KANPUR ELECTRICITY SUPPLY COMPANY LIMITED

14/71 Civil Lines, Kesa House, Kesco, Kanpur

Balance Sheet as at 31st March, 2016

(Amount in Rs.)

	Particulars	Note No.	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
I.	**Equity And Liabilities**			
(1)	**Share holders funds**			
	(a)Share Capital	1	1,63,14,74,000.00	1,63,14,74,000.00
	(b)Reserve & Surplus	2	-26,48,56,05,337.98	-33,41,06,02,836.40
	(c)Money received under share warrants			
(2)	**Share Application Money pending Allotment**	3	10,89,11,00,261.88	3,77,82,24,917.88
(3)	**Non-Current Liabilities**			
	(a) Long-Term Borrowings	4	17,11,35,96,991.96	27,22,42,77,953.03
	(b) Deferred Tax Liabilities (Net)			
	(c) Other Long-Term Liabilities	5	1,58,05,11,692.80	1,51,74,29,122.13
	(d) Other Long-Term Provisions		-	-
(4)	**Current Liabilities**			
	(a) Short-Term Borrowings	6	13,09,40,000.00	15,64,00,000.00
	(b) Trade Payable	7	5,30,10,86,036.18	6,31,84,27,070.23
	(c) Other Current Liabilities	8	17,38,42,71,885.23	17,09,83,81,488.38
	(d) Short-Term Provisions		0.00	0.00
	(e) Inter Unit Transfers	9	9,71,895.12	9,71,895.12
	TOTAL		**27,54,83,47,425.19**	**24,31,49,83,610.37**
II.	Assets			
(1)	**Non-Current Assets**			
	(a) Fixed Assets			
	(i) Tangible Assets	10	3,10,12,12,785.17	3,26,75,98,377.49
	(ii) Intangible Assets			
	(iii) Capital Work-in-Progress	11	64,23,34,861.49	27,18,60,990.21
	(iv) Intangible Assets under Development			
	(b) Non-Current Investment			
	(c) Deffered Tax Assets (Net)			
	(d) Long-Term loans and advances	12	45,06,29,744.77	36,04,61,049.66
	(e) Other Non-Current Assets		-	-
(2)	**Current Assets**			
	(a) Current Investments			
	(b) Inventories	13	66,10,75,873.10	33,28,94,273.64
	(c) Trade Receivables	14	19,90,31,63,087.41	17,84,68,99,918.66
	(d) Cash and Cash Equivalents	15	2,07,73,00,581.37	1,56,61,17,324.72
	(e) Short-Term Loans and Advances	16	23,25,31,502.97	19,50,44,834.08
	(f) Other Current Assets	17	48,00,98,988.91	47,41,06,841.91
	Singnificant Accounting Policies	28(A)		
	Notes on Accounts (Note 1 to 44 form integral Part of Accounts)	28(B)		
	TOTAL		**27,54,83,47,425.19**	**24,31,49,83,610.37**

In terms of our report attached
For Bhushan Rastogi & Asscociates
Chartered Accountants
FRN:013109C

C.A. Mohit Goyal
Partner
M No:415060

For and on behalf of the Board of Dircertors

(Pankaj Saxena)
Dy. G.M. (Acctts.)

(Rakesh Kumar)
Director (Finance)

(Selva Kumari J.)
Managing Director

Chartered Accountants * Bhushan Rastogi & Associates * Lucknow

Dated:
Place: Kanpur

Kanpur Electricity Supply Company Limited
14/71 Civil Lines, Kesa House, Kesco, Kanpur
Profit and Loss Statement for the Year Ended on 31st March, 2016

(Amount in Rs.)

	Particulars	Note No.	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
(I)	Revenue from Operations (Gross)	18	21,02,42,07,940.62	16,90,13,14,851.26
(II)	Other Income	19	35,22,31,270.48	2,43,36,96,223.37
(III)	**Total Revenue (I+II)**		**21,37,64,39,211.10**	**19,33,50,11,074.63**
	Expenses			
1	Cost of Material Consumed			
2	Purchases of Stock-in-Trade (Power Purchased)	20	15,65,65,61,775.40	16,28,14,97,316.60
3	Progress and stock-in-Trade			
4	Employees Benefits Expense (Employees Cost)	21	1,04,33,71,135.00	98,00,51,473.72
5	Finance Costs (Interest and Finance Charges)	22	2,93,88,63,907.53	2,74,59,72,215.71
6	Depreciation and Amortization expenses	23	10,30,68,701.32	13,08,00,713.54
7	Other Expenses			
	a) Administrative, General & Other Expenses	24	74,87,00,739.18	56,43,09,142.22
	b) Repairs and Maintenance Expenses	25	52,61,08,060.29	45,64,06,857.15
	c) Bad Debts & Provisions	26	362869970.96	198546597.03
(IV)	**Total Expenses**		**21,37,95,44,289.68**	**21,35,75,84,315.97**
V	Profit before Prior Period Income (Expenditure), Exceptional and Extraordinary items and Tax (III-IV)		**-31,05,078.58**	**-2,02,25,73,241.34**
VI	Prior Period Income (Expenditure)	27	-67,53,163.00	-1,87,34,441.58
VII	Exceptional Items			
VIII	Profit before Extraordinary items and Tax (V-VI-VII)		-98,58,241.58	-2,04,13,07,682.92
IX	Extra Ordinary Items			
X	Profit before Tax (VIII-IX)		-98,58,241.58	-2,04,13,07,682.92
XI	Tax Expense:		0	0
	a) Current Tax		0	0
	b) Deferred Tax		0	0
XII	Profit (Loss) for the period from Continuing Operations (X-XI)		-98,58,241.58	-2,04,13,07,682.92
XIII	Profit/(Loss) from Discontinuing Operations		0	0
XIV	Tax Expenses of Discontinuing Operations		0	0
XV	Profit/(Loss) from Discontinuing Operations (After Tax) (XIII-XIV)		0	0
XVI	Profit/(Loss) for the Period (XII + XV)		-98,58,241.58	-2,04,13,07,682.92
XVII	Earnings per Equity Share:			
	a) Basic		-0.06	-12.51
	b) Diluted		-0.06	-12.51
	Singnificant Accounting Policies	28(A)		
	Notes on Accounts (Note 1 to 44 form integral Part of Accounts)	28(B)		

In terms of our report attached
For Bhushan Rastogi & Asscociates
Chartered Accountants
FRN:013109C

Bhushan Rastogi & Associates * Lucknow * Chartered Accountants

C.A. Mohit Goyal
Partner
M No:415060

For and on behalf of the Board of Dircertors

(Pankaj Saxena)
Dy. G.M. (Acctts.)

(Rakesh Kumar)
Director (Finance)

(Selva Kumari J.)
Managing Director

Dated:
Place: Kanpur

KANPUR ELECTRICITY SUPPLY COMPANY LIMITED
Cash Flow Statement for the year ended 31st March, 2016

(Rs. In Crore)

Particulars	For the year ended 31st March, 2016	For the year ended 31st March, 2015
	₹	₹
A. Cash flow from operating activities		
Net Loss Before Taxation & Extraordinary Items	-0.99	-204.13
Adjustments for:		
a) Depreciation	10.31	13.08
b) Interest & Financial Charges	293.89	274.60
c) Bad Debts & Provision	36.29	19.85
d) Interest income	-6.90	-4.16
e) Prior Period Expenditure (Net)		
f) Fringe Benefit Tax	-	-
Sub Total	332.59	99.24
Operating Profit Before Working Capital Changes		
Adjustments for (increase) / decrease in operating assets:		
a) Stores & Spares	-32.82	-3.00
b) Trade Receivable	-241.91	-107.24
c) Other Current Assets	-0.60	7.27
d) Short Term Loans and Advances	-3.75	1.30
e) Inter Unit Transfer	0.00	-
f) Other Current Liability	28.59	185.41
g) Short Term provision	-	-
h) Long term provision	-	-8.18
I) Sort Term Borrowings	-2.55	0.00
J) Trade Payables	-101.73	-41.17
Sub Total	-354.77	34.39
NET CASH FROM OPERATING ACTIVITIES (A)	-22.18	113.46
Cash Flow From Investing Activities		
a) Decrease (increase) in Fixed Assets	-0.26	-20.30
b) Decrease (increase) in Capital Work in Progress	-37.05	-2.64
c) (Increase)/(Decrease) in Investment	49.23	-69.75
d) Decrease /(increase) in Other Non-Current Assets	0.00	-
e) Decrease/(increase) in Long Term Loans & Advances	-9.02	-0.89
f) Interest Income	6.90	4.11
NET CASH GENERATED FROM INVESTING ACTIVITIES (B)	9.81	-89.47
CASH FLOW FROM FINANICING ACTIVITIES		
a) Ptoceeds from Borrowing:		
i. Increase from Borrowing		-
ii. Repayment of Borrowing	-1,011.07	-142.76
b) Proceeds from share capital		
c) Proceeds from share application money	711.29	326.93
d) Proceeds from consumers contribution & GoUP capital subsidy (Reserve & Surplus)	700.08	25.61
e) Other long term liabilities	6.31	7.49
f) Interest & Financial Charges	-293.89	-274.60
g) Accumulated losses as per transfer scheme transferred to UPPTCL		
NET CASH GENERATED FROM FINANCING ACTIVITIES (C)	112.72	-57.33
NET INCREASE (DECREASE) IN CASH & CASH EQUIVALENTS (A+B+C)	100.35	-33.34
CASH & CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	85.37	118.71
CASH & CASH EQUIVALENTS AT THE END OF THE YEAR	185.72	85.37

185.72

-0.00

In terms of our report attached
For Bhushan Rastogi & Associates
Chartered Accountants
FRN:013109C

C.A Mohit Goyal
Partner
M No:415060

Bhushan Rastogi & Associates Lucknow Chartered Accountants

For and on behalf of the Board of Dircertors

(Pankaj Saxena)
Dy. G.M. (Acctts.)

(Rakesh Kumar)
Director (Finance)

(Selva Kumari J.)
Managing Director

Dated:
Place: Kanpur

KANPUR ELECTRICITY SUPPLY COMPANY LIMITED

Notes forming part of the financial statements for the year ended 31st March, 2016

NOTE 1 - SHARE CAPITAL

Particulars	As at 31st March, 2016		As at 31st March, 2015	
	Number of shares	₹	Number of shares	₹
(i) Authorised				
Equity shares of ₹ 10 each	30,00,00,000	3,00,00,00,000.00	30,00,00,000	3,00,00,00,000.00
	30,00,00,000	**3,00,00,00,000.00**	**30,00,00,000**	**3,00,00,00,000.00**
(ii) Issued				
Equity shares of ₹ 10 each	16,31,47,400	1,63,14,74,000.00	16,31,47,400	1,63,14,74,000.00
	16,31,47,400	**1,63,14,74,000.00**	**16,31,47,400**	**1,63,14,74,000.00**
(iii) Subscribed and fully paid up				
Equity shares of ₹ 10 each	16,31,47,400	1,63,14,74,000.00	16,31,47,400	1,63,14,74,000.00
	16,31,47,400	**1,63,14,74,000.00**	**16,31,47,400**	**1,63,14,74,000.00**

1) During the period 15th January 2000 to 31st March 2000, 5,99,99,300 Equity Shares were allotted to UPPCL (Holding Company) as fully paid up pursuant to Uttar Pradesh Transfer of KESA Zone Electricity Distribution Scheme, 2000 without payment being received in cash.
2) During the year 2015-16 the company has not allotted any share.

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	Opening Balance	Fresh Issue during the year	Closing Balance
(a) Issued Equity Shares			
Year ended 31st March, 2016			
Number of shares	16,31,47,400	0.00	**16,31,47,400**
Amount (₹)	1,63,14,74,000	0.00	**1,63,14,74,000.00**
Year ended 31st March, 2015			
Number of shares	16,31,47,400	0.00	**16,31,47,400**
Amount (₹)	1,63,14,74,000	0.00	**1,63,14,74,000.00**
(b) Subscribed and fully paid up Equity shares			
Year ended 31st March, 2016			
Number of shares	16,31,47,400	0.00	**16,31,47,400**
Amount (₹)	1,63,14,74,000.00	0.00	**1,63,14,74,000.00**
Year ended 31st March, 2015			
Number of shares	16,31,47,400	0.00	**16,31,47,400**
Amount (₹)	1,63,14,74,000.00	0.00	**1,63,14,74,000.00**

(ii) Details of shares held by the holding company :

Particulars	Equity shares
	Number of shares
As at 31st March, 2016	
Uttar Pradesh Power Corporation Limited	16,31,47,400
As at 31st March, 2015	
Uttar Pradesh Power Corporation Limited	16,31,47,400

Bhushan Rastogi & Associates
Lucknow
Chartered Accountants

KANPUR ELECTRICITY SUPPLY COMPANY LIMITED

Notes forming part of the financial statements for the year ended 31st March, 2016

(iii) Details of shares held by shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at 31st March, 2016		As at 31st March, 2015	
	Number of shares held	% holding	Number of shares held	% holding
Equity shares				
Uttar Pradesh Power Corporation Limited	16,31,47,400	100%	16,31,47,400	100%

(iv) The company has only one class of equity shares having par value of ₹ 10 per share. Each equity share is entitled to one vote.

In the event of liquidation of the Company the holders of equity share will be entitled to receive the assets in proportion to the number of equity shares held by each of them.

NOTE 2 : RESERVES & SURPLUS

Particulars	As at 31st March, 2016	As at 31st March, 2015
	₹	₹
A Capital Reserves		
(i) Consumers Contribution towards Service Line and other charges As per last financial statement	1,79,35,72,118.82	1,69,47,75,795.82
(ii) Subsidies towards Cost of Capital assets as per last financial statement	-	-
(iii) Others	6,83,60,59,417.00	-
B Other Reserves		
(i) Restructuring Reserve	14,45,68,023.97	14,45,68,023.97
Surplus		
As per Last financial statement	-35,24,99,46,656.19	-33,20,86,38,973.27
Add:- Profit/(Loss) for the year as per statement of Profit & Loss	-98,58,241.58	-2,04,13,07,682.92
	-35,25,98,04,897.77	**-35,24,99,46,656.19**
Total	**-26,48,56,05,337.98**	**-33,41,06,02,836.40**

NOTE 3 : SHARE APPLICATION MONEY

Particulars	As at 31st March, 2016	As at 31st March, 2015
	₹	₹
Share Application Money (Pending for allotment to the UPPCL)	10,89,11,00,261.88	3,77,82,24,917.88
Total	**10,89,11,00,261.88**	**3,77,82,24,917.88**

RECONCILATION OF SHARE APPLICATION MONEY

Share Application Money as on 31.03.2015	Received during the year	Alloted During the year	Share Application Money as on 31.03.2016
3,77,82,24,917.88	**7,11,28,75,344.00**	**0.00**	**10,89,11,00,261.88**

Bhushan Rastogi & Associates
Lucknow
Chartered Accountants

KANPUR ELECTRICITY SUPPLY COMPANY LIMITED

Notes forming part of the financial statements for the year ended 31st March, 2016

NOTE 4 : LONG TERM BORROWINGS

Particulars		As at 31st March, 2016	As at 31st March, 2015
		₹	₹
Secured Term loans (Refer note below)			
(i) **From UPPCL (Holding Company)**			
Loan Outstanding As on 31/03/2015	1,95,00,00,000.00		
Less: Amount overdue shown as current liability under Note -09	1,95,00,00,000.00	0.00	0.00
(ii) Interest Free Loan from UPPCL (Holding Company)			
Loan against Power Purchase (Unsecured)	22,77,97,713.42		
Less: Amount overdue shown as current liability under Note -09	22,77,97,713.42	0.00	0.00
		0.00	**0.00**
(ii) **Rural Electrification Corporation Limited**		0.00	900000000.00
(iii) **Term Loan from Banks & Others (through UPPCL)**		9610145331.96	18417524638.03
Syndicate Bank	80760086.65		
Krur Vysya Bank	6714078.31		
State Bank of India	423960944.00		
Punjab National Bank	1216728716.00		
Vijay Bank	207447938.37		
Union Bank of India	659041136.35		
Allahabad Bank	-3.00		
Indian Overseas Bank	266494239.96		
Dena Bank	171147119.76		
Central Bank of India	852340748.05		
Bank of Maharashtra	116351501.33		
UCO Bank	387097142.53		
Bank of Baroda	198730868.68		
Oriental Bank of Commerce	484501330.33		
Bank of India	197243343.00		
South Indian Bank	48757188.00		
Punjab and Sindh Bank	303624483.40		
Federal Bank	36834545.24		
Corporation Bank	287564837.00		
Canara Bank	714520351.00		
Total	**6659860594.96**		
PFC Transitional Loan	1296186321.00		
Total	**1296186321.00**		
REC Loan	1654098416.00		
Total	**1654098416.00**		
G Total	**9610145331.96**		
(iv) **Power Finance Corporation Limited**			
Loan Outstanding As on 31/03/2016	686065572.00		
Sub Total	**686065572.00**	68,60,65,572.00	1,31,27,72,915.00
(v) Interest Free Govt. Loan under UDAY Scheme		3,52,03,99,016.00	
		13,81,66,09,919.96	**20,63,02,97,553.03**
(vi) Bonds		3,29,69,87,072.00	6,59,39,80,400.00
		3,29,69,87,072.00	**6,59,39,80,400.00**
Total		**17,11,35,96,991.96**	**27,22,42,77,953.03**

Bhushan Rastogi & Associates
LUCKNOW
Chartered Accountants

K NPUR ELECTRICITY SUPPLY COMPANY LIMITED

Notes forming part of the financial statements for the year ended 31st March, 2016

Notes on loans:

(a) Loan from Uttar Pradesh Power Corporation Ltd (Rs 195.00 Crore)

DEFAULT IN REPAYMENT OF INTEREST & PRINCIPAL AMOUNT

Particulars	As at 31st March, 2016		As at 31st March, 2015	
	Period of default	₹	Period of default	₹
Term loans from UPPCL (Holding Company)				
Term Loan	7 years	1,10,00,00,000.00	6 years	1,10,00,00,000.00
Terminal Benefit Liability	Refer Note below	85,00,00,000.00	Refer Note below	85,00,00,000.00

Terminal Benefit Liability : In the absence of any agreement having been executed the period of default of the Term Loan of ₹ 85 Crores cannot be ascertained.

(b) Term Loan from Banks & Others (through UPPCL): These loans have been taken form various financial institutions and others and have been transferred by UPPCL to the company. These are secured against Trade Recievables by the company. The loan is repayable in 84 monthly equated installments after a moratorium of 36 months and due for repayment starting from April 2015 except loan taken from Mandi Parishad and Noida which are interest free

(c) Power Finance Corporation Limited

Loan amounting to Rs 90.00 crore has been transferred from UPPCL (holding company) and is guaranteed by the State Govt. This additional loan carry a interest of 12.62% with moratorium of 36 months which is to be repaid in 84 equated monthly installment thereafter.

(d) Interest Free Loan from State Government: Loan amounting to Rs 352.04 crore has been transferred from UPPCL (holding company) as interest free State Govt. Loan under UDAY Scheme.

Bhushan Rastogi & Associates * Lucknow * Chartered Accountants

K NPUR ELECTRICITY SUPPLY COMPANY LIMITED

Notes forming part of the financial statements for the year ended 31st March, 2016

NOTE 5 : Other long term Liabilities

Particulars	As at 31st March, 2016	As at 31st March, 2015
	₹	₹
(i) Security deposit	1,10,56,59,755.80	1,05,39,53,834.13
(ii) Provision for leave encashment	47,48,51,937.00	46,34,75,288.00
Total	1,58,05,11,692.80	1,51,74,29,122.13

NOTE 6 : SHORT TERM BORROWINGS

Particulars	As at 31st March, 2016	As at 31st March, 2015
	₹	₹
(i) Loan from Noida (Unsecured)	13,09,40,000.00	15,64,00,000.00
	13,09,40,000.00	15,64,00,000.00
Total	13,09,40,000.00	15,64,00,000.00

Notes:

REPAYMENT & INTEREST DETAILS

Loan against Power Purchase is repayable on demand

The Board of Directors of UPPCL had resolved on the 19th of October 2005 that the Interest on the Unsecured loan against power purchase, would not be payable by KESCo to UPPCL till such time it does not earn profit.

Accordingly, no provision has been made during the year by the Company for the liability on account of the aforesaid interest.

Bhushan Rastogi & Associates
Lucknow
Chartered Accountants

K^NPUR ELECTRICITY SUPPLY COMPANY LIMITED

Notes forming part of the financial statements for the year ended 31st March, 2016

NOTE 7 - TRADE PAYABLES

Particulars	As at 31st March, 2016	As at 31st March, 2015
	₹	₹
(a) For Power Purchase (UPPCL)	3,34,19,83,945.29	4,69,07,96,252.74
(b) For Transmission Charges (UPPTCL)	1,95,91,02,090.89	1,62,76,30,817.49
Total	5,30,10,86,036.18	6,31,84,27,070.23

NOTE 8 - OTHER CURRENT LIABILITIES

Particulars	As at 31st March, 2016	As at 31st March, 2015
	₹	₹
Interest accrued & due	90,79,53,882.28	89,93,50,460.52
Current Maturity of Long Term Borrowings	2,17,77,97,713.42	3,62,12,53,151.42
Liability for Capital Supplies/Works	24,63,68,490.15	11,77,45,129.90
Liability for O&M Supplies/Works	6,45,95,496.26	5,74,51,320.23
Staff Related Liabilities	37,06,97,558.23	37,54,49,758.73
Deposits & Retentions from Suppliers & Others	10,00,98,034.75	8,41,06,289.17
Electricity Duty & Other Levies payable to Govt.	5,30,36,02,334.31	4,57,54,56,923.83
Deposit Works	16,34,96,394.62	15,11,93,365.62
Sundry Liabilities	2,95,34,998.41	2,90,26,617.31
Payable to DISCOMS & Others	10,69,74,430.26	10,69,74,430.26
Due to UPPCL		
a) Liability of debtors on account of UPPCL	6,20,48,20,956.22	6,20,48,20,956.22
b) Liability to Loan towards UPPCL	1,61,24,78,772.90	75,12,72,248.75
c) Other current Liabilities towards UPPCL	57,33,335.07	36,04,745.07
Liabilities towards UPPCL CPF Trust	9,01,19,488.35	10,65,73,267.35
Interest Accrued & but not due on Borrowings	-	1,41,02,824.00
Interest on Security Deposit from Consumers		
Total	17,38,42,71,885.23	17,09,83,81,488.38

Details of Current maturities of long-term debt (Refer Notes 4 - Long-term borrowings for details of security & repayment terms)

Particulars	As at 31st March, 2016	As at 31st March, 2015
	₹	₹
Secured Term loans		
(i) From UPPCL (Holding Company)	1,95,00,00,000.00	1,95,00,00,000.00
(ii) Loan against Power Purchase from UPPCL (Unsecured)	22,77,97,713.42	22,77,97,713.42
(iii) From PFC	-	10,53,50,733.00
Unsecured Term loans		
Loan from State Government through UPPCL (APDRP)		
(ii) Current maturities of Long-Term Borrowings through UPPCL		1,03,83,82,235.00
a) Bank Loan		24,61,29,612.00
b) REC Loan		5,35,92,858.00
c) PFC Loan		
Total	2,17,77,97,713.42	3,62,12,53,151.42

Note 9 Inter Unit Transfer

Particulars	For the year ended 31st March, 2016	For the year ended 31st March, 2015
	₹	₹
31A - IUT Material with in zone	-9,71,895.12	-9,71,895.12
AG 36 - Inter-Unit Accounts - Personnel	2,77,621.74	2,77,621.74
AG 37 - Inter-Unit Accounts-Other	6,80,84,240.71	6,80,84,240.71
Total	6,73,89,967.33	6,73,89,967.33
(b) Unsecured considered Doubtful	6,83,61,862.45	6,83,61,862.45
	(9,71,895.12)	(9,71,895.12)

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KANPUR ELECTRICITY SUPPLY COMPANY LIMITED

Notes forming part of the financial statements for the year ended 31st March. 2016

NOTE 10 : TANGIBLE FIXED ASSETS

A	Tangible assets	Gross block			Accumulated depreciation				Net block	
		Balance as at 1 April, 2015	Additions during 2015-16	Balance as at 31st March, 2016	Accumulated depreciation	Depreciation expense for the year	Other Adjustments (Prior Period items)	Balance as at 31st March, 2016	Balance as at 31st March, 2016	Balance as at 31st March, 2015
		₹	₹	₹	₹	₹	₹	₹	₹	₹
A	Line & Cable Network	4,06,70,04,747.13		4,06,70,04,747.13	2,13,18,68,704.65	88842516.09		2,22,07,11,220.74	1,84,62,93,526.39	1,93,51,36,042.48
B	Plant and Macinery	1,79,85,38,284.70		1,79,85,38,284.70	75,26,54,909.79	65364702.12		81,80,19,611.91	98,05,18,672.79	1,04,58,83,374.91
C	Building	31,44,86,476.36		31,44,86,476.36	7,84,39,678.02	6409539.35		8,48,49,217.37	22,96,37,258.99	23,60,46,798.34
D	Land on Lease	1.00		1.00	-	0		-	1.00	1.00
E	Office Equipment	13,33,74,216.49		13,33,74,216.49	9,20,58,379.91	7727600.84		9,97,85,980.75	3,35,88,235.74	4,13,15,836.58
F	Furniture & fixture	1,34,24,520.99		1,34,24,520.99	93,33,799.81	363793.59		96,97,593.40	37,26,927.59	40,90,721.18
G	Vehicles	3,64,62,881.95	26,06,069.00	3,90,68,950.95	3,13,37,277.95	283509.32		3,16,20,787.27	74,48,163.68	51,25,604.00
	Total	6,36,32,91,128.62	26,06,069.00	6,36,58,97,197.62	3,09,56,92,750.13	16,89,91,661.31	-	3,26,46,84,411.44	3,10,12,12,786.18	3,26,75,98,378.49
	Less- Amortisation of Consumers Contribution on Fixed Assets					6,59,22,960.00				
	Depreciation charged to operation					10,30,68,701.31				
	Previous year	6,16,02,47,617.99	20,30,43,510.63	6,36,32,91,128.62	2,89,70,87,830.14	19,80,36,272.54	5,68,647.45	3,09,56,92,750.13	3,26,75,98,378.49	

NOTE 11 : CAPITAL WORKS IN PROGRESS

Particulars	Balance as on 01st April 2015	Additions during the year	Deduction/Adjustments	Capitalized during the year	Balance as on 31st March 2016
	₹	₹		₹	₹
Capital Work in Progress	271860990.21	37,30,79,940.28	-	26,06,069.00	64,23,34,861.49
Total					
Previous Year	24,55,14,171.59	22,93,90,329.25	-	20,30,43,510.63	27,18,60,990.21

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KANPUR ELECTRICITY SUPPLY COMPANY LIMITED

Notes forming part of the financial statements for the year ended 31st March, 2016

NOTE 12 - LONG TERM LOANS & ADVANCES

Particulars			As at 31st March, 2016	As at 31st March, 2015
			₹	₹
(i) Capital Advances				
Unsecured considered good				
(a) Advance to fabricators			45,05,19,648.77	36,04,61,049.66
Unsecured Considered doubtful	2015-16	2014-15		
(b) Advance to Supplier & Contractor	5,85,562.14	4,75,466.14		
Less : Provision for doubtful Loans & Advances	4,75,466.14	4,75,466.14	1,10,096.00	0.00
Total			**45,06,29,744.77**	**36,04,61,049.66**

NOTE 13 - INVENTORIES

Particulars	As at 31st March, 2016	As at 31st March, 2015
	₹	₹
Stores & Spares		
Stock of Materials - Capital Works	61,14,33,424.69	31,64,49,053.44
Stock of Materials - O&M	4,96,42,448.41	1,64,45,220.20
Total	**66,10,75,873.10**	**33,28,94,273.64**

Inventories are valued at cost.

NOTE 14 - TRADE RECEIVABLES

Particulars			As at 31st March, 2016	As at 31st March, 2015
			₹	₹
Unsecured, considered good				-
Trade receivables outstanding for a period exceeding six months		35,80,99,09,017.36		0.00
Less: Provision for doubtful trade receivables	6,57,53,27,961.97			
Unrealised Late Payment Surcharge	14,18,54,99,082.82	20,76,08,27,044.79	15,04,90,81,972.57	12,31,04,37,842.11
			15,04,90,81,972.57	**12,31,04,37,842.11**
Other Trade receivables			4,85,40,81,114.84	4,46,43,43,892.98
			4,85,40,81,114.84	**4,46,43,43,892.98**
Total			**19,90,31,63,087.41**	**17,84,68,99,918.66**

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K^NPUR ELECTRICITY SUPPLY COMPANY LIMITED

Notes forming part of the financial statements for the year ended 31st March, 2016

NOTE 15 - CASH & CASH EQUIVALENTS

Particulars	As at 31st March, 2016	As at 31st March, 2015
	₹	₹
Cash & Cash Equivalents		
(i) Cash in hand	1,00,21,088.11	47,98,817.09
(ii) Cheques, draft on hand	17,57,58,117.98	63,12,01,963.79
(iii) Balance with banks		
In current accounts	1,67,13,63,572.28	21,76,54,015.84
(iv) 24.220- Temporary Imprest With Staff	61,509.00	36,100.00
Other bank balances		
In deposit account	22,00,96,294.00	71,24,26,428.00
Total	**2,07,73,00,581.37**	**1,56,61,17,324.72**

NOTE 16 - SHORT TERM LOANS & ADVANCES

Particulars			As at 31st March, 2016	As at 31st March, 2015
			₹	₹
Unsecured, considered good				
(i) Loans and advances to UPPCL (Holding Company)			-	-
			-	-
(ii) Loans and advances to employees				
(a) Unsecured Considered Good	2015-16	2014-15		
(b) Unsecured considered Doubtful	4123556.72	4323964.72		
Less: Provision for doubtful loans and advances	41,37,492.72	41,37,492.72	-13,936.00	1,86,472.00
			-13,936.00	**1,86,472.00**
(iii) Loans & Advances to Distribution Companies				
UPPTCL			10,56,93,869.40	10,43,91,807.00
UPRVUNL			23,200.00	23,200.00
DVVNL			7,69,49,147.07	7,49,66,826.07
			18,26,66,216.47	**17,93,81,833.07**
(iv) Advances Recoverable in Cash or in Kind for value to be received				-
(a) Unsecured Considered Good	2015-16	2014-15		
(b) Unsecured considered Doubtful	69356568.30	34953874.81		
Less: Provision for doubtful loans and advances	1,94,77,345.80	1,94,77,345.80	4,98,79,222.50	1,54,76,529.01
			4,98,79,222.50	**1,54,76,529.01**
		Total	**23,25,31,502.97**	**19,50,44,834.08**

NOTE 17 - Other Current Assets

Particulars			For the year ended 31st March, 2016	For the year ended 31st March, 2015
			₹	₹
(i) Prepaid expenses			36000.00	19495.00
(ii) Balances with government authorities				
(a) Receivable from Govt. Against Subsdiy			31,04,92,160.00	31,04,92,160.00
(b) Claims Receivable from Govt. on A/c of Bunkar Arrears			21,01,000.00	6,37,72,783.00
		Total	**31,25,93,160.00**	**37,42,64,943.00**
(iii) Advance tax and tax deducted at source				
(a) Advance Income Tax			88,160.00	88,160.00
(b) Income Tax Deducted at source - Income from Investment			1,87,13,654.91	1,42,73,227.91
(c) Income Tax Deducted at Source-Other Receipts			56,02,355.00	48,70,684.00
		Total	**2,44,04,169.91**	**1,92,32,071.91**
(iv) Income Accrued But not Due			**3,19,391.00**	**3,19,391.00**
(v) Other Receivable				
(a) Land			**7,43,86,785.00**	**7,43,86,785.00**
(b) Misc. Recovery	2015-16	2014-15		
Other Misc. Receivables	98274655.06	35799328.06		
(b) Unsecured considered Doubtful	29915172.06	29915172.06	**6,83,59,483.00**	**58,84,156.00**
		G. Total	**48,00,98,988.91**	**47,41,06,841.91**

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Notes forming part of the financial statements for the year ended 31st March, 2016

NOTE 18 - REVENUE FROM OPERATIONS

Particulars	For the year ended 31st March, 2016 ₹	For the year ended 31st March, 2015 ₹
(a) Sale of Power (Refer Note (i) below)	20,90,64,70,447.83	16,78,94,10,755.99
(b) Other operating revenues (Refer Note (ii) below)	11,77,37,492.79	11,19,04,095.27
Total	21,02,42,07,940.62	16,90,13,14,851.26

Particulars	For the year ended 31st March, 2016 ₹	For the year ended 31st March, 2015 ₹
Note: (i) Sale of Power comprises :		
Domestic	8,01,75,88,669.44	5,91,24,80,523.86
Commercial	3,10,13,59,611.24	2,15,72,11,060.00
Industrial	10,02,98,32,819.67	8,97,34,81,224.86
Public lighting	49,17,69,839.60	39,74,22,462.00
Public water works	52,33,34,632.37	47,29,61,796.05
Gross Sale of Power	**22,16,38,85,572.32**	**17,91,35,57,066.77**
Less : Electricity duty	1,25,74,15,124.49	1,12,41,46,310.78
Net Sale of Power	**20,90,64,70,447.83**	**16,78,94,10,755.99**
Note:(ii) Other operating revenues:		
(a) Delayed Payment charges from consumers	11,35,42,239.79	10,31,43,860.27
(b) Other recoveries from consumers	41,95,253.00	87,60,235.00
Other operating revenues	**11,77,37,492.79**	**11,19,04,095.27**

NOTE 19 - OTHER INCOME

Particulars	For the year ended 31st March, 2016 ₹	For the year ended 31st March, 2015 ₹
(i) Interest income (Refer Note (i) below)	6,95,43,739.00	4,15,72,512.00
(ii) Other non-operating income (Refer Note (ii) below)	28,26,87,531.48	2,39,21,23,711.37
Total	35,22,31,270.48	2,43,36,96,223.37

Note: (i) Interest income comprises:		
Interest from banks on Fixed Deposit	6,95,43,739.00	4,15,72,512.00
62.260 - Int on Adv. to Contractors	-	
Total - Interest income	**6,95,43,739.00**	**4,15,72,512.00**
Note:(ii) Other non-operating income comprises:		
Sale of Scrap	32,66,400.00	1,68,30,949.00
Penalty from Contractors	88,10,943.00	79,22,631.18
Rebate for Timely Payment of Interest	9,19,208.00	13,94,706.00
Rental from Staff	12,99,319.00	11,70,521.00
Sales of Tender Forms	18,64,351.00	11,39,824.00
Other Misc. Income	61,88,694.48	31,04,080.19
Subsidy From U.P.Govt for operation loss of 2014-15	16,00,000.00	2,36,05,61,000.00
Subsidy From U.P.Govt for operation loss of 2015-16	5,40,00,000.00	
Subsidy From U.P.Govt for repaymen for Interest on Loan under UDAY Scheme 2015-16	20,47,38,616.00	
Prior period income (net of Expenses) (Refer Note Below)	0.00	0.00
Total - Other non-operating income	**28,26,87,531.48**	**2,39,21,23,711.37**

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KANPUR ELECTRICITY SUPPLY COMPANY LIMITED

Notes forming part of the financial statements for the year ended 31st March, 2016

NOTE 20 : PURCHASE OF POWER

Particulars	For the year ended 31st March, 2016	For the year ended 31st March, 2015
Purchase Cost	15,03,89,90,676.00	15,74,75,75,300.00
Transmission Cost	61,75,71,099.40	53,39,22,016.60
Total	15,65,65,61,775.40	16,28,14,97,316.60

NOTE 21 : EMPLOYEE BENEFIT EXPENSES

Particulars	For the year ended 31st March, 2016	For the year ended 31st March, 2015
	₹	₹
Salaries & Wages	89,45,45,674.00	83,50,00,729.34
Contributions to provident and other funds	13,16,16,993.00	14,27,64,898.00
Staff welfare expenses	1,59,49,067.00	1,49,23,970.38
Less : Expenses Capitalised	0.00	-1,41,16,365.00
AG 75.190A Expenditure on Trust	12,59,401.00	14,78,241.00
Total	1,04,33,71,135.00	98,00,51,473.72

NOTE 22 : FINANCE COST

Particulars	For the year ended 31st March, 2016	For the year ended 31st March, 2015
	₹	₹
(i) Interest expense on Borrowings	2,84,74,61,302.55	2,64,99,10,888.03
(ii) Other borrowing cost	4,051.98	43,90,875.68
(iii) Interest Expenses on Security deposits from consumers	9,13,98,553.00	9,16,70,452.00
Total	2,93,88,63,907.53	2,74,59,72,215.71

NOTE 23 : DEPRECIATION AND AMORTIZATION EXPENSES

Particulars	Depreciation for the year	Depreciation for the Preevious year
A. Transmission Lines		
Incoming Lines	1,12,08,757.13	2,21,62,094.29
outgoing feeders	30790439.4	3,35,83,784.28
LT Lines with poles	46843319.56	46067829.88
Sub Total (A)	8,88,42,516.09	10,18,13,708.45
B. Plant & Machinery/Transformers		
Transformers with support	4,66,75,199.85	4,47,16,056.86
Switching stataion	1299421.69	2643113.98
Sub station	1,73,57,490.20	2,43,42,082.22
11 KV Substations	32,590.38	32,590.34
Sub Total (B)	6,53,64,702.12	7,17,33,843.40
C. Buildings		
Land on Lease	-	-
CoLonies of Kesa	18,67,077.66	18,67,077.66
Office Building	6,37,481.57	4,39,769.98
Sub station building	36,76,705.35	1,00,02,654.16
Tube Well	228274.78	663174.99
Fencing		8328.61
False Ceiling		74175.44
Sub Total (C)	64,09,539.36	1,30,55,180.84
D Office Equipment	8,82,972.97	8,61,037.84
Sub Total (D)	882972.97	861037.84
E. Furniture & fixture	3,63,793.59	4,07,829.01
Sub Total (E)	363793.59	407829.01
F. 1. Vehicles	2,83,509.32	3,27,292.43
Sub Total (F)	2,83,509.32	3,27,292.43
G. Computers	68,44,627.86	98,37,380.57
Sub Total (G)	68,44,627.86	98,37,380.57
Grand Total	16,89,91,661.31	19,80,36,272.54
Less: Amortisation of Consumer Contribution on Fixed Assests	6,59,22,960.00	6,72,35,559.00
Depreciation charged to operation	10,30,68,701.31	13,08,00,713.54

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K^NPUR ELECTRICITY SUPPLY COMPANY LIMITED

Notes forming part of the financial statements for the year ended 31st March, 2016

NOTE 24 : ADMINISTRATIVE, GENERAL & OTHER EXPENSES

Particulars			For the year ended 31st March, 2016	For the year ended 31st March, 2015
			₹	₹
Interest Expense on Electricity duty			40,52,99,354.00	34,98,59,731.00
Lease Rent on leasehold land to UPPCL (Holding Company)			1,75,49,805.40	5,873.70
Rates & Taxes			2,32,45,149.00	3,87,43,521.00
Insurance			32,590.00	26,173.00
Communication			37,68,507.00	40,59,214.00
Travelling & Conveyance			9,36,155.49	8,18,862.22
Legal & Professional charges			2,90,54,078.00	1,78,62,177.70
On line & Spot Billing charges			4,35,22,726.00	3,72,42,996.00
Printing & Stationery			56,86,487.20	39,87,803.44
Advertisement Expenses			84,09,545.00	57,16,516.00
Fee & Subscription			86,56,736.00	76,24,790.00
Security Charges			11,19,44,275.00	8,62,72,155.00
Auditors Remunaration & Expenses	**2016**	**2015**	2,31,660.00	2,31,018.00
Audit Fees	200000	200000		
Service Tax	28000	24720		
Miscellaneous expenses			1,19,31,941.72	1,20,29,019.50
AG 76.190A Expenditure on Trust			0.00	99,651.00
Less : Expenses capitalised			0.00	-2,70,359.34
78.820- Rebate to Consumers-Domestic Or Residential			1,47,52,361.29	0.00
78.139 - Finance Charges			6,36,79,368.08	0.00
Total			**74,87,00,739.18**	**56,43,09,142.22**

Note-25: REPAIRS AND MAINTENANCE EXPENSES

Particulars	For the year ended 31st March, 2016	For the year ended 31st March, 2015
	₹	₹
Repairs & Maintenance - Building	9,57,21,849.28	5,46,09,951.57
Repairs & Maintenance - Machinery	23,31,18,532.22	16,27,79,944.22
Repairs & Maintenance - Line, Cables, Networks etc.	18,13,18,632.43	23,72,98,554.61
Repairs & Maintenance - Others	1,59,49,046.36	17,18,406.75
Total	**52,61,08,060.29**	**45,64,06,857.15**

Note-26: BAD DEBTS & PROVISIONS

Particulars	For the year ended 31st March, 2016	For the year ended 31st March, 2015
	₹	₹
Provision for Bad & doubtful trade Receivables	36,28,69,970.96	19,53,45,486.93
Provision for doubtful loans & advances	-	32,01,110.10
Total	**36,28,69,970.96**	**19,85,46,597.03**

NOTE: 27 NET PRIOR PERIOD INCOME/EXPENDITURE

Particulars	For the year ended 31st March, 2016	For the year ended 31st March, 2015
	₹	₹
I INCOME		
a) Recpt. From Consumers Relating to Prior Period	-	-79,79,666.00
b) Other Income Realated to Previous Period	-	-45,57,15,993.00
c) Inerest Income for Prior Period	-48,508.00	3,62,142.00
Total	**-48,508.00**	**-46,33,33,517.00**
II EXPENDITURE		
a) Employees Cost Related to Pr. Year	-	2,84,111.81
b) Interest & Other Financial charges of Previous year	-	-
c) Operating Expenses of Previous Year	3,61,101.50	-43,27,75,362.63
d) Other Employees Costs Relating to Pr. Year	28,01,972.50	-1,99,33,896.60
e) Arrears of Previous Year	36,06,777.00	78,26,072.00
f) Administrative Expenses	-65,196.00	-
Total	**67,04,655.00**	**-44,45,99,075.42**
Net Prior Period Income /(Expenditure)	**-67,53,163.00**	**-1,87,34,441.58**

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KANPUR ELECTRICITY SUPPLY COMPANY LIMITED

Notes forming part of the financial statements for the year ended 31st March, 2016

Notes:

DISCLOSURES UNDER ACCOUNTING STANDARDS

NOTE 29 : CONTINGENT LIABILITES AND COMMITMENTS

(i) CONTINGENT LIABILITIES

Contingent liabilities not provided for in respect of:

Particulars	As at 31st March, 2016	As at 31st March, 2015
	₹ in lacs	₹ in lacs
(i) Claims against the Company not acknowledged as debts	-	904.05
(ii) Interest charges payable to State Government in respect of conversion of leasehold land into freehold land	-	2,447.35
(iii) Appeal pending before Income Tax Appellate Tribunal	-	-

(ii) COMMITMENTS

Estimated amount of contracts remaining to be executed on Capital Account and not provided for:

Particulars	As at 31st March, 2016	As at 31st March, 2015
	₹ in lacs	₹ in lacs
Net of Advances ₹	-	2,046.59

NOTE 30 : BACKGROUND

(i) The Company was incorporated under the Companies Act, 1956 on 21.07.1999 and took over the Assets and Liabilities of KESA Zone of UPPCL w.e.f 15.01.2000 (hereinafter referred to as the *"appointed date")* in terms of the U P Government notification no. 186 /XXIV-1-2000 dated 15.01.2000. Accordingly, the accounts of the company also comply with the various provisions of the Transfer of KESA Zone Electricity Distribution Scheme 2000 (hereinafter referred to as the *"transfer scheme"*).

(ii) The Fixed Assets (of the erstwhile KESA Zone) were taken over by the Company (i.e. KESCo) from UPPCL on 15.01.2000 as per the transfer scheme at a gross value of ₹ 260.00 crores (with nil accumulated depreciation). The details of the individual block of assets have been considered at the values as approved by the Board of Directors.

NOTE 31 : SEGMENT REPORTING (AS 17)

Since the Company is engaged in retail distribution of electricity in the city of Kanpur and its adjoining areas, there are no other reportable segments in terms of Accounting Standard (AS)-17: Segment Reporting as notified under the Companies (Accounting Standards) Rules, 2006 pursuant to Section 133.

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Lucknow
Chartered Accountants

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Notes forming part of the financial statements for the year ended 31st March, 2016

NOTE 32 : RELATED PARTY TRANSACTIONS (AS -18)

Details of related parties:

Description of relationship	Names of related parties
Key Management Personnel (KMP) - M.D.	Smt. Selva Kumari J. for the full financial year.

Smt. Selva Kumari J., M.D., Kesco drawn salary as M.D. from Kesco in Financial year 2015-16 ₹ 961756.00

Details of related party transactions during the year ended 31st March, 2015 :

Particulars	KMP
Transactions during the year	
(i)Managing Director Salary Sri S.N. Bajpai w.e.f. 01.04.2014 to 14.07.2014	3,56,994.00
(ii) Managing Director Salary Smt. Roshan Jacob w.e.f. 15.07.2014 to 09.12.2014	0.00
(iii) Managing Director Salary Smt. Selva Kumari J. w.e.f. 10.12.2014 to 31.12.2015	2,05,089.00
Total	**5,62,083.00**

(In terms of the exemption as per para 8 of Accounting Standards (AS)-18 Related Party Disclosures as notified under the Companies (Accounting Standards) Rules, 2006 pursuant to Section 133 of Companies Act, 2013, no disclosure has been made in the financial statements as regards related party relationships with other state-controlled enterprises and transactions with such enterprises.

NOTE 33 : LEASEHOLD LAND

The Company has not ascertained the value of the leasehold land received from UPPCL as per the transfer scheme at a lease of ₹ 1.00 per month and holds the same at a nominal value of ₹ 1.00 in the books of account.

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KANPUR ELECTRICITY SUPPLY COMPANY LIMITED

Notes forming part of the financial statements for the year ended 31st March, 2016

NOTE 34 : RECONCILIATION OF INTER UNIT & OTHER BALANCES

The following balances are subject to confirmation and/or reconciliation as at the year end. Impact, if any, on the assets/liabilities and/or income/expenditure consequent to such reconciliation is presently not ascertainable.

(a) Inter units balances

(b) Balances of Trade Receivables, Advances to Suppliers/ Contractors, Trade payables , balance with UP State Power Sector Employees Trust, Loans and Advances, Security Deposits, Various balances with State Government and balance with UPPCL & other distribution Companies.

NOTE 35 : INTEREST ON SECURITY DEPOSIT FROM CONSUMERS

Interest on Security deposit from consumers has been provided at the bank rate notified by the RBI as prevalent on 1st April of applicable financial year 2015-16 i.e. : 9.00% p.a and as per para 4.20 (i) of the Electricity Supply Code, 2005, (third amendment). The provision has been made on the monthly opening cumulative ledger balances (net) instead of providing for the same in respect of individual consumer balances. Under/ excess provision, if any, and the impact of the same on the reported loss of the Company for the year on account of the aforesaid estimation is not ascertainable.

NOTE 36 :

The Govt. of U.P. had vide its order no. 3188 dated 24.10.2003 and 1077 dated 17.04.2008 decided that the electricity duty and interest payable for the period from 15.01.2000 to 31.03.2003 and 01.04.2003 to 31.03.2008 respectively would be adjusted against the balance subsidy payable to UPPCL by the State Government. Accordingly, the amount of electricity duty and interest thereon payable due to pending adjustment by the state government has been shown under the **Note 9 : Other Current Liabilities** (Due to State Government)

NOTE 37 :POWER PURCHASE FROM UPPCL

(i) Power Purchase from UPPCL has been accounted for at the rates approved by UPPCL for the financial year 2015-16 at the rate ₹ 4.195821495 per unit. Further transmission charges for the financial year 2015-16 @ ₹ 0.1723 per unit is also payable for the use of intra state transmission network as approved by UPERC for the year 2015-16.

(ii) The joint meter reading for purchase of power from UPPCL is taken at ten sub stations (supply points from UPPCL) on the first day of each month at 08:00 AM by the Executive Engineer (Transmission) UPPCL and Executive Engineer (Test) KESCo. In the absence of the reading being taken at 12 midnight on the 31st of March 2016, the impact of such a method on the reported loss for the year on account of the amount of power purchase being incorrect, in the opinion of the management, would not be material.

Bhushan Rastogi & Associates Lucknow Chartered Accountants

KANPUR ELECTRICITY SUPPLY COMPANY LIMITED

N_es forming part of the financial statements for the year ended 31st March, 2016

NOTE 38 :

Pending final adjustment/reconciliation of the differences between the balances of KESCo and KESA as on the date of transfer, the net credit balance as on date of ₹ 14.46 crores (Previous year ₹ 14.46 crores) has been disclosed under **Other long term Liabilities (Note 2)** . Impact, if any, of the same on the assets/liabilities and/or income/expenditure subsequent to such reconciliation is presently not ascertainable

NOTE 39 - EARNING PER SHARE (AS-20)

Particulars	For the year ended 31st March, 2016	For the year ended 31st March, 2015
	₹	₹
Net profit for the year attributable to the equity shareholders	-98,58,241.58	-2,04,13,07,682.92
Weighted average number of Equity Shares	16,31,47,400	16,31,47,400
Par value per share	10.00	10.00
Earnings per share - Basic	-0.06	-12.51

NOTE 40 : IMPAIRMENT OF ASSETS (AS 28)

In the opinion of management, there is no specific indication of impairment of any assets as on the Balance Sheet date as envisaged by Accounting Standard-28: Impairment of Assets as notified under the Companies (Accounting Standard) Rules, 2006 pursuant to Section 133 of the Companies Act, 2013. Further, the assets of the company have been accounted for at their historical cost and most of the assets are very old and their carrying amount does not exceed the recoverable amount.

NOTE 41 : MICRO AND SMALL ENTERPRISES

The Company has not received any memorandum (as required to be filed by the suppliers with the notified authority under the Micro, Small and Medium Enterprises Development Act, 2006) claiming their status as micro, small or medium enterprises. Consequently, the information with regard to the amount unpaid as at the year end to such enterprises together with the interest paid/payable to such parties is not being disclosed.

NOTE 42 :

Income Tax Assessments have been completed upto Financial Year 2012-13 .No Provision of income tax has been made as the company is incurring continous losses.Deffered Tax Assets/liability have not been recognised in absence of reasonable certainity that sufficient future taxable income will be available to set off the unabosrbed losses and unsorbed depreciation.

Bhushan Rastogi & Associates * Lucknow * Chartered Accountants

KANPUR ELECTRICITY SUPPLY COMPANY LIMITED

N_es forming part of the financial statements for the year ended 31st March, 2016

NOTE 43 :

Quantitative details for Electricity units purchased and sold: (in MU)

Particulars	2015-16	2014-15
Total Power Purchased	3,584.278	3,500.588
Total Power Sold	2862.592	2582.040
Distribution Loss	721.686	918.548
% Distribution loss	20.13%	26.24%

In the opinion of the management, the identified reasons of line losses during the financial year 2015-16 are :

a) Unauthorized use of electricity and illegal connections.

b) Overloading of Transformers.

c) Supply of electricity being maintained through 11/6.6 KV feeders which are very old and require upgradation.

Corrective measures are being taken to decrease the line losses.

NOTE 44 :

Previous year figures have been regrouped or reclassified to the extent possible wherever considered necessary.The accompanying Notes are an integral part of the Financial Statements.

In terms of our report attached
For Bhushan Rastogi & Asscociates
Chartered Accountants
FRN:013109C

Bhushan Rastogi & Associates Lucknow Chartered Accountants

C.A. Mohit Goyal
Partner
M No:415060

Dated:
Place: Kanpur

For and on behalf of the Board of Dircertors

(Pankaj Saxena)
Dy. G.M. (Acctts.)

(Rakesh Kumar)
Director (Finance)

(Selva Kumari J.)
Managing Director

KANPUR ELECTRICITY SUPPLY COMPANY LIMITED

N_es forming part of the financial statements for the year ended 31st March, 2016

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For Bhushan Rastogi & Asscociates
Chartered Accountants
FRN:013109C

Bhushan Rastogi & Associates ★ Lucknow ★ Chartered Accountants

C.A. Mohit Goyal
Partner
M No:415060

For and on behalf of the Board of Dircertors

(Pankaj Saxena)
Dy. G.M. (Acctts.)

(Rakesh Kumar)
Director (Finance)

(Selva Kumari J.)
Managing Director

Dated:
Place: Kanpur