



**RP-Sanjiv Goenka
Group**

Growing Legacies



CESC
LIMITED



SUSTAINABILITY POWERS US

ANNUAL REPORT 2022-23



AS YOU SCROLL DOWN

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For more investor-related information, please visit <https://www.cesc.co.in/home#investor-zone>

Scan this QR code to find the online version of the report.



Investor Information

Market Capitalisation as of March 31, 2023	₹ 8,834.93 Crore
CIN	L31901WB1978PLC031411
BSE Code	500084
NSE Code	CESC
Dividend Declared	450% i.e. ₹ 4.50 per equity share
AGM Date & Time	August 04, 2023 at 10:30 a.m. (IST)

Disclaimer: The statements in the report which may be considered forward looking statements within the meaning of applicable laws and regulations, have been based upon current expectations and projection about future events. The management cannot, however, guarantee that these forward looking statements will be realised or achieved.



SUSTAINABILITY POWERS US

CESC Limited stands for leadership and reliability. Throughout our journey, we have built a strong brand identity, centred around our core values. We continue to attach immense importance to sustainability which is deeply rooted in our business practices for long-term value creation.

In upholding our commitment to meet the nation's ambitions towards Net Zero, we have embraced the 4D approach which encompasses digitalisation, decarbonisation, decentralisation and disaster management. We have put in plans to phase down fossil fuel consumption in every respect of our operations from electricity generation to movement of our operational fleet. All our offices, administrative buildings and substations will operate on green building principles to supplement the decarbonisation process through energy efficiency measures.

ABOUT RP-SANJIV GOENKA GROUP

BUILDING ON THE LEGACY OF EXCELLENCE

RP-Sanjiv Goenka Group ('RPSG Group', 'the Group') embarked on a remarkable journey that dates back to the period of pre-independent India. The Group began with a visionary pledge to create a brighter future, while holding steadfastly to the values and traditions of the past.

Through decades of innovation and hard work, RPSG Group has remained true to this pledge, carving a path of success and prosperity, while never losing sight of the legacy that has brought them to where they stand today as one of the most successful Indian business conglomerates. The Group placed a strong emphasis on delivering added value to its customers, employees, and stakeholders, aligning with its core values and business ethics.

The Identity

RPSG Group has established itself as one of India's rapidly expanding business conglomerates with a significant global footprint. The Group's businesses include a wide range of sectors, including power and energy, carbon black manufacturing, retail, IT-enabled services, FMCG, sports, media and entertainment etc.

RPSG Group's Core Value



A Responsible Business Entity

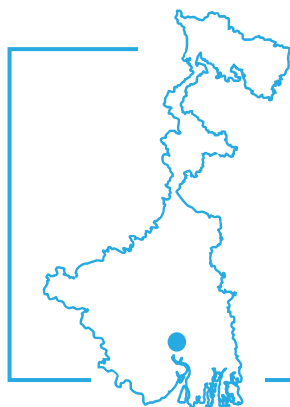
RPSG Group has a long legacy of empowering lives through education, health, art, skill development and livelihood opportunities for sustainable development of communities. The Group's social initiatives are designed to focus on bridging gaps and ensuring progress of the society.



POWERING LIVES THROUGH POWERFUL STEPS

CESC Limited is a flagship company of the RP-Sanjiv Goenka Group. It is an integrated power utility engaged in the generation and distribution of electricity across 567 square kilometres of its licensed area — Kolkata, Howrah, Hooghly, North and South 24 Parganas in West Bengal — supplying safe, cost effective and reliable electricity to its 3.5 Million customers. The Company, through its subsidiaries, also has a portfolio of independent power generation projects and distribution ventures in other parts of the country.

Powering the Capital City of West Bengal



India's First Integrated
Electrical Utility Entity

24X7
Power Availability

3.5 Million
Customer Base

567 Sq Km
Area Licensed for Power
Distribution

CESC – A Sustainable Power Utility Unit

CESC's businesses comprise the Kolkata operations as well as other generation and distribution ventures:

Kolkata Operations

Distribution of electricity, with own generation facilities, across its licensed area in Kolkata, Howrah, Hooghly, North and South 24 Parganas, West Bengal. Other than the 600 MW plant at Haldia, which is under its 100% subsidiary Haldia Energy Limited (HEL), the operations are directly under CESC Limited.

Generation Projects

Thermal and renewables projects owned and operated by various subsidiaries of CESC (excluding HEL). At the end of 2022-23, cumulative generation capacity of these projects stood at over 650 MW.

Distribution Ventures

Distribution license for Greater Noida (Uttar Pradesh); three distribution franchisees (DFs) in Kota, Bharatpur and Bikaner in Rajasthan; and the DF in Malegaon, Maharashtra. These are operated by CESC's subsidiaries.



Vision

We will be a profitable consumer-oriented power utility consistent with global standards, meeting the expectations of consumers, employees and other stakeholders.

We will achieve this vision by:

- Achieving efficiency of operations and further developing core competencies.
- Readjusting the business, consistent with the changing environment, technologically and commercially.
- Maintaining a rewarding and stimulating organisational climate with people orientation.
- Reaffirming faith in the organisation's ethics and values developed in course of our long existence.
- Harnessing and developing our professional competence.
- Being responsive to social requirements.



Mission

We will meet consumer's expectations continuously by providing safe, reliable and economic electricity through optimisation of available resources.

We will achieve this mission by:

- Accomplishing targetted performance in the key result areas of our business operations.
- Enhancing consumer satisfaction through value addition to service supported by a consumer feedback monitoring system.
- Improving work environment and helping employees for personal development and career satisfaction through an interactive approach.
- Being recognised as an ethical and environmentally responsive organisation.

MESSAGE FROM THE CHAIRMAN

SCRIPTING A YEAR OF SUSTAINABLE PROGRESS

**THANKS TO A WIDE VARIETY OF
USER-FRIENDLY ONLINE PAYMENT
OPTIONS, 74.5% OF CONSUMERS
MADE ONLINE PAYMENTS IN 2022-
23, WHICH CONSTITUTED ALMOST
82% OF TOTAL REVENUES.**

Dear Members,

After what the world, India and companies everywhere went through from the last quarter of 2019-20 right up to 2021-22, there was a universal need for normalcy. When the pandemic became a thing of the past; when people got back to their usual work, travel and home lives; and when companies reverted to normal business unhindered by the strains of a global epidemic such as we had with Covid-19.

Thankfully, 2022-23 has been such a year. India has reported a stellar real GDP growth of 7% for 2022-23, which is not only significantly greater than the expectation of most economic pundits, but also is the highest growth posted among all major economies, including China.

In this milieu, I am happy to report that your Company has done satisfactorily. Let me first touch upon the key financials before sharing some other information.

Despite electricity tariffs remaining unchanged during the year, your Company's total income on a standalone basis (revenue from operations plus other income) increased by 9% to ₹ 8,153 crore in 2022-23. Operating costs increased during the year, largely on account of high fuel costs. Consequently, Profit before tax (PBT) grew by 1% over the previous year, and stood at ₹ 1,060 crore. Profit after tax (PAT) increased by a bit under 2% to ₹ 830 crore.

On a consolidated basis your Company's total income increased by 13.5% in 2022-23 to ₹ 14,555 crore. Unfortunately, significantly higher input costs reduced consolidated PBT by 9% to ₹ 1,739 crore. PAT reduced marginally to ₹ 1,397 crore.

Let me now discuss some other facts about your Company's performance.

With a return to normalcy in 2022-23, your Company's system demand grew at 8.7% during the year to 11,175 million units (MU) in 2022-23. This meant that electricity demand in 2022-23 surpassed the pre-Covid level of 11,024 MU in 2019-20.

Regarding the Kolkata operations, as you know, your Company operates a 750 MW generating station at Budge Budge and a 135 MW generating station at Garden Reach. In addition, Haldia Energy Limited, a 100% subsidiary of your Company, operates a 600 MW generating station at Haldia, with a long-term power purchase agreement to sell its power to CESC. All three generating stations are ISO 45001 certified for occupational health and safety management systems

During the year, total generation from these plants was 10,185 million units (MU), of which 93.8% came from Budge Budge and Haldia.

Your Company's Kolkata distribution infrastructure serves 3.5 million customers in Kolkata, Howrah, Hooghly, North and South 24 Parganas in West Bengal. Peak power demand increased by over 16% to 2,339 MW. Total energy requirement grew at 8.7% to 11,175 MU in 2022-23. Some 83% of this was met by CESC's own generation, including Haldia Energy Limited.

CESC provided over 1,06,101 new connections in 2022-23. Thanks to a wide variety of user-friendly online payment options, 74.5% of consumers made online payments in 2022-23, which constituted almost 82% of total revenues. In 2022-23, over 85% customer interactions were serviced by your Company's various digital channels including IVR, voice bot, web chat bot and WhatsApp bot.

Now for a brief resume of your Company's other generation and distribution operations.

- Chandrapur, Maharashtra: A 2x300 MW thermal power project implemented by Dhariwal Infrastructure Limited (DIL), a 100% subsidiary of your Company. For power evacuation, Unit I was connected to the state grid (STU), and Unit II to the central grid (CTU), backed up by long term power purchase agreements. DIL had applied to CERC for closed operations of CTU and STU and Hon'ble CERC accorded approval of the scheme with proper guidance pertaining to the issue. The scheme was finally implemented on May 4, 2023 midnight. This has enhanced the flexibility and reliable operation of DIL. It has fuel supply agreements with South Eastern Coalfields Limited and Western Coalfields Limited. In 2022-23, the overall plant load factor (PLF) for DIL was 80.5%.
- Asansol, West Bengal: A 40 MW atmospheric fluidised bed combustion power plant that uses washery rejects and inferior coal from an adjacent captive coal mine in Sarisatolli. Operating in the merchant power market, the plant generated 334 MU of power in 2022-23 with a PLF of over 95%.
- Ramnathapuram, Tamil Nadu: This solar power project has a capacity of 18 MW DC. During 2022-23, it generated 27.6 MU of electricity.
- Through its subsidiaries, your Company operates five distribution ventures outside of Kolkata. These are in Greater Noida (Uttar Pradesh), Kota, Bharatpur and Bikaner (Rajasthan) and Malegaon (Maharashtra). The five together serviced some 7.57 lakh consumers and accounted for electricity sales amounting to 6,113 MU in 2022-23 — representing a growth of 23.1% over the previous year.

Finally, let me touch upon a topic that is dear to me: corporate social responsibility (CSR). Through its

₹ **8,153** crore
Total Income in 2022-23

₹ **830** crore
Profit after tax in 2022-23

various projects focusing on education, environment, health, skill building and employment generation, your Company has consistently contributed towards the goal of achieving sustainable development. This has been recognised by the wider world. I am proud to share with you that in 2022-23 your Company:

- Won the coveted Golden Peacock Award 2022 for its CSR initiatives.
- Was a winner at the Greentech India CSR Award 2022 in the category of 'Women and Child Development'.
- Won the Apex India CSR Excellence Award in the Gold category.
- Received special jury recognition at the ICC Social Impact Awards 2022 and was runner-up at BCC&I Social Leadership Award 2022.

Things are looking up for 2023-24. Economists estimate anywhere between 6% and 6.5% real GDP growth. If that were to happen, your Company should do even better than this year. That is what I tell all your Company's employees. Strive for doing better. Because we have. We can. And we must.

As always, thank you for constant support. I value it greatly.

With my best wishes,

Yours sincerely,

Dr. Sanjiv Goenka
Chairman

ACHIEVEMENTS OF THE YEAR

KEY HIGHLIGHT OF FY 2022-23

Financial

(Standalone figures as of March 31, 2023)



Our financial prudence reflects through

₹ **8,153** Crore
Total Income₹ **1,060** Crore
PBT₹ **830** Crore
PAT₹ **6.26**
EPS

Environmental

(Figures are as of March 31, 2023)



We strengthened our commitment towards environmental stewardship by adopting following initiatives

4
New Green Buildings**228** kW
Solar rooftop installation at substations and generating stationsFirst microgrid at Chakmir substations having a floating solar plant of
100 kW Capacity**Zero**
Liquid discharge at Budge Budge Generating Station