

# CESC Limited

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

## Financial Results for the Quarter / Year ended 31 March 2016

Particulars	STANDALONE					CONSOLIDATED	
	Three months ended 31.03.2016 (Unaudited)	Three Months ended 31.12.2015 (Unaudited)	Three Months ended 31.03.2015 (Unaudited)	Year ended 31.03.2016 (Audited)	Year ended 31.03.2015 (Audited)	Year ended 31.03.2016 (Audited)	Year ended 31.03.2015 (Audited)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b>Income from operations</b>							
(a) Net Sales	1465	1523	1401	6434	6132	11774	10973
(b) Other Operating Income	14	15	15	59	57	125	94
<b>Total Income from operations</b>	<b>1479</b>	<b>1538</b>	<b>1416</b>	<b>6493</b>	<b>6189</b>	<b>11899</b>	<b>11067</b>
<b>Expenses</b>							
(a) Cost of material consumed for Retail Business	-	-	-	-	-	13	14
(b) Purchase of stock in trade for Retail Business	-	-	-	-	-	1504	1372
(c) Changes in inventories of finished goods, stock in trade and work in progress for Retail Business	-	-	-	-	-	(20)	(31)
(d) Cost of fuel for power business	152	348	317	1347	1805	2170	2011
(e) Employee benefits expense	182	189	152	749	694	3126	2889
(f) Depreciation and amortisation expense	99	89	75	369	343	772	589
(g) Other expenses	669	703	498	2799	2141	2258	2918
<b>Total expenses</b>	<b>1102</b>	<b>1329</b>	<b>1042</b>	<b>5264</b>	<b>4983</b>	<b>9823</b>	<b>9762</b>
<b>Profit from Operations before Other Income and Finance Costs</b>	<b>377</b>	<b>209</b>	<b>374</b>	<b>1229</b>	<b>1206</b>	<b>2076</b>	<b>1305</b>
Other Income	30	43	32	123	85	219	149
<b>Profit before Finance Costs</b>	<b>407</b>	<b>252</b>	<b>406</b>	<b>1352</b>	<b>1291</b>	<b>2295</b>	<b>1454</b>
Finance Costs	(112)	(105)	(114)	(453)	(408)	(1486)	(956)
<b>Profit after Finance Costs but before exceptional items, Tax and Minority Interest</b>	<b>295</b>	<b>147</b>	<b>292</b>	<b>899</b>	<b>883</b>	<b>809</b>	<b>498</b>
Exceptional Items	-	-	-	-	897	(4)	897
Less : Credited	-	-	-	-	(897)	-	(897)
<b>Profit after Finance Costs but before Tax and Minority Interest</b>	<b>295</b>	<b>147</b>	<b>292</b>	<b>899</b>	<b>883</b>	<b>805</b>	<b>498</b>
Tax Expenses :-							
Current Tax	47	35	48	192	185	312	197
Deferred Tax	50	44	66	179	198	176	200
Less : Recoverable	(50)	(44)	(66)	(179)	(198)	(179)	(198)
<b>Net Profit after Tax but before Minority Interest</b>	<b>248</b>	<b>112</b>	<b>244</b>	<b>707</b>	<b>698</b>	<b>496</b>	<b>299</b>
Minority Interest	NA	NA	NA	NA	NA	130	100
<b>Net Profit after Tax and Minority Interest</b>	<b>248</b>	<b>112</b>	<b>244</b>	<b>707</b>	<b>698</b>	<b>366</b>	<b>199</b>
Paid-up Equity Share Capital (Shares of Rs.10 each)	133	133	133	133	133	133	133
Reserves (excluding Revaluation Reserve of Rs.738 Crore) as per latest audited Balance Sheet as on 31 March 2016				7764	7096	5396	5045
Earnings Per Share (EPS) (Rs.)-before and after extraordinary items ( Face value of Rs.10/- each)							
Basic & Diluted (*not annualised)	<b>*18.72</b>	<b>*8.41</b>	<b>*18.35</b>	<b>53.34</b>	<b>54.51</b>	<b>27.64</b>	<b>15.51</b>

**Notes :**

- 1 In the above standalone financial results of the Company, net sales have been arrived at based on the relevant orders of the West Bengal Electricity Regulatory Commission taking into consideration the adjustments relating to advance against depreciation, arrear revenue, cost of fuel and purchase of power and those having a bearing on revenue account, as appropriate, based on the Company's understanding of the applicable regulatory provisions and available orders of the competent authorities. All these may, however, necessitate further adjustments including that which may relate to mining of coal from Sarisatolli mine after allotment of the mine to the Company effective 1st April 2015, pursuant to auction conducted by the Ministry of Coal, Government of India under the provisions of applicable laws, as and when subsequent orders/directions in this regard are received.
- 2 Cost of electrical energy purchased for power business for the periods mentioned in columns (1) to (7) amount to Rs.417 crore, Rs.540 crore, Rs.331 crore, Rs.2039 crore, Rs.1323 crore, Rs.335 crore and Rs.1120 crore respectively. Other expenses contained in columns (1) to (7) include interest on security deposit of Rs.25 crore, Rs. 25 crore, Rs.21 crore, Rs. 99 crore, Rs.88 crore, Rs.99 crore and Rs.88 crore for the respective periods and the said electrical energy cost.
- 3 The Company does not foresee any diminution, other than temporary, in the value of the Company's long term investments in the subsidiaries and share application money placed therein.
- 4 Additional levy amounting to Rs 998 crore paid to the account of the Central Government, in terms of the provisions of the Coal Mines (Special Provisions) Ordinance, 2014, read with the Coal Mines (Special Provisions) Rules, 2014 framed thereunder, Coal Mines (Special Provisions) Second Ordinance, 2014 and Coal Mines (Special Provisions) Act, 2015, relating to the output of Sarisatolli Coal block for meeting part of the Company's coal requirement since inception to 31st March, 2015, has been considered as recoverable (accounted for in the year ended 31st March 2015 as exceptional item and partly fuel cost) by way of tariff in terms of the applicable laws / regulations, for which appropriate reference has been made to West Bengal Electricity Regulatory Commission, and being pursued by the management, the nature of payment being in the form of levy and given the facts and circumstances of the incidence thereof.
- 5 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 is 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. The Company has considered the implication of withdrawal of the Guidance Note on Treatment of Reserves arising on revaluation of assets, by the Institute of Chartered Accountants of India, from 14 October, 2015 and announced on 21 October, 2015 in its financial statements and based on legal opinions and independent accounting opinions obtained, continues with the consistently followed practice of recouping from the Revaluation Reserve the additional charge of depreciation relating to the increase in value arising from revaluation, which for the year ended 31st March 2016 amounts to Rs 112.00 crore (previous year 109.76 Rs crore)
- 6 The figures in column (1) represent the difference between the audited figures mentioned in column (4) and the year to date figures upto the third quarter of the financial year 2015-16. Figures for the previous periods have been regrouped/ rearranged, wherever necessary.
- 7 The Auditors' Report on the Standalone Financial Statements for the year ended 31<sup>st</sup> March, 2016, contains no qualification. The Auditors' Report on the Consolidated Financial Statements for the year ended 31<sup>st</sup> March 2016 contains two qualifications expressing their inability to give any opinion on the relevant projections and their consequent impact, if any, in respect of recognition of net deferred tax assets amounting to Rs. 310 crore (Previous Year: Rs. 310 crore) and its related impact on Internal Financial Control over Financial Reporting respectively.
- 8 Cost of Fuel contained in columns (1) to (7) above include loss/(gain) of Rs.0.33 crore, (Rs.0.71 crore), (Rs 0.49 crore), (Rs 0.11 crore), (Rs.1.78 crore), (Rs.0.11 crore) and (Rs.1.78 crore) due to exchange fluctuations for the respective periods.



## 9 Statement of Assets and Liabilities :

Particulars	Rs. Crore			
	STANDALONE		CONSOLIDATED	
	As at 31.03.2016 (Audited)	As at 31.03.2015 (Audited)	As at 31.03.2016 (Audited)	As at 31.03.2015 (Audited)
<b>EQUITY AND LIABILITIES</b>				
<b>Shareholders' Funds</b>				
Share Capital	133	133	133	133
Reserves and Surplus	8,502	7,947	6,134	5,896
<b>Sub-total- Shareholders' funds</b>	<b>8,635</b>	<b>8,080</b>	<b>6,267</b>	<b>6,029</b>
Minority Interest	NA	NA	1,150	1,000
<b>Non-current liabilities</b>				
Long-term borrowings	2,966	3,183	10,477	10,123
Deferred Tax Liability	1,420	1,241	1,499	1,324
Less: Recoverable	(1,420)	(1,241)	(1,420)	(1,241)
Advance against Depreciation	1,010	860	1,010	860
Consumers' Security Deposits	1,575	1,408	1,575	1,408
Other long term liabilities	1,586	1,845	1,614	1,873
Long-term provisions	183	161	210	187
<b>Sub-total- Non-current Liabilities</b>	<b>7,320</b>	<b>7,457</b>	<b>14,965</b>	<b>14,534</b>
<b>Current liabilities</b>				
Short-term borrowings	1,459	1,141	2,340	1,935
Trade Payables	364	326	598	601
Other current liabilities	1,490	1,719	3,215	3,616
Short-term provisions	58	195	102	223
<b>Sub-total- Current Liabilities</b>	<b>3,371</b>	<b>3,381</b>	<b>6,255</b>	<b>6,375</b>
<b>TOTAL -EQUITY AND LIABILITIES</b>	<b>19,326</b>	<b>18,918</b>	<b>28,637</b>	<b>27,938</b>
<b>ASSETS</b>				
<b>Non-current assets</b>				
Fixed assets	9,893	9,496	21,894	21,279
Non-current investments	4,146	3,758	80	74
Deffered tax assets (net)	-	-	310	310
Long-term loans and advances	1,408	1,343	584	476
Other non-current assets	899	611	1,043	745
<b>Sub-total- Non-current assets</b>	<b>16,346</b>	<b>15,208</b>	<b>23,911</b>	<b>22,884</b>
<b>Current assets</b>				
Current Investments	500	491	620	596
Inventories	316	405	697	663
Trade receivables	968	1,382	1,415	1,707
Cash and bank balances	837	738	1,198	1,049
Short-term loans and advances	145	204	298	255
Other Current Assets	214	490	498	784
<b>Sub-total- current assets</b>	<b>2,980</b>	<b>3,710</b>	<b>4,726</b>	<b>5,054</b>
<b>TOTAL -ASSETS</b>	<b>19,326</b>	<b>18,918</b>	<b>28,637</b>	<b>27,938</b>

## 10 Consolidation and Segment Reporting :

The above published Consolidated Financial Results have been extracted from the audited financial statements of CESC Limited (the Parent) and its subsidiaries / joint venture which has been prepared in accordance with the relevant requirements of Accounting Standard 21 on "Consolidated Financial Statements" and Accounting Standard 27 on "Financial Reporting of Interest in Joint Ventures".

Business segments of the Company comprise the following

## Segment

Power  
Retail  
Property  
Process Outsourcing

## Description

Generation / distribution of electricity  
Organised retailing  
Property development  
Business Process Outsourcing

## Report on Consolidated Segment Revenue, Results and Capital employed :

Particulars	Rs. Crore	
	Year ended 31.03.2016 (Audited) (1)	Year ended 31.03.2015 (Audited) (2)
<b>1. Segment Revenue (Net)</b>		
a) Power	6915	6409
b) Retail	1881	1688
c) Property	85	77
d) Process Outsourcing	3237	3042
	<b>12118</b>	<b>11216</b>
<b>2. Segment Results ( Profit before interest and tax)</b>		
a) Power	1998	1210
b) Retail	(96)	(114)
c) Property	48	44
d) Process Outsourcing	345	314
	<b>2295</b>	<b>1454</b>
<b>3. Capital Employed</b>		
a) Power	18231	16981
b) Retail	228	231
c) Property	434	418
d) Process Outsourcing	840	1312
	<b>19733</b>	<b>18942</b>

11 Figures for the previous periods are regrouped /rearranged, wherever necessary.

By Order of the Board  
Aniruddha Basu  
Managing Director

Dated : 19 May, 2016