion includes but is not limited to conductors for the transmission or distribution of electrical energy, telephone or telegraphic signals, and all communication signals whether audio or visual.

It is, however, understood and agreed that this exclusion shall not apply to:

- Cellular Network Package policies other than any network with physical connections like optical fiber cables
- Captive Power Plants
- Transmission/ interconnection lines, running between a power plant and the point of connection to the host energy distribution company, up to a maximum loss limit of INR 1,000,000,000 (100% basis and PD / BI combined). It is understood that the policy loss limit of INR 1,000,000,000 is any one accident and aggregate during the policy period is applicable only for Power generation plants
- MD cover for Substations of power companies involved in distribution of Power is allowed for property located on premises owned and /or controlled and/or managed by the Insured.
- Transmission & Distribution lines of standalone power distribution and/or transmission companies are completely excluded.

List of Exclusions:

1. Sanction Limits and Exclusion Clause
2. Political Risk Exclusion
3. Nuclear Energy Risk Exclusion Clause
4. Testing and Commissioning
5. Total Asbestos Exclusion Clause
6. Electrical Data Recognition Clause
7. Information Technology Clarification Agreement
8. Radioactive Exclusion
9. Cyber Risk Exclusion Clause
10. Penalty Clauses
11. Communicable Disease Exclusion

Bankers Details:*

	Name of Financers
1	Standard Chartered Bank
2	Standard Chartered Bank, London
3	Allahabad Bank
4	Andhra Bank
5	Axis Bank Limited
6	Bank of Baroda
7	Central Bank of India
8	Citibank N.A
9	DBS Bank Limited
10	HDFC Bank Limited
11	ICICI Bank Limited
12	IDBI Bank Limited
13	IDFC First Bank Limited
14	Indian Overseas Bank
15	IndusInd Bank Limited
16	Karnataka Bank Limited
17	Kotak Mahindra Bank Limited
18	Punjab and Sind Bank
19	Punjab National Bank
20	RBL Bank Limited
21	State Bank of India
22	UCO Bank
23	Union Bank Of India
24	United Bank Of India
25	Yes Bank Limited

ICICI Lombard General Insurance Company Ltd.
ICICI LOMBARD HOUSE , 414, Veer Savarkar Marg,
Near Siddhi Vinayak Temple,Prabhadevi,Mumbai - 400 025.
Attached & forming part of
Policy no.1012/200692323/01/000

The stamp duty of Rs. 0.50/- (Fifty Paise Only) paid in cash or by demand draft or by pay order,vide Receipt/Challan No.CSD14202013942020 dated 26th MAY 2020.

Signed for and on behalf of ICICI Lombard General Insurance Company Limited, at Mumbai on this date JUNE 25, 2020.

Authorised Signatory

GSTIN Reg No: 19AAACI7904G1ZK
ILGIC GSTIN Address :Seventh Floor, Apeejay House, 15 Park Street, Kolkata, West Bengal 700016.
Description of services: General Insurance Business
HSN/SAC : 9971
Policy shall stand cancelled ab initio in the event of non-realization of the premium.

“Note- In case of renewal of the policy, policy benefit and terms & conditions of policy including premium may be subject to change.”

Definitions applicable to all Sections

The terms listed below and used in this Policy of Insurance shall have the following meanings unless they are defined differently in any Section hereof or the context so requires.

Act of default	Means a deliberate act regardless of whether the actual consequences of such an act were anticipated or not or a reckless failure to take the reasonably necessary precautions which a prudent insured would take to prevent loss or damage to the property insured or any deliberate act of material non-disclosure or breach of any warranty or condition of this Policy of Insurance.
Act(s) of God	Means an occurrence due to natural causes, directly and exclusively without human intervention and which could not have been foreseen or if foreseen, could not have been resisted by any amount of human care or skill.
Actual Cash Value	Means the cost which in the event of loss or damage to any item or part of the property insured would be necessary to replace it with one of the same age and capacity and similar make and quality, inclusive of all materials, wages, freight, customs, duties and dues.
Additional Insurance Cover	Means any Additional Insurance Cover The Insured may decide to take out in any Section of this Policy of Insurance.
Consequential Loss	Means any financial loss of any kind or description whatsoever, including penalties, loss of profit, loss of opportunity, losses due to delay, lack of performance or loss of contract.
Deductible	Means the amount to be deducted from any payment otherwise to be made by The Insurer to The Insured.
The Insured	Means all the parties named as The Insured in a Section of this Policy of Insurance and if the context so requires any one of them.
The Insurer (or Company)	Means the party (ies) named as such in this Policy of Insurance. If there is more than one Insurer/Company, each Insurer/Company shall be separately liable only to indemnify The Insured for that proportion of any claim as set out in The Schedule at the end of this Policy of Insurance and the expression “The Insurer” is used for each Insurer/Company separately, unless a Lead Insurer has been agreed upon and entered expressly in The Schedule.
Insurer’s agent	Means an individual, firm or company appointed by The Insurer to act on its behalf.
Insured Party(ies)	Means the individual, firm, company, corporation or joint venture specified as an Insured in this Policy of Insurance.
Insuring Party	Means the individual, firm, company, corporation, joint venture or combination of the above named as such in this Policy of Insurance that has entered into this Policy of Insurance on behalf of itself and any other party named as an insured in

	any Section in this Policy of Insurance.
Language of Communication	Means the language in which communication between The Insured and The Insurer under this Policy of Insurance shall take place.
Malfunction	Means the failure of a data processing system, software program or built-in microprocessor to function properly or the production of wrong results.
Material change in risk	Means any change in the nature, exposure, location, execution and maintenance of the property insured that a reasonably prudent insurer would consider material to the acceptance of the risk under the terms and conditions of this Policy of Insurance.
New Replacement Value	Means the costs, which would be incurred to replace the property insured at the Premises with new items of similar kind and quality at any time during the Period of Insurance.
Period of Insurance	Means the period during which cover is provided by this Policy of Insurance as specified in The Schedule.
Policy of Insurance	Means the Proposal, the definitions, the conditions, the exclusions, The Schedule and the Sections of this Policy of Insurance.
Premises	Means the location(s) of the property insured.
Premium	Means the Premium payable under this Policy of Insurance calculated in accordance with its terms.
Premium Rate	If applicable, means the rate referred to as such in The Schedule agreed between the Insuring Party and The Insurer.
Property Insured	Means the Property Insured as specified in The Schedule to this Policy of Insurance.
Proposal	If applicable, means the written information submitted to The Insurer by the Insuring Party seeking insurance cover under this Policy of Insurance.
Representatives	Means the directors, officers or any other individuals that have the authority to exercise administrative or executive control over the execution of a contract or over an operation or business.
The Schedule	Means The Schedule to the section(s) of this Policy of Insurance in which reference is made to it.
Section	Means any Section of this Policy of Insurance including The Schedule thereto.
Sum(s) Insured	Means the amount of insurance cover specified in The Schedule in respect of any particular item of Property Insured or interest insured or the total amount of insurance cover specified in The Schedule as the context may require.

A.2. POLICY OUTLINE

COVERAGE: This Policy consists of coverage summarised in The Schedule and detailed in Section I, Section II, Section III, General Conditions, General Exclusions, Specific Conditions and Specific Exclusions, which form the Policy and are attached hereto. The following summary of the scope of cover is for information purposes only, without restricting or widening the cover described in the individual sections, any claim for completeness or assuming liability:

POLICY SECTIONS: Section – I: All Risks of Physical Loss or Damage / (Non–Marine) Property

All (non – marine) property of The Insured and/or held by them in trust and/or on commission and/or in joint account with others and/or for which they have an insurable interest in case of loss or damage covered under this Policy, whilst contained in The Insured's Premises as specified in The Schedule and in all other Premises of The Insured or whilst at contractor's Premises as specified in The Schedule.

Section – II: All Risks of Physical Loss or Damage / Machinery Insurance

All Machinery and Equipment including electrical or electronic machinery of The Insured's–plants including spare parts with no specification being the property of The Insured and all–machinery and equipment in which The Insured has an insurable interest in case of loss or damage covered under this Policy, whilst contained in The Insured's Premises and elsewhere as specified in The Schedule

Section – III: ALL RISK OPERATIONAL BUSINESS INTERRUPTION

To indemnify The Insured in respect of Loss of Gross Profits the loss actually sustained during the indemnity period resulting from a reduction in turnover including any increased cost of working due to an interruption of The Insured's business following loss or damage to any property and / or assets insured and recoverable under Section I, & II.

A.3. GENERAL CONDITIONS (APPLICABLE TO ALL SECTIONS)

A.3.1. Several Liability Notice

The Insurer(s) is(are) the company or companies named in The Schedule; if there is more than one company, each company shall be separately liable only to indemnify The Insured for that proportion of any claim as set out in The Schedule of this Policy of Insurance.

A.3.2. DUE DILIGENCE

It is agreed by the insured that during the continuance of this policy the machine(s) shall be maintained in good working order and not wilfully operated beyond safe limits except as permitted by the manufacturers or by judgment of a competent engineer and that Government or other regulations relating to the condition, operation or inspection of machine(s) are observed. The Insured agree to forward to the insurer copies of such inspection reports whenever required to do so by the insurer.

A.3.3. REPAIRS

In the event of a breakdown of any Property Insured likely to give rise to a claim hereunder, the insurer shall have the right to take over and control all necessary repairs to be completed to the satisfaction of the insured.

A.3.4. REMOVAL

Such insurance as is afforded under this Section of the policy shall also apply while the property Insured is being removed because of imminent danger of loss or damage.

A.3.5. RIGHT OF INSPECTION

The Insurers' officials shall at all reasonable times have the right of access to the premises in which the machines are situated provided they comply with all reasonable site access requirements.

A.3.6. Policy Interpretation, Rights and Obligations

A.3.6.1. Identification

This Policy of Insurance and The Schedule (which forms an integral part of this Policy) shall form the entire agreement between The Insurer and the Insuring Party and any party claiming as an insured and shall be read together as one contract and words and expressions to which specific meanings have been attached in any part of this Policy or of The Schedule shall bear such specific meanings wherever they shall appear.

This Policy of Insurance supersedes and replaces all prior communications, representations, warranties, undertakings and agreements between the parties whether oral or written.

A.3.6.2. Order of Precedence

It is understood and agreed that all printed clauses referred to herein apply insofar as they do not conflict with the typewritten wording of this Policy, the typewritten wording of this Policy taking precedence and the typewritten wordings / handwritten wordings, if any, shall be paramount.

A.3.6.3. Captions, Headings and Language

It is hereby understood and agreed that the captions and headings of the clauses are inserted herein for reference purposes only and are not part of the clauses to which they refer, the language of this Policy is deemed to be that of Insurers, i.e. English.

A.3.6.4. Assignment

Assignment or transfer of this Policy shall not be valid without the written consent of The Insurer.

A.3.6.5. Designation of Property Clause

For the purpose of determining, where necessary, the item under which any property is insured, The Insurer agrees to accept the designation under which the property has been entered in The Insured's books

A.3.6.6. Additional Insured (to be named in The Schedule)

It is understood and agreed that any individual, firm, corporation and/or its joint ventures, for whom or with whom The Insured may be operating is hereby named as additional Insured in The Schedule when required by contract, or as required. It is further understood and agreed that in the event there is any violation of the terms and conditions of this insurance by one Insured, it shall not affect the rights of other Insureds; including interest of mortgagees and notice of assignment in respect thereof.

A.3.6.7. Multiple Insured Clause

If in any Section The Insured comprises of more than one party each operating as a separate and distinct entity, this Policy of Insurance shall, unless otherwise provided for in this Policy of Insurance, apply as if a separate policy had been issued to each of these parties provided always that The Insurer's overall liability towards the parties that constitute The Insured in any Section shall not exceed the Sum Insured and any limits of indemnity specified in The Schedule to that section.

Any payment made by The Insurer to any Insured Party as a result of an occurrence of loss or damage shall reduce, by the amount of that payment, The Insurer's liability towards all Insured Parties that constitute The Insured arising from that occurrence under this Policy of Insurance.

A.3.6.8. Information rights of The Insurer and Confidentiality Agreement

The Insurer shall be permitted but not obligated to inspect The Insured's property and operations at any reasonable time, and The Insured shall provide The Insurer with all relevant details and information.
Neither the right to make inspections nor the making thereof nor any advice or report resulting there from shall constitute an undertaking on behalf or for the benefit of The Insured or others to determine or warrant that such property or operations are safe and healthy or are in compliance with a law, rule or regulation.
The Insurer will maintain confidential any information obtained under this Policy and not use such information except for the purposes of the Policy.

A.3.6.9. Premium payment

The required cover for which Premium was sought shall not be available to The Insured until such date that the Premium is paid by the Insuring Party and it is understood that payment of the Premium is a condition precedent to The Insurer's liability towards any Insured Party under any Section of this Policy of Insurance. Cover as agreed under this Policy would incept from the date of payment of the required Premium. The Insurer shall not be liable to indemnify The Insured or any Insured Party in respect of any occurrence happening prior to receipt of the Premium.

A.3.6.10. Sum Insured

It is a requirement of this Policy of Insurance that the sum(s) insured specified in The Schedule in respect of the Property Insured shall not be less than the New Replacement Value of such property.

A.3.6.11. Escalation (applied to Sections I)

It is hereby agreed and understood that subject otherwise to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon and subject to the Insured having paid the additional premium,

On the under noted items(s) the Sum(s) Insured thereby shall, during the period of insurance, be increased each day by an amount representing 1/365th of the specified percentage increase per annum.

Specified percentage increase per annum: 5%

Unless specifically agreed to the contrary the provisions of this clause shall only apply to the sums insured in force at the commencement of each period of insurance.

At each renewal date the insured shall notify the Company:-

(i) the sums to be insured under each item above, but in the absence of such instructions the Sums Insured by the above items shall be those stated on the Policy (as amended by any endorsement effective prior to the aforesaid renewal date) to which shall be added the increases which have accrued under this Clause during the period of insurance upto that renewal date, and

(ii) the specified percentage increase(s) required for the forthcoming period of insurance, but in the absence of instructions to the contrary prior to renewal date the existing percentage increase shall apply for the period of insurance from renewal.

A.3.6.12. Cancellation

Cancellation if initiated by insured, the insurer will retain minimum premium as per short period scale and will refund the balance amount. If cancellation has been initiated by insurer then refund of premium shall be on pro-rata basis for the unexpired term of the policy.

Where a policy is cancelled and rewritten midterm purely for the purpose of coinciding with the accounting year of the insured, pro-rate refund of the cancelled policy premium will be allowed. If the cancellation is for any other purpose, refund of premium will only be allowed after charging short term scale rates. Note: The definitions, terms and conditions of the Policy save as modified or endorsed herein shall apply.

Incase of realignment of policy wherein the policy is replaced by a new annual policy covering the identical property, refund of premium shall be subject to the prevalent GIC regulations/guidelines.

A.3.6.13. Expiration

If this policy should expire or be cancelled while an insured event affecting the Property Insured is in progress, it is understood and agreed that Insurers, subject to all other terms and conditions of this Policy, are responsible as if the entire loss had occurred prior to the expiration of this insurance.

A.3.6.14. Fraud and forfeiture

If an Insured Party makes any claim that is fraudulent or any false declaration or statement in support thereof, this Policy of Insurance between The Insurer and The Insured Party making such a claim shall become void and The Insurer shall not be liable to make any payment hereunder to that party.

For the avoidance of doubt, the Insuring Party shall not be entitled to any return of Premium in the event that the Policy of Insurance is treated as void.

A.3.6.15. Mis-description

If there be any material misdescription by The Insured or any one acting on his behalf of any of the property hereby insured, or of any place in which such property is contained, or of the business or Premises to which this insurance refers or any misrepresentation as to any fact material to be known for estimating the risk or any omission to state such fact, The Insurer shall not be liable under this Policy for the property affected by any such mis-description, misrepresentation or omission.

A.3.6.16. Non-Disclosure

It is also understood and agreed that this Policy shall be voidable in case of non-disclosure of material facts of The Insured.

A.3.6.17. Act of default (Breach of Conditions)

In the event of an Act of default being committed by an Insured Party or its Representatives the Insurer shall not be liable to pay any amount to the Insured Party under this Policy of Insurance.

An Act of default committed by one Insured Party or its Representatives shall not prejudice the entitlement to indemnity of any other Insured Party that has not itself (and whose Representatives have not) committed an Act of default.

In the event of The Insurer refusing to indemnify an Insured Party as a result of any Act of default no other Insured Party shall be entitled to indemnity in respect of the same loss or damage by assuming the rights or obligations of the Insured Party whose claim for indemnity The Insurer has refused or is entitled to refuse.

In the event of an Act of default The Insurer shall be entitled to claim from the Insured Party any loss or damage it may have suffered including, without limitation, any sums it may have paid to any other Insured Party as a result of any loss or damage caused or contributed to by the Insured Party or its Representatives committing an Act of default.

A.3.6.18. Material Change

As soon as is reasonably possible, any party named as the insured in any Section of this Policy of Insurance shall notify the Insuring Party of any Material change in risk of which it is aware or ought reasonably to be aware and shall take or cause to be taken at its own expense any additional precautions that may be necessary to prevent loss or damage occurring to the Property Insured as a result of such Material change in risk.

The Insuring Party shall immediately notify The Insurer in writing upon receipt of any notice from the insured.

The Insurer shall not be liable for any loss of or damage to Property Insured which would not have resulted had there not been a Material change in risk unless the Insurer has agreed to the Material change in risk in which case the scope of cover and Premium shall, if necessary, be adjusted by The Insurer to reflect the Material change in risk.

A.3.6.19. Reasonable precautions

The Insured shall take at his own expense all reasonable precautions, maintain the property in a proper state of repair and comply with all reasonable recommendations made by The Insurer, to prevent loss of or damage to the Property Insured or any liability arising under this Policy of Insurance and comply with all relevant statutory requirements.

A.3.6.20. Preventive Maintenance

It is a condition of this Policy that the Insured takes all reasonable steps to inspect and maintain the Property Insured. Any plant, machinery or equipment forming the Property Insured shall be inspected and maintained in accordance with the recommendations of the suppliers or manufacturers of such plant, machinery or equipment. Such inspection and maintenance shall include safety checks, preventive inspection and maintenance, rectification of loss or damage or faults arising from normal operation or wear and tear as well as from ageing, and shall also include the repair or preventive replacement of components modules or parts. The Insured shall fully observe the government and all other binding regulations in force concerning the working of the Property Insured and shall see to it that the machinery is under the supervision of competent personnel.

A.3.6.21. Clarification Agreement

Property damage covered under this Agreement shall mean physical damage to the substance of property.

Physical damage to the substance of property shall not include damage to data or software, in particular any detrimental change in data, software or computer programs that is caused by a deletion, a corruption or a deformation of the original structure.

Consequently the following are excluded from this Agreement:

(1) Loss of or damage to data or software, in particular any detrimental change in data, software or computer programs that is caused by a deletion, a corruption or a deformation of the original structure, and any business interruption losses resulting from such loss or damage. Notwithstanding this exclusion, loss or damage to data or software which is the direct consequence of insured physical damage to the substance of property shall be covered.

(2) Loss or damage resulting from an impairment in the function, availability, range of use or accessibility of data, software or computer programs, and any business interruption losses resulting from such loss or damage.

B. POLICY SECTIONS

B.1. SECTION I - ALL RISKS PHYSICAL LOSS OR DAMAGE – (NON-MARINE) PROPERTY

B.1.1. Insuring Clause

The Insurer agrees subject to the terms, definitions, warranties, exclusions, limits provisions and conditions of this Section and of the Policy as a whole to indemnify The Insured against:

All Risks of fortuitous and accidental physical loss or damage or destruction to the Property Insured occurring during the Period of Insurance, which results in Property Insured needing to be repaired or replaced, other than those specifically excluded:

B.1.2. Special Exclusions to Section I

This Section does not cover loss or damage to any Property Insured caused directly or indirectly by or in connection with or arising from or occasioned through:

(a) inherent vice, latent defect, wear and tear or gradual deterioration, leakage, seepage, pollution, contamination, overflowing of tank, smog or extremes or changes of temperature or humidity or to non-existing, non-functional or inadequate heating, air-conditioning or cooling equipment including operating error, condensation, excessive moisture, dampness of atmosphere, seepage, disease, deterioration, decay, mildew, mould, fungus, wet or dry rot, insect larvae or vermin of any kind, infestation

loss or damage by normal settling, shrinkage or expansion in buildings or foundations, other loss or damage of gradual nature, such as corrosion, erosion, cavitation, rust and scale, scratching of painted or polished surfaces,

unless fortuitous accidental loss or damage covered under this Policy of Insurance ensues to other Property Insured and only such ensuing loss will be covered under this Policy of Insurance or unless such loss or damage is a result of an occurrence of loss or damage otherwise indemnifiable under this section;

(b) infidelity or any dishonesty on the part of The Insured or any of his employees or others to whom the property may be delivered or entrusted, inventory shortage or unexplained disappearance;

(c) processing, renovating, repairing or faulty workmanship thereon unless fortuitous accidental loss or damage covered under this Policy of Insurance ensues and only such ensuing loss will be covered under this Policy of Insurance;

(d) go-slow, total or partial cessation of work,

The Insurer shall not be liable for

(e) loss of use, delay or loss of markets or Consequential Loss of any nature whatsoever or any costs to reduce it unless covered under Section III of the Policy of Insurance

(f) shrinkage, evaporation, loss of weight, leakage, breakage of glass or other fragile articles, marring, scratching, exposure of light, or change in colour, texture or flavour unless fortuitous accidental loss or damage covered under this Policy of Insurance ensues and only such ensuing loss will be covered under this Policy of Insurance;

(g) theft where Property Insured is left in the open and not contained in buildings on permanent foundations, unless storage of such item is normally in the open;

(h) release, discharge, or dispersal of toxic or hazardous substances, contaminants or pollutant, proximate or remote.

(i) loss or damage for which cover is afforded under Section II of this Policy of Insurance

B.1.3. Excluded Property

This Section does not cover:-

(a) aircraft, watercraft including floating equipment, ships and vessels, spacecraft and satellites, railway locomotives, rolling stock

(b) vehicles, construction plant and equipment other than those used within The Insured Premises and expressly defined in The Schedule

(c) money, stamps, cash, credit cards, cheques, securities or obligations of all kind, deeds or documents, evidence of debt or title, patterns, plans, designs, rare books, jewellery, precious stones, gems or metals, furs and garments trimmed with fur

(d) works of art, unless expressly specified in The Schedule;

(e) standing timber, growing crops, livestock and animals, landscaping, flora and fauna;

(f) land including topsoil, backfill or land values, water, roads, runways, transmission and distribution lines outside plant Premises beyond specified sub-limits, drainage and culverts, canals, dams, reservoirs, wells, pipelines outside plant Premises unless specifically included, tunnels, bridges, mining property, any property underground, drilling rigs, docks, piers, wharves, offshore property;

(g) explosives, refractory linings whilst in process, materials in process damaged by operational error and as a result of its undergoing any process, maintenance, repair or testing or any emergency shutdowns;

(h) Goods or property in transit other than within the Premises.

(i) Property of The Insured, which has been, transferred into the possession of others, under leasing or rental agreements, hire, purchase, credit or other suspensive sale agreements.

B.1.4. Special Conditions for Loss settlement under Section I

B.1.4.1. Costs of repair

In respect of the Property covered hereunder, all costs of repairs and/or replacement including leviable duty and taxes for which insurers may be liable shall be on the basis of New for Old at the place of loss without taking into account and / or giving effect to depreciation or technological, functional or economic obsolescence except as hereunder mentioned. The rate and charges applicable for utilisation of The Insured's owned or chartered vessels, crafts, equipment in the repair / replacement of a loss damage and the percentage of overheads thereon to be taken from the certified rates as arrived at by The Insured from time to time.

B.1.4.2. Reinstatement Value Conditions

At the option of the Insured in the event of loss or damage to the Property Insured the insurance benefits in respect thereof shall be based on the cost of replacing or reinstating The Insured property or other property as The Insured may require.

Provided that the liability of The Insurer shall not exceed the cost of replacing or reinstating the property with property of a substantially similar kind and type not being superior to or more extensive than The Insured property when new.

Subject to the following Special Provisions and the terms and conditions of the Policy except as varied hereby:

The replacement or reinstatement (which may be commenced and carried out upon another site and in any manner suitable to the requirements of The Insured or by other alternative real capital investment made for the benefit of the business subject to the liability of the Insurer not being thereby increased) shall be commenced and carried out within 12 months (twelve months) after the occurrence of the damage or within such further time as The Insurer may grant.

However payment will be made by The Insurer as if the reinstatement or replacement has been done within the said 12 months (twelve months) provided that a firm commitment is shown to The Insurer's satisfaction that the replacement or reinstatement will be eventually completed.

Until actual expenditure has been incurred by The Insured in replacing or reinstating The Insured property destroyed or damaged The Insurer shall not be liable for any amount in excess of the amount which would have been payable under this Policy had the memorandum not been incorporated herein but not less than two thirds of the new reinstatement value.

Should the property lost or damaged not be in current production then The Insurer's liability shall be limited to the full cost of replacing or reinstating property in current production most similar to the property lost or damaged.

The cost of reinstatement shall include the expenses of adapting the newly acquired property to the existing undamaged property including the replacement of property, which cannot be used as such as necessary to reinstate the operation of the plant unit process.

Where for any reason, it is not possible or if The Insured elects not to rebuild or replace, The Insurer will pay to The Insured the Actual Cash Value of the property at the time of Loss.

Where the repair or replacement of the damaged or lost Property Insured involves import into the country of The Insured property, the replacement value as aforesaid shall include actual Import Duty including, but not limited to basic duty, countervailing duty, special additional duty, surcharge and other additional duties or any monetary equivalent of liability undertaken or incurred in lieu thereof.

Claims are to be settled on selling price for Finished Goods (or Contract price if the Finished Goods are covered by Contract and if it is higher than market price) and replacement value on feedstock, chemicals, stores and spares and other insured stock and work in progress. Where Feed Stock Chemicals and Stores and Spares are not replaced by item of specification same as the one lost or damaged, but by an item of inferior quality / specification for operating reasons or other reasons, The Insured will be indemnified as if he had replaced like items which were lost or damaged, based on prices prevailing after the damage / loss. Any financial loss caused by the use of items of inferior quality is not covered.

With respect to catalysts lost or damaged, the basis of indemnity if cover is endorsed to this Policy of Insurance is the Actual Cash Value at the time of the loss as per endorsement.

Where the Assets damaged or lost are those for which The Insured is only contractually liable for maintenance, the basis of indemnity shall still remain the same as above, irrespective of any contract to the contrary.

B.1.4.3. Constructive total loss

In ascertaining whether the Property Insured hereunder is a Constructive Total Loss The Insured value, being part of the scheduled values hereon, shall be taken as the repaired value and nothing in respect of the damaged or break-up value of the Property Insured hereunder or the wreck thereof shall be taken into account.

There shall be no recovery for a Constructive Total Loss hereunder unless the expense, (including duties, taxes and freight / air freight as and if applicable) of recovering and repairing the Property Insured shall exceed 80% of The Insured value. Or in respect of individual item(s) included therein, 80% of the value included therein in respect of such item(s).

In no case shall The Insurers be liable for unrepaired damage in addition to a subsequent Total Loss sustained during the period covered by this insurance. The Insured shall not be prevented from recovering a Constructive Total Loss hereunder by reason of any provision(s) in permit, license, Government regulation, or similar circumstances beyond the control of The Insured, which may prevent The Insured from abandoning the subject matter(s) of this insurance to The Insurers. In accordance with the foregoing, The Insurers agree to waive notice of abandonment but notwithstanding anything to the contrary contained herein The Insurers shall be placed in the same position as if notice of abandonment had been given by The Insured and declined in the customary manner by The Insurer.

B.1.4.4. Unrepaired Damage

In event of the loss of or damage to an item insured hereunder which results in a decision by The Insured to either, not to replace or repair with a redesign or new design and where construction of the redesigned or newly designed item serving the same purpose of the lost or damaged items is actually commenced and no repairs (other than those required to make the items safe) or replacement are carried out to the item which sustained loss or damage, Insurers agree that The Insured shall be indemnified on the basis of the reasonable cost of repairs in respect of such loss or damage plus any amounts expended in making the item safe. Such reasonable cost of repair would be arrived at on the basis as mentioned in the Indemnification clauses “B.1.5.1. Cost of Repair” and “B.1.5.2 Reinstatement Value Conditions”

B.1.4.5. Limit of Liability

In no event shall The Insurer’s liability arising from any one accident or occurrence exceed the total value of Property Insured herein as per The Schedule.

B.1.4.6. Deductible

Each loss or series of losses shall be adjusted separately and from the amount of each such adjusted loss the sum stated as the Deductible in The Schedule shall be deducted.

B.2. SECTION II - ALL RISK MACHINERY INSURANCE

B.2.1. Property Insured

This Section insures the following property:

All Machinery and Equipment including electrical or electronic machinery of The Insured’s plants and spare parts with no specification being the property of The Insured and all machinery and equipment in which The Insured has an insurable interest in the Premises of The Insured and elsewhere as specified in The Schedule.

B.2.2. Insuring Clause

The Insurer agrees subject to the terms, definitions, warranties, exclusions, limits provisions and conditions of this Section and of the Policy of Insurance as a whole to indemnify The Insured against accidental physical damage to machinery and/or equipment insured caused by an Accident occurring during the Period of Insurance, which results in such machinery and/or equipment insured needing to be repaired or replaced.

Accident shall mean unforeseen and fortuitously manifested and/or occurred physical damage including Electrical Breakdown and Boiler Explosion to the machinery and/or equipment described above or thereof from any cause not excluded

(a) while it is at work or at rest or during testing

(b) while being dismantled for the purpose of cleaning, inspection and overhauling or removal to another position or in the course of these operations themselves or subsequent re-erection within the Premises of The Insured or elsewhere.

B.2.3. Excluded Property

This Section does not cover (unless otherwise expressly agreed in writing) any Accident or Damage to any of the following excluded property:

a)

- consumables, dies or exchangeable tools, moulds, engraved cylinders
- parts which by their use and/or nature suffer a high rate of wear or depreciation, e.g. refractory linings, crushing hammers, objects made of glass, belts, cables, ropes, chains, wires, rubber tyres and all non - metallic parts
- Operating media, e.g. lubricants, fuels, catalysts, batteries
- escape of water from water containing apparatus,

It is noted however that:

- this exclusion shall not be applicable when damage to these parts only is part of a loss and/or damage to an insured machine,
- this exclusion shall only refer to these parts and not to any resulting damage to the machinery insured under this Section of the Policy of Insurance;
- electrical cables and instrumentation cables are not excluded in this clause
- for the exceptions mentioned above this exclusion shall not exclude coverage under Section III arising as a result of such loss or damage.

(a) Mechanical, electrical and electronic equipment prior to the successful completion of their performance acceptance tests.

(b) Transmission and distribution lines outside insured plant Premises unless specifically covered in schedule

(c) Any property underground or offshore

(d) Property of The Insured, which has been, transferred into the possession of others, under leasing or rental agreements, hire, purchase, credit or other suspensive sale agreements.

B.2.4. Special Exclusions to Section II

This Section does not cover damage to any Property Insured under this Section caused directly or indirectly by or in connection with or arising from or occasioned through:

(a)

- wearing away or wearing out of any part of any Property Insured caused by or naturally resulting from ordinary use or work such as cavitation, erosion, corrosion, rust or due to any gradual deterioration caused by atmospheric conditions or due to other causes

- boiler scale, incrustation, deterioration, settling, gradual cracking, gradually developing deformation or distortion, scratching of painted or polished surfaces. but this exclusion shall be limited to the items immediately affected and shall not exclude liability for loss or damage not otherwise excluded to other parts of the Property Insured as a consequence thereof;

(b) any faults or defects existing at the time of commencement of this Policy of Insurance of which The Insured or his Representatives were or ought reasonably to have been aware, irrespective of whether such faults or defects were known to The Insurer or not;

(c) go-slow, total or partial cessation of work,

The Insurer shall not be liable for

(d) loss or damage caused by intentional overloading or experiments involving the imposition of abnormal conditions, except for conditions permitted by the manufacturers or by judgement of a competent engineer or where such conditions arise during normal periodic testing, including pre-commissioning start-up and commissions of Construction and / or erection Projects insured under this section.

(e) costs of maintenance, upgrade or improvement, normal upkeep

(f) loss of or damage to hired equipment for which the lessor is responsible either by law or ordinance or under any contract or agreement;

(g) Loss or damage for which the manufacturer or supplier of the property is responsible either by law or ordinance or under any contract or agreement.

This exclusion shall not apply to loss or damage caused in the course of reinstating or replacing an otherwise insured damage.

(h) any increase in the cost of replacement or repair due to enforcement of any ordinance or law;

(i) loss of use of any machinery, delay or loss of markets or Consequential Loss of any nature whatsoever or any costs to reduce it unless covered under Section III of the Policy of Insurance;

(j) Loss or damage for which cover is afforded under Section I of this Policy of Insurance.

B.2.5. Testing and Commissioning Clause

Acceptance of new property hereon - other than as provided under chapter A.6.5 (Capital Additions/ Newly acquired Property/Interests) - is subject to satisfactory completion of the following procedures:

Mechanical completion including testing.

(a) Testing and commissioning conforming to 100% (one hundred per cent) Contract Design to temperatures and pressures maintained by the entire plant in a stable and controlled manner for a continuous ongoing period of a minimum of 72 hours duration all as approved by The Insured and an engineer firm or licenser involved in said project or as per standard practice of the contractor or the licensor.

(b) Official acceptance by The Insured following formal handover without reservation or waiver of guarantee conditions to suppliers of equipment in respect of said mechanical specifications it being understood that no equipment faults or punch list items affecting mechanical integrity of the plant are outstanding and that no temporary structures and no modifications remain as shall be notified by The Insured

In the event that compliance with (a) and (b) above will be deferred upon mechanical completion and testing The Insured agrees to advise The Insurers in writing of such alternative procedures which will be adopted prior to the attachment hereunder of such new property

Notwithstanding the above, in respect of acquisitions exceeding the sum noted in The Schedule of property and plant hereon, these are to be agreed by Insurers. It is further noted and agreed that the terms and conditions are to be reviewed by Insurers.

The above provisions do not apply to normal routine, maintenance activities and scheduled turnarounds.

B.2.6. Special Conditions to Section II for Loss settlement

The basis of loss settlement under Section II of this Policy of Insurance shall be:

In case of loss or damage, the basis of adjustment unless otherwise endorsed thereon shall be the Replacement/Reinstatement Cost.

Replacement/Reinstatement Cost shall mean all expenses necessarily incurred to repair, rebuild or replace with new materials of like kind and quality including dismantling and re erection charges incurred for the purpose of effecting repair.

Replacement/Reinstatement Cost shall be determined based on the expense incurred as on the date of reinstatement of any loss or damage under this Policy.

The insured shall be entitled to receive monetary settlement hereunder based upon the actual reinstatement value provided the Insured shall provide all such information, as Insurers shall require in proof/evidence of the amount of loss.

In the event any property or interest or part thereof is replaced by any substantial design, material or workmanship involving an elected betterment, liability hereunder shall exclude the estimated additional cost of such betterment above the reproduction cost of the damaged property at the time of the settlement of the loss.

It is further noted and agreed that in the event of physical loss or damage to the property insured hereunder the insured, at their sole discretion, shall have the option to accept repair or replacement terms as offered by the Original Equipment Manufacturer (OEM) regardless of any other terms offered by other suppliers, manufacturers or fabricators. Provided always that the difference between the OEM quote and the lowest quote doesn't exceed 25% of the lowest quote and quotes are based on the same technological specifications.

Partial Loss

For damage which can be repaired, the cost necessarily incurred to restore the damaged item to its former state of serviceability plus the cost of dismantling and re-erection incurred for the purpose of effecting the repairs as well as ordinary freight to and from a repair shop, customs duties and dues, if any, to the extent that such expenses have been included in the Sum Insured. If the repairs are carried out at a workshop owned by The Insured, The Insurer shall pay the cost of materials and wages incurred for the purpose of the repairs plus a reasonable percentage to cover overhead charges. No deduction shall be made for depreciation in respect of parts replaced.

Total Loss

If the cost of repairs equals or exceeds the actual value of the damaged Property Insured immediately before the occurrence of loss or damage, that Property Insured shall be regarded as a constructive total loss.

In the event of a total loss The Insurer shall pay the Actual Cash Value of the Property Insured immediately before the occurrence, including charges for ordinary freight, cost of erection and customs duties, if any, provided such expenses have been included in the Sum Insured.

In no case shall The Insurer be liable for unrepaired damage in addition to a subsequent Total Loss sustained during the period covered by this insurance. The Insured shall not be prevented from recovering a Constructive Total Loss hereunder by reason of any provision(s) in permit, license, Government regulation, or similar circumstances beyond the control of The Insured, which may prevent The Insured from abandoning the subject matter(s) of this insurance to The Insurer. In accordance with the foregoing, The Insurer agrees to waive notice of abandonment but notwithstanding anything to the contrary contained herein The Insurer shall be placed in the same position as if notice of abandonment had been given by The Insured and declined in the customary manner by The Insurer.

Dismantle costs

The Insurer shall also pay any reasonable costs to dismantle damaged equipment.

Cost of alterations, additions, improvements, maintenance, revisions or overhauls

The cost of any alterations, additions, improvements, maintenance, revisions or overhauls shall not be recoverable under this Policy.

B.3. OCCURRENCE OF A LOSS, CLAIMS AND INDEMNIFICATION PROVISIONS

B.3.1. Conditions for Loss settlement under Section I or II

B.3.1.1. Claims and loss notification

In the event of loss and/or damage, claim or suit, which may reasonably give rise to a claim under this Policy of Insurance, the Insured shall:

(a) give to The Insurer as soon as practicable, but not later than 30 days after the occurrence of the event written notice containing particulars sufficient to identify the loss and/or damage, claim or suit and also reasonably obtainable information with respect to the time, place and circumstances thereof as well as nature and extent of the loss or damage, and the names and addresses of available witnesses.

(b) take such measures as may be reasonable for the purpose of averting or minimising such loss or damage

(c) ensure that all rights against carriers, bailees or other third parties are properly preserved and exercised; if claim is made or suit is brought against the Insured, the Insured shall at the earliest practicable advise The Insurer of every demand, notice, summons or other process received by him or his representative.

(d) co-operate with The Insurer, and, upon The Insurer's request, assist in making settlements, in the conduct of suits and in enforcing any right of contribution or indemnity against any person or organisation who may be liable to the Insured because of property damage with respect to which insurance is afforded under this Policy, and the Insured shall attend hearings, and trials and assist in securing and giving evidence and obtaining the attendance of witnesses.

(e) The Insured shall not, except at his own cost, voluntarily make any payment, assume any obligation, or incur any expenses. Notwithstanding the foregoing this clause shall not override the provisions of the Subrogation Clause.

(f) do and concur in doing and permit to be done all such things as may be practicable to establish the cause and extent of the loss or damage

(g) preserve all parts affected and make them available for inspection by The Insurer as long as The Insurer may require

(h) furnish any information and documentary evidence that The Insurer may require together with, if required, a statutory declaration of the truth of the claim

(i) inform the police authorities of loss or damage due to major fire, theft or burglary or actions by any malicious person and render all reasonable assistance to the police authorities

B.3.1.2. Claims Provisions

If The Insured or anyone acting on his behalf hinders or obstructs The Insurer in any way or does not comply with any reasonable recommendations The Insurer may make following the notification of any loss or damage, all benefits claimed under any Section of this policy shall be forfeited.

The Insurer shall reimburse The Insured for any charges properly and reasonably incurred in pursuance of its duties in relation to clause (b) and (c) above in addition to any loss recoverable under any Section of this Policy.

The Insurer shall not be liable for loss or damage of which he has not received notification within 30 days of its occurrence.

B.3.1.3. Rights of The Insurer in case of a loss

On the happening of any loss or damage to any of the Property Insured under this Policy the Insurer may

(a) enter and take and keep possession of the building or Premises where the loss or damage has happened

(b) take possession of or require to be delivered to it any property of The Insured in the buildings or on the Premises at the time of the loss or damage

(c) keep possession of any such property and examine, sort, arrange, remove or otherwise deal with the same

(d) sell any such property or dispose of the same for account of whom it may concern. The powers conferred by this Condition can be exercised by The Insurer at any time until notice in writing is given by The Insured that he makes no claim under this Policy or, if any claim is made, until such claim is finally determined or withdrawn, and The Insurer shall not by any act done in the exercise or purported exercise of its powers hereunder, incur any liability to The Insured or diminish its rights to rely upon any of the Conditions of this Policy in answer to any claim.

If The Insured or any person acting on his behalf shall not comply with the requirements of The Insurer, or shall hinder or obstruct The Insurer in the exercise of its powers hereunder, all benefit under this Policy shall be forfeited. The Insured shall not in any case be entitled to abandon any property to The Insurer whether taken possession of by The Insurer or not.

B.3.1.4. Salvage

The salvage of any insured property on the occurrence of any loss or damage herein shall accrue to The Insurer (subject to indemnification of The Insured in full). The Insurer shall have the right to take possession of such salvage.

B.3.1.5. Underinsurance- (Under Insurance Waiver)

If, in the event of loss or damage, it is found that the sum insured is less than the amount required to be insured, then the amount recoverable by the insured under this section shall be reduced in such proportion as the sum insured bears to the amount required to be insured.

Each item of the policy to which this condition applies shall be separately subject to the foregoing provision.

Provided however that if the said Sum Insured in respect of such item(s) of the Schedule shall not be less than 85% (Eighty Five percent) of the value of the item(s) thereat, this condition shall be of no purpose and effect.

B.3.1.6. Contribution

If at the time of any loss or damage occurrence to any property hereby insured, there be any other subsisting insurance or insurances whether effected by The Insured or by any other person or persons, covering either such loss or any part of it or the same property The Insurer shall not be liable to pay or contribute more than its rateable proportion of such loss or damage.

B.3.1.7. Bankruptcy and Insolvency

In the event of bankruptcy or insolvency of The Insured or any entity comprising The Insured, The Insurer shall not be relieved thereby of the payment of any claims hereunder because of such bankruptcy or insolvency, except under Section III (All Risk Operational Business Interruption).

B.3.1.8. Deductibles

This policy does not cover the amounts of the Deductibles stated in The Schedule in respect of each and every loss as ascertained after the application of all other terms and conditions of the policy including any underinsurance.

Warranted that The Insured shall not effect insurance in respect of the amounts of the Deductibles stated in The Schedule.

B.3.1.9. Reinstatement of Policy Limit

At all times during the Period of Insurance of this Policy, the insurance cover will be maintained to the full extent of the respective Sum Insured in consideration of which upon the settlement of any loss under this policy exceeding the amount specified in The Schedule, pro-rata Premium for the unexpired period from the date of such loss to the expiry of Period of Insurance for the amount of such loss shall be payable by The Insured to The Insurer.

The additional Premium referred above shall be deducted from the net claim amount payable under this Policy. This continuous cover to the full extent will be available notwithstanding any previous loss for which The Insurer may have paid hereunder and irrespective of the fact whether the additional Premium as mentioned above has been actually paid or not following such loss. The intention of this condition is to ensure continuity of the cover to The Insured subject only to the right of The Insurer for deduction from the claim amount, when settled, of pro-rata Premium to be calculated from the date of loss till expiry of this Policy.

Notwithstanding what is stated above, the Sum Insured shall stand reduced by the amount of loss in case The Insured immediately on occurrence of loss exercises his option not to reinstate the Sum Insured as above.

B.3.1.10. Claims / Payments "on account"

All claims to be paid to The Insured within reasonable time after receipt of satisfactory documentation and the determination of the quantity of the loss presented by the loss adjuster(s) and agreed by The Insurer.

In the event of indemnifiable loss or damage, payment "on account" will be made by The Insurer as early as possible on request if this is approved by The Insurer and where the liability of The Insurer has been established in a preliminary loss report and accepted by The Insurer.

B.3.1.11. Seventy two hours Clause

B.3.1.11.1. Windstorm

Insurers shall not be liable for any loss occurring before the effective date and time of the Policy nor for any loss commencing after the expiration date and time of this Policy. However, The Insurer will be liable for any losses occurring for a period of up to maximum seventy-two (72) hours after the expiration of this Policy, provided that the first windstorm damage occurs prior to the date and time of the expiration of this Policy.

Each loss by windstorm shall constitute a single claim hereunder; provided, if more than one windstorm shall occur within any period of seventy two (72) hours during the term of this Policy such windstorm shall be deemed to be a single windstorm within the meaning thereof.

Official recognised Authority (or as agreed between The Insurer and The Insured) will elect the moment from which each of the aforesaid periods of seventy two (72) hours shall be deemed to have commenced but no two such seventy two (72) hour periods shall overlap.

B.3.1.11.2. Earthquake

Insurers shall not be liable for any loss caused by an earthquake occurring before the effective date and time of this policy nor for any loss commencing after the expiration date and time of this policy. However, The Insurer will be liable for any losses occurring for a period of up to maximum seventy-two (72) hours after the expiration of this Policy, provided that the earthquake damage occurs prior to the date and time of the expiration of this Policy.

Any and all losses caused by earthquake shall constitute a single loss hereunder provided that more that one earthquake shock occurring within any seventy two (72) hour period during the Period of Insurance of this Policy shall be deemed to be a single earthquake within the meaning thereof.

Official recognised Authority (or as agreed between The Insurer and The Insured) will elect the moment from which each of the aforesaid periods of seventy two (72) hours shall be deemed to have commenced but no two such seventy two (72) hours periods shall overlap.

B.3.1.11.3. Flood

Insurers shall not be liable for any loss caused by flood occurring before the effective date and time of this policy nor for any loss commencing after the expiration date and time of this policy. However, The Insurer will be liable for any losses occurring for a period of up to maximum seventy-two (72) hours after the expiration of this Policy, provided that the first flood damage occurs prior to the date and time of the expiration of this Policy.

Each loss caused by flood and all losses caused by flood within a seventy-two (72) hours period shall be deemed to constitute a single loss.

Official recognised Authority (or as agreed between The Insurer and The Insured) will elect the moment from which each of the aforesaid periods of seventy two (72) hours shall be deemed to have commenced but no two such seventy two (72) hours periods shall overlap.

B.3.1.12. Time limit

The Insurer is not liable for any loss or damage after the expiration of 24 months from the discovery of the loss or damage unless otherwise agreed in writing or the claim is submitted to a court or arbitration panel within the time prescribed therefore in accordance with applicable law.

The Insurer agrees that any action or proceeding against them for the recovery of any claim under or by virtue of this insurance shall not be barred if commenced within the time prescribed therefore in accordance with applicable law.

B.3.1.13. Arbitration

If any dispute or difference shall arise between The Insured and The Insurer as to the quantum to be paid under this policy (liability being otherwise admitted) such difference shall independently of all other questions be referred to the decision of a sole arbitrator to be appointed in writing by the parties to or if they cannot agree upon a single arbitrator within **30 days** of any party invoking arbitration, the same shall be referred to a panel of three arbitrators, comprising of two arbitrators, one to be appointed by each of the parties to the dispute/difference and the third arbitrator to be appointed by such two arbitrators.

The Arbitration shall be held in **INDIA** at **A PLACE TO BE SELECTED** and conducted under and in accordance with the provisions of the **Arbitration and Conciliation Act of INDIA, 1996** or any statutory modification or re-enactment thereof for the time being in force at the time of the Period of Insurance.

B.3.1.14. Governing law and jurisdiction

This Policy shall be construed according to **INDIAN** laws and The Insurers undertake to submit to the jurisdiction of **INDIAN** Courts in respect of any matter relating to or arising out of this Policy but nothing herein contained shall be held to detract from the force of the arbitration clause above.

B.3.1.15. Disclaimer of liability

If The Insurer disclaims liability in respect of any claim and if conciliation is not commenced within 12 (twelve) months of such a disclaimer, all benefits under this Policy of Insurance in respect of that claim shall be forfeited.

B.3.1.16. Nominated Adjustors:

It is hereby understood and agreed, subject otherwise to the terms, conditions and exclusions of the Policy and endorsed hereon that in the event of any loss in respect of this policy the amount of such loss shall be adjusted subject to the terms and conditions of the Policy by any of the approved firms of adjusters.

B.3.1.17. No Control

This Insurance shall not be affected by failure of the Insured to comply with the provisions of the policy in any portion of the property over which the Insured has no control.

B.3.1.18. Disposal of Salvage

Possible salvage value should be deducted from the loss amount and the net claim amount paid to the insured.

B.3.1.19. Waiver of Subrogation

Insurer shall upon reimbursement hereunder to The Insured of any loss, damage or expense be subrogated to all The Insured's rights of recovery against any other person, firm or corporation who may be legally or contractually liable for such loss, damage or expenses so reimbursed by The Insurer, provided that

- if there is a partial reimbursement, subrogation to be restricted to the amount settled.
- The Insurer shall pass on to The Insured such money or monies recovered by them that is in excess of the loss, damage or expenses so received by The Insured.

The Insurer shall waive its rights of subrogation against all Insured Parties provided no Act of default including criminal or deliberate or fraudulent acts committed by any Insured Party or its Representatives has caused any loss or damage to any other Insured Party. It is agreed that The Insurers may make a claim upon and institute legal proceedings against any parties believed responsible for loss, damage or expense reimbursed hereunder in the name of The Insured, and The Insured shall provide The Insurer his full co-operation in pursuing such claim or legal proceedings.

The Insured shall at The Insurer's expense do and concur in doing and permit to be done all actions that may be necessary or required by The Insurer in the interest of any rights or remedies or for the purpose of obtaining relief or indemnity to which The Insurer is or would become entitled or which is or would be subrogated to him upon indemnification or rectification of any loss or damage under this Policy of Insurance, regardless of whether such action is or becomes necessary or required before or after The Insured's indemnification by The Insurer.

Except as specifically provided or permitted by this policy, The Insured shall not waive, release or diminish rights of recovery or subrogation with respect to any claim which, upon payment thereof by Insurers, would otherwise belong or accrue Insurers, and insofar as and to the extent that any action by The Insured waives, releases or diminishes the rights of recovery or subrogation in respect of such claim, The Insured shall have no liability under this policy.

B.3.1.20. Loss Payee

Loss is payable to The Insured or as directed by The Insured, which shall include such party who has an insured interest in the subject matter insured at the time of loss or damage.

B.4. ADDITIONAL EXTENSIONS TO SECTIONS I & II

If specified in The Schedule, the following Additional Insurance Cover will be provided subject to the terms contained herein:

B.4.1. Expediting expenses

It is hereby understood and agreed, subject otherwise to the terms, conditions and exclusions of the Policy and endorsed hereon and subject to the Insured having paid the agreed additional premium that the insurance by this Policy shall extend to indemnify the Insured up to the limit of indemnity as specified below for the extra costs and expenses reasonably and necessarily incurred by the Insured in respect of a loss or damage which has arisen upon damage to property hereby insured including but not limited to, express airfreight additional overtime, weekend or public holiday rates of pay.

B.4.1.1. Omission to Insured

The Insured having notified the Insurer of their intention to insure all property in which they are interested and it being their belief that all such property is insured, if hereinafter any such property shall be found to have been inadvertently omitted, the insurer will deem it to be insured within the terms of the Policy.

Subject to sub-limits of as mentioned in the schedule.

B.4.2. Capital additions

It is hereby understood and agreed, subject otherwise to the terms, conditions and exclusions of the Policy and endorsed hereon and subject to the Insured having paid the agreed additional premium, the insurance by this Policy extends to cover any loss or damage covered under this Policy to:

(a) any buildings, machinery and other equipment acquired or operated by or held in the care, custody or control of the Insured after the inception of this Policy, that are not included in the Schedule;

(b) any additions or extensions to property hereby insured which have been carried out after the inception of this Policy collectively referred to as “Capital Additions”.

Provided that any increase in the New Replacement Value as a result of such capital additions shall not exceed the limit of indemnity as specified herein below. Also provided that the Insured undertakes to advise the Company in writing within three(3) months of the particulars of any such Capital Additions and in case of the Capital Additions exceeding the limit specified below on the payment of any additional premium the Company may specify to the Insured.

B.4.3. Start-up / Shut-down Cost (if applicable):

On the occurrence of an event which leads to a damage or loss covered under Sections I or II, this Policy of Insurance covers actual loss sustained due to specified start-up / shut-down costs for power and utilities such as electricity, water, steam, gas as well as feedstock, fuels or combustibles to re-establish the plant in the operational state it was at the time of the damage in a normal start-up procedure and subject to the sublimit entered in The Schedule.

Start-up costs will not be recoverable under normal or emergency shut down operations

B.4.4. Fees of Architects, Engineers, Foreign Technician Expenses and Others.

It is hereby understood and agreed, subject otherwise to the terms, conditions and exclusions of the Policy and endorsed hereon and subject to the Insured having paid the agreed additional premium the insurance under this Policy extends to cover the reasonable and necessary expenses incurred towards fees of Architects, Engineers, Surveyors, Consulting Engineers and other Consultants for plans, specification tenders, quantities and services in connection with the superintendence of the reinstatement for the building, machinery, accessories and equipment insured under this Policy consequent upon an occurrence hereby insured but not for preparing claims.

B.4.5. Demurrage Charges

Demurrage charges and/or late penalties assessed against the Insured for the late return of Container when they are retained by the Insured on Insurer's instruction for inspection following a Loss/ Damage. The period for which the Insurer will be liable begins at the time Insurer instructs the Insured to retain the Containers and finishes at the time the Insurer's surveyor instructs to return the Container. Limit of Liability shall be subject to a maximum amount as specified in Schedule.

B.4.6. Removal of Debris excluding Foreign Debris

This Policy insures the cost of demolition and/or removal of debris and/or any other expenses necessarily incurred in connection with site clearing operations and/or salvaging including damage caused by such operations, dismantling, shoring up, propping, in the event of circumstances giving rise to indemnifiable loss or damage by any of the perils insured under this Policy and limited for each and every loss as per the sublimit shown in The Schedule.

B.4.7. Fire Fighting Expenses, Extinguishment and loss mitigation

Except as otherwise excluded herein Insurers shall be liable for the reasonable cost of foam solution or other fire extinguishing materials lost, expended, damaged or destroyed, together with other reasonable costs incurred in fighting fire on the Property Insured hereunder, charges incurred in respect of Fire Fighting or Watchmen Services attendants at the scene of any fire and/or other events requiring their services in the event of circumstances giving rise to indemnifiable loss or damage by any of the perils insured under this Policy subject to a sublimit per loss as per schedule.

B.4.8. Immediate repairs

It is agreed that in case of loss the insured, if they so elect, may immediately begin repairs or reconstruction but such work shall at all times be open to supervision by the insurer or their representatives and in case of dispute as to the cost of repair and/or reconstruction the loss shall be settled in accordance with the terms of this policy, the sole object of this condition being not to deprive the insured from the use of operating properties which may be necessary to their Business. Evidence of loss to be photographed and if any damaged items are replaced, the same to be preserved for inspection by surveyor.

B.4.9. Temporary Removal of Property (including Stocks)

It is hereby understood and agreed, subject otherwise to the terms, conditions and exclusions of the Policy and endorsed hereon and subject to the Insured having paid the agreed additional premium that

1) When insured property is removed from an Insured Location for the purpose of being repaired or serviced or in order to avoid threatened physical loss or damage of the type insured by this Policy, this Policy covers such property:

   a) while at the location to which such property has been moved; and

   b) For physical loss or damage as provided at the Insured Location from which such property was removed.

2) This additional coverage does not apply to property:

   a) Insured, in whole or in part, elsewhere in this Policy.

   b) Insured, in whole or in part, by any other insurance policy.

   c) Removed for normal storage, processing or preparation for sale or delivery.

The indemnity provided herein shall be subject to the limit of indemnity and deductible as specified in the schedule.

B.4.10. Plans, Documents & Computer Systems Records

It is hereby understood and agreed, subject otherwise to the terms, conditions and exclusions of the Policy and endorsed hereon that the insurance by this Policy extends to cover the computer systems records only for the value of the materials together with the cost of clerical labour and computer time expended in reproducing such records excluding any expenses in connection with the production of information to be recorded therein, and the value of the information contained therein.

B.4.11. Spontaneous combustion

It is hereby agreed and understood that subject otherwise to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon and subject to the Insured having paid the additional premium,

This Policy shall extend to include loss or damage to the property insured caused by its own fermentation, natural heating or spontaneous combustion.

B.4.12. Claim Preparation Costs

It is hereby declared and agreed that, notwithstanding anything to the contrary contained in this Policy and subject to the Insured having paid the agreed additional premium, that the Company will pay the Insured up to the limit of liability stated in the Schedule as reasonable and necessary claim preparation costs, which Insured incur, solely at Company’s request in the determination of the extent of loss or damage prior to Company’s final adjustment of Insured’s claim. Company will not pay for the services of Insured’s attorneys or **Public Adjusters**. Premium for the purpose of this endorsement will be charged at the inception of the Policy by the Company.

For the purpose of this Policy, Public Adjusters are defined as follows:

Public Adjusters - individuals or groups, including consultants, secured specifically for the purpose of representing the interest of the Insured in the adjustment of a claim(s) under this Policy.

The indemnity provided herein shall be subject to the limit of indemnity and deductible as specified below:

B.4.13. Public Authorities

It is hereby declared and agreed that notwithstanding anything contained to the contrary in the Policy , this Policy includes such additional cost of reinstatement (including alteration to undamaged portions of the property insured including foundations but not separate and undamaged buildings) following loss, destruction or damage as may be incurred by the Insured solely by reason of

a) the necessity to comply with building or other regulations framed in pursuance of any government or public or local authority, statute, decree or ordinance in effect at the date of the occurrence or discovery of the physical loss or damage whichever shall be the later.

b) The Company requiring conformity to the current relevant construction rules in respect of existing sprinkler installations, fire walls or doors.

Provided that the amount recoverable under this clause shall not include the costs incurred in complying with the aforesaid regulations or the aforesaid Company's requirements under which notice has been served upon the Insured prior to the happening of the loss, destruction or damage.

The work of reinstatement may be carried out wholly or partially upon another site subject to the liability of the Company under this clause not being thereby increased.

Subject otherwise to the terms, conditions and exclusions of the Policy.

The indemnity provided herein shall be subject to the limit of indemnity and deductible as specified in the schedule.

B.4.14. Property and Consignment held in care, custody, control or trust

It is hereby agreed & declared that notwithstanding anything stated in the printed exclusions of this policy to the contrary, the company undertakes to indemnify the insured the loss/damage resulted accidentally/directly to property held in trust &/or on commission used, kept, installed or operated at the Insured premises

The indemnity provided herein shall be subject to the limit of indemnity and deductible as specified in the schedule.

B.4.15. Technological Advancement Cover Clause

At the time of any loss or damage admissible under the policy, wherein the gross assessed loss does not exceed Rs. 25 Crs (PD+BI), no deduction on account of technological advancement is to be made, subject to policy terms and conditions

B.4.16. Sprinkler Up-Grading Costs

It is agreed that in the event of Damage to a sprinkler installation; following an insurable peril, which conforms to the latest rules on compliance of safety rules on Sprinkler Installations if the Insurer of the premises in which the installation is contained require that the repaired or reinstated installation shall conform to the Loss Prevention Rules for Sprinkler Installations current at the time of reinstatement then this Policy shall cover such additional costs Such costs shall include inter alia the provision of any additional pipework pumps tanks and the cost of associated building works. Limit as mentioned in Schedule.

B.4.17. Inland Transit

This Insurance covers The Insured's property excluding Stock, Finished Goods and Raw Materials against the perils covered under this Policy whilst in transit by road, rail or inland waterway within the Geographical limits specified in The Schedule, which is being temporarily removed for cleaning, renovation, repair or maintenance and in as much as it is not indemnifiable under a more specific Policy and limited for each and every loss as per sub-limit shown in The Schedule.

B.4.18. Deliberate Damage Clause

Subject to the terms and conditions of this Policy of Insurance, this insurance covers accidental physical loss of or to the Property Insured and / or other expenses incurred by The Insured, directly caused by any act or order of any governmental authority acting under the powers vested in them as a result of peril insured hereunder resulting directly from damage to the Property Insured for which The Insurer is liable under this Policy of Insurance, provided such act of governmental authority, has not resulted from want of due diligence by The Insured, to prevent or mitigate such hazard or threat.

B.4.19. Increased costs of Construction and Demolition Clause

Subject to the Policy of Insurance terms and conditions cover hereon includes:

Loss occasioned by the enforcement of any laws(s) or ordinance(s) regulating the construction, repair or use of building(s) or structure(s) and in force at the time such loss occurs which requires the demolition of any portion of the building(s) or structure(s) which have not suffered damage from the same loss occurrence under this Policy of Insurance (all locations).

The cost incurred in actually rebuilding both the damaged and demolished portions of the building(s) or structure(s) with materials and in a manner to fully satisfy such ordinance(s) or law(s).

The total liability under this clause shall not exceed actual expenditure incurred in demolishing the undamaged portion of the building(s) or structure(s) involved plus the lesser of the following:

- The actual expenditure incurred not including the cost of land in rebuilding on another site, or
- The cost of rebuilding on the same site.

Insurers shall not be liable for any cost of demolition or increased cost of construction of property necessitated by any law or ordinance regulating any form of pollution or contamination. This clause does not increase the amount(s) of insurance provided hereunder.

The amount payable for such shall not exceed the limit of indemnity specified in The Schedule.

B.4.20. Machine Warranty clause

With Respect to the Insured Property that is Lost or Damaged due to a peril covered elsewhere in this policy and that has been purchased with a Manufacturer's warranty, all reasonable expenses necessarily incurred to retain such warranty shall constitute a proper charge against this Insurance. Such charges shall include reasonable freight and handling charges necessarily incurred to return the Insured property to Original place of manufacturing OR their Authorized place of repair / Replacement and then returned to the Plant site.

B.4.21. Auditors Clause / Professional Accountants &/or Solicitor Clause:

Any particulars or details contained in The Insured's books of account or other business books or documents which may be required by The Insurer for the purpose of investigating or verifying any claim hereunder may be produced by professional accountants &/or Solicitor if at the time they are regularly acting as such for The Insured and their report shall be prima facie evidence of the particulars and details to which such report relates.

The Insurer will pay to The Insured the reasonable charges payable by The Insured to their professional accountants &/or Solicitor &/or Auditors for producing such particulars or details or any other proofs, information or evidence as may be required by The Insurer and reporting that such particulars or details are in accordance with The Insured's books of account or other business books or documents provided that the sum of the amount payable under this clause shall not exceed the limit stated in The Schedule and the amount otherwise payable under the Policy of Insurance shall in no case exceed the liability of The Insurer as stated.

B.4.22. Expenses for Loss Minimisation

This Policy includes expenses for loss minimisation necessarily incurred by the Insured to prevent any aggravation of an Insured Loss following a loss or damage at any Insured's Premises specified in The Schedule, including moving / shifting of property if this contributes to loss minimisation, subject to a limit per loss as per schedule.

B.4.23. Additional Customs Duty

It is hereby declared and agreed that the Insured shall also be indemnified during the currency of the policy, towards the additional Customs Duty, amount of Rs. 5 Crs which may be incurred by the Insured over and above the Customs Duty amount taken into account in arriving at the Sum Insured of the affected items.

Each and every claim payable under the extension shall be subject to the admissible Additional Customs Duty incurred. The Indemnity for such Additional Customs Duty will stand reduced after occurrence of the claim unless reinstated by payment of an additional premium prescribed by the Company.

Subject otherwise to the terms, conditions and exceptions of the Policy.

Note- For computation of indemnity under the Additional Customs Duty extension, exchange rate applicable on date of occurrence of loss shall be considered.

B.4.24. Minor Works

It is hereby understood and agreed, subject otherwise to the terms, conditions and exclusions of the Policy and endorsed hereon and subject to the Insured having paid the agreed additional premium that the insurance by this Policy shall extend to cover modifications / construction / erection / re-construction / maintenance / testing and commissioning in respect of new assets as well as existing assets during the Period of Insurance as specified in the Schedule to this Policy.

The Policy shall respond on claims made basis for reported claims during the current Period of Insurance in respect of current ongoing minor works incepted during the current Period of Insurance. However the aggregate claim amount payable shall be restricted to Rs. 5 Crs and there shall be no restriction for number of minor works to be covered so long as each of such minor works is less than Rs. 5 Crs and aggregate claim made is Rs. 5 Crs during the Policy period.

Consequential Loss following a loss covered under the extension is excluded.

Notwithstanding other terms and conditions herein, this extension of the Policy shall only pay in excess of more specific insurance, if any arranged in respect of minor works.

With regards to property in course of construction, such as buildings, foundations and structures, the following additional exclusions shall apply:

- loss or damage due to faulty design;
- the cost of replacement, repair or rectification of defective material and/or workmanship, but this exclusion shall be limited to the items immediately affected and shall not be deemed to exclude loss of or damage to correctly executed items resulting from an accident due to such defective material and/or workmanship;

With regards to erection of mechanical, electrical or electronic machinery, installations or equipment in course of erection the following additional exclusions shall apply:

- loss or damage due to faulty design, defective material or casting, bad workmanship other than faults in erection

Any Consequential Loss of any kind or description whatsoever including but not limited to penalties, losses due to delay, lack of performance, loss of contract or Business Interruption - is excluded absolutely.

B.4.25. Property Plant Testing & Commissioning Clause

It is hereby agreed and understood that Insurance doesn't cover destruction or damage to property in course of construction or erection, dismantling or undergoing testing or commissioning including mechanical, performance testing and any business interruption resulting therefrom.

Acceptance of property hereon is subject to satisfactory completion of the following procedures.

i. Mechanical Testing

ii. Testing and Commissioning.

iii. The Insured shall give intimation well in advance so that Inspection and Certification by an Independent Agency can be arranged by the Company as to completion of the take-over/hand over protocol of the subject plant/equipment. Subject to satisfactory certification, the subject plant/equipment shall be included in the Operational Insurance without waiting for 100% Performance Testing.

However, this exclusion does not apply to on-going maintenance/schedule turnaround. This exclusion also doesn't apply to revamp work subject, however, to the maximum contract value as declared within the Minor Works Extension contained within this Policy.

Subject otherwise to the terms, conditions and exclusions of the Policy.

B.4.26. Exploratory Costs

The Insurer will indemnify the Insured in the event that it is or may become necessary for the Insured to incur exploratory costs in locating the source of any damage insured against hereunder subject to consent of insurer.

B.5. SECTION III -BUSINESS INTERRUPTION OR SPECIFIED STANDING CHARGES AND/OR INCREASED COST OF WORKING

B.5.1. Definitions

Annual turnover	means the turnover which, had the interruption of or interference with the business insured not occurred, would have been achieved during the twelve months preceding either the date when the business insured is no longer affected or when the indemnity period ends, whichever is the earlier.
Business Insured	Means the commercial operation of the Property Insured specified in The Schedule to this section.
Gross Profit	Means the amount by which the value of the turnover and the value of the closing stock and work in progress exceed the value of the opening stock and work in progress and the amount of the specified working expenses. (Uninsured Working Expenses). The value of the opening and closing stocks and work in progress shall be calculated in accordance with The Insured's normal accounting methods, due provisions being made for depreciation.
Increased Cost of Working	Means the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the loss of interest insured, which, without such expenditure, would have taken place.
Interest Insured	Means either the Gross Profit including any Increased Cost of Working or the specified standing charges including any Increased Cost of Working.
Monetary deductible	Means the amount to be deducted from any payment otherwise to be made by the Insurer.
Maximum indemnity period	Means the maximum period(s) stated in The Schedule in respect of which cover is afforded for the Interest Insured by this operational business interruption section, beginning subsequent to the occurrence of the Damage and ending not later than the period as specified in The Schedule during which the results of the Business shall be affected in consequence of the damage.
Rate of Gross Profit	Means the percentage of Gross Profit which, had the interruption of or interference with the Business Insured not occurred, would have been earned on the Annual turnover.
Specified standing charges	means any fixed costs specified in The Schedule which continue to be payable in full during the indemnity period
Specified working Charges	means any costs incurred for the acquisition of goods, raw materials, chemicals and portion of utilities consumption or auxiliaries as well as for supplies unless required for the upkeep of operations and any costs for packaging, carriage, freight, intermediate storage, turnover tax, purchase tax, licence fees and royalties, insofar as such costs are dependent on turnover.
Turnover	Means the amount of money (less discounts allowed) paid or payable to The Insured for goods, products or services sold, delivered or rendered in the course of the Business Insured.

B.5.2. Insuring Clause

Loss of gross profit (the actual loss sustained) during the indemnity period resulting from a reduction in turnover including any increased cost of working due to an interruption of the Insured's Business following loss of or damage to any property and/or assets (including Stocks at plants) insured and recoverable under the Property Damage section.

B.5.3. Indemnification

The indemnity for the loss of Interest Insured shall be in respect of:

a) Gross Profit, the loss actually sustained during the indemnity period resulting from a reduction in turnover including any Increased Cost of Working

Or

b) Specified standing charges, the amount actually not earned during the indemnity period resulting from a reduction in turnover including any Increased Cost of Working.

The indemnity shall not exceed the Sum Insured for the maximum indemnity period.

B.5.4. Sum Insured

The Sum Insured shall be

(a) the annual Gross Profit specified in The Schedule

or

(k) the annual specified standing charges.

Should the indemnity period exceed twelve months, the Gross Profit or the specified standing charges shall be the pro rata amount for that period.

B.5.5. Period of Insurance

The Period of Insurance shall be the period specified in The Schedule.

Should at any time after the commencement of this Policy of Insurance

(a) the business be wound up or carried on by a liquidator or receiver or administrator or be permanently discontinued,

(l) The Insured's interest cease otherwise than by death,

then the cover under this Section shall cease on the respective date unless specifically agreed by The Insurer in writing.

B.5.6. Indemnity period

The indemnity period shall be the period during which the Interest Insured is affected by an interruption of or interference with the Business Insured beginning on the date of the occurrence of loss or damage and not exceeding the maximum indemnity period specified in The Schedule.

B.5.7. Premium

A deposit Premium shall be paid at the inception of this Policy of Insurance and shall be calculated by multiplying the Sum Insured by the Premium Rate.

If The Insured declares at the latest six months after the expiry of any Period of Insurance that the Gross Profit earned during the accounting period of twelve months most closely concurrent with any Period of Insurance, as certified by The Insured's auditors, was less than the Sum Insured thereon, a pro rata return of Premium not exceeding one-third of the Premium paid on such Sum Insured for such Period of Insurance shall be made in respect of the difference.

If any loss or damage has occurred giving rise to any payment under this Section then the amount of any such payment shall be added to the Gross Profit as certified by The Insured's auditors and any return of Premium shall be based on the difference between such sum and the Sum Insured.

B.5.8. Time excess and monetary Deductible

In any one occurrence of loss or damage the insurer shall not be liable for the amount obtained by multiplying the average daily value of the Interest insured of the production line(s) having sustained an indemnifiable loss by the number of days specified in The Schedule as the time excess plus any additional monetary Deductible agreed or for the amount of any monetary Deductible specified in The Schedule, whichever is higher.

B.5.9. Additional Exclusions for Business Interruption

In addition to the exclusions under General Conditions of this Policy of Insurance this Section III shall not cover any loss resulting from interruption of or interference with the Business directly or indirectly attributable to any of the following causes:

(a) loss of Interest Insured due to an interruption of or interference with the Business Insured resulting from:

(m) loss or damage covered under the operational material damage Section by way of endorsement, unless expressly specified as covered in The Schedule;

(n) earthquake, volcanic eruption or tsunami, unless expressly specified as covered in The Schedule and/or endorsed to this Policy of Insurance;

(o) any restrictions imposed by public authority, including restrictions imposed on reconstruction or operation;

(p) Consequential Loss due to causes such as suspension, lapse or cancellation of a lease, licence or order, etc., which occurs after the date when the items lost, destroyed or damaged are in operating condition again and the Business Insured could have been resumed if said lease, licence or order, etc. had not lapsed or had not been suspended or cancelled

(q) loss or damage due to abnormal conditions directly or indirectly resulting from experimental testing, testing during the first 72 hours continuous operation of performance/acceptance tests or intentional overloading beyond approved safety limits;

(r) shortage, destruction, deterioration of or damage to raw materials, semi-finished or finished products or other materials required for proper operation, even if the consequence of material damage to an item indicated in the list of Property Insured is involved

(s) Erasure, loss, distortion or corruption of information on computer systems or other records or software programs unless resulting from an occurrence of loss or damage indemnifiable under the operational material damage section.

(t) Loss or damage for which the manufacturer or supplier of the property is responsible either by law or under contract.

(u) The Insured not having at his disposal in good time sufficient capital for repairing or replacing destroyed or damaged machinery;

(v) The Insurer shall not be liable for the amount of any fines or damages for breach of contract, for late or non-completion of orders, or for penalties of whatever nature.

B.5.10. Special Conditions pertaining to Claims notification and The Insured's special obligations following an occurrence of loss or damage

(a) The Insured shall be obliged to keep for the Period of Insurance complete records of the Business Insured, including without limitation - inventories, production and balance sheets for the three preceding years. All records shall be held in safekeeping and, as a precaution against their being simultaneously destroyed, The Insured shall keep separate sets of such records.

(b) In the event of any occurrence of loss or damage which might cause an interruption of or interference with the Business Insured

i. The Insured shall immediately notify The Insurer and send it written confirmation thereof within forty-eight hours of the occurrence;

ii. The Insurer and The Insurer's Agents shall have unlimited access to the Premises to establish the possible cause and extent of the loss or damage, its effect on the Interest Insured, to examine the possibilities for minimizing the interruption of or interference with the Business Insured, and if necessary to make reasonable recommendations for the avoidance or minimization of such interruption or interference;

iii. The Insurer and The Insurer's Agents shall have the right to enter any building where the loss has happened and may take possession of or require that any of the damaged Property Insured be rendered to them and may keep possession of and deal with such damaged Property Insured for all reasonable purposes and in any reasonable manner. This condition shall be evidence of the leave and licence of The Insured to The Insurer so to do.

(c) If The Insured or anyone acting on his behalf hinders or obstructs The Insurer in any way or does not comply with any recommendations The Insurer may make pursuant to clause B.3.10 (b) above, all benefits under this Section shall be forfeited.

(d) In the event of a claim being made under this section, The Insured shall at his own expense deliver to The Insurer not later than thirty days after the interruption of or interference with the Business Insured or within such further periods as The Insurer may allow in writing a written statement setting forth particulars of the claim.

(e) The Insured shall at his own expense produce and furnish to The Insurer such books of account and other business books or other evidence as may reasonably be required by

The Insurer for the purpose of investigating or verifying the claim together with, if required, a statutory declaration of the truth of the claim and of any matters connected therewith**.**

B.5.11. Conditions for Loss settlement under Section III

In the event of an interruption of or interference with the Business Insured the basis of loss settlement under this Section shall be as follows:

B.5.11.1. Loss of Gross Profit

In respect of loss of Gross Profit, The Insurer shall pay the amount obtained by multiplying the Rate of Gross Profit with the amount by which the actual turnover during the indemnity period falls short of the turnover, which would have been achieved, had the loss or damage not occurred.

If the annual Sum Insured hereunder is less than the amount obtained by multiplying the Rate of Gross Profit by the Annual turnover or, if the indemnity period exceeds twelve months, the turnover calculated for the equivalent period, the amount payable shall be reduced proportionately.

B.5.11.2. Specified standing charges

In respect of specified standing charges, The Insurer shall pay the amount obtained by multiplying the percentage by which the actual turnover during the indemnity period falls short of the turnover which would have been achieved had the interruption of or interference with the Business Insured not occurred by the amount of specified standing charges incurred during the interruption or interference.

If the Sum Insured hereunder is less than the amount obtained by multiplying the Rate of Gross Profit by the Annual turnover or, if the indemnity period exceeds twelve months, the pro rata turnover for that period, the amount payable shall be reduced proportionately.

B.5.11.3. Calculation of Rate of Gross Profit and Annual turnover

In calculating the Rate of Gross Profit and Annual turnover, the following aspects shall be taken into consideration:

(a) the trend of the Business Insured;

(b) the results of the Business Insured during the financial year preceding the date of the loss or damage or, in the event of the loss or damage occurring during the first year of commercial operation, the turnover during the following financial year;

(c) any circumstances affecting the Business Insured either before or after loss or damage or which would have affected the Business Insured had the loss or damage not occurred;

(d) any benefits from deferred sales or from increased production and/or profits as a consequence of an interruption of or interference with the Business Insured which The Insured may receive during a period of six months immediately following the re-commissioning of insured plant and/or machinery after a loss or damage;

(e) allowance for the time spent on any overhauls, inspections or modifications carried out during the period the Business Insured was affected by any interruption or interference;

(f) any money paid or payable in respect of goods which are sold or services which are rendered elsewhere than at the Premises for the benefit of the Business Insured either by The Insured or by another party acting on his behalf;

(g) any amount saved during the indemnity period in respect of any charges and expenses of the business payable out of the Gross Profit that may cease or be reduced in consequence of loss or damage.

The final figures shall represent as closely as may be deemed reasonable the results, which the Business Insured would have achieved, had the loss or damage not occurred

B.5.11.4. Payment of Indemnity

B.5.11.4.1. Subject to clause C.1.11.4.3 below The Insurer shall pay The Insured any amount due under this Section one month after final determination of the amount due.

B.5.11.4.2. The Insured may, one month after The Insurer has been duly notified of the loss of Interest Insured and has acknowledged its liability, claim as advance payment(s) the minimum amount(s) The Insurer agrees are payable.

B.5.11.4.3. The Insurer shall be entitled to postpone payment beyond the period set out in C.1.11.4.1 above if

(a) there are doubts as to The Insured’s right to receive payment, in which case payment shall not become due until such time as the necessary proof is furnished by The Insured or The Insurer accepts liability;

(b) as a result of any loss or damage or any interference with or interruption of the Business Insured, police or criminal investigations have been initiated against The Insured, in which case payment will not become due until the completion of such investigations, provided always that if The Insured is convicted of any offence in respect of any claim for indemnity under this Policy of Insurance, the insurance cover under this Section shall be void.

B.5.11.4.4. The Insurer shall not be liable to pay interest on indemnity withheld other than interest for default.

B.5.12. Provisions to Section III

B.5.12.1. Value Added Tax

To the extent that The Insured is accountable to the tax authorities for Value Added Tax, all terms in this Policy of Insurance shall be exclusive of such tax.

B.5.12.2. Current Cost Accounting Adjustment

For the purpose of the definitions in B.3.1, any adjustment implemented in current cost accounting shall be disregarded.

B.5.13. Special Conditions pertaining to Section III

B.5.13.1. Departmental Clause

If the Business be conducted in Departments, the independent trading results of which are ascertainable the indemnity provisions of clauses 1 a) and 1 b) of the item of Gross Profit shall apply separately to each Department affected by the incident.

B.5.13.2. Overhauls

In calculating the loss, due allowance shall be made for the time spent on any overhauls, inspections or modifications carried out during any period of interruption.

B.5.13.3. Alternative premises

If during the indemnity Period goods shall be sold or services shall be rendered elsewhere than at the premises for the benefit of the Business either by the Insured or by others on their behalf the money paid or payable in respect of such sales or services shall be brought into account in arriving at the Turnover during the Indemnity Period.

B.5.13.4. Group Interdependency

Loss as insured by this section of the policy of insurance resulting from interruption of or interference with the business in consequence of loss or damage to property whether or not insured under material damage section of the policy and situated at any other premises in territorial limits owned and /or occupied and/or used by the insured for the purpose of business insured or any other business shall be deemed to be insured.

B.5.13.5. Outage clause

This clause defines the period from the time the breakdown of any equipment resulting in shut down of unit resulting in shut down of unit till the unit is synchronized and achieved full load or in operation for 72 hours since operation, whichever is earlier.

B.5.13.6. Additional increased Cost of Working

It is hereby agreed and declared that notwithstanding anything contained herein to the contrary, this coverage extends to cover costs and expenses necessarily and reasonably incurred during the indemnity period in consequence of the 'damage' for the purpose of maintaining the business, it being understood that if any such costs is of a capital asset nature then account shall be taken of the residual value of such capital items so involved existing at the end of the maximum indemnity period.

B.5.13.7. Premium adjustment

The premium hereunder this Section III is provisional and shall be calculated on the basis as shown in the Schedule of this policy.

At the latest twelve months after the expiry of this policy the Insured shall declare the Actual Gross profit Earned during the policy period suitably adjusted to reflect the period of indemnity and in the event of this being less than the sum insured thereon a return of premium not exceeding 1/3rd of the premium paid for the Policy period will be made in respect of the differences. If the Annual Gross Profit is more than the sum insured mentioned in the Policy, no additional premium would be payable. However, in such a contingency, the insurer shall be considered as being his own insurer for the difference and shall bear a rateable proportion of loss.

If any damage shall have occurred, giving rise to a claim under this policy such premium adjustment shall be made in respect only of so much of the said difference as is not due to such damage.

B.5.14. Additional Extensions to Section III

B.5.14.1. Delayed Indemnity Clause

In the event of an interruption to the business insured arising out of peril not excluded hereunder which commences and / or recommence at a date later of the loss or damage to the property insured hereunder which gives rise to such business interruption, insurer shall agree to extend the period during which indemnity is provided by this policy.

Provided always the insurers shall not be liable for more than the indemnity limits as stated in the schedule nor Maximum indemnity period as stated in schedule.

Under no circumstance shall insurers be liable for any loss under this policy if such interruption to the business insured commences later than 3 months after the date of the loss or damage to the property insured hereunder and which shall occur after the conclusion of the period commencing on the date of damage and ending not later than the date of conclusion of the maximum indemnity period and 12 months thereafter.

B.5.14.2. Alternative Basis

It is agreed and declared that at the option of the Insured, the term “Output" may be substituted for the term "Turnover" and for the purpose of this Section of Policy "Output" shall mean the sale value of goods manufactured by the Insured in the course of the Business at the premises, Provided that only one such meaning shall be operative in connection with any one occurrence involving Damage (as herein defined).

B.5.14.3. Auditors Fees:

The policy is extended to cover reasonable charges payable by the Insured to their Auditors for producing and certifying any particulars or details contained in the Insured’s books of account or other business books or documents or such other proofs, information or evidence as may be required by the Company. Any particulars or details contained in the Insured’s books of account or other business books or documents which may be required by the Company for the purpose of investigating or verifying any claim hereunder may be produced and certified by the Insured’s Auditors, and their certificate hall be prima facie evidence of the particulars and details to which such certificates relates.

B.5.14.4. New Business Claims

For the purpose of any claim arising from damage occurring before the completion of the first year’s trading of the business at the premises, the terms “Rate of Gross Profit”, Annual Output/

Turnover and "Standard Output/ Turnover" shall bear the following meanings and not as within stated:

RATE OF GROSS PROFIT – The rate of Gross Profit earned on the Output/ Turnover during the period between the date of the commencement of the business and the date of the damage.	To which such adjustments shall be made as may be necessary to provide for the trend of the business and for variations in or special circumstances affecting the business either before or after the damage or which would have affected, the business had the damage not occurred so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the damage would have been obtained during the relative period after the damage.
ANNUAL OUTPUT/ TURNOVER – The proportional equivalent for a period of twelve months or the Output/ Turnover realised during the period between the commencement of the business and the date of the damage.	
STANDARD OUTPUT/ TURNOVER – The proportional equivalent for a period equal to the indemnity period of the Output /Turnover realised during the period between the commencement of the business and the date of damage.	

EXTENSIONS APPLICABLE TO SECTION I, II & III

AGREED BANK CLAUSE

It is hereby declared and agreed:-

That upon any monies becoming payable under this policy the same shall be paid by the Company to the Bank and such part of any monies so paid as may relate to the interests of other parties insured hereunder shall be received by the Bank as Agents for such other parties.

That the receipts of the Bank shall be complete discharge of the Company therefore and shall be binding on all the parties insured hereunder.

N.B: The Bank shall mean the first named Financial Institution/ Bank named in the policy.

That if and whenever any notice shall be required to be given or other communication shall be required to be made by the Company to the insured or any of them in any manner arising under or in connection with this policy such notice or other communication shall be deemed to have been sufficiently given or made if given or made to the Bank.

That any adjustment, settlement, compromise or reference to arbitration in connection with any dispute between the Company and the insured or any of them arising under or in connection with this policy if made by the Bank shall be valid and binding on all parties insured hereunder but not so as to impair rights of the Bank to recover the full amount of any claim it may have on other parties insured hereunder.

i. That any adjustment, settlement, compromise or reference to arbitration in connection with any dispute between the Company and the insured or any of them arising under or in connection with this policy if made by the Bank shall be valid and binding on all parties insured hereunder but not so as to impair rights of the Bank to recover the full amount of any claim it may have on other parties insured hereunder.

ii. That this insurance so far only as it relates to the interest of the Bank therein shall not cease to attach to any of the insured property by reason of operation of condition 3 of the Policy except where a breach of the condition has been committed by the Bank or its duly authorised agents or servants and this insurance shall not be invalidated by any act or omission on the part of any other party insured hereunder whereby the risk is increased or by anything being done to upon or any building hereby insured or any building in which the goods insured under the policy are stored without the knowledge of the Bank provided always that the Bank shall notify the Company of any change of ownership or alterations or increase of hazards not permitted by this insurance as soon as the same shall come to its knowledge and shall on demand pay to the Company necessary additional premium from the time when such increase of risks first took place and

iii. It is further agreed that whenever the Company shall pay the Bank any sum in respect of loss or damage under this policy and shall claim that as to the Mortgagor or owner no liability therefore existed, the Company shall become legally subrogated to all the rights of the Bank to the extent of such payments but not so as to impair the right of the Bank to recover the full amount of any claim it may have on such Mortgagor or Owner or any other party or parties insured hereunder or from any securities or funds available.

N.B: In cases where the name of any Central Government or State Government owned and / or sponsored Industrial Financing or Rehabilitation Financing Corporations and /or Unit Trust of India or General Insurance Corporation of India and/or its subsidiaries or LIC of India/ any Financial Institution is included in the title of the Fire Policy as mortgages, the above Agreed Bank Clause may be incorporated in the Policy substituting the name of such institution in place of the word 'Bank' in the said clause.

Bankers Details:

	Name of Financers
1	Standard Chartered Bank
2	Standard Chartered Bank, London
3	Allahabad Bank
4	Andhra Bank
5	Axis Bank Limited
6	Bank of Baroda
7	Central Bank of India
8	Citibank N.A
9	DBS Bank Limited
10	HDFC Bank Limited
11	ICICI Bank Limited
12	IDBI Bank Limited
13	IDFC First Bank Limited
14	Indian Overseas Bank
15	IndusInd Bank Limited
16	Karnataka Bank Limited
17	Kotak Mahindra Bank Limited
18	Punjab and Sind Bank
19	Punjab National Bank
20	RBL Bank Limited
21	State Bank of India
22	UCO Bank
23	Union Bank Of India
24	United Bank Of India
25	Yes Bank Limited

Terrorism Damage Cover Endorsement

Terrorism Damage Cover Endorsement - Material Damage and Loss of Profit

INSURING CLAUSE

Subject otherwise to the terms, exclusions, provisions and conditions contained in the Policy and in consideration of the payment by the Insured to the Company of additional premium as stated in the Schedule, it is hereby agreed and declared that notwithstanding anything stated in the 'Terrorism Risk Exclusion" of this Policy to the contrary, this Policy is extended to cover:-

(i) Physical loss or physical damage occurring during the period of this Policy caused by an act of terrorism, subject to the exclusions, limits and excess hereinafter contained,

For the purpose of this cover, an act of terrorism means an act or series of acts, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organization(s) or government(s), or unlawful associations, recognized under Unlawful Activities (Prevention) Amendment Act, 2008 or any other related and applicable national or state legislation formulated to combat unlawful and terrorist activities in the nation for the time being in force, committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public or any section of the public in fear for such purposes.

(ii) loss, damage, cost or expense directly caused by, resulting from or in connection with any action taken in suppressing, controlling, preventing or minimizing the consequences of an act of terrorism by the duly empowered government or Military Authority.

Provided that If the Insured is eligible for indemnity under any government compensation plan or other similar scheme in respect of the damage described above, this Policy shall be excess of any recovery due from such plan or scheme.

For the purpose of the aforesaid inclusion clause, "Military Authority" shall mean armed forces, para military forces, police or any other authority constituted by the government for maintaining law and order.

(iii) Loss resulting from necessary interruption of business caused by direct physical loss or damage in respect of which liability has been admitted by the Company under (i) and/or (ii) above. In the event of such direct physical loss or damage, this Policy shall be liable for the actual loss sustained by the insured resulting directly from such necessary interruption of business, but not exceeding the loss of gross profits, as defined in the Policy, less charges and expenses which are not necessary during the interruption of business, for such length of time as would be required, with the exercise of due diligence and dispatch, to repair, rebuild or replace such part of the property as has been destroyed or damaged, commencing with the date of such direct physical loss or damage and not limited by the expiration of this Policy.

Due consideration shall be given to the continuation of normal charges and expenses, including payroll expenses, to the extent necessary to resume operations of the Insured with the same operational capability as existed immediately before the loss.

LOSSES EXCLUDED

(A) For Materials Damage

This cover shall not indemnify loss of or damage to property caused by any or all of the following:-

1. loss by seizure or legal or illegal occupation;
2. loss or damage caused by:
    - voluntary abandonment or vacation,
    - confiscation, commandeering, nationalisation, requisition, detention, embargo, quarantine, or any result of any order of public or government authority, which deprives the Insured of the use or value of its property;

3. loss or damage arising from acts of contraband or illegal transportation or illegal trade;

4. loss or damage directly or indirectly arising from or in consequence of the seepage and or discharge of pollutants or contaminants, which pollutants and contaminants shall include but not be limited to any solid, liquid, gaseous or thermal irritant, contaminant or toxic or hazardous substance or any substance the presence, existence or release of which endangers or threatens to endanger the health, safety or welfare of persons or the environment;

5. loss or damage arising directly or indirectly from or in consequence of chemical or biological emission, release, discharge, dispersal or escape or chemical or biological exposure of any kind;

6. loss or damage arising directly or indirectly from or in consequence of asbestos emission, release, discharge, dispersal or escape or asbestos exposure of any kind;

7. any fine, levy, duty, interest or penalty or cost or compensation/damages and/or other assessment which is incurred by the Insured or which is imposed by any court, government agency, public or civil authority or any other person;

8. loss or damage by electronic means including but not limited to computer hacking or the introduction of any form of computer virus or corrupting or unauthorised instructions or code or the use of any electromagnetic weapon.

   This exclusion shall not operate to exclude losses (which would otherwise be covered under this Policy) arising from the use of any computer, computer system or computer software programme or any other electronic system in the launch and/or guidance system and/or firing mechanism of any weapon or missile;

9. loss or damage caused by vandals or other persons acting maliciously or by way of protest or strikes, labour unrest, riots or civil commotion;

10. loss or increased cost occasioned by any public or government or local or civil authority's enforcement of any ordinance or law regulating the reconstruction, repair or demolition of any property insured hereunder;

11. any consequential loss or damage, loss of use, delay or loss of markets, loss of income, depreciation, reduction in functionality, or increased cost of working;

12. loss or damage caused by factors including but not limited to cessation, fluctuation or variation in, or insufficiency of, water, gas or electricity supplies and telecommunications or any type of service;

13. loss or increased cost as a result of threat or hoax;

14. loss or damage caused by or arising out of burglary, house - breaking, looting, theft, larceny or any such attempt or any omission of any kind of any person (whether or not such act is committed in the course of a disturbance of public peace) in any action taken in respect of an act of terrorism;

15. loss or damage caused by mysterious disappearance or unexplained loss;

16. loss or damage directly or indirectly caused by mould, mildew, fungus, spores or other micro-organism of any type, nature or description, including but not limited to any substance whose presence poses an actual or potential threat to human health;
17. total or partial cessation of work or the retardation or interruption or cessation of any process or operations or omissions of any kind.

(B) For Loss of Profit

This cover shall not indemnify:-

- increase in loss resulting from interference at the insured premises, by terrorists or other persons, with rebuilding, repairing or replacing the property or with the resumption or continuation of operation;
- increase in loss caused by the suspension, lapse, or cancellation of any lease, license, contract, or order, unless such results directly from the insured interruption of business, and then the Company shall be liable for only such loss as affects the Insured's earnings during, and limited to, the period of indemnity covered under this Policy;
- increase in loss caused by the enforcement of any ordinance or law regulating the use, reconstruction, repair or demolition of any property insured hereunder;
- the Insured's lack of sufficient capital for timely restoration or replacement of property lost destroyed or damaged;

1. loss resulting from :

a) deliberate erasure, loss, distortion or corruption of information on computer systems or other records, programmes or software;

b) deliberate erasure, loss, distortion or corruption of information on computer systems or other records, programmes or software unless caused by damage to the machine or apparatus in which the records are mounted;

2. loss resulting from alterations, additions, improvements, rectification of defects or faults or elimination of any deficiencies carried out after the physical ;

- loss of market or any other consequential loss.
- loss as a result of physical or mental or bodily injury to any person.
- loss arising from Contingent Business Interruption Extension of Business Interruption/Loss of Profit Section under this policy, comprising of Customers and Suppliers premises, Prevention of Access and Public Utilities.

LIMIT OF INDEMNITY

The limit of indemnity under this cover shall not exceed the Total Sum Insured given in the policy schedule or INR 20,000,000,000 whichever is lower. In respect of several insurance policies within the same compound/location and/or arising out of a single event with one or different insurers, the maximum aggregate loss payable per compound/location and/or arising out of a single event by any one or all insurers shall be INR 20,000,000,000. If the actual aggregate loss suffered at one compound/location and/or arising out of a single event is more than INR 20,000,000,000 the amounts payable towards individual policies shall be reduced in proportion to the sum insured of the polices.

DEFINITION OF SINGLE EVENT

Physical loss or physical damage arising during a period of 72 consecutive hours out of an "act of terrorism" would be considered as single event.

EXCESS*

A. For material damage:-

Shops & Residential Risks: 1% of the claim amount of each and every claim subject to minimum of INR 10,000 and maximum of INR 500,000

Non - Industrial Risks: 1% of the claim amount of each and every claim subject to minimum of INR 25,000 and maximum of INR 1,000,000

Industrial Risks: 5% of the claim amount of each and every claim subject to minimum of INR 1,00,000 and maximum of INR 25,00,000

*whichever is applicable

B. For Loss of Profit :-

In any one occurrence of loss or damage, the Company shall not be liable for the amount obtained by multiplying seven (7) days standard turnover with rate of gross profit.

ADD ON Covers

It is further declared and agreed that the limit of indemnify including the claim on add on cover(s) shall not exceed total sum insured plus separate sub-limit opted for add on cover(s) or INR 20,000,000,000 whichever is lower. in respect of several insurance policies with in the same compound/location or affected in the single event, the maximum aggregate loss payable per compound/location and or arising out of single event by any one or all insures shall be INR 20,000,000,000 .

Add ons	Sub Limits
Start Up/ Shut Down Expenses	INR 10 Crs EEL and 50 Crs in aggregate
Architect's Surveyor's and Consulting Fees	INR 5 Crs EEL and in aggregate
Omission to Insure	5% of MD SI excl. stocks
Removal of Debris	INR 25 Crs EEL and in aggregate
Escalation	5% of MD SI excl. stocks

MID TERM COVER

In case the coverage under this endorsement is granted during the currency of the policy, no claims will be payable for loss or damage to property caused by an act of terrorism occurring during the first 15(fifteen) days from the date of granting such cover.

SANCTON, LIMITATION AND EXCLUSION CLAUSE

No (re)insurer shall be deemed to provide cover and no (re)insurer shall be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that (re)insurer to nay sanction, prohibition or restriction under united nations resolutions or the trade or economic sanctions, laws or regulations of the European union, united kingdom or united states of America.

CANCELLATION CLAUSE

Cancellation if initiated by insured, the insurer will retain minimum premium as per short period scale and will refund the balance amount. If cancellation has been initiated by insurer then refund of premium shall be on pro-rata basis for the unexpired term of the policy.

Where a policy is cancelled and rewritten midterm purely for the purpose of coinciding with the accounting year of the insured, pro-rate refund of the cancelled policy premium will be allowed. If the cancellation is for any other purpose, refund of premium will only be allowed after charging short term scale rates. Note: The definitions, terms and conditions of the Policy save as modified or endorsed herein shall apply.

Incase of realignment of policy wherein the policy is replaced by a new annual policy covering the identical property, refund of premium shall be subject to the prevalent GIC regulations/guidelines.

CLAUSES ATTACHED TO THE POLICY

1. DESIGNATION OF PROPERTY CLAUSE

For the purpose of determining, where necessary, the item under which any property is insured, the insurers agree to accept the designation under which the property has been entered in the insured's books.

2. NOMINATED LOSS ADJUSTERS;

	"Any entity mutually decided by the Insured and the Lead Insurer".

3. COINSURANCE CLAUSE

It is hereby confirmed that the coinsurance clause under this policy is governed by the Coinsurance Agreement dated 20th February 2009 of the General Insurance Council. This agreement, inter alia, lays down guidelines as follows:

- The Lead Insurer shall be responsible for the terms and conditions of the coverage, handling premiums and claims (including their investigation, settlement and payment).
- Premium shall be paid by the Insured to the Lead Insurer and then shall be paid by the Lead Insurer to co-insurers as per their allocated share after deduction of any policy handling / administration charges.
- Similarly Claim expenses and payments shall be paid by the Lead Insurer to the Insured in the first place and shall be recovered by the Lead Insurer from the co-insurers as per their allocated shares under the policy. The Insurers named hereunder severally and jointly agree each for the proportion set against thereto to pay / make good to the Insured the actual loss or damage to the property insured arising from the perils covered.
- For large claims of above Rs.1 Cr, the Lead Insurer has the liberty to call upon the co-insurer(s) to remit their proportion of the liability in advance within 21 days from the date of receipt of such call. Failure to comply with such demand shall render the defaulting co-insurer(s) to pay interest at 10% per annum after the expiry of the stipulated period of 21 days, until it is paid in full.

Provided That:

1. The liability of the Insurers shall in no case exceed in respect of each item of the sum insured thereon or in whole, the total sum insured thereby or such other sum or sums as may be substituted thereof by endorsement.
2. The liability of the Insurers individually in respect of such loss or damage shall be limited to the proportion set against its name or such proportion as may be substituted thereof by endorsement.

It is hereby declared and agreed that the Insurers named hereunder as per the Policy Schedule – List of Participating Insurers severally agreed each for the proportion set against their name.

a) To pay or make good to the Insured the value of the property at the time of the happening of its loss or destruction or the amount of such damage thereto as provided for under the policy and/or

b) To indemnify the Insured against liability at law for damage to property and/or injuries to persons as provided for under the policy.

Subject otherwise to the terms, exceptions, conditions and limitations of this policy.

GENERAL EXCLUSIONS (APPLICABLE TO ALL SECTIONS)

Notwithstanding any provision to the contrary within this Policy or any endorsement thereto it is agreed that this Policy excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss:

6.1 Sanction and Limitation Clause

No insurer shall be deemed to provide cover and no (re) insurer shall be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that (re) insurer to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.

6.2 Political Risk Exclusion

Notwithstanding any provision to the contrary within this insurance or any endorsement thereto it is agreed that this insurance excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss:
(1) War, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war. Permanent or temporary dispossession resulting from confiscation, commandeering, requisition or destruction of or damage to property by order of the government de jure or de facto or by any public authority. Mutiny, civil commotion assuming the proportions of or amounting to a popular rising, tribal rising, military rising, insurrection, rebellion, revolution, military or usurped power, martial law or state of siege or any of the events or causes which determine the proclamation or maintenance of martial law or state of siege; or
(2) Strike, riot, looting, plundering, locked-out workers, persons taking part in labour disturbances, malicious persons (other than thieves); or
(3) Any act of terrorism.

For the purpose of this endorsement an act of terrorism means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), committed for political, religious, ideological, or ethnic purposes or reasons including the intention to influence any government and/or to put the public, or any section of the public, in fear.

This endorsement also excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to (1) and/or (2) and/or (3) above.

If the insurer alleges that by reason of this exclusion, any loss, damage, cost or expense is not covered by this insurance the burden of proving the contrary shall be upon the insured. In the event any portion of this endorsement is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

6.3 Nuclear Energy Risk Exclusion

This Agreement shall exclude Nuclear Energy Risks whether such risks are written directly and/or by way of insurance and/or via Pools and /or Associations.

For all purposes of this Agreement Nuclear Energy Risks shall mean all first and/or third party insurances or insurances (other than Workers' Compensation and Employers' Liability) in respect of

All Property on the site of a nuclear power station (NPS)

Nuclear Reactors, reactor buildings, plant, and equipment therein on any site other than a NPS

All Property, on any site (including but not limited to the sites referred to above, used or having been used for

a) the generation of nuclear energy or

b) the production, use or storage of nuclear material

3. Any other Property eligible for insurance by the relevant local Nuclear Insurance Pool and/or Association but only to the extent of the requirements of that local Pool and/or Association

4. The supply of goods and services to any of the sites described in 4.3.1 to 4.3.3 above, unless such insurances or reinsurances shall exclude the perils of irradiation and contamination by Nuclear Material. Except as under noted, Nuclear Energy Risks shall not include:

a) any insurance or reinsurance in respect of the construction or erection or installation or replacement or repair or maintenance or decommissioning of Property as described in 4.3.1 to 4.3.3 above (including Contractors' Plant and Equipment)

b) any Machinery Breakdown or other Engineering Insurance or reinsurance not coming within the scope of 4.3.4 (a) above

Provided always that such insurance shall exclude the perils of irradiation and contamination by Nuclear Material.

However, the above exemption shall not extend to:

A. The provision of any insurance or reinsurance whatsoever in respect of

A.1 Nuclear Material;

A.2 Any Property in the High Radioactivity Zone or Area of any Nuclear Installation as from the introduction of Nuclear Material or for reactor installations – as from fuel loading or first criticality where so agreed with the relevant local Nuclear Insurance Pool and/or Association.

B. The provision of any insurance or reinsurance for the under-noted perils:

- Fire, lightning, explosion
- Earthquake
- Aircraft and other aerial devices or articles dropped there from
- Irradiation and radioactive contamination
- Any other peril insured by the relevant local Nuclear Insurance pool and/or Association

in respect of any other Property not specified in A above which directly involves the production, use or storage of Nuclear Material as from the introduction of Nuclear Material into such property.

Definitions

"*Nuclear Material*" means Nuclear fuel, other than natural uranium and depleted uranium, capable of producing energy by a self-sustaining chain process of nuclear fission outside a Nuclear Reactor, either alone or in combination with some other material; and

"*Radioactive Products or Waste*" means any radioactive material produced in, or any material made radioactive by exposure to the radiation incidental to the production or utilization of nuclear fuel, but does not include radioisotopes which have reached the final stage of fabrication so as to be usable for any scientific, medical, agricultural, commercial or industrial purpose.

"*Nuclear Installation"* means

- Any Nuclear Reactor
- Any factor using nuclear fuel for the production of Nuclear Material, or any factory for the processing of Nuclear Material including any factory for the reprocessing of irradiated nuclear fuel; and
- Any facility where Nuclear Material is stored, other than storage incidental to the carriage of such material

"*Nuclear Reactor*" means any structure containing nuclear fuel in such an arrangement that a self-sustaining chain process of nuclear fission can occur therein without an additional source of neutrons.

"*Production, use or storage of Nuclear Material*" means the production, manufacture, enrichment, conditioning, processing, reprocessing, use, storage, handling and disposal of Nuclear Material.

"*Property*" shall mean all land, buildings, structures, plant, equipment, vehicles, contents (including but not limited to liquids and gases) and all materials of whatever description whether fixed or not.

6.4 Total Asbestos Exclusion

It is hereby understood and agreed that this contract shall not apply to, and does not cover, any actual or alleged liability whatsoever for any claim or claims in respect of loss or losses directly or indirectly caused by, arising out of, resulting from, in consequence of, in any way involving, or to the extent contributed to by, the hazardous nature of asbestos or any materials containing asbestos in whatever from or quantity

6.5 Electronic Data Recognition Clause

Section 1

This insurance does not cover any loss, damage, cost, and claim or expense whether preventive, remedial or otherwise, directly or indirectly arising out of or relating to:

a. the calculation, comparison, differentiation, sequencing or processing of data involving the date change to the year 2000, or any other date change, including leap year calculations by any computer system, hardware, programme or software and/or any microchip, integrated circuit or similar device in computer equipment or non-computer equipment, whether the property of the insured or not; or
b. any change, alteration or modification involving the date change to the year 2000 or any other date change, including leap year calculations, to any such computer system, hardware, programme or software or any microchip, integrated circuit or similar device in computer equipment or non-computer equipment, whether the property of the insured or not

This clause applies regardless of any other clause or event that contributes concurrently or in any sequence to the loss, damage, cost, claim or expense

However, this section shall not apply in respect of physical damage occurring at the insured's premises arising out of the perils of fire, lightning, explosion, aircraft or vehicle impact, falling objects, windstorm, hail, tornado, hurricane, cyclone, riot, strike, civil commotion, vandalism, malicious mischief, earthquake, volcano, tsunami, freeze or weight of snow.

Section 2

Notwithstanding Section 1 above, this reinsurance does not cover any costs and expenses, whether preventive, remedial or otherwise, arising out of or relating to change, alteration or modification of any computer system, hardware, programme or software or any microchip, integrated circuit or similar device in computer or non-computer equipment, whether the property of the insured or not.

Section 3

The date change to the year 2000, or any other date change, including leap year calculations, shall not in itself be regarded as an event for the purposes of this reinsurance

6.6 Information Technology clarification Agreement

Property damage covered under this Agreement shall mean physical damage to the substance of property.

Physical damage to the substance of property shall not include damage to data or software, in particular any detrimental change in data, software or computer programs that is caused by a deletion, a corruption or a deformation of the original structure

Consequently the following are excluded from this Agreement -

Loss of or damage to data or software, particular any detrimental change in data, software or computer programs that is caused by deletion, a corruption or a deformation of the original structure, and any business interruption losses resulting from such a loss or damage. Notwithstanding this exclusion, loss of or damage to data or software, which is the direct consequence of insured physical damage to the substance of property, shall be covered.

Loss or damage resulting from an impairment in the function, availability, range of use or accessibility of data, software or computer programs, and any business interruption losses resulting from such loss or damage.

6.7 Radioactive Exclusion

Unless specifically agreed for an insured loss involving nuclear material under determined circumstances, this reinsurance does not cover loss, damage, cost or expense of whatsoever nature directly or indirectly caused, resulting from or in connection with nuclear energy or radioactivity of any kind including but not limited to any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss:

1. ionizing radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel
2. the radioactive, toxic, explosive or other hazardous or contamination properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof
3. any weapon or device_employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.
4. the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter.
   any chemical, biological, bio-chemical or electromagnetic weapon

6.8 Cyber Risk Exclusion

1. Electronic Data Exclusion

Notwithstanding any provision to the contrary within the Policy or any endorsement thereto, it is understood and agreed as follows:

(a) This Policy does not insure loss, damage, destruction, distortion, erasure, corruption or alteration of ELECTRONIC DATA from any cause whatsoever (including but not limited to COMPUTER VIRUS) or loss of use, reduction in functionality, cost, expense of whatsoever nature resulting therefrom, regardless of any other cause or event contributing concurrently or in any other sequence to this loss.

ELECTRONIC DATA means facts, concepts and information converted to a form useable for communications, interpretation or processing by electronic and electromechanical data processing or electronically controlled equipment and includes programmes, software and other coded instructions for the processing and manipulation of data or the direction and manipulation of such equipment.

COMPUTER VIRUS means a set of corrupting, harmful or otherwise unauthorized instructions or code including a set of maliciously introduced unauthorized instructions or code, programmatic or otherwise, that propagate themselves through a computer system or network of whatsoever nature. COMPUTER VIRUS includes but is not limited to “Trojan Horses”, “worms” and “time or logic bombs”.

2. Electronic Data Processing Media Valuation

Notwithstanding any provision to the contrary within the Policy or any endorsement thereto, it is understood and agreed as follows:

Should electronic data processing media insured by this Policy suffer physical loss or damage insured by this Policy, then the basis of valuation shall be the cost of the blank media plus the costs of copying the ELECTRONIC DATA from back-up or from originals of a previous generation. These costs will not include research and engineering nor any costs of recreating, gathering or assembling such ELECTRONIC DATA. If the media is not repaired, replaced or restored, the basis of valuation shall be the cost of blank media. However, this Policy does not insure any amount pertaining to the value of such ELECTRONIC DATA to the Assured or any other party, even if such ELECTRONIC DATA cannot be recreated, gathered or assembled.

6.9 Communicable Disease Exclusion

Notwithstanding any provision, clause or term of this insurance Contract to the contrary, this insurance Contract excludes any loss, cost, damage, liability, claim, fines, penalty or expense or any other amount of whatsoever nature, whether directly or indirectly and/or in whole or in part, related to, caused by, contributed to by, resulting from, as a result of, as a consequence of, attributable to, arising out of, arising under, in connection with, or in any way involving (this includes all other terms commonly used and/or understood to reflect or describe nexus and/or connection from one thing to another whether direct or indirect):

1.1 a Communicable Disease and/or the fear or threat (whether actual or perceived) of a Communicable Disease and/or the actual or alleged transmission of a Communicable Disease regardless of any other cause or event contributing and/ or occurring concurrently or in any sequence thereto, and

1.2 a pandemic or epidemic, as declared by the World Health Organization or any governmental authority.

2. As used herein, Communicable Disease means: any infectious, contagious or communicable substance or agent and/or any infectious, contagious or communicable disease which can be caused and/or transmitted by means of substance or agent where:

2.1 the disease includes, but is not limited an illness, sickness, condition or an interruption or disorder of body functions, systems or organs, and

2.2 the substance or agent includes, but is not limited to, a virus, bacterium, parasite, other organism or other micro-organism (whether asymptomatic or not); including any variation or mutation thereof, whether deemed living or not, and

2.3 the method of transmission, whether direct or indirect, includes but not limited to, airborne transmission, bodily fluid transmission, transmission through contact with human fluids, waste or the like, transmission from or to any surface or object, solid, liquid or gas or between organisms including between humans, animals, or from any animal to any human or from any human to any animal, and

2.4 the disease, substance or agent is such:

2.4.1 that causes or threatens damage or can cause or threaten damage to human health or human welfare, or

2.4.2 that causes or threatens damage to or can cause or threaten damage to, deterioration to, contamination of, loss of value of, loss of marketability of or loss of use or usefulness of, tangible or intangible property.

For avoidance of doubt, Communicable Disease includes but is not limited to Coronavirus Disease 2019 (Covid -19) and any variation or mutation thereof.

3. For further avoidance of doubt, any contingent or other business interruption loss, cost, damage, loss of income, loss of use, increased cost of working and/or extra expense arising out of or attributable to:

3.1 any partial or complete closure of and/or slowdown in, including but not limited to any closure by or under the advisories of public, military, government or civil authorities, or any denial of access to insured premises, or customer and or supplier premises (including service / utility providers), or
3.2 change in consumer behavior, or
3.3 an absence of infected employees or employees suspected of being infected shall not be covered by this [insurance Contract].

4. For still further avoidance of doubt, loss, cost, damage, liability, claim, fines, penalty or expense or any other amount excluded hereby, includes but is not limited to any cost to identify, clean-up, detoxify, disinfect, decontaminate, mitigate, remove, evacuate, repair, replace, monitor, sanitize or test: (1) for a Communicable Disease or (2) any tangible or intangible property covered by this insurance Contract that is affected by such Communicable Disease.

5. It is clarified that (1) no other prior, concurrent or subsequent provision, clause, term or exception of this insurance Contract (including (but not limited to) any prior, concurrent or subsequent endorsement and/or any provision, clause, term, buy back or exception that operates, or is intended to operate, to extend the coverage of, or protections provided by, this insurance Contract by whatever name called like any coverage extension, additional coverage, global extension, exception to any exclusion); (2) any change in the law, clause or similar provision; (3) any follow the fortunes clause or similar provision; and/or (4) no change in the law or any regulation (to the extent permitted by applicable law), shall operate to provide any reinsurance, coverage or protection under this insurance Contract that would otherwise be excluded through the exclusion set forth in this Clause.

6. If the insurer alleges that by reason of this Clause any amount is not covered by this insurance Contract the burden of proving the contrary shall rest in the insured.

6.10 TOXIC MOULD EXCLUSION CLAUSE

Notwithstanding anything to the contrary contained in the Policy, Insurers will not pay for loss, damage, cost or expense caused directly or indirectly by, arising out of, resulting from, contributed to by, or related in any way to “mould”. Loss, damage, cost or expense caused directly or indirectly by, arising out of, resulting from, contributed to by, or related in any way to “mould” is excluded regardless of any other cause or event that contributed concurrently, or in any sequence with, the loss, damage, cost or expense.

For the purpose of any exclusion, the following definition is added to this Policy:
“Mould” means by species of fungi including, but not limited, to, mould, yeast, mildew, spores, mould toxins, mycotoxins, mould metabolites, mould antigens, mould allergens, smut, wet or dry rot, mould-produced antibiotics, or dust or fumes containing any of the foregoing, individually, or in any combination therewith or with another substance.

6.11 INSTITUTE EXTENDED RADIOACTIVE CONTAMINATION EXCLUSION CLAUSE 01.11.2002.

This clause shall be paramount and shall override anything contained in this insurance inconsistent therewith.

1. In no case shall this insurance cover loss damage liability or expense directly or indirectly caused by or contributed to by or arising from

2. Ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel

3. The radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof

4. Any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter

5. The radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter. The exclusion in this sub-clause does not extend to radioactive isotopes other than nuclear fuel, when such isotopes are being prepared, carried, stored or used for commercial, agricultural, medical, scientific or other similar peaceful purposes.

6.12 BIOLOGICAL AND CHEMICAL MATERIAL EXCLUSION CLAUSE

It is agreed that this Insurance excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with the actual or threatened malicious use of pathogenic or poisonous biological or chemical materials regardless of any other cause or event contributing concurrently or in any other sequence thereto.
NMA 2962

To,
CESC LTD
Date: AUGUST, 12, 2020

Dear Sir,

Notwithstanding anything to the contrary contained in the policy, it is declared and agreed that the policy stands amended for the reason given below.

The below security trustee details are the part of the mentioned policy nos.

Sl No	Name
1	IDBI Trusteeship Services Limited

Policy Nos:

POLICY NUMBER
1012/200692323/01/000
1001/201278803/01/000
1003/200692324/01/000
4001/201202381/01/000
1001/201052069/01/000
4001/201165429/01/000
1001/200866227/01/000
1001/201052071/01/000
1001/200780178/01/000

1001/200822130/01/000
1001/200759320/01/000
5002/200417158/01/000
1001/200759319/01/000
5002/200417157/01/000

Thanking you.

For ICICI Lombard GIC Limited

Authorized Signatory

PAN – AAACI7904G
Category of Service – General Insurance

MINISTRY OF CORPORATE AFFAIRS
RECEIPT
G.A.R.7

SRN : R82735218 **Service Request Date :** 06/01/2021

Payment made into : HDFC Bank

Received From :

Name : EFILING KOLKATA

Address : Kolkata

Kolkata, West Bengal

IN - 700013

Entity on whose behalf money is paid

CIN: L31901WB1978PLC031411

Name : CESC LTD

Address : CESC HOUSE

CHOWRINGHEE SQUARE

KOLKATA, West Bengal

India - 700001

Full Particulars of Remittance

Service Type: eFiling

Service Description	Type of Fee	Amount(Rs.)
Fee For Form GNL-2	Normal	600.00
	Total	600.00

Mode of Payment: Internet Banking - HDFC Bank

Received Payment Rupees: Six Hundred Only

Note: The defects or incompleteness in any respect in this eForm as noticed shall be placed on the Ministry's website (www.mca.gov.in). In case the eForm is marked as RSUB or PUCL, please resubmit the eForm or file Form GNL-4(Addendum), respectively. Please track the status of your transaction at all times till it is finally disposed off. (Please refer Rule 10 of the Companies (Registration offices and Fees) Rules, 2014) It is compulsory to file Form GNL-4 (Addendum) electronically within the due date whenever the document is put under PUCL, failing which the system will treat the document as invalid and will not be taken on record in accordance with Rule 10(4) of the Companies (Registration offices and Fees) Rules, 2014

FORM NO. GNL-2

[Pursuant to the rule 12(2) of the Companies (Registration Offices and Fees) Rules, 2014]

सत्यमेव जयते

Form for submission of documents with the Registrar

Note - All fields marked in * are to be mandatorily filled.

Form language ◉ English ○ Hindi

1.(a) *Corporate Identity Number (CIN) of company: L31901WB1978PLC031411 [Pre-Fill]

(b) Global location number (GLN) of company:

2.(a) Name of the company: CESC LTD

(b) Address of the registered office of the company:
CESC HOUSE
CHOWRINGHEE SQUARE
KOLKATA
West Bengal
700001
India

3. *Please indicate the document being filed

- ○ Prospectus
- ○ Red Herring Prospectus
- ○ Information Memorandum
- ◉ Private placement offer letter or Record of a private placement offer to be kept by the company
- ○ Form 149 of the Companies (Court) Rules, 1959
- ○ Form 152 of the Companies (Court) Rules, 1959
- ○ Form 153 of the Companies (Court) Rules, 1959
- ○ Form 154 of the Companies (Court) Rules, 1959
- ○ Form 156 of the Companies (Court) Rules, 1959
- ○ Form 157 of the Companies (Court) Rules, 1959
- ○ Form 158 of the Companies (Court) Rules, 1959
- ○ Form 159 of the Companies (Court) Rules, 1959
- ○ Filing under Insolvency and Bankruptcy Code, 2016
- ○ Others

5.(a) Service request number of Form MGT-14: H40730798

(b) Date of passing special or ordinary resolution: 21/12/2018 (DD/MM/YYYY)

(c) Date of filing Form MGT-14: 02/01/2019 (DD/MM/YYYY)

7. *Details of the documents being filed

Private Placement offer Letter in Form PAS-4 for issue of 2000 Non-Convertible Debentures having a face value of Rs. 10,00,000/- each aggregating to Rs. 200,00,00,000/- (Basic Issue size - Rs. 25 crore with an option to retain oversubscription of upto Rs. 175 crore)

8. *Date of event 24/12/2020 (DD/MM/YYYY)

9. *Financial year to which the document relates

(a) From (DD/MM/YYYY) (b) To (DD/MM/YYYY)

Attachments

1. Copy of prospectus or red herring prospectus or information memorandum or private placement offer letter or record of private placement offer letter to be kept by the company

Attach

3. Optional attachment(s) - if any

Attach

List of attachments

IM.pdf
IM.pdf

Remove attachment

Verification

To the best of my knowledge and belief, the information given in this form and its attachments is correct and complete.

I have been authorised by the board of directors' resolution dated

* 28/05/2013 (DD/MM/YYYY) to sign and submit this form.

To be digitally signed by

SUBHASIS MITRA Digitally signed by SUBHASIS MITRA Date: 2021.01.05 14:34:16 +05'30'

Particulars of the person signing and submitting the form

Name

Capacity

Director or manager or secretary or CEO/CFO of the company

Designation Company Secretary

Director identification number of the director or membership number of the secretary or DIN/PAN of the Manager/CEO/CFO 5376

Verification

To the best of my/our knowledge and belief, the information given in this form and its attachments is correct and complete. I am/ We are duly authorised to sign and submit this form.

To be digitally signed by

Liquidators of the Company

Modify | Check Form | Prescrutiny | Submit

For office use only:

eForm Service request number (SRN) eForm filing date (DD/MM/YYYY)

This e-form is hereby registered

Digital signature of the authorizing officer Confirm Submission

Date of signing (DD/MM/YYYY)

MINISTRY OF CORPORATE AFFAIRS
RECEIPT
G.A.R.7

SRN : R78250263 **Service Request Date :** 28/12/2020

Payment made into : HDFC Bank

Received From :

Name : EFILING KOLKATA

Address : Kolkata

Kolkata, West Bengal

IN - 700013

Entity on whose behalf money is paid

CIN: L31901WB1978PLC031411

Name : CESC LTD

Address : CESC HOUSE

CHOWRINGHEE SQUARE

KOLKATA, West Bengal

India - 700001

Full Particulars of Remittance

Service Type: eFiling

Service Description	Type of Fee	Amount(Rs.)
Fee For Form PAS-3	Normal	600.00
	Total	600.00

Mode of Payment: Internet Banking - HDFC Bank

Received Payment Rupees: Six Hundred Only

Note –The Registrar may examine this eForm any time after the same is processed by the system under Straight Through Process (STP). In case any defects or incompleteness in any respect is noticed by the Registrar , then this eForm shall be treated and labeled as defective and the eForm shall have to be filed afresh with the fee and additional fee, as applicable. (Please refer Rule 10 of the Companies (Registration offices offices and Fees) Rules, 2014)

FORM NO. PAS-3

[Pursuant to section 39(4) and 42 (9) of the CompaniesAct, 2013 and rule 12 and 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014]

सत्यमेव जयते

Return of Allotment

Form language (•) English ( ) Hindi

Refer the instruction kit for filing the form.

1.(a) *Corporate Identity Number (CIN) of company: L31901WB1978PLC031411 [Pre-fill]

(b) Global Location Number (GLN) of Company:

2.(a) Name of the company: CESC LTD

(b) Address of the Registered office of the company:
CESC HOUSE
CHOWRINGHEE SQUARE
KOLKATA
West Bengal
700001
India

(c) *Email ID of the company: sudip.ghosh@rpsg.in

3. Securities allotted payable in cash

*Number of allotments: 1

1 (i)* Date of allotment: 28/12/2020 (DD/MM/YYYY)

(ii)(a) Date of passing shareholders' resolution: 21/12/2018 (DD/MM/YYYY)

(b) SRN of Form No. MGT-14: H40730798

Particulars	☐ Preference shares	☐ Equity shares without Differential rights	☐ Equity Shares with differential rights	☒ Debentures
Brief particulars of terms and conditions				As per Information Memorandum
Number of securities allotted				2,000
Nominal amount per security (in Rs.)				1000000.00
Total nominal amount (in Rs.)				2,000,000,000
Amount paid per security on application (excluding premium) (in Rs.)				1000000.00
Total amount paid on application (excluding premium) (in Rs.)				2,000,000,000
Amount due and payable on allotment per security (excluding premium) (in Rs.)				0.00
Total Amount payable on allotment (excluding premium) (in Rs.)				0.00
Premium amount per security due and payable (if any) (in Rs.)				0.00
Total premium amount due and payable (if any) (in Rs.)				0.00
Premium amount paid per security (if any)				0.00
Total premium amount paid (if any) (in Rs.)				0.00
Amount of discount per security (if any) (in Rs.)				0.00
Total discount amount (if any) (in Rs.)				0.00
Amount to be paid on calls per security (if any) (excluding premium) (in Rs.)				0.00
Total amount to be paid on calls (if any) (excluding premium) (in Rs.)				0.00

4. Securities allotted for consideration other than cash

* Number of allotments

(i)* Date of allotment (DD/MM/YYYY)

(ii)(a) Date of passing shareholders' resolution (DD/MM/YYYY)

(b) SRN of Form No. MGT-14

Particulars	Preference shares	Equity shares without Differential rights	Equity Shares with differential rights	Debentures
Number of securities allotted				
Nominal amount per security (in Rs.)				
Total nominal amount (in Rs.)				
Amount to be treated as paid up on each security (in Rs.)				
Premium amount per security (if any) (in Rs.)				
Total premium amount (if any) (in Rs.)				
Amount of discount per security (if any) (in Rs.)				
Total discount amount (if any) (in Rs.)				

(iv)* Details of consideration

Consideration for which such securities have been allotted	Description of the consideration	Value (amount in Rs.)
(a) Property and assets acquired		
(b) Goodwill		
(c) Services (give nature of services)		
(d) Conversion of Debentures		
(e) Conversion of Loans		
(f) Other items (to be specified)		

(v)* Whether an agreement or contract is executed in writing for allotting securities for consideration other than cash
(if yes, attach a copy of such agreement or contract). ◯ Yes ◯ No

(vi) Whether valuation report of the Valuated person has been obtained.

◯ Yes ◯ No

5. Bonus shares issued

(a) Date of allotment | | (DD/MM/YYYY)

(b) Number of bonus shares

(c) Nominal amount per share (in Rs.)

(d) Amount to be treated as paid up per share (in Rs.)

(e) * Date of passing shareholders' resolution | | (DD/MM/YYYY)

(f) * SRN of Form No MGT-14

6. In respect of private placement

(a) Category to whom allotment is made:

- ☐ Existing shareholders
- ☐ Employee
- ☐ Directors
- ☒ Qualified Institutional Buyers
- ☐ Others

(b) Declaration that in respect of preferential allotment or private placement the company has:

- ☒ allotted securities to less than two hundred persons in aggregate in a financial year excluding exempted categories;
- ☒ offered such securities through private placement offer letter and no prospectus or any other public advertisement has been issued for the same;
- ☒ completed allotment in respect of earlier private placement offers;
- ☒ received money payable on subscription of such securities through cheque or demand draft or other banking channels but not in cash;
- ☒ made such offers only to the persons whose names were recorded by the company prior to such invitation and such persons have received such offer by name;
- ☒ Maintained a complete record of such offers and acceptances in Form No. PAS-5.

7.* Capital structure of the company after taking into consideration the above allotment(s) of shares:

Particulars	Authorized capital of the company	Issued capital of the company	Subscribed capital	Paid up capital
Number of equity shares	3,156,000,000	138,857,015	132,557,043	132,557,043
Nominal amount per equity share	10	10	10	10
Total amount of equity shares	31,560,000,000.00	1,388,570,150.00	1,325,570,430.00	1,325,570,430.00
Number of preference shares	0	0	0	0
Nominal value per preference share				
Total amount of preference shares				
Unclassified shares				
Total amount of unclassified shares (in Rs.)				
Total	31,560,000,000.00	1,388,570,150.00	1,325,570,430.00	1,325,570,430.00

8.* Debt Structure of the company after taking into consideration the above allotment(s) of debentures/ other security:

Particulars	Total number of securities	Nominal value per unit of security	Total amount
Debentures	7,200	1000000	7,200,000,000
Secured loans			46,614,277,530
Others, specify	0	0	0

9.* Whether complete list of allottees has been enclosed as an attachment. (●) Yes ( ) No

In case No, then submit the details of all the allottees in a CD separately.

Attachments

List of attachments

List of Allottees.pdf
Allotment Resolution.pdf
PAS-5.pdf

1.* List of allottees. Attach separate list for each allotment (refer instruction kit for format).If not attached, then it shall be submitted separately in a CD. Attach

2.* Copy of Board or shareholders' resolution. Attach

6. Complete record of private placement offers and acceptences in Form PAS-5. Attach

Remove attachment

7. Optional attachment(s), if any. Attach

Declaration

I am authorized by the Board of Directors of the Company vide resolution no * 28 dated * 28/05/2013 to sign this form and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and Articles of Association.

It is further declared and verified that:

1. All the required attachments have been completely, correctly and legibly attached to this form.
2. The list of allottees is correct and complete as per records of the company.
3. Where the securities are issued other than cash, the contract as well as list of allottees and any other contract of sale, or a contract for services or other consideration in respect of which that allotment is made is attached herewith. If not, then an attachment has been attached by the company mentioning all the particulars of the contract in writing.

* **To be digitally signed by**

SUBHASIS MITRA Digitally signed by SUBHASIS MITRA Date: 2020.12.28 10:49:45 +05'30'

* Designation: Company Secretary

* Director identification number of the director; or DIN or PAN of the manager or CEO or CFO; or Membership number of the Company Secretary: 5376

Certificate by practicing professional

I declare that I have been duly engaged for the purpose of certification of this form. It is hereby certified that I have gone through the provisions of the Companies Act, 2013 and rules thereunder for the subject matter of this form and matters incidental thereto and I have verified the above particulars (including attachment(s)) from the original/certified records maintained by the Company/applicant which is subject matter of this form and found them to be true, correct and complete and no information material to this form has been suppressed. I further certify that;

i. The said records have been properly prepared, signed by the required officers of the Company and maintained as per the relevant provisions of the Companies Act, 2013 and were found to be in order;

ii. All the required attachments have been completely and legibly attached to this form.

* **To be digitally signed by**

MANOJ PRASAD SHAW Digitally signed by MANOJ PRASAD SHAW Date: 2020.12.28 11:06:19 +05'30'

* ○ Chartered accountant (in whole-time practice) or ○ Cost accountant (in whole-time practice) or

◉ Company secretary (in whole-time practice)

* Whether associate or fellow ○ Associate ◉ Fellow

* Membership number: 5517

* Certificate of practice number: 4194

Note: Attention is also drawn to provisions of Section 448 of the Act which provide for punishment for false statement and certification.

Modify | Check Form | Prescrutiny | Submit

This eForm has been taken on file maintained by the registrar of companies through electronic mode and on the basis of statement of correctness given by the filing company.

MINISTRY OF CORPORATE AFFAIRS
e-CHALLAN FOR PAYING LATER

ONLY FOR PAY LATER PAYMENT. NOT FOR PAYMENT AT BRANCH COUNTER

SRN : R82653122 **Expiry Date :** 12/01/2021

SRN date : 05/01/2021

By Whom tendered

Name : EFILING KOLKATA

Address : Kolkata

Kolkata, West Bengal

IN - 700013

Entity on whose behalf money is paid

CIN: L31901WB1978PLC031411

Name : CESC LTD

Address : CESC HOUSE

CHOWRINGHEE SQUARE

KOLKATA, West Bengal

India - 700001

Full Particulars of Remittance

Service Type: eFiling

Service Description	Type of Fee	Amount(Rs.)
Fee For Form MGT-14	Normal	600.00
	Total	600.00

Head of Account: 1475001050000

Accounts Officer by whom adjustable : Pay & Accounts Officer, Ministry of Corporate Affairs, New Delhi

Rupees(In words): Six Hundred Only

Important Note : Process w.r.t. payment through Pay Later mode	1. By Pay Later payment option, you can create e-challan and get SRN for any Service. 2. You shall be required to pay for the corresponding SRN using Pay Later functionality on the MCA21 portal (under the Services tab after login on MCA21 portal) 3. You can pay via internet banking facility or credit card offered by the bank in which you hold an account. 4. Service charges, if any, will be borne by the user. 5. Payment shall be allowed only before e-challan expiry date of SRN. Once this time period is over, no payment will be allowed and the corresponding service request shall not be accepted. However user should do the payment as early as possible, so that last day issues are not there. 6. In case of successful payment, the payment details shall be updated in respect of the SRN in the MCA21 system.

ONLY FOR PAY LATER PAYMENT.NOT FOR PAYMENT AT BRANCH COUNTER

FORM NO. MGT-14

[Pursuant to section 94(1), 117(1) of The Companies Act, 2013 and section 192 of The Companies Act, 1956 and rules made thereunder]

सत्यमेव जयते

Filing of Resolutions and agreements to the Registrar

Form Language (•) English ( ) Hindi

Refer the instruction kit for filing the form.

1.(a)*Corporate Identity Number (CIN) of the company: L31901WB1978PLC031411 [Pre-fill]

(b) Global Location Number (GLN) of the company:

2.(a) Name of Company: CESC LTD

(b) Address of the registered office of the company:
CESC HOUSE
CHOWRINGHEE SQUARE
KOLKATA
West Bengal
700001
India

(c) *e-mail id of the company: sudip.ghosh@rp-sg.in

3.* Registration of [X] Resolution(s) [ ] Agreement [ ] Postal ballot resolution(s) under Section 110 [ ] Proposed resolution under section 94(1)

4. Date of dispatch of notice for passing of

(a) Resolution(s): 15/12/2020 (DD/MM/YYYY)

(b) Postal ballot resolution(s): (DD/MM/YYYY)

5. Date of passing of

(a) Resolution(s): 23/12/2020 (DD/MM/YYYY)

(b) Postal ballot resolution(s): (DD/MM/YYYY)

6. Number of resolution(s) for which the form is being filed: 1

Details of the resolution

I

(a) (i) Section of the Companies Act, 2013 under which passed: 179(3)

(ii) Section of the Companies Act, 1956 under which passed:

(b) Purpose of passing the resolution

Resolutions passed ¡n pursuance of exercise of powers of Board of Directors

(c) Subject matter of the resolution

Approval of the Committee of Board of Directors for issuance of Non-Convertible Debentures amounting to Rs. 200 crore for cash at par on private placement basis.

(d) Mention whether resolution passed by postal ballot ( ) Yes ( ) No

(e) Indicate the authority passing or agreeing to the resolution

(•) Board of directors ( ) Shareholders ( ) Class of shareholders ( ) Creditors

(f) Whether ordinary or special resolution or with requisite majority

( ) Ordinary resolution ( ) Special resolution ( ) Requisite majority

10. Service request number(SRN) of Form INC-28

Attachments

List of attachments

1.Copy(s) of resolution(s) along with copy of explanatory statement under section 102 — Attach

2.Altered memorandum of association — Attach

3.Altered articles of association — Attach

5.Optional attachment(s) - if any — Attach

Committee Resolution.pdf

Remove Attachment

Declaration

I am authorized by the Board of Directors of the Company vide resolution no 13 Dated 28/05/2013 (DD/MM/YYYY) to sign this form and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. I further declare that :

1. Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the company.
2. All the required attachments have been completely and legibly attached to this form. It is also certified that copy of the resolution(s) or agreement(s) filed herewith is or are a true copy(s) of the original.
3. Any application, writ petition or suit had not been filed regarding the matter in respect of which this petition/application has been made, before any court of law or any other authority or any other Bench or the Board and not any such application, writ petition or suit is pending before any of them.

* **To be digitally signed by** SUBHASIS MITRA Digitally signed by SUBHASIS MITRA Date: 2021.01.05 14:40:49 +05'30'

* Designation: Company Secretary

Name of liquidator:

* Director identification number of the director; or Income-tax PAN of the liquidator; DIN or Income-tax PAN of manager or CEO or CFO; or membership number of Company secretary; 5376

Certificate by practicing professional

I declare that I have been duly engaged for the purpose of certification of this form, it is here by certified that I have gone through the provisions of the Companies Act, 2013 and rules thereunder for the subject matter of this form and matters incidental thereto and I have verified the above particulars (including attachment(s)) from the original/certified records maintained by the Company/ applicant which is subject matter of this form and found then to be true, correct and complete and no information material to this form has been supressed. I further verify that:

i. The said records have been properly prepared, signed by the required officers of the Company and maintained as per the relevant provisions of the Companies Act, 2013 and were found to be in order;

ii.All the required attachments have been completely and legibly attached to this form.

To be digitally signed by MANOJ PRASAD SHAW Digitally signed by MANOJ PRASAD SHAW Date: 2021.01.05 17:49:02 +05'30'

- ○ Chartered Accountant (in whole-time practice) or
- ○ Cost Accountant (in whole-time practice) or
- ◉ Company Secretary (in whole-time practice)

whether Associate or Fellow ○ Associate ◉ Fellow

Membership No. 5517

Certificate of practice number 4194

Note: Attention is also drawn to provisions of Section 448 and 449 which provide for punishment for false statement and punishment for false evidence respectively.

Modify | Check Form | Prescrutiny | Submit

MINISTRY OF CORPORATE AFFAIRS
RECEIPT
G.A.R.7

SRN : H40730798 **Service Request Date :** 02/01/2019

Payment made into : ICICI Bank

Received From :

Name : S R GOSWAMI

Address : 351E/1A, Jadav Ghosh Bye Lane
Sarsuna
Kolkata, West Bengal
IN - 700061

Entity on whose behalf money is paid

CIN: L31901WB1978PLC031411

Name : CESC LTD

Address : CESC HOUSE
CHOWRINGHEE SQUARE
KOLKATA, West Bengal
India - 700001

Full Particulars of Remittance

Service Type: eFiling

Service Description	Type of Fee	Amount(Rs.)
Fee For Form MGT-14	Normal	600.00
	Total	600.00

Mode of Payment: Credit Card- ICICI Bank

Received Payment Rupees: Six Hundred Only

Note –The Registrar may examine this eForm any time after the same is processed by the system under Straight Through Process (STP). In case any defects or incompleteness in any respect is noticed by the Registrar , then this eForm shall be treated and labeled as defective and the eForm shall have to be filed afresh with the fee and additional fee, as applicable. (Please refer Rule 10 of the Companies (Registration offices offices and Fees) Rules, 2014)

FORM NO. MGT-14

[Pursuant to section 94(1), 117(1) of The Companies Act, 2013 and section 192 of The Companies Act, 1956 and rules made thereunder]

सत्यमेव जयते

Filing of Resolutions and agreements to the Registrar

Form Language ◉ English ○ Hindi

Refer the instruction kit for filing the form.

1.(a)*Corporate Identity Number (CIN) of the company: L31901WB1978PLC031411 [Pre-fill]

(b) Global Location Number (GLN) of the company:

2.(a) Name of Company: CESC LTD

(b) Address of the registered office of the company:
CESC HOUSE
CHOWRINGHEE SQUARE
KOLKATA
West Bengal
700001
India

(c) *e-mail id of the company: secretarial@rp-sg.in

3.* Registration of ☒ Resolution(s) ☐ Agreement ☐ Postal ballot resolution(s) under Section 110
☐ Proposed resolution under section 94(1)

4. Date of dispatch of notice for passing of

(a) Resolution(s): 14/11/2018 (DD/MM/YYYY)

(b) Postal ballot resolution(s): (DD/MM/YYYY)

5. Date of passing of

(a) Resolution(s): 21/12/2018 (DD/MM/YYYY)

(b) Postal ballot resolution(s): (DD/MM/YYYY)

6. Number of resolution(s) for which the form is being filed: 10

Details of the resolution

I

(a) (i) Section of the Companies Act, 2013 under which passed: 117

(ii) Section of the Companies Act, 1956 under which passed:

(b) Purpose of passing the resolution

Appointment of Managing Director, Whole Time Director or Manager

(c) Subject matter of the resolution

APPOINTMENT OF MR. DEBASISH BANERJEE AS MANAGING DIRECTOR(DISTRIBUTION) AS PER RESOLUTION ATTACHED

(d) Mention whether resolution passed by postal ballot ○ Yes ○ No

(e) Indicate the authority passing or agreeing to the resolution

○ Board of directors ◉ Shareholders ○ Class of shareholders ○ Creditors

(f) Whether ordinary or special resolution or with requisite majority

○ Ordinary resolution ◉ Special resolution ○ Requisite majority

II

(a) (i) Section of the Companies Act, 2013 under which passed: 117

(ii) Section of the Companies Act, 1956 under which passed:

(b) Purpose of passing the resolution

Appointment of Managing Director, Whole Time Director or Manager

(c) Subject matter of the resolution

APPOINTMENT OF MR. RABI CHOWDHURY AS MANAGING DIRECTOR(GENERATION) AS PER RESOLUTION ATTACHED

(d) Mention whether resolution passed by postal ballot ○ Yes ○ No

(e) Indicate the authority passing or agreeing to the resolution

○ Board of directors ◉ Shareholders ○ Class of shareholders ○ Creditors

(f) Whether ordinary or special resolution or with requisite majority

○ Ordinary resolution ◉ Special resolution ○ Requisite majority

III

(a) (i) Section of the Companies Act, 2013 under which passed: 149(9)

(ii) Section of the Companies Act, 1956 under which passed:

(b) Purpose of passing the resolution

Reappointment of Independent director after a term of 5 consecutive years

(c) Subject matter of the resolution

Reappointment of independent director Mr. Chandra Kumar Dhanuka

(d) Mention whether resolution passed by postal ballot ○ Yes ○ No

(e) Indicate the authority passing or agreeing to the resolution

○ Board of directors ◉ Shareholders ○ Class of shareholders ○ Creditors

(f) Whether ordinary or special resolution or with requisite majority

○ Ordinary resolution ◉ Special resolution ○ Requisite majority

IV (a) (i) Section of the Companies Act, 2013 under which passed: 149(9)

(ii) Section of the Companies Act, 1956 under which passed:

(b) Purpose of passing the resolution

Reappointment of Independent director after a term of 5 consecutive years

(c) Subject matter of the resolution

Reappointment of independent director Ms. Rekha Sethi

(d) Mention whether resolution passed by postal ballot ○ Yes ○ No

(e) Indicate the authority passing or agreeing to the resolution

○ Board of directors ◉ Shareholders ○ Class of shareholders ○ Creditors

(f) Whether ordinary or special resolution or with requisite majority

○ Ordinary resolution ◉ Special resolution ○ Requisite majority

V (a) (i) Section of the Companies Act, 2013 under which passed: 149(9)

(ii) Section of the Companies Act, 1956 under which passed:

(b) Purpose of passing the resolution

Reappointment of Independent director after a term of 5 consecutive years

(c) Subject matter of the resolution

Continuation of Mr.Pradip Kumar Khaitan as non-executive independent director beyond the age of 75 years

(d) Mention whether resolution passed by postal ballot ○ Yes ○ No

(e) Indicate the authority passing or agreeing to the resolution

○ Board of directors ◉ Shareholders ○ Class of shareholders ○ Creditors

(f) Whether ordinary or special resolution or with requisite majority

○ Ordinary resolution ◉ Special resolution ○ Requisite majority

VI

(a) (i) Section of the Companies Act, 2013 under which passed: 149(9)

(ii) Section of the Companies Act, 1956 under which passed:

(b) Purpose of passing the resolution

Reappointment of Independent director after a term of 5 consecutive years

(c) Subject matter of the resolution

Reappointment of independent director Mr.K.Jairaj

(d) Mention whether resolution passed by postal ballot ○ Yes ○ No

(e) Indicate the authority passing or agreeing to the resolution

○ Board of directors ◉ Shareholders ○ Class of shareholders ○ Creditors

(f) Whether ordinary or special resolution or with requisite majority

○ Ordinary resolution ◉ Special resolution ○ Requisite majority

VII

(a) (i) Section of the Companies Act, 2013 under which passed: 180(1)(c)

(ii) Section of the Companies Act, 1956 under which passed:

(b) Purpose of passing the resolution

Moneys to be borrowed including moneys already borrowed exceed sum of paid up capital and free reserves

(c) Subject matter of the resolution

INCREASE OF BORROWING LIMIT FROM RS. 4500 CRORE TO RS. 6500 CRORE AS PER RESOLUTION ATTACHED

(d) Mention whether resolution passed by postal ballot ○ Yes ○ No

(e) Indicate the authority passing or agreeing to the resolution

○ Board of directors ◉ Shareholders ○ Class of shareholders ○ Creditors

(f) Whether ordinary or special resolution or with requisite majority

○ Ordinary resolution ◉ Special resolution ○ Requisite majority

VIII

(a) (i) Section of the Companies Act, 2013 under which passed: 180(1)(a)

(ii) Section of the Companies Act, 1956 under which passed:

(b) Purpose of passing the resolution

Sell, lease or otherwise disposal of the whole, or substantially the whole, of the undertaking

(c) Subject matter of the resolution

CREATION OF SECURITY AS PER RESOLUTION ATTACHED

(d) Mention whether resolution passed by postal ballot ◯ Yes ◯ No

(e) Indicate the authority passing or agreeing to the resolution

◯ Board of directors ◉ Shareholders ◯ Class of shareholders ◯ Creditors

(f) Whether ordinary or special resolution or with requisite majority

◯ Ordinary resolution ◉ Special resolution ◯ Requisite majority

IX

(a) (i) Section of the Companies Act, 2013 under which passed: Others

(ii) Section of the Companies Act, 1956 under which passed:

(b) Purpose of passing the resolution

Others under Companies Act,2013

If others, mention the section and purpose

SECTION 197-COMMISSION TO DIRECTORS

(c) Subject matter of the resolution

SECTION 197-COMMISSION TO DIRECTORS AS PER RESOLUTION ATTACHED

(d) Mention whether resolution passed by postal ballot ◯ Yes ◯ No

(e) Indicate the authority passing or agreeing to the resolution

◯ Board of directors ◉ Shareholders ◯ Class of shareholders ◯ Creditors

(f) Whether ordinary or special resolution or with requisite majority

◯ Ordinary resolution ◉ Special resolution ◯ Requisite majority

X (a) (i) Section of the Companies Act, 2013 under which passed: Others

(ii) Section of the Companies Act, 1956 under which passed:

(b) Purpose of passing the resolution

Others under Companies Act,2013

If others, mention the section and purpose

RATIFICATION OF REMUNERATION OF COST AUDITOR

(c) Subject matter of the resolution

RATIFICATION OF REMUNERATION OF COST AUDITOR

(d) Mention whether resolution passed by postal ballot ○ Yes ○ No

(e) Indicate the authority passing or agreeing to the resolution

○ Board of directors ◉ Shareholders ○ Class of shareholders ○ Creditors

(f) Whether ordinary or special resolution or with requisite majority

◉ Ordinary resolution ○ Special resolution ○ Requisite majority

10. Service request number(SRN) of Form INC-28

Attachments

List of attachments

AGMRES.pdf
signnotex.pdf

1.Copy(s) of resolution(s) along with copy of explanatory statement under section 102 — Attach

2.Altered memorandum of association — Attach

3.Altered articles of association — Attach

5.Optional attachment(s) - if any — Attach

Remove Attachment

Declaration

I am authorized by the Board of Directors of the Company vide resolution no 28 Dated 28/05/2013 (DD/MM/YYYY) to sign this form and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. I further declare that :

1. Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the company.
2. All the required attachments have been completely and legibly attached to this form. It is also certified that copy of the resolution(s) or agreement(s) filed herewith is or are a true copy(s) of the original.
3. Any application, writ petition or suit had not been filed regarding the matter in respect of which this petition/application has been made, before any court of law or any other authority or any other Bench or the Board and not any such application, writ petition or suit is pending before any of them.

* **To be digitally signed by** SUBHASIS MITRA Digitally signed by SUBHASIS MITRA Date: 2019.01.02 15:02:02 +05'30'

* Designation: Company Secretary

Name of liquidator:

* Director identification number of the director; or Income-tax PAN of the liquidator; DIN or Income-tax PAN of manager or CEO or CFO; or membership number of Company secretary; 5376

Certificate by practicing professional

I declare that I have been duly engaged for the purpose of certification of this form, it is here by certified that I have gone through the provisions of the Companies Act, 2013 and rules thereunder for the subject matter of this form and matters incidental thereto and I have verified the above particulars (including attachment(s)) from the original/certified records maintained by the Company/ applicant which is subject matter of this form and found then to be true, correct and complete and no information material to this form has been supressed. I further verify that:

i. The said records have been properly prepared, signed by the required officers of the Company and maintained as per the relevant provisions of the Companies Act, 2013 and were found to be in order;

ii.All the required attachments have been completely and legibly attached to this form.

To be digitally signed by SANWAR MAL GUPTA

○ Chartered Accountant (in whole-time practice) or ○ Cost Accountant (in whole-time practice) or

◉ Company Secretary (in whole-time practice)

whether Associate or Fellow ○ Associate ◉ Fellow

Membership No. 896

Certificate of practice number 2053

Note: Attention is also drawn to provisions of Section 448 and 449 which provide for punishment for false statement and punishment for false evidence respectively.

Modify | Check Form | Prescrutiny | Submit

DS REGISTRAR OF COMPANIES WEST BENGAL 01

S.R. BATLIBOI & CO. LLP
Chartered Accountants

22, Camac Street
3rd Floor, Block B
Kolkata – 700 016 India
Tel +91 33 6134 4000

Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Standalone Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

Review Report to
The Board of Directors
CESC Limited

1. We have reviewed the accompanying statement of unaudited standalone financial results of CESC Limited (the "Company") for the quarter ended December 31, 2020 and year to date from April 1, 2020 to December 31, 2020 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed 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 Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For S.R. BATLIBOI & Co. LLP
Chartered Accountants
ICAI Firm registration number: 301003E/E300005

per Kamal Agarwal
Partner
Membership No.: 058652

S.R. Batliboi & Co. LLP
Kolkata

UDIN: 21058652AAAAAA7842

Place: Kolkata
Date: January 13, 2021

CESC LIMITED

CIN L31901WB1978PLC031411
Registered Office: CESC House, Chowringhee Square, Kolkata 700 001
Email ID: secretarial@rp-sg.in; Website: www.cesc.co.in
Tel: (033) 6499 0049; Fax: (033) 22124262

Statement of Standalone Unaudited Financial Results for the Quarter and Nine Months ended 31 December 2020

(Rs in crore)

Particulars	Three months ended 31.12.2020 (Unaudited)	Three months ended 30.09.2020 (Unaudited)	Three months ended 31.12.2019 (Unaudited)	Nine months ended 31.12.2020 (Unaudited)	Nine months ended 31.12.2019 (Unaudited)	Year ended 31.03.2020 (Audited)
	(1)	(2)	(3)	(4)	(5)	(6)
Income from operations						
Revenue from operations	1659	1989	1648	5233	6253	7836
Other income	28	14	29	76	97	146
Total Income	1687	2003	1677	5309	6350	7982
Expenses						
Cost of electrical energy purchased	671	760	675	2357	2403	2956
Cost of fuel	261	382	296	976	1215	1551
Purchase of Stock-in-trade	4	5	5	13	13	17
Employee benefits expense	212	254	201	706	707	969
Finance costs	117	121	117	374	374	544
Depreciation and amortisation expense	116	113	110	346	327	448
Other expenses	212	250	194	316	733	909
Total expenses	1593	1885	1598	5088	5772	7395
Profit before regulatory income/ (expense) and tax	94	118	79	221	578	587
Regulatory income / (expenses) (net)	114	81	135	340	235	532
Profit before tax	208	199	214	561	813	1119
Tax Expenses :-						
Current Tax	38	48	37	115	141	195
Deferred Tax	(12)	(77)	1	(98)	4	6
Total tax expense	26	(29)	38	17	145	201
Profit for the period	182	228	176	544	668	918
Other comprehensive loss (Net of income tax)						
Items that will not be reclassified to profit or loss						
Remeasurement of defined benefit plan	(7)	(4)	(6)	(19)	(20)	(33)
Gain on fair Valuation of investment	-	-	-	-	-	0
Deferred Tax on above	-	-	-	-	-	(0)
Other Comprehensive loss for the period	(7)	(4)	(6)	(19)	(20)	(33)
Total Comprehensive Income for the period	175	224	170	525	648	885
Paid-up Equity Share Capital (Face value of Rs. 10 each)	133	133	133	133	133	133
Other Equity as per latest audited Balance Sheet as at 31 March 2020						9905
Earnings Per Share (EPS) (Rs.) - refer note 3 (ii)						
Basic & Diluted	13.67*	17.20*	13.27*	41.01*	50.39*	69.23

* not annualised

Notes to financial results :-

1 In the above standalone financial results of the Company, revenue from operations has been arrived at based on 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, purchase of power and those having bearing on revenue account, deferred taxation estimate and effect of exchange fluctuation including MTM gain, 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) (net), 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.

2 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, the basis of which be considered by the West Bengal Electricity Regulatory Commission (Commission) in determining the Company's tariff for the year, 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 from the retained earnings an additional charge of depreciation relatable to the increase in value of assets arising from fair valuation, which for the quarter ended 31 December 2020, quarter ended 30 September 2020, quarter ended 31 December 2019, nine months ended 31 December 2020, nine months ended 31 December 2019 and year ended 31 March, 2020 amounts to Rs. 61 crore, Rs 61 crore, Rs 74 crore, Rs 183 crore, Rs 219 crore and Rs 291 crore respectively.

3 (i) Other expenses contained in columns (1) to (6) in the above financial results include interest on security deposit of Rs 27 crore, Rs. 26 crore, Rs. 27 crore, Rs. 80 crore, Rs. 80 crore and Rs.106 crore for the respective periods.

(ii) EPS without Regulatory income / (expense) (net) contained in columns (1) to (6) in the above financial results works out to Rs 6.72, Rs 13.20, Rs 4.86, Rs 21.13, Rs 35.77 and Rs 36.12 for the respective periods.

4 India and other global markets experienced significant disruption in operations resulting from uncertainty caused by the worldwide outbreak of Coronavirus pandemic. The Company's business includes Generation and Distribution of power within its licensed area in the state of West Bengal, India. Considering power supply being an essential service, management believes that there is not much of an impact likely due to this pandemic on the business of the Company, its subsidiaries, associate and joint venture except some lower demand and its consequential impact on supply and collection from consumers, which are believed to be temporary in nature. The Company has duly ensured compliance with specific regulatory directives issued in the related matter. The Company is taking all necessary steps and precautionary measures to ensure smooth functioning of its operations/business and to ensure the safety and well being of all its employees.
The Company is closely monitoring developments, its operations, liquidity and capital resources and is actively working to minimize the impact of this unprecedented situation.
The Company is also monitoring the operations of its subsidiaries, associate and joint venture, basis which, no impairment is required to be recognised in respect of such investments.

5 An interim dividend of Rs 45/- per equity share has been declared for Financial Year 2020-21.

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

7 During the quarter, the Company has issued secured listed redeemable debentures for cash at par of Rs. 200 crore subscribed by Citibank NA and secured unlisted debentures for cash at par for Rs 250 crore subscribed by DBS Bank Ltd. The said debentures are to be secured by a pari passu first charge on the Company's movable fixed assets. Creation of the said securities is in progress and will be completed in terms of the Information Memorandum to the Issue/ Debenture Trust Deed, as applicable.

8 The above results were reviewed by the Audit Committee and taken on record by the Board of Directors at their respective meetings held on 13th January, 2021. The Statutory Auditors of the Company have carried out a limited review of the said results in terms of Regulations 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

S R Batliboi & Co. LLP
Kolkata

By Order of the Board

Rabi Chowdhury
Managing Director
-Generation

Debasish Banerjee
Managing Director
- Distribution

Dated : 13th January, 2021

S.R. BATLIBOI & CO. LLP
Chartered Accountants

22 Camac Street
3rd Floor Block 'B'
Kolkata – 700 016 India

Tel +91 33 6134 4000

Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

Review Report to
The Board of Directors
CESC Limited

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of CESC Limited (the "Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associate and joint venture for the quarter ended December 31, 2020 and year to date from April 1, 2020 to December 31, 2020 (the "Statement") attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

2. This Statement, which is the responsibility of the Holding Company's Management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed 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 Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

   We also performed procedures in accordance with the Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

S R Batliboi & Co. LLP Kolkata *

S.R. BATLIBOI & CO. LLP
Chartered Accountants

4. The Statement includes the results of the following entities:

Sl. No.	Name of the Company	Relationship
1	Haldia Energy Limited	Subsidiary
2	Dhariwal Infrastructure Limited	Subsidiary
3	Crescent Power Limited	Subsidiary
4	Surya Vidyut Limited	Subsidiary
5	Kota Electricity Distribution Limited	Subsidiary
6	Bikaner Electricity Supply Limited	Subsidiary
7	Bharatpur Electricity Services Limited	Subsidiary
8	Malegaon Power Supply Limited (Formerly Nalanda Power Company Limited)	Subsidiary
9	Bantal Singapore Pte. Limited	Subsidiary
10	CESC Projects Limited	Subsidiary
11	Pachi Hydropower Projects Limited	Subsidiary
12	Papu Hydropower Projects Limited	Subsidiary
13	Jarong Hydro-Electric Power Company Limited	Subsidiary
14	Ranchi Power Distribution Company Limited	Subsidiary
15	Au Bon Pain Café India Limited	Subsidiary
16	Jharkhand Electric Company Limited	Subsidiary
17	CESC Green Power Limited	Subsidiary
18	Eminent Electricity Distribution Limited	Subsidiary
19	Noida Power Company Limited	Associate
20	Mahuagarhi Coal Company Private Limited	Joint Venture

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of other auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

6. The accompanying Statement includes the unaudited interim financial results and other financial information, in respect of:
   - 18 subsidiaries, whose unaudited interim financial results include total revenues of Rs 1,451.36 crore and Rs 4,429.85 crore, total net profit after tax of Rs 132.39 crore

S R Batliboi & Co. LLP Kolkata

and Rs. 317.61 crore, total comprehensive income of Rs. 132.16 crore and Rs. 325.13 crore, for the quarter ended December 31, 2020 and the period ended on that date respectively, as considered in the Statement which have been reviewed by their respective independent auditors.

- 1 joint venture, whose unaudited interim financial results include Group's share of net loss of Rs. 0.00 crore and Rs. 0.00 crore and Group's share of total comprehensive loss of Rs. 0.00 crore and Rs. 0.00 crore for the quarter ended December 31, 2020 and for the period from April 1, 2020 to December 31, 2020 respectively, as considered in the Statement whose interim financial results and other financial information have been reviewed by their respective independent auditors.

The independent auditor's reports on interim financial results of these entities have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures in respect of these subsidiaries and joint venture is based solely on the report of such auditors and procedures performed by us as stated in paragraph 3 above.

7. The accompanying Statement includes unaudited interim financial results and other unaudited financial information in respect of:

   - 1 associate, whose interim financial results includes the Group's share of net profit of Rs. 11.87 crore and Rs 34.95 crore and Group's share of total comprehensive income of Rs. 11.94 crore and Rs. 35.16 crore for the quarter ended December 31, 2020 and for the period ended on that date respectively.

   The unaudited interim financial results and other unaudited financial information of the associate have not been reviewed by their auditor and have been approved and furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the affairs of the associate, is based solely on such unaudited interim financial results and other unaudited financial information. According to the information and explanations given to us by the Management, these interim financial results are not material to the Group.

8. Our conclusion on the Statement in respect of matters stated in para 6 and 7 above is not modified with respect to our reliance on the work done and the reports of the other auditors and the financial results certified by the Management.

For S.R. BATLIBOI & Co. LLP
Chartered Accountants
ICAI Firm registration number: 301003E/E300005

S.R. Batliboi & Co. LLP Kolkata

per Kamal Agarwal
Partner
Membership No.: 058652

UDIN: 21058652AAAAAB7847

Place: Kolkata
Date: January 13, 2021

CESC LIMITED

CIN L31901WB1978PLC031411
Registered Office: CESC House,Chowringhee Square, Kolkata 700 001
Email ID: secretarial@rp-sg.in; Website: www.cesc.co.in
Tel: (033) 6499 0049; Fax: (033) 22124262

Statement of Consolidated Unaudited Financial Results for the Quarter and Nine Months ended 31 December 2020

(Rs in crore)

Particulars	Three months ended 31.12.2020 (Unaudited)	Three months ended 30.09.2020 (Unaudited)	Three months ended 31.12.2019 (Unaudited)	Nine months ended 31.12.2020 (Unaudited)	Nine months ended 31.12.2019 (Unaudited)	Year ended 31.03.2020 (Audited)
	(1)	(2)	(3)	(4)	(5)	(6)
Income from operations						
Revenue from operations	2539	2990	2344	7949	8581	11014
Other income	42	20	33	107	102	203
Total Income	2581	3010	2377	8056	8683	11217
Expenses						
Cost of electrical energy purchased	502	714	302	1758	1765	2284
Cost of fuel	718	860	798	2351	2710	3449
Purchase of Stock -in-trade	4	5	5	13	13	17
Employee benefits expense	244	288	227	802	791	1063
Finance costs	304	302	322	926	997	1357
Depreciation and amortisation expense	203	199	193	604	576	781
Other expenses	343	358	290	953	1034	1329
Total expenses	2316	2726	2205	7407	7907	10280
Profit before share in profit of associate, joint venture, regulatory income/(expense) and tax	265	284	172	649	776	937
Share in Profit of associate and joint venture	12	14	14	35	60	69
Profit before regulatory income/ (expense) and tax	277	298	186	684	836	1006
Regulatory Income / (expenses) (net)	157	123	172	467	351	663
Profit before tax	434	421	358	1151	1187	1669
Tax Expenses :-						
Current Tax	76	85	54	223	197	293
Deferred Tax	30	(35)	41	29	130	70
Total tax expense	106	50	95	252	327	363
Profit for the period	328	371	263	899	860	1306
Other comprehensive loss (Net of income tax)						
Items that will not be reclassified to profit or loss						
Remeasurement of defined benefit plan	(6)	(4)	(6)	(20)	(21)	(34)
Gain/(loss) on fair Valuation of investment	0	0	4	9	4	(4)
Deferred Tax on above	-	-	0	-	0	(0)
Other Comprehensive loss for the period	(6)	(4)	(2)	(11)	(17)	(38)
Total Comprehensive Income for the period	322	367	261	888	843	1268
Profit attributable to						
Owners of the equity	324	370	267	892	863	1302
Non-controlling interest	4	1	(4)	7	(3)	4
	328	371	263	899	860	1306
Other comprehensive loss attributable to						
Owners of the equity	(6)	(4)	(1)	(11)	(16)	(38)
Non-controlling interest	0	0	(1)	0	(1)	0
	(6)	(4)	(2)	(11)	(17)	(38)
Total comprehensive income attributable to						
Owners of the equity	318	366	266	881	847	1264
Non-controlling interest	4	1	(5)	7	(4)	4
	322	367	261	888	843	1268
Paid-up Equity Share Capital (Face value of Rs. 10 each)	133	133	133	133	133	133
Other Equity as per latest audited Balance Sheet as at 31 March 2020						9494
Earnings Per Share (EPS) (Rs.) - refer note 3 (ii)						
Basic & Diluted	24.43*	27.91*	20.16*	67.27*	65.11*	98.24

* not annualised

S R Batliboi & Co. LLP
Kolkata

Notes to financial results :-

1 In the above consolidated financial results of the Group, earnings from revenue from operations in respect of the Parent and a subsidiary has been arrived at based on 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, purchase of power and those having bearing on revenue account, deferred taxation estimate and effect of exchange fluctuation including MTM gain, as appropriate, based on the Group's understanding of the applicable available regulatory provisions and available orders of the competent authorities have been included in Regulatory income / (expense) (net), 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

2 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, the basis of which be considered by the West Bengal Electricity Regulatory Commission (Commission) in determining the Parent's tariff for the year, 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 Parent continues with the consistently followed practice of recouping from the retained earnings an additional charge of depreciation relatable to the increase in value of assets arising from fair valuation, which for the quarter ended 31 December 2020, quarter ended 30 September 2020, quarter ended 31 December 2019, nine months ended 31 December 2020, nine months ended 31 December 2019 and year ended 31 March, 2020 amounts to Rs 61 crore, Rs 61 crore, Rs 74 crore, Rs 183 crore, Rs 219 crore and Rs 291 crore respectively.

3 (i) Other expenses contained in columns (1) to (6) in the above financial results include interest on security deposit of Rs 27 crore, Rs 26 crore, Rs 27 crore, Rs 80 crore, Rs 80 crore and Rs 106 crore for the respective periods

(ii) EPS without Regulatory income / (expense) (net) contained in columns (1) to (6) in the above financial results works out to Rs 14.30, Rs 20.72, Rs 9.45, Rs 37.84, Rs 43.27 and Rs 56.99 for the respective periods

4 India and other global markets experienced significant disruption in operations resulting from uncertainty caused by the worldwide outbreak of Coronavirus pandemic. The Group's business includes Generation and Distribution of power in India. Considering power supply being an essential service, management believes that there is not much of an impact likely due to this pandemic on the business of the Group except some lower demand and its consequential impact on supply and collection from consumers, which are believed to be temporary in nature. The Group has duly ensured compliance with specific regulatory directives issued in the related matter
The Group is taking all necessary steps and precautionary measures to ensure smooth functioning of its operations/business and to ensure the safety and well-being of all its employees.
The Group is closely monitoring developments, its operations, liquidity and capital resources and is actively working to minimize the impact of this unprecedented situation
The Group is also monitoring the performance of its assets, basis which, no impairment is required to be recognised in respect of such assets.

5 An interim dividend of Rs 45/- per equity share has been declared for Financial Year 2020-21.

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

7 The Board has approved, subject to applicable laws, a proposal for consolidation of all investments of the Parent in distribution business (other than in its operations in Kolkata and adjoining areas) in a wholly-owned subsidiary of the Parent.

8 The above results were reviewed by the Audit Committee and taken on record by the Board of Directors at their respective meetings held on 13th January, 2021. The Statutory Auditors have carried out a limited review of the said results in terms of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

9 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

Debasish Banerjee
Managing Director
- Distribution

Dated : 13th January, 2021

S.R. Batliboi & Co. LLP
Kolkata

CESC LIMITED

Registered Office: CESC House,Chowringhee Square, Kolkata 700 001
CIN L31901WB1978PLC031411
E-mail ID: secretarial@rp-sg.in; Website: www.cesc.co.in
Tel (033) 6499 0049; Fax: (033) 2212 4262

Extract of Unaudited Consolidated Financial Results for the Quarter and Nine month ended 31 December 2020

(Rs. crore)

Particulars	Quarter ending 31.12.2020 (unaudited)	Quarter ending 31.12.2019 (unaudited)	Nine months ended 31.12.2020 (unaudited)	Nine months ended 31.12.2019 (unaudited)	Year ended 31.03.2020 (Audited)
Total Income from operations (including other income)	2581	2377	8056	8683	11217
Net Profit for the period (before tax and exceptional items)	434	358	1151	1187	1669
Net Profit for the period before tax (after exceptional items)	434	358	1151	1187	1669
Net Profit for the period after Tax (after exceptional items)	328	263	899	860	1306
Total comprehensive income for the period	322	261	888	843	1268
Paid-up Equity Share Capital (Shares of Rs. 10 each)	133	133	133	133	133
Other Equity as per latest audited Balance Sheet as at 31 March 2020					9454
Earnings Per Share (EPS) (Rs.) (Face value of Rs.10 each) Basic & Diluted * not annualised	24.43*	20.16*	67.27*	65.11*	98.24

Notes:

1. Additional information on Standalone Financial Results :

Particulars	Quarter ending 31.12.2020 (unaudited)	Quarter ending 31.12.2019 (unaudited)	Nine months ended 31.12.2020 (unaudited)	Nine months ended 31.12.2019 (unaudited)	Year ended 31.03.2020 (Audited)
Total Income from operations (including other income)	1687	1677	5309	6350	7582
Net Profit for the period (before tax and exceptional items)	208	214	561	813	1119
Net Profit for the period before tax (after exceptional items)	208	214	561	813	1119
Net Profit for the period after tax (after exceptional items)	182	176	544	668	918
Total comprehensive income for the period	175	170	525	648	885

The above is an extract of the detailed format of standalone Financial Results for the quarter and nine months ended on 31 December 2020 filed with stock exchanges under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations ,2015. The full format of standalone Financial Results for the quarter and nine months ended on 31 December 2020 are available on stock exchange websites (www.nseindia.com and www.bseindia.com) and on the company's website (www.cesc.co.in)

By Order of the Board

Rabi Chowdhury
Managing Director
-Generation

Debasish Banerjee
Managing Director
- Distribution

Dated : 13th January, 2021