

KANPUR ELECTRICITY SUPPLY COMPANY LIMITED

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

Balance Sheet as on 30th Sept, 2022

Sl. No.	Particulars	Note No.	Amount (₹ in Lacs)	
			Figures at the end of Current reporting period 30th Sept, 2022	Figures at the end of reporting period 31st March 2022
	Assets			
1	Non-Current Assets			
	(A) Property, Plant and Equipment	2A	102273.49	105269.95
	(B) Intangible Assets	2B	1084.41	1163.19
	(C) Capital Work-in-Progress	3	11430.81	10003.95
	(D) Financial Assets			
	(i) Others	4	41625.64	44205.58
			156414.35	160642.67
2	Current Assets			
	(A) Inventories	5	5510.02	6203.01
	(B) Financial Assets			
	(i) Trade Receivables	6	328378.88	337624.17
	(ii) Cash and Cash Equivalents	7	8316.68	8786.41
	(iii) Bank Balance other than (ii) above	8	1,858.14	471.56
	(iv) Others	9	31,430.70	35,690.76
	(C) Other Current Assets	10	1202.17	1202.29
			376696.59	389978.20
	Total Assets		533110.94	550620.87
	Equity and liabilities			
	Equity			
	Equity Share Capital	11	198476.50	198476.50
	Other Equity	12	(348927.81)	(350605.98)
	Total Equity		(150451.31)	(152129.48)
	Liabilities			
1	Non-Current Liabilities			
	(A) Financial Liabilities			
	(i) Borrowings	13	227468.07	244631.12
	(ii) Other Financial Liabilities	14	24288.94	23741.35
			251757.01	268372.47
2	Current Liabilities			
	(A) Financial Liabilities			
	(i) Borrowings	15	41253.42	32906.81
	(ii) Trade Payables	16	217004.52	235225.87
	(iii) Other Financial Liabilities	17	33417.15	35530.46
	(B) Other Current Liabilities	18	140130.15	130714.74
			431805.24	434377.88
	Total Liability		683562.25	702750.35
	Total Equity and Liabilities		533110.94	550620.87
	Significant Accounting Policies	1 A		
	The accompanying notes form an integral part of the financial statements	1B		

As per our separate report of even date attached

For

Gupta Akash & Company

Chartered Accountants

FRN. 019734C

(Signature)

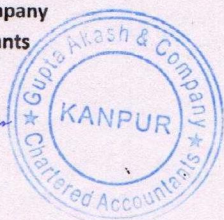
CA Akash Gupta

Partner

M. No. 417069

Date: 11/11/2022

Place: Kanpur



For and on behalf of the Board of Directors

(Signature)
(Anand Kumar)
Dy. C.A.O.

(Signature)
(Sanjay Srivastava)
Director (T)
DIN No. 09153926

(Signature)
(Abha Sethy Tandon)
Company Secretary

(Signature)
(Anil Dhingra)
Managing Director
DIN No. 09342888

Kanpur Electricity Supply Company Limited
14/71 Civil Lines, Kesa House, Kesco, Kanpur
Statement of Profit and Loss for the Halfyear and Quarter ended on 30th Sept, 2022

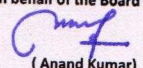
Sl. No.	Particulars	Note No.	Amount (₹ in Lacs)				
			For the Current Quarter Ended 30th Sep, 2022	For the Preceding Quarter Ended 30th June, 2022	Corresponding Quarter Ended 30.09.2021	Year to date for current period ended 30.09.2022	Year to date for Previous period ended 30.09.2021
(I)	Revenue from Operations	19	86,102.86	81,857.27	67,910.21	1,67,960.13	1,29,571.74
(II)	Other Income	20	4,186.92	5,346.84	5,505.28	9,533.76	11,059.61
(III)	Total Revenue (I+II)		90,289.78	87,204.11		1,77,493.89	1,40,631.35
	Expenses						
1	Cost of Power Purchased	21	85,851.50	64,022.28	63,192.43	1,49,873.78	1,20,311.36
2	Employees Benefits Expense (Employees Cost)	22	3,067.69	3,054.34	2,783.92	6,122.03	5,580.07
3	Finance Costs (Interest and Finance Charges)	23	7,940.77	7,059.68	7,949.95	15,000.45	14,210.19
4	Depreciation and Amortization expenses	24	1,332.24	1,251.04	1,436.22	2,583.28	2,872.42
5	Other Expenses						
a)	Administrative, General & Other Expenses	25	4,282.97	3,501.03	3,419.87	7,784.00	6,595.75
b)	Repairs and Maintenance Expenses	26	2,432.16	2,512.92	1,790.32	4,945.08	3,553.53
c)	Bad Debts & Provisions	27	(671.47)	483.50	(110.10)	-187.97	378.54
(IV)	Total Expenses		1,04,235.86	81,884.79	80,462.61	1,86,120.65	1,53,501.86
V	Profit/(Loss) before Exceptional Items and Tax (III-IV)		(13946.08)	5,319.32	(80,462.61)	-8,626.76	(12870.51)
VI	Exceptional Items						
VII	Profit/(Loss) before Tax (V-VI)		(13946.08)	5,319.32	(80,462.61)	-8,626.76	(12870.51)
VIII	Tax Expense:						
a)	Current Tax		-	-	-	-	-
b)	Deferred Tax		-	-	-	-	-
IX	Profit/(Loss) for the period from Continuing Operations (VII-VIII)		(13946.08)	5319.32	(80462.61)	-8,626.76	(12870.51)
X	Profit/(Loss) from Discontinued Operations						
XI	Tax Expenses of Discontinued Operations						
XII	Profit/(Loss) from Discontinued Operations (After Tax) (X-XI)						
XIII	Profit/(Loss) for the Period (IX+XII)		(13946.08)	5319.32	(80462.61)	-8,626.76	(12870.51)
XIV	Other comprehensive income						
A (i)	Items that will not be reclassified to profit or loss						
A (ii)	Income tax relating to items that will not be reclassified to profit or loss						
B (i)	Items that will be reclassified to profit or loss						
B (ii)	Income tax relating to items that will be reclassified to profit or loss						
	Total comprehensive income for the period (Comprising Profit/Loss and Other Comprehensive Income) (XIII+XIV)		(13946.08)	5319.32	(80462.61)	-8,626.76	(12870.51)
XV	Earnings per Equity Share (for continuing operations) (in ₹)						
a)	Basic		(0.71)	0.27	(0.36)	-0.44	-0.66
b)	Diluted		(0.71)	0.27	(0.36)	-0.44	-0.66
XVI	Earnings per Equity Share (for discontinued operations) (in ₹)						
a)	Basic						
b)	Diluted						
XVII	Earnings per equity share (for continuing and discontinued operations) (in ₹)						
a)	Basic		(0.71)	0.27	(0.36)	-0.44	-0.66
b)	Diluted		(0.71)	0.27	(0.36)	-0.44	-0.66
	Significant Accounting Policies	1 A					
	The accompanying notes form an integral part of the financial statements	1 B					

As per our separate report of even date attached

For
Gupta Akash & Company
Chartered Accountants
FRN. 019734C
CA Akash Gupta
Partner
M. No. 0417069
Date: 11/10/2022
Place: Kanpur



For and on behalf of the Board of Directors


(Anand Kumar)
Dy. C.A.O.
(Sanjay Srivastava)
Director (T)
DIN No. 09153926


(Abha Sethy Tandon)
Company Secretary
(Anil Dhirgira)
Managing Director
DIN No. 09342888

KANPUR ELECTRICITY SUPPLY COMPANY LIMITED
14/71 Civil Lines, Kesa House, Kesco, Kanpur

Statement of Cash Flows for the Quarter ended 30th Sept, 2022

Particulars	For the period ended 30th Sept, 2022	For the year ended 31st March, 2022
A. Cash flow from operating activities		
Profit/(Loss) for the Period	(21817.57)	(21817.57)
Adjustments for:		
a) Depreciation	2583.28	5430.98
b) Interest & Financial Charges	15000.45	25628.26
c) Bad Debts & Provision	(187.97)	(10055.25)
d) Interest Income	61.92	(421.54)
Sub Total	8830.92	(1235.12)
Operating Profit Before Working Capital Changes		
Adjustments for (Increase) / decrease in operating assets:		
a) Inventory	692.99	855.38
b) Trade Receivable	9433.26	(23018.06)
c) Other Current Financial Assets	4260.06	(20631.37)
d) Other Current Assets	0.12	338.59
e) Other Current financial Liability	(2113.31)	7131.52
f) Other Current Liabilities	9415.41	14875.75
g) Trade Payables	(18221.35)	(23927.15)
h) Non-Current Financial assets	2579.94	5159.89
Sub Total	6047.12	(39215.45)
Net Cash Flow from Operating Activities (A)	14878.04	(40450.57)
B. Cash Flow from Investing Activities		
a) Decrease (Increase) in Fixed Assets	-1816.29	(10109.39)
b) Decrease/(Increase) in Capital Advances	6.39	2720.57
c) Interest Income	(61.92)	421.54
d) fixed Deposits	(1386.58)	1132.80
Net Cash Flow from Investing Activities (B)	(3258.40)	(5834.48)
C. Cash Flow from Financing Activities		
a) Increase/(Decrease) in Borrowings	(8816.44)	22723.23
b) Proceeds from share application money	7421.58	26454.52
c) Proceeds from consumers contribution & Goup capital	3758.34	3271.11
subsidy (Reserve & Surplus)	547.59	1390.85
d) Other long term liabilities	(15000.45)	(25628.26)
e) Interest & Financial Charges	(12089.38)	28211.45
Net INCREASE (DECREASE) IN CASH & CASH EQUIVALENTS (A+B+C)	(469.74)	(18073.60)
CASH & CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	8786.41	26860.01
CASH & CASH EQUIVALENTS AT THE END OF THE YEAR	8316.67	8786.41

As per our separate report of even date attached

For and on behalf of the Board of Directors

(Anand Kumar) Dy. C.A.O.
 (Sanjay Srivastava) Director (T)
 (Abha Sethy Tandon) Company Secretary
 (Anil Dhirga) Managing Director
 DIN No. 091533926
 DIN No. 09342888

For
 Gupta Akash & Company
 Chartered Accountants
 FRN. 019734C
 CA Akash Gupta
 Partner
 M. No. 417069
 Date: 14/11/2022
 Place: Kanpur

Kanpur Electricity Supply Company Limited
14/71 Civil Lines, Kesa House, Kesco, Kanpur
Statement of Changes in Equity

A Equity Share Capital

For the Quarter ended 30th Sept, 2022

		Amount (₹ in Lacs)
Balance at the beginning of the reporting period	Changes in Equity share capital during the Year	Balance at the end of the reporting period
1,98,476.50	-	1,98,476.50

For the year ended 31st March, 2022

Balance at the beginning of the reporting period	Changes in Equity share capital during the year	Balance at the end of the reporting period
1,97,421.23	1,055.27	1,98,476.50

B Other Equity

For the Quarter ended 30th Sept, 2022

Particulars	Share Application Money Pending Allotment	Reserves & Surplus		Amount (₹ in Lacs)
		Capital Reserve	Retained Earnings	Total
Balance at the beginning of the reporting period	26,454.52	40,885.16	(4,17,945.66)	(3,50,605.98)
Changes in accounting Policy or Prior Period errors	-	-	-	-
Restated balance at the beginning of the reporting Period	26,454.52	40,885.16	(4,17,945.66)	(3,50,605.98)
Total comprehensive Income for the year			(8,626.76)	(8,626.76)
Dividends				-
Transfer to retained earnings				-
Changes during the Year	7,421.58	3,758.34		11,179.92
Less: Amount paid/amortized		(875.00)		(875.00)
Balance at the end of the reporting period	33,876.10	43,768.50	(4,26,572.42)	(3,48,927.82)

Other Equity

For the year ended 31st March, 2022

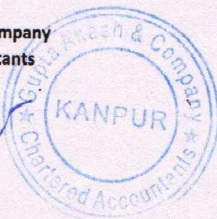
Particulars	Share Application Money Pending Allotment	Reserves & Surplus		Amount (₹ in Lacs)
		Capital Reserve	Retained Earnings	Total
Balance at the beginning of the reporting period	1,055.27	39,262.06	(3,96,128.08)	(3,55,810.75)
Changes in accounting Policy or Prior Period errors	-	-	-	-
Restated balance at the beginning of the reporting Period	1,055.27	39,262.06	(3,96,128.08)	(3,55,810.75)
Total comprehensive Income for the year			(21,817.58)	(17,039.94)
Dividends				-
Transfer to retained earnings				-
Changes during the Year	25,399.25	3,271.11		(1,49,431.36)
Less: Amount paid/amortized		(1,648.01)		(1,567.99)
Balance at the end of the reporting period	26,454.52	40,885.16	(4,17,945.66)	(3,50,605.98)

As per our separate report of even date attached

For and on behalf of the Board of Directors

For
Gupta Akash & Company
Chartered Accountants
FRN. 019734C

CA Akash Gupta
Partner
M. No. 417069
Date: 11/11/2022
Place: Kanpur



(Anand Kumar)
Dy. C.A.O.

(Sanjay Srivastava)
Director (T)
DIN No. 09153926

(Abha Sethy Tandon)
Company Secretary

(Anil Dhinra)
Managing Director
DIN No. 09342888

KANPUR ELECTRICITY SUPPLY COMPANY LIMITED

Notes forming part of the financial statements for the Quarter ended 30th Sept,2022

NOTE 2 : PROPERTY, PLANT AND EQUIPMENT

A	Tangible assets	Gross block			Depreciation			Amount (₹ in Lakh)
		Balance as at 1st April, 2022	Additions during the period	Balance as at 30th September,22	Balance as at 1st April, 2022	Depreciation expense for the period	Balance as on 30th September,22	Net block Balance as on 30th September,22
A	Line & Cable Network	1,02,405.55	103.69	1,02,509.24	36,168.61	2,041.38	38,209.99	64,299.25
B	Plant and Machinery	51,681.16	279.35	51,960.51	16,986.21	1,232.18	18,218.39	33,742.12
C	Building	5,182.80		5,182.80	1,523.02	85.20	1,608.22	3,574.58
D	Land on Lease	0.00		0.00				
E	Computer & Softwares	2,351.29		2,351.29	1,804.81	12.57	1,817.38	533.91
F	Furniture & fixture	219.63		219.63	139.36	4.06	143.42	76.21
G	Vehicles	406.85		406.85	355.32	4.11	359.43	47.42
	Total	1,62,247.28	383.04	1,62,630.32	56,977.33	3379.5	60,356.83	1,02,273.49
	Less- Amortization of Consumers Contribution on Fixed Assets					-875.00		
	Depreciation charged to operation					2,504.50		

B	Tangible assets	Gross block			Depreciation			Net block
		Balance as at 1st April, 2021	Additions during 2021-22	Balance as at 31st March, 2022	Balance as on 1st April, 2021	Depreciation expense for the year	Balance as on 31st March, 2022	Balance as at 31st March, 2022
A	Line & Cable Network	93,061.52	9,344.03	1,02,405.55	32,085.85	4,082.76	36,168.61	66,236.94
B	Plant and Machinery	51,200.56	480.60	51,681.16	14,521.85	2,464.96	16,986.21	34,694.95
C	Building	5,109.27	73.53	5,182.80	1,352.63	170.39	1,523.02	3,659.78
D	Land on Lease	0.00001	-	0.00	0	-	-	0.00
E	Computer & Office Equipment	2184.78	166.51	2,351.29	1696.01	108.80	1,804.81	546.48
F	Furniture & fixture	216.05	3.58	219.63	131.24	8.12	139.36	80.27
G	Vehicles	406.85	-	406.85	347.1	8.22	355.32	51.53
	Total	152,179.03	10,068.25	1,62,247.28	50,134.68	6,842.65	56,977.33	1,05,269.95
	Less- Amortization of Consumers Contribution on Fixed Assets					-1,648.01		
	Depreciation charged to operation					5,194.64		

	Intangible assets	Gross block			Depreciation			Net block
		Balance as at 1st April, 2022	Additions during the period	Balance as at 30th September,22	Balance as on 1st April, 2022	Depreciation expense for the period	Balance as on 30th September,22	Balance as on 30th September,22
	Intangible Assets	1575.62		1575.62	412.43	78.78	491.21	1084.41
	Total	1575.62	0.00	1575.62	412.43	78.78	491.21	1084.41

	Intangible Assets	Gross block			Depreciation			Net block
		Balance as at 1st April, 2021	Additions during 2021-22	Balance as at 31st March, 2022	Balance as on 1st April, 2021	Depreciation expense for the year	Balance as on 31st March, 2022	Balance as at 31st March, 2022
	Intangible Assets	1575.62		1575.62	176.09	236.34	412.43	1163.19
	Total	1575.62	0	1575.62	176.09	236.34	412.43	1163.19

NOTE 3 : CAPITAL WORKS IN PROGRESS

Particulars	Balance as on 1st April	Additions during the period	Deduction/Adjustments	Capitalized during the period	Amount (₹ in Lakh)
	₹ in lacs	₹ in lacs	₹ in lacs	₹ in lacs	Balance as on 30th September,22
Capital Work in Progress	3947.54	1816.29	0	383.04	5380.792
Advance to Capital Contractors (Net of Provision)	6056.41	0	6.39		6050.02
Total	10003.95	1816.29	6.39	383.04	11430.81

NOTE 3 : CAPITAL WORKS IN PROGRESS

Particulars	Balance as on 1st April 2021	Additions during FY 2021-22	Deduction/Adjustments	Capitalized during the FY 2021-22	Amount (₹ in Lakh)
					Balance as on 31st March 2022
Capital Work in Progress	3906.4	10109.39	0	10068.25	3947.54
Advance to Capital Contractors (Net of Provision)	8776.98	5.62	2726.19		6056.41
Total	12683.38	10115.01	2726.19	10068.25	10,003.95



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KANPUR ELECTRICITY SUPPLY COMPANY LIMITED

Notes forming part of the financial statements for the Halfyear and Quarter ended 30th Sept, 2022

NOTE - 4 : FINANCIAL ASSETS, OTHERS (NON CURRENT)

	As at 30th Sept, 2022	As at 31st March, 2022
	₹ in lacs	₹ in lacs
Advance paid to State Govt for freehold title of Land	743.87	743.87
UDAY Loss subsidy receivable from Govt of UP	40,881.77	43,461.71
Total	41625.64	44205.58

NOTE - 5 : INVENTORIES (CURRENT)

Particulars	As at 30th Sept, 2022	As at 31st March, 2022
	₹ in lacs	₹ in lacs
Stores & Spares		
Stock of Materials - Capital Works	1,776.35	2,469.34
Stock of Materials - O&M	3,733.67	3,733.67
Total	5,510.02	6,203.01

NOTE - 6 : FINANCIAL ASSETS, TRADE RECEIVABLES (CURRENT)

Particulars	As at 30th Sept, 2022	As at 31st March, 2022
	₹ in lacs	₹ in lacs
A) Trade receivables outstanding from customers on account of Supply of Power		
Secured & Considered good	18544.37	18162.55
Unsecured & Considered good	285627.89	303866.98
Considered Doubtful	50727.14	52413.87
Total	354899.4	374443.4
Debts due by directors or other officers of the company or any of them either severally or jointly with any other person of debts due by firms of private companies respectively in which any director is a partner or a director or a member		
Net Total (A)	354899.4	374443.4
B) Trade receivables outstanding from customers on account of Electricity Duty		
Secured & Considered good		
Unsecured & Considered good	24206.62	15594.64
Considered Doubtful	4036.96	2538.2
Total	28243.58	18132.84
Debts due by directors or other officers of the company or any of them either severally or jointly with any other person of debts due by		
Net Total (B)	28243.58	18132.84
Gross Value of Trade Receivables outstanding from customers on account of Supply of Power and Electricity Duty (A+B)	383142.98	392576.24
Less: Allowance for bad and doubtful receivables	54764.1	54952.07
Net Value of Trade Receivables outstanding from customers on account of Supply of Power and Electricity Duty	328378.88	337624.17

NOTE - 7 : FINANCIAL ASSETS, CASH AND CASH EQUIVALENTS (CURRENT)

Particulars	As at 30th Sept, 2022	As at 31st March, 2022
	₹ in lacs	₹ in lacs
Cash & Cash Equivalents		
(i) Cash & Cheques in hand	377.54	633.58
(ii) Temporary Imprest With Staff	13.33	2.42
(iii) Balance with banks		
In current accounts	7,924.15	8,148.90
In Earmarked A/s IPDS	1.66	1.51
Total	8,316.68	8,786.41

NOTE - 8 : FINANCIAL ASSETS, BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS (CURRENT)

Particulars	As at 30th Sept, 2022	As at 31st March, 2022
	₹ in lacs	₹ in lacs
Bank Balance other than Cash and Cash Equivalents		
Balance in deposit account	1,858.14	471.56
Total	1,858.14	471.56

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KANPUR ELECTRICITY SUPPLY COMPANY LIMITED

Notes forming part of the financial statements for the Halfyear and Quarter ended 30th Sept, 2022

NOTE - 9 : FINANCIAL ASSETS, OTHERS (CURRENT)

Particulars	As at 30th Sept, 2022	As at 31st March, 2022
	₹ in lacs	₹ in lacs
(i) Receivable from Holding Company (UPPCL) on account of loan and Deposit work	24249.46	28497.81
(ii) Receivable from Discoms and other Companies		
UPPTCL	1049.04	1049.04
UPRVUNL	-	0.23
DVVNL	720.57	732.71
Sub Total	1769.61	1781.98
(iii) Loans and Advances to Employees		
(a) Unsecured Considered Good	29.16	8.57
(b) Unsecured considered Doubtful	9.23	29.16
Sub Total	38.39	37.73
Less: Provision for doubtful loans and advances	29.16	29.16
Sub Total	9.23	8.57
(iv) UDAY Loss subsidy receivable from Govt of UP (Receivable in less than 12 months)	5402.4	5402.4
Total	31430.7	35690.76

NOTE - 10 : OTHER CURRENT ASSETS

Particulars	As at 30th Sept, 2022	As at 31st March, 2022
	₹ in lacs	₹ in lacs
(i) Advances Recoverable in Cash or in Kind for value to be received		
(a) Unsecured Considered Good	50.8	50.8
(b) Unsecured considered Doubtful	234.23	221.08
Sub Total	285.03	271.88
Less: Provision for doubtful loans and advances	234.23	221.08
Total	50.8	50.8
(ii) Income Tax Deducted & collected at source	775.17	775.15
(iii) Prepaid Exp	7.73	7.11
(iv) Misc. Recovery		
(a) Unsecured Considered Good	74.1	74.86
(b) Unsecured considered Doubtful	399.32	399.32
Sub Total	473.42	474.18
Less: Provision for doubtful loans and advances	399.32	399.32
Total	74.1	74.86
(v) Income Accrued and Due	294.37	294.37
Total	1,202.17	1,202.29

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KANPUR ELECTRICITY SUPPLY COMPANY LIMITED

Notes forming part of the financial statements for the Halfyear and Quarter ended 30th Sept, 2022

NOTE - 11 : EQUITY SHARE CAPITAL

Particulars	As at 30th September, 2022		As at 30th June, 2022		As at 31st March, 2022
	Number of shares	Rs in lacs	Number of shares	Rs in lacs	Rs in lacs
(I) Authorized Equity shares of ₹ 10 each	2000000000	200000.00	2000000000	200000.00	200000
(II) Issued Equity shares of ₹ 10 each	1984764969	198476.5	1984764969	198476.5	198476.5
(III) Subscribed and fully paid up Equity shares of ₹ 10 each	1984764969	198476.50	1984764969	198476.50	198476.5

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

Particulars	Opening Balance	Closing Balance
(a) Issued Equity Shares		
Period ended 30th September, 2022		
Number of shares	1984764969	1984764969
Amount (₹) in lakh	198476.5	198476.5
Year ended 31st March, 2022		0
Number of shares	1974212269	1984764969
Amount (₹) in lakh	197421.23	198476.5
(b) Subscribed and fully paid up Equity shares		
Period ended 30th September, 2022		
Number of shares	1984764969	1984764969
Amount (₹) in lakh	198476.5	198476.5
Period ended 30th June, 2022		
Number of shares	1984764969	1984764969
Amount (₹) in lakh	198476.5	198476.5
Year ended 31st March, 2022		
Number of shares	1974212269	1984764969
Amount (₹) in lakh	197421.23	198476.5

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

Particulars	Equity Shares
	Number of Shares
As at 30th September, 22	
Uttar Pradesh Power Corporation Limited	
As at 31st March, 22	1984764969
Uttar Pradesh Power Corporation Limited	1984764969

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

Class of shares / Name of shareholder	As at 30th September, 2022	As at 30th June, 2022	As at 31st March, 2022
	Number of shares held % holding	Number of shares held % holding	% holding
Equity shares			
Uttar Pradesh Power Corporation Limited	1984764969 100%	1984764969 100%	100%

(iv) The company has only one class of equity shares having par value of Rs 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 - 12 : OTHER EQUITY

Particulars	As at 30th Sept, 2022 ₹ in lacs	As at 31st March, 2022 ₹ in lacs
(A) Capital Reserves		
(i) Consumer Contribution		
Consumers Contribution Opening Balance		
Consumer Contribution Received during the Year	41896.92	38625.81
Consumer Contribution closing balance (Before Amortization)	3758.34	3271.11
Less: Deduction (Amortized till date)	45655.26	41896.92
Consumer Contribution at the end of year (Net of Amortization)	(15989.44)	(15114.44)
	29665.82	26782.48
(ii) Subsidy for repayment of loan		
	12519	12519
(iii) Restructuring Reserve		
	1445.68	1445.68
(iv) Amount received under IPDS		
	138	138
Sub Total	43768.5	40885.16
(B) Surplus / Deficit in the Statement of Profit & Loss Account		
As per Last financial statement		
Changes in accounting Policy or Prior Period errors	(417945.66)	(396128.08)
Restated Balance	0	0
Add: Profit/(Loss) for the year as per statement of Profit & Loss	(417945.66)	(396128.08)
	(8626.76)	(21817.58)
Sub Total	(426572.42)	(417945.66)
(C) Share Application Money		
Share Application Money (Pending for allotment to UPPCL)		
	33876.11	26454.52
Sub Total	33876.11	26454.52
Total	(348927.81)	(350605.98)

RECONCILIATION OF SHARE APPLICATION MONEY

Share Application Money as on 1st April, 22	Received during the period	Allotted During the year / period	Share Application Money as on 30th Sep, 22
26454.52	7421.58	0	33876.1



KANPUR ELECTRICITY SUPPLY COMPANY LIMITED

Notes forming part of the financial statements for the Halfyear and Quarter ended 30th Sept, 2022

NOTE - 13 : FINANCIAL LIABILITIES, BORROWINGS (NON-CURRENT)			
Particulars		As at 30th Sept, 2022	As at 31st March, 2022
		₹ in lacs	₹ in lacs
(i) Rural Electrification Corporation Limited (Unsecured)			
Loan Outstanding	51728.35	46758.47	
Less: Current Maturity	13533.85	5606.46	
	38194.50	41152.01	38194.5
(ii) Power Finance Corporation Limited (Unsecured)			
a) Loan Outstanding	79562.45	85540.9	
Less: Current Maturity	12466.68	12047.46	
b) Loan from PFC (IPDS)	67095.77	73493.44	67095.77
Less: Current Maturity	9782.92	10190.54	
	815.24	815.24	
	8967.68	9375.3	8967.68
(iii) Bonds			
Secured			
8.97% Rated Listed Bonds dt. 17.2.17	26494.21	28228.57	
8.48% Rated Listed Bonds dt. 27.3.17	12986.90	13721.43	
	39481.11	41950.00	
Less: Current Maturity	8390.00	8390.00	
	31091.11	33560.00	
Unsecured			
9.70% UDAY Bonds Dt. 04.07.16	21942.31	24378.60	
9.70% UDAY Bonds Dt. 30.03.22	36520.29	36530.00	
9.70% UDAY Bonds Dt. 28.9.16	24503.17	26678.53	
9.70% UDAY Bonds Dt 30.03.17	2698.22	2815.71	
	85663.99	90402.84	
Less: Current Maturity	5662.62	5662.62	
	80001.37	84740.22	
Total		111092.48	118300.22
(iv) Loan from State Govt.	2502.67	2695.18	
Less: Current Maturity	385.03	385.03	
	2,117.64	2310.15	
Total Loans		2117.64	2310.15
		227468.07	244631.12
Total		2,27,468.07	2,44,631.12
Details of Current maturities of Borrowings (Non-Current)			
Particulars		As at 30th Sept, 2022	As at 31st March, 2022
		₹ in lacs	₹ in lacs
Term loans			
Current maturities of Long-Term Borrowings through UPPCL			
a) REC Loan		13533.85	5606.46
b) PFC Loan		12466.68	12047.46
c) PFC IPDS loan		815.24	815.24
C) 8.97% Rated Listed Bonds		5645.71	5645.71
d) 8.48% Rated Listed Bonds		2744.29	2744.29
e) 9.70% UDAY Bonds		5662.62	5662.62
f) Loan from State Govt		385.03	385.03
		41253.42	32906.81

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KANPUR ELECTRICITY SUPPLY COMPANY LIMITED

Notes forming part of the financial statements for the Halfyear and Quarter ended 30th Sept, 2022

NOTE - 14 : Other Financial Liabilities

Particulars	As at 30th Sept, 2022	As at 31st March, 2022
	₹ in lacs	₹ in lacs
(i) Security deposit from Consumers	18,544.37	18,162.55
(ii) Provision for Leave Encashment	5744.57	5578.8
Total	24288.94	23741.35

NOTE - 15 : FINANCIAL LIABILITIES, BORROWINGS (CURRENT)

Particulars	As at 30th Sept, 2022	As at 31st March, 2022
	₹ in lacs	₹ in lacs
Current Maturity of Long Term Borrowings	41,253.42	32,906.81
Total	41253.42	32906.81

NOTE - 16 : FINANCIAL LIABILITIES, TRADE PAYABLES (CURRENT)

Particulars	As at 30th Sept, 2022	As at 31st March, 2022
	₹ in lacs	₹ in lacs
Trade Payables		
(a) For Power Purchase (UPPCL)	207366.47	225951.4
(b) For Transmission Charges (UPPTCL)	9638.05	9274.47
Total	217004.52	235225.87

NOTE - 17 : FINANCIAL LIABILITIES, OTHERS (CURRENT)

Particulars	As at 30th Sept, 2022	As at 31st March, 2022
	₹ in lacs	₹ in lacs
Interest accrued & due		
Liability for Capital Supplies/Works	4576.79	4187.58
Liability for O&M Supplies/Works	2280.67	3028.46
Prior Period Adjustment of Liability for O&M	2766.86	2471.65
Staff Related Liabilities		
Deposits & Retentions from Suppliers & Others	4791.96	5217.00
Payable to DISCOMS -	2153.46	3482.73
MVVNL		
PVVNL	655.76	578.55
Pash VVNL	423.78	418.11
	109.37	88.76
Other current Liabilities towards UPPCL		
Liabilities towards UP Power Sector Employees Trust-	5297.54	5289.97
General Provident Fund		
Pension and Gratuity	291.53	388.12
CPF Trust	366.27	639.23
Liability to GPF&CPF Trust for loss on investment	20.51	57.65
Interest Accrued but not due on Borrowings	9409.57	9409.57
	273.08	273.08
Grand Total	33417.15	35530.46

NOTE - 18 : OTHER CURRENT LIABILITIES

Particulars	As at 30th Sept, 2022	As at 31st March, 2022
	₹ in lacs	₹ in lacs
Electricity Duty & Other Levies payable to Govt.		
Liability for GST	134237.26	124581.36
Deposit Works	39.61537	151.05
Sundry Liabilities	5588.79	5254.09
Provision for Leave Encashment	51.35	349.34
	213.13	378.9
Sub Total	1,40,130.15	1,30,714.74
Inter Unit Transfer :		
IUT Material with in zone		
Inter-Unit Accounts - Personnel		
Inter-Unit Accounts-Other	2.73	2.73
Sub Total	694.69	694.69
Less: Provision for Unsecured considered Doubtful	697.42	697.42
	697.42	697.42
Sub Total	697.42	697.42
Grand Total	140130.1454	130714.7419

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KANPUR ELECTRICITY SUPPLY COMPANY LIMITED
Notes forming part of the financial statements for the Halfyear and Quarter ended 30th Sept, 2022

NOTE - 19 : REVENUE FROM OPERATIONS

Particulars	For the Quarter ended 30th Sep, 2022	For the Period ended 30th June, 2022	Coresponding Quarter Ended 30th Sep, 2021	Year to date for current period ended 30th Sep, 2022	Year to date for Previous period ended 30th Sep, 2021	For the Year ended 31st March, 2022
	₹ in lacs	₹ in lacs	₹ in lacs	₹ in lacs	₹ in lacs	₹ in lacs
Sale of Power (Refer Note (i) below)	86,102.86	81,857.27	67,910.21	1,67,960.13	1,29,571.74	2,74,451.60
Total	86,102.86	81,857.27	67,910.21	1,67,960.13	1,29,571.74	2,74,451.60

Particulars	For the Quarter ended 30th Sep, 2022	For the Period ended 30th June, 2022	Coresponding Quarter Ended 30th Sep, 2021	Year to date for current period ended 30th Sep, 2022	Year to date for Previous period ended 30th Sep, 2021	For the Year ended 31st March, 2022
	₹ in lacs	₹ in lacs	₹ in lacs	₹ in lacs	₹ in lacs	₹ in lacs
Note: (i) Sale of Power comprises :						
A. Electricity Charges						
Domestic (LMV-I)						
Commercial (LMV-II)	38,493.96	36,874.77	31,462.81	75,368.73	59,959.36	1,03,131.04
Street Light (LMV-III)	10,345.35	10,360.04	8,768.49	20,705.39	17,228.68	27,474.55
Public Institution (LMV-IV)	1,262.78	1,090.28	1,056.07	2,353.06	2,104.94	5,227.87
Tubewell & Pump (LMV-V)	750.73	786.92	660.47	1,537.66	1,154.51	6,089.65
Small Power (LMV-VI)	1.00	1.96	2.33	2.96	4.75	4.58
Water works (LMV-VII)	7,501.79	7,475.48	8,558.62	14,977.27	16,638.93	32,737.18
Temp.Connection (LMV-IX)	2,696.77	2,937.52	2,525.91	5,634.29	5,155.93	11,336.96
Prepaid	-	-	-	-	-	837.24
Large & heavy (HVV-I)	-	-	-	-	-	3,671.52
Large & heavy (HVV-II)	7,524.81	6,136.91	7,554.74	13,661.71	13,242.42	19,799.05
LMV-XI	16,345.34	15,134.57	6,378.28	31,479.92	12,176.21	60,538.30
Internal Energy Consumed	80.46	47.66	-	128.12	-	85.29
	1099.87	1011.16	943.01	2,111.02	1,906.01	3518.37
Total A	86102.86	81857.27	67910.72	1,67,960.13	1,29,571.74	274451.6
Domestic (LMV-I)	1966.69373	1804.71	1,665.25	3,771.40	3,052.19	5,064.96
Commercial (LMV-II)	806.52741	755.72	684.87	1,562.25	1,260.96	2,138.44
Street Light (LMV-III)	98.71002	48.99	59.68	147.70	120.82	1,045.57
Public Institution (LMV-IV)	144.56743	133.14	115.66	277.71	200.83	217.55
Tubewell & Pump (LMV-V)	0.06143	0.15	-	0.21	-	0.24
Small Power (LMV-VI)	502.19892	491.32	581.41	993.52	1,066.48	1,995.82
Water works (LMV-VII)	197.2984	212.44	1.51	409.74	176.98	412.65
Temp.Connection (LMV-IX)	-	-	-	-	-	65.83
Large & heavy (HVV-I)	596.339388	710.449	847.58	1,306.79	-	1,175.37
Large & heavy (HVV-II)	949.44	683.811	115.32	1,633.25	1,580.06	3,266.50
LMV-XI	6.03598	3.48	-	9.52	691.89	3.20
Total B	5267.8698	4844.21	4071.27	10112.08	5267.87	15386.13249
Gross Sale of Power (A+B)	91,370.73	86,701.48	71,981.99	1,78,072.21	13,418.09	2,89,837.73
Less : Electricity duty	5,267.87	4,844.21	4,071.27	10,112.08	1,42,989.83	15,386.13
Net Sale of Power	86,102.86	81,857.27	67,910.72	1,67,960.13	-1,29,571.74	2,74,451.60
Total	86,102.86	81,857.27	67,910.72	1,67,960.13	-1,29,571.74	2,74,451.60



KANPUR ELECTRICITY SUPPLY COMPANY LIMITED
Notes forming part of the financial statements for the Halfyear and Quarter ended 30th Sep,2022

NOTE - 20 : OTHER INCOME

Particulars	For the Quarter ended 30th Sep, 2022	For the Period ended 30th June, 2022	Corresponding Quarter Ended 30th Sep,2021	Year to date for current period ended 30th Sep,2022	Year to date for Previous period ended30th Sep,2021	For the Year ended 31st March, 2022
	₹ in lacs	₹ in lacs	₹ in lacs	₹ in lacs	₹ in lacs	₹ in lacs
(i) Interest income (Refer Note (i) below)	24.37	37.55	142.62	61.92	271.34	405.10
(ii) Other non-operating income (Refer Note (ii) below)	4,162.55	5,309.29	5,362.66	9,471.84	10,788.27	26,321.73
Total	4,186.92	5,346.84	5,505.28	9,533.76	11,059.61	26,726.83
Note: (i) Interest income comprises:						
Interest from banks on Fixed Deposit	24.37	37.55	128.72	61.92	271.34	405.10
Total - Interest income	24.37	37.55		61.92	271.34	405.10
Note:(ii) Other non-operating income comprises:						
(a) Delayed Payment charges from consumers	-	-	-	-	-	3,275.20
(b) Other recoveries from consumers	-	-	-	-	-	280.88
(c) Sale of Scrap	51.20	34.80	17.69	86.00	38.62	44.65
(d) Penalty from Contractors	-	41.66	33.14	41.66	33.14	44.65
(e) Rental from Staff	26.63	37.77	49.15	64.40	58.56	414.43
(f) Sales of Tender Forms	2.97	2.42	418.80	5.39	421.34	291.07
(g) Other Misc. Income/Forfeited Amount refunded	9.71	13.44	3.83	23.15	11.67	14.74
(h) Subsidy for payment of Interest on Loan	0.02	-407.88	-	(407.86)	0.03	5.14
(i) Interest on Income Tax Refund	-	-	-	-	-	-
(j) Additional loss subsidy received from GoUP for operational loss funding	-	-	-	-	-	-
(k) UDAY loss Subsidy received/receivable from GoUP	4,072.02	5,587.08	-	9,659.10	10.33	21,995.62
(l) Reversal of UDAY Subsidy for repayment of Interest on Loan	-	-	4,903.00	-	10,214.58	-
Total - Other non-operating income	4,162.55	5,309.29	5,425.61	9,471.84	10,788.27	26,321.73

NOTE - 21 : PURCHASE OF POWER

Particulars	For the Quarter ended 30th Sep, 2022	For the Period ended 30th June, 2022	Corresponding Quarter Ended 30th Sep,2021	Year to date for current period ended 30th Sep,2022	Year to date for Previous period ended30th Sep,2021	For the Year ended 31st March, 2022
	₹ in lacs	₹ in lacs	₹ in lacs	₹ in lacs	₹ in lacs	₹ in lacs
Purchase Cost	82,952.75	61,643.38	60,492.08	1,44,596.13	1,15,329.88	2,44,028.51
Transmission Cost	2,898.75	2378.9	2700.35	5,277.65	4,981.48	10071.34
Total	85851.5	64022.28	63,192.43	1,49,873.78	1,20,311.36	254099.85

NOTE - 22 : EMPLOYEE BENEFIT EXPENSES

Particulars	For the Quarter ended 30th Sep, 2022	For the Period ended 30th June, 2022	Corresponding Quarter Ended 30th Sep,2021	Year to date for current period ended 30th Sep,2022	Year to date for Previous period ended30th Sep,2021	For the Year ended 31st March, 2022
	₹ in lacs	₹ in lacs	₹ in lacs	₹ in lacs	₹ in lacs	₹ in lacs
Salaries & Allowances	1,829.02	1,880.51	2,029.54	3,709.53	3,989.30	8,167.81
Dearness Allowance	711.01	584.07	322.33	1,295.08	656.82	2,009.89
Other Allowances	151.90	178.25	152.20	330.15	319.12	627.66
Bonus/ Ex-gratia	2.25	1.00	1.25	3.25	14.75	20.23
Earned Leaves Encashment	184.40	146.63	90.90	331.03	286.97	1,124.20
Medical Expenses (Re-imbursement)	63.55	42.60	86.38	106.15	111.47	218.26
Others	11.55	115.98	4.81	127.53	9.80	26.83
Staff welfare expenses	2.10	4.50	0.71	6.60	3.46	7.50
Pension and Gratuity	-	-	-	-	-	-
Contributions to provident and other funds	111.91	100.80	95.80	212.71	188.38	1,200.65
Less : Expenses Capitalized	-	0.00	0.00	-	-	385.42
Total	3067.69	3054.34	2,783.92	6,122.03	5,580.07	12833.78

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KANPUR ELECTRICITY SUPPLY COMPANY LIMITED
Notes forming part of the financial statements for the Halfyear and Quarter ended 30th Sept, 2022

NOTE - 23 : FINANCE COST

Particulars	For the Quarter ended 30th Sep, 2022	For the Period ended 30th June, 2022	Corresponding Quarter Ended 30th Sep, 2021	Year to date for current period ended 30th Sep, 2022	Year to date for Previous period ended 30th Sep, 2021	For the Year ended 31st March, 2022
	₹ in lacs	₹ in lacs	₹ in lacs	₹ in lacs	₹ in lacs	₹ in lacs
(i) Interest expense on Borrowings	7,615.34	6,741.07	7,667.55	14,356.41	13,697.08	23,898.75
Less: Rebate for timely payment of Interest	18.99	-	6.74	18.99	13.52	20.27
Sub Total	7,596.35	6,741.07	7,660.81	14,337.42	13,683.56	23,878.48
(ii) Other borrowing cost and finance charges	148.94	124.88	98.89	273.82	146.60	997.88
(iii) Interest Expenses on Security deposits from consumers	195.48	193.73	190.25	389.21	380.03	751.91
Total	7,940.77	7,059.68	7,949.95	15,000.45	14,210.19	25,628.27

NOTE - 24 : DEPRECIATION AND AMORTIZATION EXPENSES

Particulars	For the Quarter ended 30th Sep, 2022	For the Period ended 30th June, 2022	Corresponding Quarter Ended 30th Sep, 2021	Year to date for current period ended 30th Sep, 2022	Year to date for Previous period ended 30th Sep, 2021	For the Year ended 31st March, 2022
	₹ in lacs	₹ in lacs	₹ in lacs	₹ in lacs	₹ in lacs	₹ in lacs
Line & Cable Network	1020.69	1020.69	1122.43	2041.38	2244.86	4082.76
Plant and Machinery	616.09	616.09	507.73	1232.18	1015.46	2464.36
Building	42.60	42.60	119.85	85.20	239.69	170.39
Computer & Office Equipment	86.28	5.07	73.95	91.35	147.89	345.14
Furniture & fixture	2.03	2.03	2.12	4.06	4.24	8.12
Vehicles	2.05	2.06	2.14	4.11	4.28	8.22
Prior Period Adj of Depreciation	-	-	-	-	-	-
Grand Total	1769.74	1688.54	1828.20	3458.28	3656.42	7078.99
Less: Amortization of Consumer Contribution on Fixed Assets	437.50	437.50	392.00	875.00	784.00	1648.01
Depreciation charged to operation	1332.24	1251.04	1436.20	2583.28	2872.42	5430.98

NOTE - 25 : ADMINISTRATIVE, GENERAL & OTHER EXPENSES

Particulars	For the Quarter ended 30th Sep, 2022	For the Period ended 30th June, 2022	Corresponding Quarter Ended 30th Sep, 2021	Year to date for current period ended 30th Sep, 2022	Year to date for Previous period ended 30th Sep, 2021	For the Year ended 31st March, 2022
	₹ in lacs	₹ in lacs	₹ in lacs	₹ in lacs	₹ in lacs	₹ in lacs
Interest Expense on Electricity duty	2586.33	2481.65	2083.98	5067.98	4167.96	9408.31
Rates & Taxes	0.62	0.00	0.00	0.62	3.62	183.13
Insurance	0.00	0.09	1.20	0.09	28.16	22.22
Communication	17.27	21.13	29.63	38.40	45.50	69.5
Travelling & Conveyance	14.39	4.61	7.49	19.00	12.42	21.78
Legal & Professional charges and other Audit fees	11.42	27.85	20.67	39.27	29.90	61.66
On line & Spot Billing charges	355.54	175.63	93.05	531.17	790.58	2301.71
Printing & Stationery	15.09	0.41	0.37	15.50	3.25	16.35
Advertisement Expenses	19.12	7.23	18.41	26.35	26.72	72.20
Fee & Subscription	419.87	118.00	110.76	537.87	110.76	531.75
Rebate to consumers	0.00	0.00	0.00	0.00	0.00	1544.92
Security Charges	634.36	460.48	584.77	1094.84	730.97	1787.85
Statutory Auditors Remuneration	0.00	0.00	0.00	0.00	2.75	4.72
Electricity Consumption on Buildings	0.00	0.00	0.00	0.00	0.00	1456.16
Miscellaneous expenses	208.96	203.95	471.54	412.91	645.16	1086.99
Expenditure on Trust	0.00	-	-	0.00	-	-
Prior Period Adj of Administrative, General & Other Expenses	-	-	-	0.00	-	0
Total	4282.97	3501.03	3419.87	7784.00	6597.75	18569.25

Note - 26 : REPAIRS AND MAINTENANCE EXPENSES

Particulars	For the Quarter ended 30th Sep, 2022	For the Period ended 30th June, 2022	Corresponding Quarter Ended 30th Sep, 2021	Year to date for current period ended 30th Sep, 2022	Year to date for Previous period ended 30th Sep, 2021	For the Year ended 31st March, 2022
	₹ in lacs	₹ in lacs	₹ in lacs	₹ in lacs	₹ in lacs	₹ in lacs
Repairs & Maintenance - Building	488.66	477.49	505.66	966.15	985.16	283.67
Repairs & Maintenance - Machinery	606.92	661.99	619.00	1,268.91	1,235.58	2,885.46
Repairs & Maintenance - Line, Cables, Networks etc.	1,132.56	1,240.58	505.93	2,373.14	1,075.92	3,077.75
Repairs & Maintenance - Others	204.02	132.86	160.73	336.88	257.87	560.42
Total	2,432.16	2,512.92	1,790.32	4,945.08	3,553.53	6,807.30

Note - 27 : BAD DEBTS & PROVISIONS

Particulars	For the Quarter ended 30th Sep, 2022	For the Period ended 30th June, 2022	Corresponding Quarter Ended 30th Sep, 2021	Year to date for current period ended 30th Sep, 2022	Year to date for Previous period ended 30th Sep, 2021	For the Year ended 31st March, 2022
	₹ in lacs	₹ in lacs	₹ in lacs	₹ in lacs	₹ in lacs	₹ in lacs
Provision for Bad & doubtful trade Receivables	(671.47)	483.50	(110.10)	(187.97)	378.54	(9,926.60)
Provision for doubtful loans & advances	-	-	-	-	-	(128.65)
Total	(671.47)	483.50	(110.10)	(187.97)	378.54	(10,055.25)

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Kanpur Electricity Supply Company Ltd.

CIN U40105UP1999SGC024626

NOTE NO. 1A

SIGNIFICANT ACCOUNTING POLICY

1. REPORTING ENTITY

Kanpur Electricity Supply Company (KESCo), is a company domiciled in India having its registered address at 'KESA House', 14/71, Civil Lines Kanpur. The Company is a wholly owned subsidiary of U.P. Power Corporation Limited, Lucknow (A State Govt. Company) and is engaged in the distribution of electricity in its specified area.

2. GENERAL/BASIS OF PREPARATION

- (a) The financial statements are prepared in accordance with the applicable provisions of the Companies Act, 2013. However where there is a deviation from the provisions of the Companies Act, 2013 in preparation of these accounts, the corresponding provisions of Electricity (Supply) Annual Accounts Rules 1985 have been adopted.
- (b) The accounts are prepared under historical cost convention, on accrual basis, unless stated otherwise in pursuance of Ind AS, and on accounting assumption of going concern.
- (c) Insurance and Other Claims, Refund of Interest on Income Tax & Other taxes, Interest on loans to staff is accounted for on receipt basis after the recovery of principal in full.
- (d) **Statement of compliance**

The financial statements are prepared on accrual basis of accounting, unless stated otherwise, and comply with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereto, the Companies Act, 2013 (to the extent notified and applicable), applicable provisions of the companies Act, 1956, and the provisions of the Electricity Act, 2003 to the extent applicable.

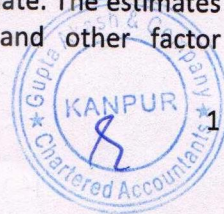
These financial statements were authorized for issue by Board of Directors on 02.11.2022
Functional and presentation currency

The financial statements are prepared in Indian Rupee (₹), which is the Company's functional currency. All financial information presented in Indian rupees has been rounded to the nearest rupees in lakhs (up to two decimals), except as stated otherwise.

(e) **Use of estimates and management judgments**

The preparation of financial statements require management to make judgments, estimates and assumptions that may impact the application of accounting policies and the reported value of asset, liabilities, income, expenses and related disclosures concerning the items involved as well as contingent Assets and Liabilities at the balance sheet date. The estimates and management's judgments are based on previous experience and other factor

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considered reasonable and prudent in the circumstances. Actual results may differ from this estimate.

Estimates and Underlying assumptions are reviewed as on ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate are reviewed and if any future periods affected.

(f) Current and non-current classification

1) The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is current when it is:

- Expected to be realized or intended to sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

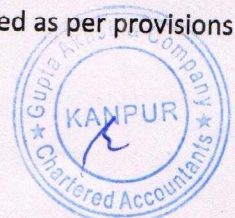
All other liabilities are classified as non-current.

3. SIGNIFICANT ACCOUNTING POLICIES

I- PROPERTY, PLANT AND EQUIPMENT

- (a) Property, Plant and Equipment are shown at historical cost less accumulated depreciation.
- (b) All costs relating to the acquisition and installation of Property, Plant and Equipment till the date of commissioning are capitalized.
- (c) Consumer Contribution, Grants and Subsidies received towards cost of capital assets are treated initially as capital reserve and subsequently amortized in the proportion in which depreciation on related asset is charged.
- (d) In the case of commissioned assets, where final settlement of bills with the contractor is yet to be affected, capitalization is done, subject to necessary adjustment in the year of final settlement.
- (e) Due to multiplicity of functional units as well as multiplicity of functions at particular unit, Employees cost to capital works are capitalized @ 15% on deposit works, 13.50% on Distribution works and @ 9.5% on other works on the amount of total expenditure.
- (f) Borrowing cost during construction stage of capital assets are capitalized as per provisions of Ind AS-23.

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II- CAPITAL WORK-IN-PROGRESS

Property, Plant and Equipment those are not yet ready for their intended use are carried at cost under Capital Work-In-Progress, comprising direct costs, related incidental expenses and attributable interest.

The value of construction stores is charged to capital work-in-progress as and when the material is issued. The material at the year end lying at the work site is treated as part of capital work in progress.

III- INTANGIBLE ASSETS

Intangible assets are measured on initial recognition at cost. Subsequently the intangible assets are carried at cost less accumulated amortization/accumulated impairment losses. The amortization has been charged over its useful life in accordance with Ind AS-38.

An intangible asset is derecognized on disposal or when no future economic benefits are expected from its use.

IV- DEPRECIATION

- (a) In terms of Part-B of Schedule-II of the Companies Act, 2013, The Company has followed depreciation rate/useful life using the straight line method and residual value of Property, Plant and Equipment as notified by the UPERC Tariff Regulations.
In Case of change in rates/useful life and residual value, the effect of change is recognized prospectively.
- (b) Depreciation on additions to / deductions from Property, Plant and Equipment during the year is charged on Pro rata basis.

V- STORES & SPARES

- (a) Stores and Spares are valued at cost.
- (b) As per practice consistently followed by the Company, Scrap is accounted for as and when sold.
- (c) Any shortage /excess of material found during the year end are shown as "material short/excess pending investigation" till the finalization of investigation.

VI- REVENUE/ EXPENDITURE RECOGNITION

- (a) Revenue from sale of energy is accounted for on accrual basis.
- (b) Late payment surcharge recoverable from consumers on energy bills is accounted for on cash basis due to uncertainty of realization.
- (c) The sale of electricity does not include electricity duty payable to the State Government.

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- (d) Sale of energy is accounted for based on tariff rates approved by U.P. Electricity Regulatory Commission.
- (e) In case of detection of theft of energy, the consumer is billed on laid down norms as specified in Electricity Supply Code.
- (f) Penal interest, over due interest, commitment charges, restructuring charges and incentive/rebates on loans are accounted for on cash basis after final ascertainment.

VII- POWER PURCHASE

Power purchase is accounted for in the books of Corporation as below:

- (a) The Bulk purchase of power is made available by the holding company (U.P. Power Corporation Limited) and the cost of Power Purchase is accounted for on accrual basis at the rates approved/bills raised by UPPCL.
- (b) Transmission charges are accounted for on accrual basis on bills raised by the U.P Power Transmission Corporation Limited at the rates approved by UPERC.

VIII- EMPLOYEE BENEFITS

- (a) Liability for Pension & Gratuity in respect of employees has been determined on the basis of actuarial valuation and has been accounted for on accrual basis.
- (b) Medical benefits and LTC are accounted for on the basis of claims received and approved during the year.
- (c) Leave encashment has been accounted for on accrual basis.

IX- PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

- (a) Accounting of the Provisions is made on the basis of estimated expenditures to the extent possible as required to settle the present obligations.
- (b) Contingent assets and liabilities are disclosed in the Notes on Accounts.
- (c) The Contingent assets of unrealisable income are not recognised.

X- GOVERNMENT GRANT, SUBSIDIES AND CONSUMER CONTRIBUTIONS

Government Grants (Including Subsidies) are recognised when there is reasonable assurance that it will be received and the company will comply the conditions attached, if any, to the grant. The amount of Grant, Subsidies and Loans are received from the State Government by the UPPCL centrally, being the Holding Company and distributed by the Holding Company to the DISCOMS.

Consumer Contributions, Grants and Subsidies received towards cost of capital assets are treated initially as capital reserve and subsequently amortized in the proportion in which depreciation on related asset is charged.

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XI- FOREIGN CURRENCY TRANSACTIONS

Foreign Currency transactions are accounted at the exchange rates prevailing on the date of transaction. Gains and Losses, if any, as at the year-end in respect of monetary assets and liabilities are recognized in the Statement of Profit and Loss.

XII- DEFERRED TAX LIABILITY

Deferred tax liability of Income Tax (reflecting the tax effects of timing difference between accounting income and taxable income for the period) is provided on the profitability of the Company and no provision is made in case of current loss and past accumulated losses as per Para 34 of Ind AS 12 "Income Taxes".

XIII- STATEMENT of CASH FLOWS

Cash Flow Statement is prepared in accordance with the indirect method prescribed in Ind AS – 7 'Statement of Cash Flow'.

XIV- FINANCIAL ASSETS

Initial recognition and measurement:

Financial assets of the Company comprises, Cash & Cash Equivalents, Bank Balances, Trade Receivable, Advance to Contractors, Advance to Employees, Security Deposits, Claim recoverable etc. The Financial assets are recognized when the company become a party to the contractual provisions of the instrument.

All the Financial Assets are recognized initially at fair value plus transaction cost that are attributable to the acquisition or issue of the financial assets as the company purchase/acquire the same on arm length price and the arm length price is the price on which the assets can be exchanged.

Subsequent Measurement:

A- Debt Instrument:- A debt instrument is measured at the amortized cost in accordance with Ind AS 109.

B- Equity Instrument:- All equity investments in entities are measured at fair value through P & L (FVTPL) as the same is not held for trading.

Impairment on Financial Assets- Expected credit loss or provisions are recognized for all financial assets subsequent to initial recognition. The impairment losses and reversals are recognized in Statement of Profit & Loss.

XV- FINANCIAL LIABILITIES

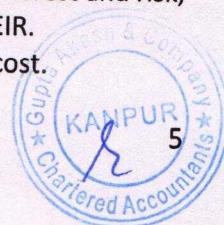
Initial recognition and measurement:

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. All the financial liabilities are recognised initially at fair value. The Company's financial liabilities include trade payables, borrowings and other payables.

Subsequent Measurement:

Borrowings have been measured at fair value using effective interest rate (EIR) method. Effective interest rate method is a method of calculating the amortized cost of a financial instrument and of allocating interest and other expenses over the relevant period. Since each borrowings has its own separate rate of interest and risk, therefore the rate of interest at which they are existing is treated as EIR.

Trade and other payables are shown at contractual value/amortized cost.



A financial liability is derecognized when the obligation specified in the contract is discharged, cancelled or expired.

XVI- MATERIAL PRIOR PERIOD ERRORS

Material prior period errors are corrected retrospectively by restating the comparative amount for the prior periods presented in which the error occurred. If the error occurred before the earliest period presented, the opening balance of assets, liabilities and equity for the earliest period presented, are restated.

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KANPUR ELECTRICITY SUPPLY COMPANY LIMITED
14/71, CIVIL LINES, KESA HOUSE, KANPUR (U.P.)

Note No. 1 B

NOTES ON ACCOUNTS FORMING PART OF THE BALANCE SHEET AS AT 30th Sep,2022 AND STATEMENT OF PROFIT& LOSS ACCOUNT FOR THE PERIOD APR-22 TO Sep-22

1. Kanpur Electricity Supply Company (KESCO), is a company domiciled in India having its registered address at 'KESA House', 14/71, Civil Lines Kanpur. The company is registered under the erstwhile Companies Act, 1956 and was incorporated through the Transfer Scheme dated 15th January, 2000, wherein the assets, liabilities and personnel of Kanpur Electricity Supply Administration (KESA) under erstwhile Uttar Pradesh State Electricity Board (UPSEB) were transferred to KESCO. Subsequently the UP Electricity Regulatory Commission, in exercise of the powers conferred on it under Section 15 of the Uttar Pradesh Electricity Reform Act, 1999 (Uttar Pradesh Act No.24 of 1999), granted KESCO on 4th October 2000 a distribution license for a period of 30 years for carrying out the business of Distribution and Retail Supply of electrical energy within its license area.
2. The Company is a wholly owned subsidiary of U.P. Power Corporation Limited, Lucknow (A State Govt. company) and is engaged in the distribution of electricity in its specified area.
3. The amount of Loans, Subsidies and Grants were received from the State Government by the Uttar Pradesh Power Corporation Limited centrally, being the Holding Company and distributed by the Holding Company to the DISCOMs, which have been accounted for accordingly.
4. The share capital include 700 Equity shares of ₹ 10 each allotted to subscribers of Memorandum of Association
5. The loan taken by the Company during the Apr-Sep,2022 amounted to ₹ 7789.60 lakhs out of which Rs Nil was taken directly by KESCO and ₹ 7789.60 lakh was taken by Holding Company i.e. UPPCL for and on behalf of KESCO as per details given below:-

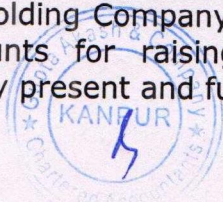
Particulars	FY Apr-Sep,22 (₹ in Lakh)	FY 2021-22 (₹ in Lakh)
Taken directly by KESCO	Nil	Nil
Taken by UPPCL on behalf of KESCO-		
(a) REC	7789.60	6,639.50
(b) PFC	Nil	6,639.50
Total	7789.60	13,279.00

6. The Board of Directors of KESCO has escrowed all the Revenue receipt accounts in favour of U.P. Power Corporation Limited, Lucknow. The Holding Company has been further authorized to these escrow revenue accounts for raising or borrowing the funds for & on behalf of KESCO for all necessary present and future financial needs including Power Purchase obligation

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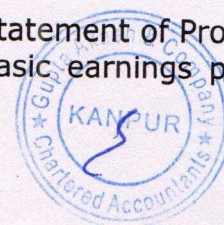


KANPUR ELECTRICITY SUPPLY COMPANY LIMITED
14/71, CIVIL LINES, KESA HOUSE, KANPUR (U.P.)

7. Based on actuarial valuation report dt. 9.11.2000 submitted by M/s Price Waterhouse Coopers to UPPCL (the Holding Company) provision for accrued liability on account of Pension and Gratuity has been made @16.70% and 2.38% respectively on the amount of Basic pay, Grade pay and DA paid to erstwhile UPSEB employees.
A part from this, with respect to employees appointed under KESCO after 14.01.2000, the provision for accrued liability on account of Gratuity has been made as per separate actuarial valuation report by M/s Mithras Consultants, Actuarial valuations and liability on account of earned leave encashment for all employees has also been made as per actuarial valuation report by M/s Mithras Consultants.
8. Revenue from Operation
Revenue from Sale of Power is recognized on satisfaction of performance obligation upon supply of power to the consumers at an amount that reflects the consideration (As per UPERC Tariff), the Company expects to receive in exchange for those supplied power.
9. Consumer Contribution received under Deposit work has been amortized in the proportion in which depreciation on related assets is charged to allocate the transaction price over a period of life of assets.
10.
a) Property, Plant & Equipment including Land remained with the company after notification of final transfer scheme are inherited from erstwhile UPSEB which had been the title holder of the such Property, Plant & Equipment. The title deeds of new Property, Plant & Equipment created after incorporation of the company, are held in the respective units where such Property, Plant & Equipment were created/purchased.
b) In terms of powers conferred by the Notification no. GSR 627(E) dated 29 August 2014 of Ministry of Corporate Affairs, Govt. of India, the Depreciation/Amortization on Property, Plant & Equipment/Intangible Assets have been calculated taking into consideration the rate of depreciation for Property, Plant & Equipment as provided in the orders of UPERC (Multiyear Tariff for Distribution and Transmission) Regulations, 2019 .
c) Land of the company is on lease from UPPCL at ₹. 1.00 per month as per the transfer scheme.
11. Capitalization of Interest on borrowed fund utilized during construction stage of Capital Assets is done by identifying the Schemes/Assets and the funds used for the purpose to the extent established.
12. Balances appearing under the heads 'Other Non-Current Assets', 'Other Current Financial Assets', 'Other Current Assets', 'Other Current Financial Liabilities', 'Other Current liabilities', 'Material in transit/ under inspection/lying with contractors are subject to confirmation.
13. Basic and diluted earnings per share has been shown in the Statement of Profit & Loss in accordance with Ind AS-33 "Earnings Per Share". Basic earnings per

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KANPUR ELECTRICITY SUPPLY COMPANY LIMITED**14/71, CIVIL LINES, KESA HOUSE, KANPUR (U.P.)**

share have been computed by dividing net loss by the weighted average number of equity shares outstanding during the year.

Earnings Per Share
Amount ₹ in Lakh

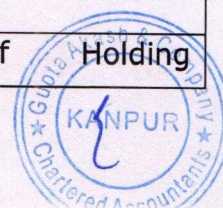
Particulars	Apr-Sep	FY 2021-22
Net Profit after tax (₹ in lakh) (Numerator used for calculation of Basic and Diluted EPS)	(8626.76)	(21833.05)
Weighted average number of Equity Shares (in Lakh) (denominator for calculating Basic EPS)	19777.30	19777.30
Basic earnings per share of ₹ 10/- each	(0.44)	(1.10)

As per para 43 of Ind AS-33 issued by the Institute of Chartered Accounts of India, Potential Equity Shares are treated as Anti-Dilutive as their conversion to Equity Shares would decrease loss per share. Therefore, effect of Anti-Dilutive Potential Equity Shares is ignored in calculating Dilutive Earnings Per Share) * for FY 2021-22

14. Amount due to Micro, Small and medium enterprises (under the MSMED Act 2006) could not be ascertained and interest thereon could not be provided for want of sufficient related information. However, the company is in process to obtain the complete information in this regard.
15. Bill of power purchase and transmission charges is being taken in to account as per the bills raised by UPPCL/UPPTCL.
16. Payment to Directors and Officers in foreign currency towards foreign tour was NIL (Previous year NIL).
17. Debts due to/from Directors were Nil (Previous year Nil)
18. Since the Company is principally engaged in the distribution business of Electricity and there is no other reportable Operating segment as per Ind AS-108, hence the disclosure as per Ind AS-108 on operating segment reporting is not required.

19. Related Party Disclosure as per Ind AS 24**A-List of Related Parties****(a) List of Parent, Subsidiary and Associates of Parent Company:-**

Company/Govt	Nature
Government of Uttar Pradesh	Holding Company, UPPCL is a Govt of UP undertaking
Uttar Pradesh Power Corporation Ltd.	Holding Company
Dakshinanchal Vidyut Vitran Nigam Ltd	Subsidiary of Holding Company
Paschimanchal Vidyut Vitran Nigam Ltd	Subsidiary of Holding Company



KANPUR ELECTRICITY SUPPLY COMPANY LIMITED
14/71, CIVIL LINES, KESA HOUSE, KANPUR (U.P.)

	Company
MadhyanchalVidyutVitrان Nigam Ltd	Subsidiary of Holding Company
PoorvanchalVidyutVitrان Nigam Ltd	Subsidiary of Holding Company
Sonebhadra Power Generation Company Limited	Subsidiary of Holding Company
Southern UP Power Transmission Corporation Limited	Subsidiary of Holding Company
Yamuna Power Generation Company Limited	Associates of Holding Company

(b) Key Management Personnel: -

S. No	Name	Designation	Working Period for FY Q2,21-22	
			From	Up to
Key managerial personnel of KESCo				
1	Sri M Devaraj ,IAS	Chairman	10.03.2021	30.09.2022
2	Sri Pankaj Kumar, IAS	Managing Director, UPPCL (Nominee Director)	10.03.2021	30.09.2022
3	Sri Anil Dhingra, IAS	Managing Director, KESCo	12.02.2021	30.09.2022
4	Sri Nidhi Narang	Director (Finance),UPPCL	01.06.2022	30.09.2022
5	Sri Sanjay Srivastava	Director (Technical)	20.01.2021	30.09.2022
6	Sri Vishakh G Iyer	DM Kanpur,(Nominee Director)	08.06.2022	30.09.2022
7	Smt Saumya Agarwal, IAS	Women Director	28.07.2020	30.09.2022
8	Smt Abha Sethi Tandon	Company Secretary	14.03.2013	30.09.2022

c).

The Company is a State Public Sector Undertaking (SPSU) controlled by State Government by holding majority of shares through its holding company (UPPCL). Pursuant to Paragraph 25 & 26 of Ind AS 24, entities over which the same government has control or joint control, or significant influence, then the reporting entity and other entities shall be regarded as related parties. The Company has applied the exemption available for Government related entities and has made limited disclosures in the financial statements. Such entities from which Company have significant transactions includes but not limited to U.P Power Transmission Corporation Limited.

d) Post-Employment Benefit Plan: -

Uttar Pradesh State Power Sector Employees Trust.

B. Transaction with related Parties

a) Transaction with Holding and fellow Subsidiary of Holding Company:

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KANPUR ELECTRICITY SUPPLY COMPANY LIMITED
14/71, CIVIL LINES, KESA HOUSE, KANPUR (U.P.)

(Amount ₹In Lakh)

Particulars	Holding Company		Fellow Subsidiary	
	Apr,22-Sep,22	2021-22	Apr,22-Sep,22	2021-22
(i) Power Purchase	1,49,873.78	2,44,028.51		
(ii) Equity Contributed Received	6624.84	26,454.72	-	-
(iii) Payable for other Transaction	7.57	1211.89	115.63	349.06
(iv) Receivable for other Transactions			-	7.82
(v) Receivable on account of Loan& Deposit work	3117.50	20809.36	-	-

b) Transaction with related parties under the control of same government:

Name of The Company	Nature of Transaction	Apr,22-Sep,22 (₹ in Lakh)	2021-22 (₹ in Lakh)
UP Power Transmission Corporation Limited	Transmission Charges	5277.65	10071.32

d) Outstanding Balances of Holding, Fellow Subsidiary& Companies under the control of same government

Company	Nature	Payable/Receivable	Amount as on 30.09.2022 (₹ in Lakh)	Amount as on 31.03.2022 (₹ in Lakh)
UPPCL	Liability for Power Purchase	Payable	232821.31	225951.40
UPPCL	Other Dues	Payable	5297.54	5289.97
UPPTCL	Liability for Transmission Charges	Payable	9638.05	9274.47
UPPTCL	Other Advances	Receivable	1049.04	1049.04
UPRVUNL	Other Advances	Receivable	-	0.23
DVVNL	Other Advances	Receivable	720.57	732.71
MVVNL	Other Payables	Payable	609.87	578.55
Pash	Other	Payable	109.37	88.76

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KANPUR ELECTRICITY SUPPLY COMPANY LIMITED
14/71, CIVIL LINES, KESA HOUSE, KANPUR (U.P.)

VVNL	Payables			
Pu VVNL	Other Payables	Payable	423.78	418.11

20. Due to heavy carried forward losses / depreciation and uncertainties to recover such losses/depreciation in near future, the deferred tax assets have not been recognized in accordance with Ind 'AS-12 Income Taxes' issued by ICAI.
21. In the opinion of management, there is no specific indication of impairment of any assets as on balance sheet date as envisaged by Ind AS 36 'Impairment of Assets' of ICAI. Further, the assets of the corporation have been accounted for at their historical cost and most of the assets are very old where the impairment of assets is very unlikely.
22. Previous year figures have been regrouped/reclassified wherever necessary to confirm to this year classification
23. The company has booked ₹ 4162.55 lakhs during Q2,2022-23 towards additional subsidy received from GoUP for operational loss funding during the period.

24. Financial Risk Management

The company's principal financial liabilities comprise loans and borrowings, trade payables and other payables. The main purpose of these financial liabilities is to finance the company's operations. The company's principal financial assets include borrowings/advances, trade & other receivables and Cash that derive directly from its operations.

The company is exposed to the following risks from its use of financial instruments:

(a) Regulatory Risk

The company's substantial operations are subject to regulatory interventions, introductions of new laws and regulations including changes in competitive framework. The rapidly changing regulatory landscape poses a risk to the company.

Regulations are framed by State Regulatory Commission as regard to Standard of Performance for utilities, Terms & Conditions for determination of tariff, obligation of Renewable Energy purchase, grant of open Access, Deviation Settlement Mechanism, etc. Moreover, the State Government are notifying various guidelines and policy for growth of the sector. These Policies/Regulations are modified from time to time based on need and development in the sector. Hence the policy/regulation is not restricted only to compliance but also has implications for operational performance of utilities, return of Equity, Revenue, competitiveness, and scope of supply.

To protect the interest of utilities, State Utilities are actively participating while framing of Regulations, ARR is regularly filed to UPERC considering the effect of change, increase/decrease, of power purchase cost and other expenses in deciding the Tariff of Sales of Power to ultimate consumers.

(b) Credit Risk



KANPUR ELECTRICITY SUPPLY COMPANY LIMITED
14/71, CIVIL LINES, KESA HOUSE, KANPUR (U.P.)

Credit risk is the risk of financial loss to the company if a customer or counter party to a financial instrument fails to meet its contractual obligation resulting in a financial loss to the company. Credit risk arises principally from cash & cash equivalents and deposits with banks and financial institutions. In order to manage the risk, company accepts only high rated bank/FIs.

(c) Market Risk- Foreign Currency Risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the company's income/loss. The objective of market risk management is to manage and control market risk exposure within acceptable parameters, while optimizing the return. The company has no material foreign currency transaction hence there is no Market Risk w.r.t foreign currency translation.

(d) Market Risk- Interest Rate Risk

The company is exposed to interest rate risk arising from borrowing with floating rates because the cash flows associated with floating rate borrowings will fluctuate with changes in interest rates. The company manages the interest rate risks by entering into different kind of loan arrangements with varied terms (eg. Rate of interest, tenure etc.).

Fair value sensitivity analysis for fixed-rate instruments

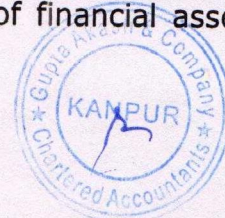
The company's fixed rate instruments are carried at amortized cost. They are therefore not subject to interest rate risk, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

At the reporting date the interest rate profile of the Company's interest-bearing financial instruments are as under:

(Amount ₹ in Lakh)		
Particulars	30.09.2022	31.03.2022
Financial Assets		
Fixed Interest Rate Instruments- Deposits with Bank	1858.14	471.56
Financial Liabilities		
Financial Instrument Loans	253142.29	277537.93

- (e) Liquidity Risk:** Liquidity risk is the risk that the company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or other financial assets. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed condition, without incurring unacceptable losses or risking damage to the company's reputation.

The Company manages liquidity risk by maintaining adequate FI/Bank facilities and reserve borrowing facilities by continuously monitoring, forecast the actual cash flows and matching the maturity profile of financial assets and liabilities.



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25. Capital Management

The Company's objective when managing capital is to safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders and maintain an appropriate capital structure of debt and equity.

The company is wholly owned by UPPCL (A Govt. of UP Undertaking) and the decision to transferring the share application money for issuing the shares is solely laid with GoUP through UPPCL. The company acts on the instruction and orders of UPPCL to comply with the statutory requirements.

The debt portion of capital structure is funded by the various banks, FIs and other institutions as per the requirement of the company.

26. Additional Regulatory Information Required by Schedule III

- (a) The Company has not provided any Loans/Advances to its promoters/Directors/KMPs and Related Parties.
- (b) No proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder during the year ended March 31, 2022 and March 31, 2021.
- (c) The Company has not invested or traded in Crypto Currency or Virtual Currency during the Quarter/Halfyear year ended Sep 30, 2022 and March 31, 2022.
- (d) During the Quarter/Halfyear year ended Sep 30, 2022 and March 31, 2022., the Company has not surrendered or disclosed as income any transactions not recorded in the books of accounts in the course of tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (e) Compliance with number of layers of companies in accordance with clause 87 of Section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017 is not applicable on the Company, as the Company is a Government Company as define under clause 45 of section 2 of Companies Act, 2013.
- (f) The Company has not been declared Willful Defaulter by any bank or financial institution or government or any government authority during the Quarter/Halfyear year ended Sep 30, 2022 and March 31, 2022
- (g) As per best of our knowledge, the Company does not have any transactions with companies struck off under section 248 of Companies Act, 2013 (as amended) or section 560 of Companies Act, 1956.
- (h) No arrangement has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.
- (i) Company has not advanced or loaned or invested fund (either borrowed fund or share premium or any other sources or kind of funds) to any other person (s) or entity (ies) including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall
 - (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - (ii) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (j) As per requirement of Section 135 and Schedule VII of the Companies Act 2013 read with Companies (Corporate Social Responsibility policy) Rules 2014, the company has incurred losses during the three immediately preceding Financial Years as per Section

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198 of the Companies Act 2013, hence no amount has been spent on CSR, and no provision has been made by the Company in this regard.

27. The figures as shown in the Balance Sheet, Statement of Profit & Loss, and Notes shown in () denotes negative figures.
28. The Annual Accounts of FY 2019-20, FY 2020-21 and FY 2021-22 are yet to be adopted at the Annual General Meeting of the company as the final comments of Comptroller & Auditor General of India for the supplementary audit of FY 2019-20, FY 2020-21 and FY 2021-22 have not yet been received.

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Report on Review of Interim Financial Information

To the Board of Directors of
Kanpur Electricity Supply Company Limited

Introduction

We have reviewed the accompanying Balance sheet of Kanpur Electricity Supply Company Limited as of September 30, 2022 and the related statements of profit & loss for and cash flows for the period then ended, and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and fair presentation of this interim financial information in accordance with the Provisions of Companies Act, 2013. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

We conducted our review in accordance with Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". 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.

Emphasis of Matter

Management has informed us that the transactions with parent company UPPCL related to Loan/Subsidy /Interest paid on loans/Share Application Money/Capital etc. is recorded on the basis of advice received from parent company for which balance confirmation has not been obtained by us, thus the financial impact of any advice received but omitted to be recorded could not be ascertained. Similarly amount with respect to final amount of depreciation, provisions, statutory dues and other quarter end adjustment are in progress and thus the financial impact of the same could not be ascertained. Further Sales has been accounted for based on the information provided by respective unit of the company which is subject to Audit. Also, the figures have been reclassified, regrouped wherever necessary from previous quarter.

GUPTA AKASH & COMPANY
Chartered Accountants
133/118, M-Block,
Kidwai Nagar, Kanpur - 208011
Mobile: 0512-3551579; 06392598996;
e-mail: guptaakashcompany@gmail.com



Conclusion

Based on our review and subject to point at Emphasis of Matters para nothing has come to our attention that causes us to believe that the accompanying interim financial information does not present fairly, in all material respects the state of affairs of the entity as at September 30, 2022, and of its results of operations and its cash flows for the period then ended in accordance with provision of Companies Act, 2013.

For Gupta Akash & Company
Chartered Accountants
Firm's Registration Number 019734C


(CA Akash Gupta)
(Partner)

Membership Number 417069

Place of Signature: Kanpur
Date: 11/11/2022