

**Review Report to
The Board of Directors
CESC Limited**

We have reviewed the accompanying statement of unaudited standalone financial results of CESC Limited (the 'Company') for the quarter ended September 30, 2017 and year to date ended from April 1, 2017 to September 30, 2017 (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, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

The preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting (Ind AS 34) prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of Companies (Indian Accounting Standards) Rules, 2015 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 is the responsibility of the Company's management and has been approved by the Board of Directors of the Company. Our responsibility is to express a conclusion on the Statement based on our review.

We conducted our review 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 is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

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 applicable Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, 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

Kolkata
November 8, 2017





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Statement of Standalone Unaudited Financial Results for the Quarter and Six Months ended 30 September 2017

Particulars	(Rs.in crore)					
	Three months ended 30.09.2017 (Unaudited)	Three months ended 30.06.2017 (Unaudited)	Three months ended 30.09.2016 (Unaudited)	Six months ended 30.09.2017 (Unaudited)	Six months ended 30.09.2016 (Unaudited)	Year ended 31.03.2017 (Audited)
	(1)	(2)	(3)	(4)	(5)	(6)
Income from operations						
Revenue from operations	2088	2184	2016	4272	4028	7220
Other income	35	40	32	75	58	147
Total Income	2123	2224	2048	4347	4086	7367
Expenses						
Cost of electrical energy purchased	777	777	695	1554	1379	2614
Cost of fuel	376	390	368	766	810	1359
Employee benefits expense	206	211	200	417	393	780
Finance costs	126	121	116	247	231	448
Depreciation and amortisation expense	108	105	99	213	195	409
Other expenses	224	199	162	423	344	846
Total expenses	1817	1803	1640	3620	3352	6456
Profit before regulatory income / expense and tax	306	421	408	727	734	911
Regulatory (Income) / expenses (net)	(9)	194	106	185	206	(190)
Profit before tax	315	227	302	542	528	1101
Tax Expenses :-						
Current Tax	68	49	60	117	112	238
Deferred Tax	8	9	46	17	84	49
Regulatory (income)/Expense - Deferred Tax	(8)	(9)	(46)	(17)	(84)	(49)
Total tax expense	68	49	60	117	112	238
Profit for the period	247	178	242	425	416	863
Other comprehensive income (Net of income tax) <i>Items that will not be reclassified to profit or loss</i>						
Remeasurement of defined benefit plan	(7)	(7)	(9)	(14)	(17)	(39)
Total Comprehensive Income for the period	240	171	233	411	399	824
Paid-up Equity Share Capital (Shares of Rs. 10 each)	133	133	133	133	133	133
Other Equity as per latest audited Balance Sheet as at 31 March 2017						13191
Earnings Per Share (EPS) (Rs.) (Face value of Rs. 10 each)	18.65*	13.40*	18.30*	32.06*	31.41*	65.09
Basic & Diluted (*not annualised) (refer note 4 (ii))						



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Notes to financial results :-

1 Statement of Assets and Liabilities :

PARTICULARS	As at	As at
	30.09.2017	31.03.2017
	Unaudited	Audited
	Rs. in crore	Rs. in crore
ASSETS		
Non-current Assets		
Property, Plant and Equipment	14,426	14,596
Capital work-in-progress	258	188
Investment Property	56	56
Other Intangible assets	228	217
Financial Assets		
(i) Investments	7,110	4,086
(ii) Loans	3	3
(iii) Others	400	2,437
Other non-current assets	188	155
Total	22,669	21,738
Current assets		
Inventories	291	379
Financial Assets		
(i) Investments	519	506
(ii) Trade receivables	1,350	968
(iii) Cash and cash equivalents	414	683
(iv) Bank balances other than (iii) above	208	242
(vi) Others	106	146
Other current Assets	313	149
Total	3,201	3,073
Regulatory deferral account balances	3,544	3,620
TOTAL ASSETS	29,414	28,431
EQUITY AND LIABILITIES		
Equity		
(i) Equity Share capital	133	133
(ii) Other Equity	13,447	13,191
Total	13,580	13,324
LIABILITIES		
Non-current Liabilities		
Financial Liabilities		
(i) Borrowings	3,547	3,772
(ii) Trade Payables	30	30
(iii) Other financial liabilities	167	148
Provisions	243	227
Deferred tax liabilities (net)	3,491	3,555
Consumers' Security Deposits	1,760	1,678
Other non-current liabilities	152	115
Total	9,390	9,525
Current Liabilities		
Financial Liabilities		
(i) Borrowings	1,382	1,435
(ii) Trade Payables	432	377
(iii) Other financial liabilities	1,592	1,167
Other current liabilities	642	330
Provisions	105	70
Current Tax Liabilities (net)	43	10
Total	4,196	3,369
Regulatory deferral account balances	2,248	2,193
TOTAL EQUITY AND LIABILITIES	29,414	28,431



- 2 In the above standalone financial results of the Company, revenue from operations have been arrived at based on the relevant orders of the West Bengal Electricity Regulatory Commission. The effect of adjustments relating to advance against depreciation, cost of fuel and purchase of power 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 have been included in Regulatory Income / (expense), 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 commenced from April, 2015.
- 3 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, forming the basis for determining the Company's tariff by West Bengal Electricity Regulatory Commission (Commission), which is also required to be used for accounting purposes as specified in the said Regulations. Based on legal opinions and accounting opinions obtained, the Company continues with the consistently followed practice of recouping the additional charge of depreciation relating to the increase in value arising from fair valuation on the date of transition to Ind-AS from Retained Earnings, which for the quarter ended 30 September 2017 amounts to Rs.78 crores.
- 4 (i) Other expenses contained in columns (1) to (6) in the above financial results include interest on security deposit of Rs.33 crores, Rs.27 crores, Rs.30 crores, Rs.60 crores, Rs.55 crore and Rs.110 crore for the respective periods
- (ii) EPS without Regulatory income/(expenses) contained in Columns (1) to (6) in the above financial results works out to Rs.18.08, Rs 24.92, Rs 24.52, Rs 43.02, Rs 43.57 and Rs 53.81 for the respective periods.
- 5 In order to lay specific focus on its operations and investments in the areas, inter alia, of power distribution, generation, organised retail and other sundry areas including business process outsourcing & property by way of due alignment, the Board of Directors of the Company at its meeting held on 18th May, 2017 approved, subject to necessary approvals, composite scheme of arrangement which provides for the restructuring of the Company and its undertakings into four listed entities, focussed on the above referred four verticals, the appointed date being 1 October 2017. Upon implementation of the Scheme, each shareholder of the Company would be entitled to fully paid shares of the respective companies in the ratios set out in the scheme. Necessary accounting effect of the Scheme will be given in due course, upon receipt of requisite approvals
- 6 The Company is engaged in generation and distribution of electricity and does not operate in any other reportable segment.
- 7 The above results were reviewed by the Audit Committee and taken on record by the Board of Directors at their meetings held on 6th November, 2017 and 8th November, 2017 respectively. The Statutory Auditors of the Company has carried out a limited review of the said results in terms of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 8 Figures for the previous periods have been regrouped / reclassified wherever necessary to conform to current period's classification.

By Order of the Board



Aniruddha Basu
Managing Director

Dated : November 8 , 2017





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Extract of Unaudited Standalone Financial Results for the Quarter and Six month ended 30 September 2017

Particulars	(Rs. crore)				
	Quarter ending 30.09.2017 (unaudited)	Quarter ending 30.09.2016 (unaudited)	Six months ended 30.09.2017 (unaudited)	Six months ended 30.09.2016 (unaudited)	Year ended 31.03.2017 (Audited)
Total Income from operations	2123	2048	4347	4086	7367
Net Profit for the period (before tax and exceptional items)	315	302	542	528	1101
Net Profit for the period before tax (after exceptional items)	315	302	542	528	1101
Net Profit for the period after Tax (after exceptional items)	247	242	425	416	863
Total comprehensive income for the period	240	233	411	399	824
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 2017					13191
Earnings Per Share (EPS) (Rs.) (Face value of Rs.10 each) Basic & Diluted (*not annualised)	18.65*	18.30*	32.06*	31.41*	65.09

The above is an extract of the detailed format of standalone Financial Results for the quarter ended on 30 September 2017 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 half year ended on 30 September 2017 are available on stock exchange websites (www.nseindia.com, www.bseindia.com and www.cse-india.com) and on the company's website (www.cesc.co.in)

By Order of the Board


 Aniruddha Basu
 Managing Director

Dated : November 8 , 2017