

INDEPENDENT AUDITOR'S REPORTTo the Members of **Kota Electricity Distribution Limited****Report on the Audit of the Financial statements****Opinion**

We have audited the accompanying financial statements of **Kota Electricity Distribution Limited** ("the Company"), which comprise the Balance sheet as at 31 March 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, and its loss (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board of Director's Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management for the Financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the



Company in accordance with the Indian Accounting Standards (Ind AS) and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements for the financial year ended 31 March 2024 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, other than for the matters stated in paragraph 2(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rule, 2014;
 - (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of the written representations received from the directors as on 31 March 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) The remark relating to the maintenance of accounts and other matters connected therewith, are as stated in paragraph 2(b) above on reporting under section 143(3)(b) of the Act and paragraph 2(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014;
 - (g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements;
 - (h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, managerial remuneration paid or provided by the Company during the year is in accordance with the provision of section 197 of the Act;



- (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company, as detailed in note 27 to the financial statements, has disclosed the impact of pending litigations in its financial position as at 31 March 2024;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, 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 provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
 - v. No dividend was declared or paid during the year by the company.
 - vi. Based on our examination which included test checks, the Company, in respect of financial year commencing on 1 April 2023, has used accounting software Oracle ERP for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. However, audit trail feature was not enabled at database level for accounting software to log any direct data changes, as described in note 41A to the financial statements. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of the accounting software where such feature is enabled.

For **Batliboi, Purohit & Darbari**
Chartered Accountants
ICAI Firm Registration Number: 303086E



Hemal Mehta
Partner
Membership Number: 063404
UDIN: 24063404BKCFXU2375



Place: Kolkata
Date: 20 May 2024

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT OF KOTA ELECTRICITY DISTRIBUTION LIMITED, FOR THE YEAR ENDED 31 MARCH 2024
(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
 - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.
(B) The Company has maintained proper records showing full particulars of intangible assets.
 - (b) Property, Plant and Equipment and right-of-use assets have been physical verified by the management at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) The Company does not own any immovable properties. Therefore, the provision of clause 3(i)(c) of the said order is not applicable to the Company.
 - (d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.
 - (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii.
 - (a) The management of the Company has conducted physical verification of inventory at reasonable intervals during the year and in our opinion the coverage and procedure of such verification by the management is appropriate.
 - (b) The Company has a working capital limit in excess of ₹ 5 crore sanctioned by banks on the basis of security of current assets and the quarterly returns or statements filed by the company with such banks are in agreement with the books of accounts of the Company.
- iii. The Company has not made any investment in, provided any guarantee or security or granted any loans or advance in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties during the year. Accordingly, clause 3(iii) of the Order is not applicable.
- iv. The Company has not given any loans, made investments or provided guarantees or securities that are covered under the provisions of Sections 185 and 186 of the Companies Act, 2013 and hence reporting under clause 3(iv) of the Order is not applicable.
- v. The Company has not accepted or is not holding any deposit or amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rule, 2014. Accordingly, reporting under clause 3(v) of the Order is not applicable.
- vi. The maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. We have broadly reviewed the books of accounts maintained and are of the opinion that prima facie, the specified accounts and records have been made and maintained.
- vii. In respect of statutory dues:
 - (a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.



There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at 31 March 2024 for a period of more than six months from the date they became payable.

- (b) There were no statutory dues referred to in sub-clause (a) above which have not been deposited on account of disputes as on 31 March 2024.
- viii. According to the information and explanation given to us there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961(43 of 1961).
- ix. (a) According to the information and explanation given to us, the Company has not defaulted in repayment of its loans or borrowings to banks or in the payment of the interest thereon.
(b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
(c) In our opinion and according to the information and explanation given to us, the term loan taken during the year is applied for the purpose for which it is taken.
(d) On an overall examination of the financial statements of the Company, no funds have been raised during the year on short- term basis have, prima facie, not been used during the year for long-term purposes by the Company.
(e) The company does not have any subsidiaries, associates or joint ventures. Accordingly, reporting on clause 3(ix)(e) and clause 3(ix)(f) of the Order is not applicable.
- x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi. (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
(c) There are no whistle-blower complaints received during the year by the company.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
(b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and covering the period upto 31 March 2024.
- xv. In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.



- xvi. In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- (d) As represented to us by the management of the Company, the Group has 4 (four) Core Investment Companies as a part of the Group
- xvii. The Company has incurred cash losses during the financial year covered by our audit and the immediately preceding financial year amounting to Rs. Nil and Rs. 1617.02 Lakhs respectively.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. According to the information and explanation given to us, the Company does not fulfill the criteria as specified under 135(1) of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.

For **Batliboi, Purohit & Darbari**
Chartered Accountants
ICAI Firm Registration Number: 303086E



Hemal Mehta
Partner
Membership Number: 063404
UDIN: 24063404BKCFXU2375



Place: Kolkata
Date: 20 May 2024

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF KOTA ELECTRICITY DISTRIBUTION LIMITED

(Referred to in paragraph 2(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of **Kota Electricity Distribution Limited** ("the Company") as of 31 March 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls with reference to financial statements based on "the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements.



Meaning of Internal Financial Controls with reference to financial statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31 March 2024, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Batliboi, Purohit & Darbari**
Chartered Accountants
ICAI Firm Registration Number: 303086E



Hemal Mehta
Partner
Membership Number: 063404
UDIN: 24063404BKCFXU2375



Place: Kolkata
Date: 20 May 2024

KOTA ELECTRICITY DISTRIBUTION LIMITED

CIN U40100WB2012PLC181283

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

Email ID: kcdl@rpsg.in, Website: www.cesrajasthan.co.in

Tel: (033) 6499 0049; Fax: (033) 22124262

Balance Sheet As at 31st March 2024

(All amount in Rs. Lakh, unless otherwise stated)

Particulars	Note No.	As at 31st March 2024	As at 31st March 2023
ASSETS			
Non-current Assets			
Property, Plant and Equipment	4	25,498.62	22,245.13
Capital work-in-progress	6	3,273.63	2,889.82
Intangible Assets	5	75.13	71.24
Financial Assets			
Others -			
Other Non current assets	7	21.50	17.18
	8	0.30	37.58
		28,869.18	25,260.95
Current Assets			
Inventories			
Financial Assets	9	38.46	29.16
Trade receivables			
Cash and cash equivalents	10	18,703.19	20,501.65
Bank balances other than cash & cash equivalents	11	572.51	148.44
Other Financials Assets	12	8,699.93	8,637.45
	13	254.60	287.76
		28,268.69	29,604.46
TOTAL ASSETS	(A+B)	57,137.87	54,865.41
EQUITY AND LIABILITIES			
Equity			
Equity Share capital	14	47,483.00	42,583.00
Other Equity	15	(35,222.44)	(34,378.12)
		12,260.56	8,204.88
Liabilities			
Non-current Liabilities :			
Financial Liabilities			
Borrowings	16	5,123.37	3,529.41
Lease Liabilities	17	244.26	191.85
Other financial liabilities	18	899.33	711.21
Provisions	19	239.47	167.20
Other non current liabilities	20	-	247.46
		6,506.43	4,847.13
Current Liabilities			
Financial Liabilities			
Borrowings	21	16,783.95	14,663.85
Lease Liabilities	22	66.95	66.59
Trade Payables	23	-	-
(a) Total outstanding dues to Micro Enterprise & Small Enterprises		878.31	753.41
(b) Total outstanding dues to creditors other than micro enterprise & small enterprises		18,367.50	21,051.97
Other Financial Liabilities	24	48.32	3,879.11
Other current liabilities	25	2,224.21	1,380.38
Provisions	26	1.64	18.09
		38,370.88	41,813.40
TOTAL EQUITY AND LIABILITIES	(E) (C+D+E)	57,137.87	54,865.41

The accompanying notes are integral part of the financial statements

This is the Balance Sheet referred to in our Report of even date

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For **Baliboi, Purohit & Darbari**
Chartered Accountants
Firm Registration Number - 303086E



Hemal Mehta
Partner
Membership No. 063404
Kolkata, 29 May, 2024

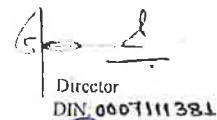


For and on behalf of Board of Directors of
Kota Electricity Distribution Limited



Director
DIN: 0005310850

Sanjay Kumar Choudhary
Chief Financial Officer



Director
DIN: 0007111381

Jatin Navin Singhal
Company Secretary

KOTA ELECTRICITY DISTRIBUTION LIMITED

CIN : U40100WB2012PLC181283

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

Email ID: kedl@rpsg.in; Website: www.ceserajasthan.co.in

Tel: (033) 6499 0049 Fax: (033) 22124262

Statement of Profit and Loss For the Year Ended 31st March 2024

(All amount in Rs. Lakh, unless otherwise stated)

Particulars	Note No.	For the Year ended 31st March 2024	For the Year ended 31st March 2023
Revenue from operations	28	1,01,406.89	1,01,101.97
Other income	29	675.06	281.75
Total Income		1,02,081.95	1,01,383.72
Expenses			
Cost of electrical energy purchased	30	93,272.88	96,206.63
Employee benefit expenses	32 & 32A	1,397.28	1,277.16
Finance costs	31	2,035.85	2,015.69
Depreciation and amortisation expenses	4&5	1,652.17	1,442.09
Other expenses	33	4,857.90	3,987.82
Total expenses		1,03,216.08	1,04,929.39
Regulatory (Income) / expenses (net)			
Profit/ (Loss) before tax		(1,134.13)	(3,545.67)
Tax expense			
Current tax		-	-
Deferred tax		-	-
Profit/ (Loss) after tax		(1,134.13)	(3,545.67)
Other comprehensive income			
<i>Items that will not be reclassified to profit or loss</i>			
Remeasurement of defined benefit plan		(10.19)	0.59
Gain on fair Valuation of investment			
Deferred Tax expenses on above			
Regulatory (income)/Expense - Deferred Tax			
Total comprehensive income/(loss) for the year (net of tax)		(1,144.32)	(3,545.08)
Earnings per equity share			
Basic & Diluted (Face value of Rs 10 per share)		(0.26)	(0.87)

The accompanying notes are integral part of the financial statements

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This is the statement of Profit and Loss referred to in our Report of even date.

For Batliboi, Purohit & Darbari
Chartered Accountants
Firm Registration Number - 303086E



Heinal Mehta
Partner

Membership No.: 063404
Kolkata, 20 May, 2024



For and on behalf of Board of Directors of
Kota Electricity Distribution Limited



Director
DIN: 0005310850

Sanjay Kumar Boudhary
Chief Financial Officer



Director
DIN: 0007111381
Jatin Navin Singhal
Company Secretary

Cash flow statement for For the Year Ended 31st March 2024
 (All amount in Rs. Lakh, unless otherwise stated)


Particulars	For the Year ended 31st March 2024	For the Year ended 31st March 2023
A. Cash flow from Operating Activities		
Profit before Taxation		
<u>Adjustments for:</u>	(1,134.13)	(3,545.67)
Depreciation and amortisation expenses	1,652.17	1,442.09
Loss/(Profit) on sale / disposal of assets (net)	454.39	216.56
Finance costs	2,035.85	2,015.69
Interest Income	(606.52)	(221.83)
Share Issue Expenses	0.00	0.08
Operating Profit before Working Capital changes	2,401.85	(93.08)
<u>Adjustments for:</u>		
Trade & other receivables	1,823.91	2,090.63
Inventories	(9.30)	8.26
Trade and other payables	(3,089.79)	(864.32)
Cash Generated from Operations	1,126.67	1,141.49
Net cash flow from Operating Activities	1,126.67	1,141.49
B. Cash flow from Investing Activities		
Purchase of Property, Plant and Equipment / Capital Work-in-Progress	(5,747.74)	(4,498.64)
Proceeds from Sale of Property, Plant and Equipment	-	8.99
Interest received	584.70	221.83
Net cash used in Investing Activities	(5,163.04)	(4,267.82)
C. Cash flow from Financing Activities		
Advance from holding company	-	3,800.00
Proceeds from Long Term Borrowings	2,946.90	
Proceeds from Issue of Share Capital	4,900.00	3,200.00
Loan from Holding Company	(1,170.00)	
Repayment of Long Term Borrowings	(2,401.47)	(3,294.12)
Share application money received	300.00	
Net increase / (decrease) in Short Term Borrowings	438.62	578.56
Receipt from consumers for Capital Jobs	1,457.01	963.02
Finance Costs paid	(2,004.02)	(1,987.81)
Share Issue Expenses	(0.09)	(0.08)
Payment of Lease Liabilities	(106.51)	(86.08)
Net Cash flow from Financing Activities	4,460.44	3,173.49
Net Increase / (decrease) in cash and cash equivalents	424.07	47.16
Cash and Cash equivalents - Opening Balance	148.44	101.28
Cash and Cash equivalents - Closing Balance	572.51	148.44

Changes in liabilities arising from financing activities	01-Apr-23	Cashflow	Others	31-Mar-24
Current borrowings	12,362.38	438.62	-	12,801.00
Non-current borrowings(including current maturities)	5,830.88	645.43	-	6,476.31
Lease liabilities	258.43	(106.51)	159.29	311.21
Total liabilities from financing activities	18,451.69	977.54	159.29	19,588.52

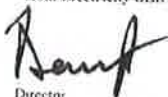
Changes in liabilities arising from financing activities	01-Apr-22	Cash Flows	Others	31-Mar-23
Current borrowings	11,783.82	578.56	-	12,362.38
Non-current borrowings(including current maturities)	9,125.00	(3,294.12)	-	5,830.88
Lease liabilities	313.36	(86.08)	31.15	258.43
Total liabilities from financing activities	21,222.18	(2,801.64)	31.15	18,451.69

The accompanying notes are integral part of the financial statements
 This is the Cash Flow Statement referred to in our Report of even date

For Batliboi, Purohit & Darburi
 Chartered Accountants
 Firm Registration Number - 301080E


 Dermal Mehta
 Partner
 Membership No. 063404
 Kolkata, 20 May, 2024

For and on behalf of Board of Directors of
 Kota Electricity Distribution Limited


 Director
 DIN 0005310850

Sanjay Kumar Choudhary
 Chief Financial Officer


 Director
 DIN 0007111381
 Jatin Navin Singh
 Company Secretary

KOTA ELECTRICITY DISTRIBUTION LIMITED

CIN : (U40100WB2012PLC181283)

Registered Office: CFS House, Chowringhee Square, Kolkata 700 001

Email ID: kedl@rpsg.in; Website: www.cesrajasthan.co.in

Tel: (033) 6499 0049; Fax: (033) 22124262

Statement Of Change In Equity For the Period ended 31st March 2024

(All amount in Rs. Lakh, unless otherwise stated)

A. Equity Share Capital

Particulars	Balance as at 1st April 2023	Changes in Equity Share Capital due to prior period errors	Restated balance as at 1st April 2023	Changes in equity share capital during the period	Balance as at 31st March 2024
	42583.00	0.00	42583.00	4900.00	47483.00

Particulars	Balance as at 1 April 2022	Changes in Equity Share Capital due to prior period errors	Restated balance as at 1 April 2022	Changes in equity share capital during the period	Balance as at 31st March 2023
	39383.00	0.00	39383.00	3200.00	42583.00

B. Other Equity

Particulars	Reserves and surplus			
	Securities Premium	Other Reserves Contingency reserve	Retained Earnings	Total
Balance as at 1st April 2023	-	-	(34,378.12)	(34,378.12)
Share Application Money Pending Allotment	-	-	300.00	300.00
Profit for the year	-	-	(1,134.13)	(1,134.13)
Other Comprehensive Income	-	-	(10.19)	(10.19)
Total Comprehensive Income for the current year	-	-	(1,144.32)	(1,144.32)
Balance as at 31st March 2024	-	-	(35,222.44)	(35,222.44)

(2) Previous reporting period

Particulars	Reserves and surplus			
	Securities Premium	Other Reserves Contingency reserve	Retained Earnings	Total
Balance as at 1st April 2022	-	-	(30,833.04)	(30,833.04)
Share Application Money Pending Allotment	-	-	-	-
Profit for the year	-	-	(3,545.67)	(3,545.67)
Other Comprehensive Income	-	-	0.59	0.59
Total Comprehensive Income for the current year	-	-	(3,545.08)	(3,545.08)
Balance as at 31st March 2023	-	-	(34,378.12)	(34,378.12)

Note: Remeasurement of defined benefit plans and fair value changes relating to own credit risk of financial liabilities designated at fair value through profit or loss shall be recognised as a part of retained earnings with separate disclosure of such items alongwith the relevant amounts in the Notes or shall be shown as a separate column under Reserves and Surplus

For: Batliboi, Purohit & Darbari
Chartered Accountants
Firm Registration Number - 303086F


Hemal Mehta
Partner

Membership No.: 063404
Kolkata, 20 May, 2024

For and on behalf of Board of Directors of
Kota Electricity Distribution Limited


Director
DIN 0005310850

Sanjay Kumar Choudhary
Chief Financial Officer


Director
DIN 0007111381

Jain Navin Singhal
Company Secretary



KOTA ELECTRICITY DISTRIBUTION LIMITED

Notes forming part of Financial Statements for year ended 31 March 2024

(All amount in Rs. Lakh, unless otherwise stated)

NOTE-1 Kota Electricity Distribution Ltd ("the Company") has entered into a Distribution Franchise Agreement (DFA) on 17 June 2016 with Jaipur Vidyut Vitran Nigam Limited (JVNL) and CESC Limited for distribution of electricity in Kota City, situated in the state of Rajasthan. The Company is a public company and is incorporated under the provisions of the Companies Act applicable in India. The registered office of the Company is located at CESC House, I, Chowringhee Square, Kolkata - 700001.

NOTE-2 The operations of the Company, are governed by the Electricity Act, 2003 and various Regulations and / or Policies framed thereunder by the appropriate authorities read with the aforesaid DFA. Accordingly, in preparing the financial statements the relevant provisions of the said Act, Regulations, DFA etc. have been duly considered.

NOTE-3 MATERIAL ACCOUNTING POLICIES

These financial statements have been prepared to comply in all material aspects with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) notified under Section 133 of the Companies Act, 2013 and other provisions of the Companies Act, 2013 and the regulations under the Electricity Act, 2003 to the extent applicable. A summary of important accounting policies which have been applied consistently are set out below.

(a) Basis of Accounting

The financial statements have been prepared on the historical cost convention except for certain financial assets and liabilities which are measured at fair value.

(b) Use of estimate

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

(c) Property, plant and equipment**i) Tangible Asset**

Tangible Assets are stated at cost of acquisition together with any incidental expenses related to acquisition less accumulated depreciation and accumulated impairment loss, if any. An impairment loss is recognized, where applicable, when the carrying value of tangible assets of cash generating unit exceed its market value or value in use, whichever is higher.

Useful Life of Tangible Assets is as follows:

Particulars	Useful Life of Assets
Buildings and Structures	20-30 Years
Distribution System	15-25 Years
Furniture and Fittings	15-20 Years
Metering Equipment	15-25 Years
Office Equipment	6-20 Years
Plant, Machinery and Equipment	15-25 Years

ii) Intangible Asset

Intangible assets comprising computer software expected to provide future enduring economic benefits are stated at cost of acquisition / implementation / development less accumulated amortisation.

iii) Amortisation

Cost of computer software related expenditure, are amortised as per RERC guidelines

(d) Financial asset

The financial assets are classified in the following categories:

- 1) financial assets measured at amortised cost
- 2) financial assets measured at fair value through profit and loss.

The classification of financial assets depends on the Company's business model for managing financial assets and the contractual terms of the cash flow. At initial recognition, the Company measures a financial asset at its fair value.

Financial assets measured at amortised cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate method. The losses arising from impairment are recognised in the profit or loss.

Financial instruments measured at fair value through profit and loss

Financial instruments included within fair value through profit and loss category are measured initially as well as at each reporting period at fair value plus transaction costs as applicable. Fair value movements are recorded in statement of profit and loss.

Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. (Refer Note 37)

For trade receivables the simplified approach of expected lifetime losses has been recognised from initial recognition of the receivables as required by Ind AS 109 Financial Instruments.



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- (e) **Inventories**
Inventories are valued at lower of cost and net realizable value. Cost is calculated on weighted average basis and comprises expenditure incurred in the normal course of business in bringing such inventories to their location and condition. Obsolete, slow moving and defective inventories are identified at the time of physical verification of inventories and where necessary, adjustment is made for such items.
- (f) **Cash and cash equivalents**
Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and term deposits. For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalent includes cash, cheques and draft on hand, balances with banks which are unrestricted for withdrawal/usages and highly liquid financial investments that are readily convertible to known amount of cash which are subject to an insignificant risk of changes in value. Bank overdraft are shown within borrowing in current liabilities in the balance sheet.
- (g) **Financial liabilities**
Financial liabilities are measured at amortised cost using the effective interest method.
- (h) **Segment reporting**
Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM).
- (i) **Revenue from Operations**
Revenue from Operations include earning from sale of electricity and other operating income and is recognised following the revenue recognition principles as appropriate.
Earning from sale of electricity is net of discount for prompt payment of bills and do not include taxes and duties payable.
Other operating income represents income earned which are incidental to distribution of electricity, like meter rental etc., and are accounted on accrual basis.

The contribution received from consumers in accordance with the Regulations which is being used for property, plant & equipment in order to connect the consumers to power distribution network are recognised as revenue when the service is performed.
- (j) **Other Income**
Income from investments and deposits etc. is accounted for on accrual basis inclusive of related tax deducted at source, where applicable. Interest income arising from financial assets is accounted for using amortised cost method.

Late payment surcharge, as a general practice is determined and recognised on a receipt of overdue payment from consumers.
- (k) **Purchase of Electrical Energy**
Cost of electrical energy purchased represents power purchased from JVVNL by the Company computed as per the methodology provided in the DFA.
- (l) **Employee Benefits**
Employee benefits include cost incurred on human resources deployed by the Company through direct employment, deputation from JVVNL, secondment. The salaries and wages, contributions to Provident Fund and Contributory Pension Fund are accounted for on accrual basis. Provident Fund contributions are made to a fund administered through the office of the Regional Provident Fund Commissioner. The Company, as per its schemes, extend employee benefits current and/or post retirement, which are accounted for on accrual basis and includes actuarial valuation as at the Balance Sheet date in respect of gratuity and leave encashment to the extent applicable, made by independent actuary. Actuarial gain and losses are recognised in Other Comprehensive Income/ Profit & Loss account as the case may be.
- (m) **Finance Costs**
Finance Costs comprise interest expenses and other borrowing costs. Such Finance Costs is charged off to revenue. Interest expense arising from financial liabilities is accounted for in effective interest rate method.
- (n) **Taxes**
Current tax represents the amount payable based on computation of tax as per prevailing taxation laws under the Income Tax Act, 1961.
Provision for deferred taxation is made using liability method on temporary difference arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled. Deferred Tax Assets are recognized subject to the consideration of prudence and are periodically reviewed to reassess realization thereof. Deferred Tax Liability or Asset will give rise to actual tax payable or recoverable at the time of reversal thereof.

Current and Deferred tax relating to items recognised outside profit or loss, that is either in other comprehensive income (OCI) or in equity, is recognised along with the related items.
- (o) **Provisions and contingent liabilities**
Provisions are recognised when the Company has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.
A disclosure for contingent liabilities is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources embodying economic benefits will be required to settle or a reliable estimate of the amount cannot be made.



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(p) **INDAS 116 – Leases**

The Company's lease asset classes primarily consist of leases for land, buildings and plant and machinery. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs. The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

NOTE-3A SUMMARY OF SIGNIFICANT JUDGEMENTS AND ASSUMPTIONS

The preparation of financial statements requires the use of accounting estimates, judgements and assumptions which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

The areas involving critical estimates or judgements are :-

Estimated useful life of Intangible Assets -Note-3 (c) (ii)

Estimates used in Actuarial Valuation of Employee benefits -Note- 32A

NOTE-3B CHANGES IN EXISTING IND AS

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated 31st March, 2023 to amend the following Ind AS which are effective for annual periods beginning on or after 1 April, 2023 which include amendments / clarifications in the following accounting standards as below:

(i) Definition of Accounting Estimates - Amendments to Ind AS 8

(ii) Disclosure of Material Accounting Policies - Amendments to Ind AS 1

(iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12

The Company has not early adopted any standards or amendments that have been issued but are not yet effective.

NOTE- 3C RECENT PRONOUNCEMENTS

Ministry of Corporate Affairs (MCA) notifies new standards or amendment to existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31st March,2024, MCA has not issued amendments new standards or amendment to existing standards applicable to the company.



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KOTA ELECTRICITY DISTRIBUTION LIMITED
Notes forming part of Financial Statements (Contd.)

NOTE - 4 PROPERTY PLANT AND EQUIPMENT.

(All amount in Rs. Lakh, unless otherwise stated)

PARTICULARS	GROSS BLOCK AT COST				DEPRECIATION			NET BLOCK	
	As at 1st April 2023	Additions/ Adjustments	Withdrawals/ Adjustments	As at 31st March 2024	As at 1st April 2023	Additions/ Adjustments	Withdrawals/ Adjustments	As at 31st March 2024	As at 31st March 2023
Land	-	-	-	-	-	-	-	-	-
Leasehold	-	-	-	-	-	-	-	-	-
Buildings & Structures*	416.75	127.46	-	544.21	143.02	85.30	228.32	315.89	273.73
Plant and Equipment	1,950.00	794.11	-	2,744.11	429.69	123.19	552.88	2,191.23	1,520.31
Distribution System	15,164.82	3,378.28	54.20	18,488.90	2,454.28	882.84	16.85	15,168.63	12,710.54
Meters and other apparatus	9,173.63	1,004.11	615.39	9,562.35	1,829.98	496.30	198.05	7,434.12	7,343.65
Furniture and Fixtures	203.25	7.27	-	210.52	73.55	12.93	86.48	129.70	129.70
Office Equipment	560.82	34.66	-	595.48	303.08	35.97	339.05	256.43	257.74
Vehicles	12.39	-	-	12.39	2.93	1.18	-	8.28	9.46
Computer hardware	-	-	-	-	-	-	-	-	-
Total	27,481.66	5,345.89	669.59	33,157.96	5,236.53	1,637.71	214.90	25,498.62	22,245.13
Previous Year	24,245.89	3,616.05	380.28	27,481.66	3,914.97	1,429.31	107.75	22,245.13	-

* Includes leasehold improvements.

a) Buildings & Structures includes Net Block of Rs 268.96 Lakh (Previous year - Rs 224.99 lakh) on A/c of Right of Use Assets as per IND AS 116 (refer Note 43).

b) there is no immovable property in the name of the company.

c) for contractual obligation, refer note no 27 for disclosure related capital commitments.

NOTE - 5 OTHER INTANGIBLE ASSETS.

PARTICULARS	GROSS BLOCK AT COST				DEPRECIATION			NET BLOCK	
	As at 1st April 2023	Additions/ Adjustments	Withdrawals/ Adjustments	As at 31st March 2024	As at 1st April 2023	Additions/ Adjustments	Withdrawals/ Adjustments	As at 31st March 2024	As at 31st March 2023
Computer Software	134.71	18.35	-	153.06	63.47	14.46	77.93	75.13	71.24
Total	134.71	18.35	-	153.06	63.47	14.46	77.93	75.13	71.24
Previous Year	134.71	-	-	134.71	50.69	12.78	63.47	71.24	-

Note 6 Capital work-in-progress

Particulars	As at 31st March 2024			
	As at 31st March 2023	As at 31st March 2024	As at 31st March 2023	As at 31st March 2023
Opening Balance	1,960.34	2,889.82	1,960.34	1,960.34
Add: Additions during the year	4,530.45	5,620.59	4,530.45	4,530.45
Less: Capitalisation during the year	3,600.97	5,236.78	3,600.97	3,600.97
Closing Balance	2,889.82	3,273.63	2,889.82	2,889.82

Ageing for Capital work-in-progress as at 31st Mar. 2024

Project in Progress	Amount in CWIP for a period			
	Less than 1 Year	1-2 Year	2-3 Year	More than 3 Years
FY 2023-24	3,273.63	-	-	-
Total	3,273.63	-	-	-

Ageing for Capital work-in-progress as at 31st Mar. 2023

Project in Progress	Amount in CWIP for a period			
	Less than 1 Year	1-2 Year	2-3 Year	More than 3 Years
FY 2022-23	2,889.82	-	-	-
Total	2,889.82	-	-	-

(a) There are no such project under capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan as of 31st March 2024 and 31st March 2023.



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KOTA ELECTRICITY DISTRIBUTION LIMITED
Notes forming part of Financial Statements (Contd.)
(All amount in Rs. Lakh, unless otherwise stated)

Particulars		As at 31st March 2024	As at 31st March 2023
NOTE - 7	OTHER FINANCIALS ASSETS		
	Security Deposit	21.50	17.18
		21.50	17.18
NOTE - 8	OTHER NON CURRENT ASSETS		
	Capital Advance	-	37.58
	Others	0.30	-
		0.30	37.58
NOTE - 9	INVENTORIES		
	Stores and spares	38.46	29.16
		38.46	29.16

NOTE - 10	TRADE RECEIVABLES		
	Considered Good - Unsecured	19,852.69	21,351.15
	Less: Allowance for doubtful trade receivables	1,149.50	849.50
		18,703.19	20,501.65

Ageing of trade receivables as at 31st March 2024 is as follow:

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 month	6month - 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
Undisputed Trade Receivable - considered good	6,790.67	3,176.40	2,107.66	3,489.20	1,164.00	1,975.26	18,703.19
Undisputed Trade Receivable - credit impaired	-	-	-	2.00	5.00	1,142.50	1,149.50
Disputed Trade Receivable - considered good	-	-	-	-	-	-	-
Disputed Trade Receivable - credit impaired	-	-	-	-	-	-	-
	6,790.67	3,176.40	2,107.66	3,491.20	1,169.00	3,117.76	19,852.69
Less: Allowance for doubtful trade receivables							1,149.50
Total trade receivable							18,703.19

Ageing of trade receivables as at 31st March 2023 is as follow:

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 month	6month - 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
Undisputed Trade Receivable - considered good	7,125.41	3,575.00	2,472.00	2,802.50	3,056.30	1,470.44	20,501.65
Undisputed Trade Receivable - credit impaired	-	-	-	12.50	16.00	821.00	849.50
Disputed Trade Receivable - considered good	-	-	-	-	-	-	-
Disputed Trade Receivable - credit impaired	-	-	-	-	-	-	-
	7,125.41	3,575.00	2,472.00	2,815.00	3,072.30	2,291.44	21,351.15
Less:- Allowance for doubtful trade receivables							849.50
Total trade receivable							20,501.65

NOTE - 11	CASH AND CASH EQUIVALENTS		
a)	Balances with banks		
	- In current accounts	536.07	85.33
b)	Cheques , drafts on hand	36.22	62.89
c)	Cash on hand	0.22	0.22
		572.51	148.44

NOTE - 12	BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS		
	Balance in Escrow Account	69.93	7.45
	Deposits with original maturity of more than 3 months	8,630.00	8,630.00
		8,699.93	8,637.45

a)As security for payment of the Secured Obligations in accordance with the DFA, the Company, in the capacity of Distribution Franchisee as the legal and/or beneficial owner of the secured Amounts has hypothecated by way of first ranking charge of the aforesaid Escrow Account of Rs. 8630.00 lakh (Previous year Rs. 8630.00 lakh) in favour of JVVNL in form of bank deposits.

NOTE - 13	OTHER FINANCIAL ASSETS		
	Others	254.60	287.76
		254.60	287.76



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KOTA ELECTRICITY DISTRIBUTION LIMITED
Notes forming part of Financial Statements (Contd.)
(All amount in Rs. Lakh, unless otherwise stated)

Particulars	As at 31st March 2024		As at 31st March 2023	
	No. of shares	Amount in Lakhs	No. of shares	Amount in Lakhs
NOTE 14 EQUITY				
a) Authorised Share Capital 50,00,00,000 (Previous year 50,00,00,000) Equity Shares of Rs.10 each		50,000.00		50,000.00
b) Issued,Subscribed and paid up Capital 47,48,30,000 (Previous year 42,58,30,000) fully paid up Equity Shares of Rs 10/- each		47,483.00		42,583.00
c) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period				

Particulars	As at 31st March 2024		As at 31st March 2023	
	No. of shares	Amount in Lakhs	No. of shares	Amount in Lakhs
Balance at the beginning of the year	42,58,30,000	42,583.00	39,38,30,000	39,383.00
Add:Share Issued and allotted during the year	4,90,00,000	4,900.00	3,20,00,000	3,200.00
Closing Balance	47,48,30,000	47,483.00	42,58,30,000	42,583.00

d) Terms /rights attached to equity shares :

The Company has only one class of equity shares having a par value of Rs. 10 per share fully paid up. Holders of equity shares are entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the sale proceeds from remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

e) Details of shareholders holding more than 5% shares in the Company and shares held by holding co.

Name of shareholder	As at 31st March 2024		As at 31st March 2023	
	No. of shares	% of holding	No. of shares	% of holding
CESC Limited along with nominees (Holding Company)	47,48,30,000	100	42,58,30,000	100

f) Shareholding of Promoters As on 31st March 2024 :-

S. No	Promoter name	No. of Shares	%of total shares	% Change during the year
1	CESC LTD	47,48,30,000	100	0%

Shareholding of Promoters As on 31st March 2023 :-

S. No	Promoter name	No. of Shares	%of total shares	% Change during the year
1	CESC LTD	42,58,30,000	100	0%



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KOTA ELECTRICITY DISTRIBUTION LIMITED**Notes forming part of Financial Statements (Contd.)**

(All amount in Rs. Lakh, unless otherwise stated)

	As at 31st March 2024	As at 31st March 2023
NOTE- 15 OTHER EQUITY		
Share Application Money Pending Allotment	300.00	-
Retained Earnings		
Surplus/(Deficit) at the beginning of the year	(34,378.12)	(30,833.04)
Add : Profit/ (Loss)	(1,144.32)	(3,545.08)
	<u>(35,222.44)</u>	<u>(34,378.12)</u>

NOTE- 16 NON CURRENT - BORROWINGS		
Secured term Loan	6,529.41	5,830.88
Less: Current maturities of non current borrowings transferred to Other Financial liabilities (refer note 21)	1,352.94	2,301.47
Less: Unamortised front end fees	53.10	-
	<u>5,123.37</u>	<u>3,529.41</u>

Term loan is secured by:

The Term loan facility secured first charge by way of mortgage/ hypothecation on pari pasu basis over Property, Plant and Equipment of the Company (excluding those charged to JVVNL) .

Terms of Repayment:

Maturity Profile of Long Term Loans outstanding as on 31.03.2024	Rupee term loan from Banks	Current Maturities
Loans with residual maturity within 1 year	-	-
Loans with residual maturity between 1 and 3 years	3,529.41	1,176.47
Loans with residual maturity between 3 and 5 years	3,000.00	176.47

Interest rate on Rupee Term Loan from Bank is based on spread over the lender's benchmark rate

The above loan is repayable in periodic instalments over the maturity period of the loan

NOTE- 17 NON CURRENT - LEASE LIABILITIES		
Lease Liabilities (refer note 43)	244.26	191.85
	<u>244.26</u>	<u>191.85</u>

NOTE - 18 NON CURRENT - OTHER FINANCIAL LIABILITIES		
Meter Security	899.33	711.21
	<u>899.33</u>	<u>711.21</u>

NOTE - 19 NON CURRENT - PROVISIONS		
Provision for employee benefits	239.47	167.20
	<u>239.47</u>	<u>167.20</u>

NOTE -20 OTHER NON CURRENT LIABILITIES		
Receipt from consumers for capital jobs	-	247.46
	<u>-</u>	<u>247.46</u>



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KOTA ELECTRICITY DISTRIBUTION LIMITED
Notes forming part of Financial Statements (Contd.)
 (All amount in Rs. Lakh, unless otherwise stated)

Particulars	As at 31st	As at 31st
	March 2024	March 2023
NOTE - 21 CURRENT - BORROWINGS		
<i>Secured</i>		
Overdraft from banks (Repayable on demand)	12,801.01	12,362.38
Current maturity of long term debt	1,352.94	2,301.47
Loan from Holding Company	2,630.00	-
	16,783.95	14,663.85

- (a) The Bank overdraft facility secured by way of Second pari passu charge by way of hypothecation over entire current assets of the company.
- (b) The Term loan facility secured first charge by way of mortgage/ hypothecation on pari passu basis over Property, Plant and Equipment of the Company (excluding those charged to JVVNL).
- (c) The Company has availed working capital facilities from bank on the basis of security of current assets. The Company has regularly filed the quarterly and monthly statements with the banks and the same are in agreement with the books of accounts of the company.

NOTE - 22 CURRENT LEASE LIABILITIES		
Lease Liabilities (refer note 43)	66.95	66.59
	66.95	66.59

NOTE - 23 TRADE PAYABLES		
Trade Payables	18,367.50	21,051.97
(a) Total outstanding dues to Creditors other than micro Enterprise & Small Enterprises	878.31	753.41
(b) Total outstanding dues to micro Enterprise & Small Enterprises****	19,245.81	21,805.38

Ageing for trade payables outstanding as at 31st March 2024 is as follows:

Particulars	Outstanding for following periods from due date of Payment					Total
	Not Due	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
FY 2023-24						
(i) MSME	878.31	-	-	-	-	878.31
(ii) Others	12,352.85	4,485.20	1,529.45	-	-	18,367.50
(iii) Disputed Dues-MSME	-	-	-	-	-	-
(iv) Disputed Dues-Others	-	-	-	-	-	-
Total	13,231.16	4,485.20	1,529.45	-	-	19,245.81

Ageing for trade payables outstanding as at 31st March 2023 is as follows:

Particulars	Outstanding for following periods from due date of Payment					Total
	Not Due	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
FY 2022-23						
(i) MSME	-	753.41	-	-	-	753.41
(ii) Others	-	14,671.01	2,515.92	2,441.23	1,423.81	21,051.97
(iii) Disputed Dues-MSME	-	-	-	-	-	-
(iv) Disputed Dues-Others	-	-	-	-	-	-
Total	-	15,424.42	2,515.92	2,441.23	1,423.81	21,805.38

**** The above information regarding MSME has been determined to the extent such parties have been identified on the basis of the information available with the company.

- | | | |
|---|-----|-----|
| (a) the principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year; | Nil | Nil |
| (b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year; | Nil | Nil |
| (c) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006; | Nil | Nil |
| (d) the amount of interest accrued and remaining unpaid at the end of each accounting year; and | Nil | Nil |
| (e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006. | Nil | Nil |

NOTE - 24 OTHER CURRENT FINANCIAL LIABILITIES		
Payable to Related parties	-	3,840.21
Others	48.32	38.90
	48.32	3,879.11

NOTE - 25 OTHER CURRENT LIABILITIES		
a) Statutory dues	90.61	64.27
b) Receipt from consumers for capital jobs	341.09	-
c) Others	1,792.51	1,316.11
	2,224.21	1,380.38



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KOTA ELECTRICITY DISTRIBUTION LIMITED
Notes forming part of Financial Statements (Contd.)

(All amount in Rs. Lakh, unless otherwise stated)

Particulars	As at 31st March 2024	As at 31st March 2023
NOTE -26 CURRENT PROVISIONS		
Provision for employee benefits	1.64	18.09
	1.64	18.09
NOTE -27 CONTINGENT LIABILITIES AND COMMITMENTS		
a) Commitments of the Company on account of estimated amount of contracts remaining to be executed on capital account and not provided for Rs 520.00 lakh. (Previous year - Rs 557.00 Lakh)		
b) Other money for which the company is contingently liable: (i)Bank Guarantee : Rs. 4300.00 lakh (Previous year - Rs. 4300.00 lakh) (ii)Standby Letter of Credit : Rs. 18020.00 lakh (Previous year - Rs. 18020.00 lakh)		
c) The Company has since invoked arbitration proceedings under the Distribution Franchisee Agreement (DFA) with Jaipur Vidyut Vitran Nigam Limited (JVVNL) in respect of certain claims raised by JVVNL (pursuant to an audit carried out), which earlier has not been accepted by the Company. Pending final adjudication of the said arbitration, the impact, if any, is not ascertainable. Necessary adjustments, if required, will be made on conclusion of the proceedings on the subject.		
NOTE - 28 REVENUE FROM OPERATIONS		
a) Earnings from sale of electricity <i>'- Net of rebate Rs.625.44 lakh (Previous year Rs.2440.59 lakh)</i> <i>'- Net of subsidy Rs 12196.17 Lakh (Previous year 11579.38) (refer note c below)</i>	98,793.95	99,281.89
b) Other Operating Revenue Contribution from Consumer Others	1,363.37 1,249.57	848.41 971.67
	1,01,406.89	1,01,101.97
c) The State Government of Rajasthan, in Annual Budgets for FY 2023-24, announced Subsidy for certain consumers. Accordingly, during FY 2023-24, the consumers were given subsidy in their bills amounting to Rs. 12196.17 lakh & for FY 2022-23 Rs. 11579.38 lakh and the revenue from operations shown is net of the aforesaid Subsidy. Accordingly, the power purchase amount shown in Profit and Loss Account is net of the aforesaid subsidy amount.		
NOTE - 29 OTHER INCOME		
Interest income	606.52	221.83
Miscellaneous income	68.54	59.92
	675.06	281.75
NOTE - 30 COST OF ELECTRICAL ENERGY PURCHASED		
Cost of electrical energy purchased <i>'- Net of subsidy Rs 12196.17 Lakh (Previous year Rs. 11579.38)</i>	93,272.88	96,206.63
	93,272.88	96,206.63
NOTE - 31 FINANCE COST		
Interest on borrowings	1,563.74	1,675.92
Other Borrowing Charges	472.11	339.77
	2,035.85	2,015.69
NOTE - 32 EMPLOYEE BENEFIT EXPENSES		
a) Salaries, wages and bonus	1,212.81	1,112.83
b) Contribution to provident and other funds	103.57	78.12
c) Employees' welfare expenses	91.09	85.62
Add: Transfer to Other Comprehensive Income*	(10.19)	0.59
	1,397.28	1,277.16

*As per Ind AS 19, Actuarial gain or loss on post retirement defined benefit plans has been recognised in Other Comprehensive income.



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KOTA ELECTRICITY DISTRIBUTION LIMITED

Notes forming part of Financial Statements (Contd.)

(All amount in Rs. Lakh, unless otherwise stated)

NOTE-32 A**Employee Benefits**

The Company makes contributions for provident fund and pension towards retirement benefit plans for eligible employees. Under the said plans, the Company is required to contribute a specified percentage of the employees' salaries to fund the benefits. Liabilities at the year-end for gratuity and leave encashment have been determined on the basis of actuarial valuation carried out by an independent actuary, based on the method prescribed in Ind AS 19 - "Employee Benefits" of the Companies (Indian Accounting Standards) Rules 2018

Net Liability / (Asset) recognized in the Balance Sheet:

	As at 31st March, 2024		As at 31st March, 2023	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Present value of funded obligation	120.93	120.18	93.69	91.60
Fair Value of Plan Assets	-	-	-	-
	120.93	120.18	93.69	91.60
Present value of un-funded obligation	-	-	-	-
Unrecognised past service cost	-	-	-	-
Net Liability/(Asset)	120.93	120.18	93.69	91.60

Expenditure shown in the Note to Statement of Profit and Loss as follows:

	FY 2023-24		FY 2022-23	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Current Service Cost	19.86	19.98	15.87	16.91
Interest Cost	6.41	6.29	5.33	5.06
Expected Return on Plan Assets	-	-	-	-
Actuarial loss/(gain)	10.19	10.78	(0.59)	1.76
Plan Amendment	-	-	-	-
Past Service Cost	-	-	-	-
Total	36.46	37.05	20.62	23.73

Other Comprehensive income

	FY 2023-24		FY 2022-23	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Return on Plan Assets	-	-	-	-
Actuarial loss/(gain)	10.19	-	(0.59)	-
Total	10.19	-	(0.59)	-

Reconciliation of Opening and Closing Balances of the present value of obligations:

	FY 2023-24		FY 2022-23	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Opening defined benefit obligation	93.69	91.60	73.08	70.72
Current Service Cost	19.86	19.97	15.87	16.91
Past Service Cost	-	-	-	-
Interest Cost	6.41	6.29	5.33	5.06
Plan Amendments	-	-	-	-
Actuarial loss/(gain)	10.19	10.78	(0.59)	1.76
Benefits paid	(9.22)	(8.46)	-	(2.85)
Closing Defined Benefit Obligation	120.93	120.18	93.69	91.60

Reconciliation of Opening and Closing Balances of fair value of plan assets:

	FY 2023-24		FY 2022-23	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Opening fair value of Plan Assets	-	-	-	-
Interest Income on Plan Assets	-	-	-	-
Contributions by employer	9.22	8.46	-	2.85
Actual Company Contributions	-	-	-	-
Actuarial gain/(loss)	-	-	-	-
Benefits paid	(9.22)	-	-	-
Closing Fair Value on Plan Assets	-	8.46	-	2.85



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	FY 2023-24		FY 2022-23	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Movements in net liability/(asset):				
Opening balance - Net liability/(asset)	93.69	91.60	73.07	70.72
Mov. in inc-/(decrease) in scope of consolidation	-	-	-	-
Mov. in benefits paid	-	-	-	-
Mov. in curtailments and settlements	-	-	-	-
Mov. in contributions by the employer	(9.22)	(8.46)	-	(2.85)
Mov. in contributions by the plan participants	-	-	-	-
Mov. in reimbursement rights	-	-	-	-
Expenses (income) recognized in income statement	26.27	37.04	21.21	23.73
Expense (income) recognized in OCI	10.19	-	(0.59)	-
Net liability/(assets) - Status	120.93	120.18	93.69	91.60

Sensitivity	FY 2023-24		FY 2022-23	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
DBO at 31.3 with discount rate +1%	107.07	106.07	83.58	81.40
Corresponding service cost	17.24	17.21	13.81	14.64
DBO at 31.3 with discount rate -1%	137.44	137.12	105.74	103.84
Corresponding service cost	23.05	23.38	18.38	19.70
DBO at 31.3 with +1% salary escalation	137.60	137.29	105.76	104.00
Corresponding service cost	23.08	23.41	18.41	19.74
DBO at 31.3 with -1% salary escalation	106.71	105.70	83.29	81.11
Corresponding service cost	17.17	17.14	13.76	14.58
DBO at 31.3 with +50% withdrawal rate	121.17	120.62	93.89	91.97
Corresponding service cost	19.88	20.08	15.89	17.01
DBO at 31.3 with -50% withdrawal rate	120.68	119.73	93.49	91.23
Corresponding service cost	19.82	19.85	15.85	16.80
DBO at 31.3 with +10% mortality rate	121.01	120.27	93.76	91.67
Corresponding service cost	19.87	19.98	15.89	16.93
DBO at 31.3 with -10% mortality rate	120.85	120.10	93.62	91.53
Corresponding service cost	19.84	19.95	15.86	16.89

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

Major categories of total plan assets	FY 2023-24		FY 2022-23	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Cash- & cash equivalents	-	-	-	-
thereof non-quoted market price	-	-	-	-
Equity instruments	-	-	-	-
thereof non-quoted market price	-	-	-	-
Debt instruments	-	-	-	-
thereof non-quoted market price	-	-	-	-
Real estate investments	-	-	-	-
thereof non-quoted market price	-	-	-	-
All other instruments	-	-	-	-
thereof non-quoted market price	-	-	-	-
Total	-	-	-	-

Estimated Cash Flows (Undiscounted)	FY 2023-24		FY 2022-23	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
1st Year	0.77	0.92	9.88	8.85
2 to 5 Years	9.80	9.14	7.48	6.86
6 to 10 Years	66.40	63.43	42.31	44.37
More than 10 Years	264.16	281.05	205.39	212.25



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	FY 2023-24		FY 2022-23	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Actuarial assumptions				
Discount rate current year (%)	6.95	6.95	7.20	7.20
Expected rate for salary increases (%)	5.00	5.00	5.00	5.00
Pension trend (%)	-	-	-	-
Expected contributions to be paid for next year	-	-	-	-
Weighted average duration of the defined benefit plan (in years)	14.49	15.05	14.01	14.63
Number of insured employees	159.00	159.00	135.00	135.00

	FY 2023-24		FY 2022-23	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Annual comparison				
in absolute terms:				
Defined benefit obligation (DBO)	120.93	120.18	93.69	91.60
Fair value of plan assets	-	-	-	-
Asset ceiling	-	-	-	-
Net funded status	120.93	120.18	93.69	91.60

	FY 2023-24		FY 2022-23	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Calculation Net position				
Actuarial present value of retirement pension commitment (DBO)	120.93	120.18	93.69	91.60
Fair value of plan assets	-	-	-	-
Net funded status - liability/(asset)	120.93	120.18	93.69	91.60
Unrecognized assets	-	-	-	-
Reimbursement rights	-	-	-	-
Net liability / (asset) recognized in BS	120.93	120.18	93.69	91.60

Mortality Rate

Mortality rates prior to retirement for the valuation as at 31st March 2024 were taken from the standard table – Indian Assured Lives Mortality (2012-14) ultimate. The same for the valuation as at 31st March 2023 were also taken from the same standard table – Indian Assured Lives Mortality (2012-14) ultimate.

Risks to which the plan exposes the entity i.e. the valuation results may go wrong:

Credit Risk : If the scheme is insured and fully funded on PUC basis there is a credit risk to the extent the insurer(s)/s are unable to discharge their obligations including failure to discharge in timely manner

Pay-as-you-go Risk : For unfunded schemes financial planning could be difficult as the benefits payable will directly affect the revenue and this could be widely fluctuating from year to year. Moreover there may be an opportunity cost of better investment returns affecting adversely the cost of the scheme.

Discount Rate risk: The Company is exposed to the risk of fall in discount rate. A fall in discount rate will eventually increase in the ultimate cost of providing the above benefit thereby increasing the value of the liability.

Liquidity Risk: This risk arises from the short term asset and liability cash-flow mismatch thereby causing the company being unable to pay the benefits as they fall due in the short term. Such a situation could be the result of holding large illiquid assets disregarding the results of cash-flow projections and cash outgo inflow mismatch. (Or it could be due to insufficient assets/cash.)

Future Salary Increase Risk: The Scheme cost is very sensitive to the assumed future salary escalation rates for all final salary defined benefit Schemes. If actual future salary escalations are higher than that assumed in the valuation actual Scheme cost and hence the value of the liability will be higher than that estimated.

Demographic Risk: In the valuation of the liability certain demographic (mortality and attrition rates) assumptions are made. The Company is exposed to this risk to the extent of actual experience eventually being worse compared to the assumptions thereby causing an increase in the scheme cost.

Regulatory Risk: Gratuity Benefit must comply with the requirements of the Payment of Gratuity Act, 1972 (as amended up-to-date). There is a risk of change in the regulations requiring higher gratuity payments (e.g. raising the present ceiling of Rs.20,00,000, raising accrual rate from 15/26 etc.)

The above is a set of risk exposures relating to Gratuity Scheme in general. It is strongly advised that the Company should carefully examine the above list and add more risks if appropriate while preparing its financial disclosure statements.



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KOTA ELECTRICITY DISTRIBUTION LIMITED
Notes forming part of Financial Statements (Contd.)

(All amount in Rs. Lakh, unless otherwise stated)

Particulars	As at 31st March 2024	As at 31st March 2023
NOTE - 33 OTHER EXPENSES		
a) Consumption of stores and spares	84.97	114.55
b) Repairs		
Distribution System	2,139.92	1,843.10
Others	3.20	36.30
	<u>2,143.12</u>	<u>1,879.40</u>
c) Insurance	21.38	17.76
d) Rent	2.74	0.82
e) Rates and taxes	4.00	2.82
f) Audit Fees		
Statutory audit (Including Limited review Fees)	1.89	1.59
Tax audit	0.47	0.30
Other Services	-	0.12
g) Communication Expense	95.10	89.67
h) Printing & stationery	5.81	7.22
i) Travelling	9.87	7.65
j) Car Hire	89.06	88.49
k) Legal & other fees	201.78	4.43
l) Advertisement	27.06	21.35
m) Security	78.94	75.95
n) Generator Hire charges	9.33	9.78
o) Meter reading & collection expenses	591.14	495.34
p) Technical & Commercial Service	91.34	133.94
q) IT Service Cost	236.00	236.00
r) Miscellaneous expenses	1,163.90	800.64
	<u>4,857.90</u>	<u>3,987.82</u>



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KOTA ELECTRICITY DISTRIBUTION LIMITED
Notes forming part of Financial Statements (Contd.)

(All amount in Rs. Lakh, unless otherwise stated)

NOTE-34 RELATED PARTY - DISCLOSURE

- A. **Parent- under de facto control as defined in Ind AS -110**
Rainbow Investments Limited
- B. **Holding Company**
CESC Limited
- C. **Entities under Common Control**
RPSG Ventures Limited
- D. **Fellow Subsidiary**
Ranchi Power Distribution Company Limited
- E. **Key Management Personnel (KMP)**

Name	Relationship
Mr. Ramesh Chandra Agarwala (till 20.06.2023)	Director
Mr. Subhasis Mitra	Director
Mr. Rajarshi Banerjee	Director
Ms. Gargi Chatterjea	Director
Mr. Aniruddha Basu	Director
Mr. Prem Ranjan Kumar	Director
Mr. Shriprakash Joshi	Director
Mr. Anomitra Dhali (till 08.02.2023)	Manager
Mr. Santanu Bhattacharya (from 08.02.2023)	Manager

F. Details of transactions between the Company and related parties and status of outstanding balances

Name	Nature of Transaction	Amount of transaction		Outstanding Balance as at	
		For the Period ended 31st March 2024	For the Period ended 31st March 2023	31st March 24	31st March 23
CESC LIMITED	Allotment of Equity share	4,900.00	3,200.00	-	-
	Paid/Adjusted during the year	40.21	-	-	-
	Expense Payable	-	43.93	-	40.21
	Advance against issue of Equity Share	300.00	-	-	-
	Stock Transfer	-	3.72	-	-
	Paid/Adjusted during the year	-	-	-	3,800.00
	Advance from Holding company	-	3,800.00	-	-
	Loan from holding company	6,130.00	-	2,630.00	-
RPSG VENTURES LIMITED	Expense Payable	236.00	236.00	-	-
RANCHI POWER DISTRIBUTION COMPANY LIMITED	Stock Transfer	-	76.76	-	-
REMUNERATION OF KEY MANAGERIAL PERSONNEL	Short Term Employee Benefits	-	39.66	-	-
	Retirement Benefits	-	2.49	-	-



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KOTA ELECTRICITY DISTRIBUTION LIMITED
Notes forming part of Financial Statements (Contd.)

NOTE-35 Fair value measurements

(All amount in Rs. Lakh, unless otherwise stated)

a) The carrying value and fair value of financial instruments by categories as at the end of the year is as follows:

Particulars	31st March, 2024			31st March, 2023		
	Amortized cost	FVTOCI	FVTPL	Amortized cost	FVTOCI	FVTPL
Financial assets						
Investments						
- Loans						
Trade Receivables	18,703.19	-	-	20,501.65	-	-
Cash and cash equivalents	572.51	-	-	148.44	-	-
Other Bank balances	8,699.93	-	-	8,637.45	-	-
Other Financial Asset	276.10	-	-	304.94	-	-
Total financial assets	28,251.73	-	-	29,592.48	-	-
Financial liabilities						
Borrowings	21,907.32	-	-	18,193.26	-	-
Trade Payables	19,245.81	-	-	21,805.38	-	-
Lease Liabilities	311.21	-	-	258.44	-	-
Other Financial Liabilities	947.65	-	-	4,590.32	-	-
Total financial liabilities	42,411.99	-	-	44,847.40	-	-

Financial assets and liabilities measured at fair value	Level 1	Level 2	Level 3	Total fair value	Total carrying amount
As at 31st March 2024					
Financial assets					
Investment in liquid mutual fund units	-	-	-	-	-
Total financial assets	-	-	-	-	-

The different levels have been defined below:

Level 1: financial instruments measured using quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices)

Level 3: inputs for the asset or liability that are not based on observable market data.

b) The following methods and assumptions were used to estimate the fair values

i. The carrying amounts of trade receivables, trade payables, other bank balances, cash and cash equivalents, current borrowings are considered to be the same as their fair values, due to their short term nature.

ii. Security deposit on rented premises is based on discounted cash flows using a current borrowing rate.

iii. Fair value of financing instruments which is determined on the basis of discounted cash flow analysis, considering the nature, risk profile and other qualitative factor. The carrying amount will be reasonable approximation of the fair value

NOTE- 36 For the year ended 31.03.2024, Revenue under Other Operating Revenue include Rs 1363.37 lakh (Previous Year Rs 848.41 lakh) being contribution from consumers related to such capital jobs which are completed within 31.03.2024

NOTE- 37 Financial risk management

The Company's activities expose it to credit risk, liquidity risk, capital risk and market risk (including interest rate risk and currency risk). The Company's overall risk management strategy seeks to minimise adverse effects from the unpredictability of the financial markets on the Company's financial performance.

The Board of Directors is responsible for setting the objectives and underlying principles of financial risk management for the Company.

i) Credit risk

In order to manage credit risk arising from sale of electricity, multipronged approach is followed like precipitation of action against defaulting consumers, obtaining support of the administrative authority. The trade receivables are secured by the security deposits obtained and maintained by the Jaipur Vidyut Vitran Nigam Limited from consumers.

ii) Liquidity risk

The Company manages its liquidity risk on financial liabilities by maintaining healthy working capital and liquid fund position keeping in view the maturity profile of its borrowings and other liabilities as disclosed in the respective notes.

iii) Market risk

a) Interest rate risk

The Company is exposed to interest rate risk because it borrows fund at both fixed and floating interest rates. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowing

b) Currency risk

The Company has no foreign currency risk exposure.



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KOTA ELECTRICITY DISTRIBUTION LIMITED
Notes forming part of Financial Statements (Contd.)
(All amount in Rs. Lakh, unless otherwise stated)

NOTE- 38 Capital Management

For the purposes of the Company's capital management, capital includes issued capital and all the other equity reserves. The primary objective of the Company's capital management is to maximize shareholder value. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants, if any.

The Company has not declared or paid any dividends during the year (Previous Year: Nil).

NOTE- 39 The major components of Deferred Tax Assets / (Liabilities) based on the timing difference as at 31st March, 2024 are as under :

Particulars	As at 31st March 2024	As at 31st March 2023
Liabilities		
Excess of tax depreciation over book depreciation	2,785.36	2,336.79
TOTAL	2,785.36	2,336.79
Assets		
Business loss and Unabsorbed depreciation	10,608.00	9,454.35
Others	355.68	265.91
TOTAL	10,963.67	9,720.26
Net Deferred Tax Assets (Liability)	8,178.32	7,383.47

Net Deferred Tax Assets of Rs 8178.32 Lakh as above has not been recognised

NOTE- 40 Earnings per share:

Computation of Earnings per share

Particulars		As at 31st March 2024	As at 31st March 2023
Profit / (Loss) After Tax (Rs. in lakh)	(A)	(1,134.13)	(3,545.67)
Weighted Average no. of shares	(B)	44,09,39,290	40,74,08,082
Basic and Diluted Earnings per share of Rs 10/-	A/B	(0.26)	(0.87)

NOTE-41 Additional Information:

- The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- The Company does not have any transactions with companies struck off.
- The Company does not has any charges or satisfaction which is yet to be registered with ROC beyond the statutory period
- The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - 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
 - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- The Company has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)
- Since the Company does not have any subsidiary, compliance with the provisions of layers of subsidiaries under the Companies Act, 2013, read with Rules made thereunder, does not apply to the Company.

NOTE-41 A Audit trail as per proviso to Rule 3(1) of Companies (Accounts) Rules, 2014

The Ministry of Corporate Affairs (MCA) has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules 2021 requiring companies, which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

The Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. However, audit trail feature is not enabled for certain changes at the database level for the application due to technical reasons. Further, no instance of audit trail feature being tampered with was noted in respect of the accounting software.



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Notes forming part of Financial Statements (Contd.)
(All amount in Rs. Lakh, unless otherwise stated)
NOTE- 42
Ratios

The following are analytical for the year ended 31st March 2024 and 31st March 2023.

Sr. No.	Particulars	Numerator	Denominator	31st March 2024	31st March 2023	% Change	Explanation to change more than 25%
1	Current Ratio	Current Assets	Current Liabilities	0.74	0.71	4.06%	
2	Debt-Equity Ratio	Total Debt	Total Equity	1.79	2.22	-19.42%	
3	Debt Service Coverage Ratio	Earnings before interest, taxes, depreciation, and amortization	Debt Service	1.75	(0.02)	7848.21%	Due to additional term loan of Rs. 30 Cr.
4	Return on Equity Ratio	Net Profit after tax	Average Shareholder's Equity	-11.08%	-42.32%	73.81%	Impact of loss reduction during the year.
5	Inventory turnover Ratio			NA	NA	NA	
6	Trade receivable turnover Ratio	Revenue from Operations	Average Trade Receivables	5.17	4.68	10.58%	
7	Trade Payable turnover Ratio	Cost of Fuel & Power Purchase	Average Trade Payables	4.93	4.64	6.30%	
8	Net Capital turnover Ratio	Revenue from Operations	Average Working Capital	(10.87)	(14.93)	27.19%	Major impact of repayment of Rs 11.70 Cr to CESC Ltd
9	Net profit Ratio	Net Profit after tax	Total Income	-1.11%	-3.50%	68.23%	Impact of loss reduction during the year.
10	Return on capital employed	Earning before interest and taxes	Capital Employed	2.64%	-5.80%	145.55%	Due to increase in sales volume & lower T & D
11	Return on Investment	Income generated from investments	Average Investment funds	7.01%	5.12%	100.00%	Impact of FD Rs. 86.30 Cr

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KOTA ELECTRICITY DISTRIBUTION LIMITED**Notes forming part of Financial Statements (Contd.)**

(All amount in Rs. Lakh, unless otherwise stated)

Note - 43

The Company has adopted IndAs 116 "Leases".

Right-of-use assets recognised and the movements during the period

Particulars	Building	Total
1st April 2023		
Right-of-use Assets	224.99	224.99
Addition:		
IND AS -116	127.46	127.46
Deletion	-	-
Depreciation	83.49	83.49
31st March 2024	268.96	268.96

Lease liabilities and the movements during the period:

Particulars	Total
1st April 2023	
Minimum Lease Obligation	258.43
Addition:	
IND AS -116	127.46
Deletion	-
Interest expenses incurred during the period	31.82
Payment of lease liabilities	106.51
31st March 2024	311.21
Current lease liabilities	66.95
Non-current lease liabilities	244.26

Future minimum lease payments during next one year Rs 66.95 lacs, later than one year but not later than five years Rs 244.26 lacs and later than five years Rs Nil

The following are the amounts recognised in profit or loss:

Particulars	Total
Depreciation expense of right-of-use assets	83.49
Interest expense on lease liabilities	31.82
Expense relating to short-term leases (included in other expenses)	-
Expense relating to leases of low-value assets (included in other expenses)	-
Variable lease payments (included in other expenses)	-
Total amount recognised in profit or loss	115.31



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- NOTE- 44** The Company is engaged in distribution of electricity and does not operate in any other reportable segments. The reportable business segments are in line with the segment wise information which is being presented to the CODM. There are no reportable geographical segments, since all business is within India.
- NOTE- 45** The Company has reclassified previous year's figures to conform to this year's classification alongwith other regrouping / rearrangement wherever necessary.

For **Batliboi, Purohit & Darbari**
Chartered Accountants
Firm Registration Number - 303086E



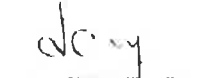
Hemal Mehta
Partner
Membership No.: 063404
Kolkata, May, 2024



For and on behalf of Board of Directors of
Kota Electricity Distribution Limited



Director
DIN: 000530850



Rajiv Kumar Chaudhary
Chief Financial Officer



Director
DIN: 0007111381



Jatin Navin Singhal
Company Secretary