



M. M. KHAN AND ASSOCIATES

Chartered Accountants

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Limited Review Report on the Interim Financial Statements of M/S Kashmir Power Distribution Corporation Limited:

We have reviewed the accompanying interim financial statements of **M/S Kashmir Power Distribution Corporation Limited**, which comprise the balance sheet as on 30th September 2024, and the related statements of Profit and Loss for the period ended on 30th September 2024, and the related notes to the interim financial statements.

Management's Responsibility for the Interim Financial Statements:

The Company's management is responsible for the preparation and fair presentation of these interim financial statements in accordance with applicable financial reporting framework and for such internal control as management determines is necessary to enable the preparation of interim financial statements that are free from material misstatement, whether due to fraud or error.

Our Responsibility:

Our responsibility is to conduct the review engagements in accordance with applicable review standards issued by ICAI, which require us to perform procedures to obtain limited assurance about whether the interim financial statements are free from material misstatement.

Limited Review Procedures:

We conducted our review in accordance with review standard **SRE 2410** issued by ICAI, including performing analytical procedures and making inquiries of management. A review is substantially less in scope than an audit conducted in accordance with auditing standards, the objective of which is the expression of an opinion regarding the financial statements as a whole.

Conclusion:

Except for **Emphasis of Matter** Para below and based on our review, nothing has come to our attention that causes us to believe that the interim financial statements are not prepared, in all material respects, in accordance with applicable financial reporting framework.

Emphasis of Matter:

1. The corporation does not have suitable procedure for recording of Fixed assets and liabilities w.r.t such Fixed assets as a result, we are not able to conclude accuracy of Fixed Assets and liabilities thereof.





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2. *The Revenue grants received as GIA and Police Salary along with matching share has been received through PAOs for which Expenditure statements have been received for verifying the financial statements. As such books have not been kept on double entry system as required under the applicable reporting framework.*

3. *Similarly, for the Centre sponsored schemes, the organization does not have proper accounting system in place, for recording such grants and expenditure thereof. Therefore, the additions made to assets and the Grants recognized in the financial statements could not be cross verified.*

4. *The Capital WIP cannot be cross verified as the details of all projects which are undergoing and are classified as WIP have not been provided.*

5. *The stores division referred to as ECSD, Pampore has downsized the inventory position by an amount of Rs. 3,77,43473/- as on 30.06.2024 thereby creating a doubt in its operational fairness and vulnerability to pilferage or theft. Hence, in our opinion the Inventory position for the period cannot be construed as correct.*

6. *The liabilities as shown under CE Distribution are not verified and also could not be externally confirmed due to various limitations. Hence, the liability position also cannot be commented upon.*

7. *The corporation has not reflected Stock in hand of Divisions under CE Distribution. The corporation treats the purchases of stock by divisions as expense under M&R, which in our opinion is incorrect.*

Report on Other Legal and Regulatory Requirements (if applicable):

The corporation has not completed its audit for financial year **2022-23 and 2023-24** the opening balances remain unaudited and therefore could not be cross verified.

The ROC filing of the corporation has not been done since financial year 2019-20.

Sd/-

M.M. Khan & Associates.

Chartered Accountants.

FRN: 044208N



Date: 29.11.2024

Place: Srinagar

Format For Discoms For FY2021-22 on wards

State:	<i>Kashmir UT</i>
Discom:	<i>KASHMIR POWER DISTRIBUTION CORPORATION LIMITED</i>
Current Year (CY)	<i>2024-25</i>
Previous Year (PY)	<i>2023-24</i>

Profit & Loss		Quarter 2
Table 1: Revenue Details		2024-25
Revenue from Operations (A = A1+A2+A3+A4+A5+A6)		-
	<i>A1: Revenue from Sale of Power</i>	
	<i>A2: Fixed Charges/Recovery from theft etc.</i>	
	<i>A3: Revenue from Distribution Franchisee</i>	
	<i>A4: Revenue from Inter-state sale and Trading</i>	
	<i>A5: Revenue from Open Access and Wheeling</i>	
	<i>A6: Any other Operating Revenue</i>	
Revenue - Subsidies and Grants (B = B1+B2+B3)		22,759.87
	<i>B1: Tariff Subsidy Booked</i>	
	<i>B2: Revenue Grant under UDAY</i>	
	<i>B3: Other Subsidies and Grants</i>	22,759.87
Other Income (C = C1+C2+C3)		-
	<i>C1: Income booked against deferred revenue*</i>	
	<i>C2: Misc Non-tariff income from consumers (including DPS)</i>	
	<i>C3: Other Non-operating income</i>	
Total Revenue on subsidy booked basis (D = A + B + C)		22,759.87
Tariff Subsidy Received (E)		
Total Revenue on subsidy received basis (F = D - B1 + E)		22,759.87
Whether State Government has made advance payment of subsidy for the quarter(Yes/No)		No

Figures in lakhs

*Revenue deferred by SERC as per tariff order for the relevant FY

Note: For B3 * (Other Subsidies & Grants) amounts to the Revenue GIA received by KPDCL on monthly basis from the Govt. of UT of J&K

Table 2: Expenditure Details		Quarter 2
		2024-25
Cost of Power (G = G1 + G2+ G3)		-
	<i>G1: Generation Cost (Only for GEDCOS)</i>	
	<i>G2: Purchase of Power</i>	
	<i>G3: Transmission Charges</i>	
O&M Expenses (H = H1 + H2 + H3 + H4 + H5 + H6 + H7)		28,215.68
	<i>H1: Repairs & Maintenance</i>	44.36
	<i>H2: Employee Cost</i>	22,601.78
	<i>H3: Admn & General Expenses</i>	96.23
	<i>H4: Depreciation</i>	5,455.81
	<i>H5: Total Interest Cost</i>	
	<i>H6: Other expenses</i>	17.50
	<i>H7: Exceptional Items</i>	
Total Expenses (I = G + H)		28,215.68
Profit before tax (J = D - I)		(5,455.81)
	<i>K1: Income Tax</i>	
	<i>K2: Deferred Tax</i>	
Profit after tax (L = J - K1 - K2)		(5,455.81)

Figures in lakhs



Managing Director, KPDCL

Balance Sheet	
Table 3: Total Assets	2024-25 As on 30th September, 2024
M1: Net Tangible Assets & CWIP	430,766.60
M2: Other Non-Current Assets	0.00
M3: Net Trade Receivables	
	<i>M3a: Gross Trade Receivable Govt. Dept.</i>
	<i>M3b: Gross Trade Receivable Other-than Govt. Dept.</i>
	<i>M3c: Provision for bad debts</i>
M4: Subsidy Receivable	
M5: Other Current Assets	34,033.21
Total Assets (M = M1 + M2 + M3 + M4 + M5)	464,799.81
Table 4: Total Equity and Liabilities	
N1: Share Capital & General Reserves	5.000
N2: Accumulated Surplus/ (Deficit) as per Balance Sheet	416,832.75
N3: Government Grants for Capital Assets	19,402.82
N4: Non-current liabilities	
N5: Capex Borrowings	-
	<i>N6a: Long Term Loans - State Govt</i>
	<i>N6b: Long Term Loans - Banks & FIs</i>
	<i>N6c: Short Term/ Medium Term - State Govt</i>
	<i>N6d: Short Term/ Medium Term - Banks & FIs</i>
N6: Non-Capex Borrowings	-
	<i>N7a: Short Term Borrowings/ from Banks/ FIs</i>
	<i>N7b: Cash Credit/ OD from Banks/ Fis</i>
N8: Payables for Purchase of Power	
N9: Other Current Liabilities	28,559.24
Total Equity and Liabilities (N = N1 + N2 + N3 + N4 + N5 + N6 + N7 + N8 + N9)	464,799.81
Balance Sheet Check	-

Figures in lakhs

Table 5: Technical Details	Quarter 2 2024-25
O1: Total Installed Capacity (MW) (Quarter Ended) (Only for GEDCOs)	-
	<i>O1a: Hydel</i>
	<i>O1b: Thermal</i>
	<i>O1c: Gas</i>
	<i>O1d: Others</i>
O2: Total Generation (MU) (Quarter Ended) (Only for GEDCOs)	-
	<i>O2a: Hydel</i>
	<i>O2b: Thermal</i>
	<i>O2c: Gas</i>
	<i>O2d: Others</i>
O3: Total Auxiliary Consumption (MU) (Quarter Ended)	
O4 : Gross Power Purchase (MU) (Quarter Ended)	2,081.71
Gross Input Energy (MU) (O5 = O2 - O3 + O4)	2,081.71
O6: Transmission Losses (MU)(Interstate & Intrastate)	39.51
O7: Gross Energy sold (MU)	1,587.94
	<i>O7a: Energy Sold to own consumers</i>
	<i>O7b: Bulk Sale to Distribution Franchisee</i>
	<i>O7c: Interstate Sale/ Energy Traded/Net UI Export</i>
Net Input Energy (MU) (O8 = O5 - O6 - O7c)	2,042.20
Net Energy Sold (MU) (O9 = O7 - O7c)	1,587.94
Revenue Billed including subsidy booked (O10 = A1 + A2 + A3 + B1)	-
O11: Opening Gross Trade Receivables (including any adjustments) (Rs crore)	
O12: Adjusted Gross Closing Trade Receivables (Rs crore)	
Revenue Collected including subsidy received (O13 = A1 + A2 + A3 + E + O11 - O12)	-
Billing Efficiency (%) (O14 = O9/O8*100)	77.76
Collection Efficiency (%) (O15 = O13/O10*100)	75.47
Energy Realised (MU) (O15a = O15*O9)	1,198
AT&C Loss (%) (O16 = 100 - O14*O15/100)	41.32



Managing Director, KPDC

Table 6: Key Parameters		Quarter 2 2024-25
ACS (Rs./kWh) (P1 = I*10/O5)		135.54
ARR on Subsidy Booked Basis (Rs./kWh) (P2 = D*10/O5)		109.33
Gap on Subsidy Booked Basis (Rs./kWh) (P3 = P1 - P2)		26.21
ARR on Subsidy Received Basis (Rs./kWh) (P4 = F*10/O5)		109.33
Gap on Subsidy Received Basis (Rs./kWh) (P5 = P1 - P4)		26.21
ARR on Subsidy Received excluding Regulatory Income and UDAY Grant (Rs/kWh) (Rs./kWh) (P6 = (F-B-C1)*10/O5)		109.33
Gap on Subsidy Received excluding Regulatory Income and UDAY Grant (Rs./kWh) (P7 = P1 - P6)		26.21
Receivables (Days) (P8 = 365*M5/A)		#DIV/0!
Payables (Days) (P9 = 365*N10/G)		#DIV/0!
Total Borrowings (P10 = N6 + N8 + N9)		28,559.24

Table 7: Consumer Categorywise Details of Sale (MU)		Quarter 2 2024-25
Q1: Domestic		1,102.78
Q2: Commercial		176.49
Q3: Agricultural		56.50
Q4: Industrial		125.24
Q5: Govt. Dept. (ULB/RLB/PWW/Public Lighting)		126.93
Q6: Others		
	<i>Railways</i>	
	<i>Bulk Supply</i>	
	<i>Miscellaneous</i>	
	<i>Distribution Franchisee</i>	
	<i>Interstate/ Trading/ UI</i>	
Gross Energy Sold (Q7 = Q1 + Q2 + Q3 + Q4 + Q5 + Q6)		1,587.94

Table 8: Consumer Categorywise Details of Sale (Rs. Crore)		Quarter 2 2024-25
Q1: Domestic		375.72
Q2: Commercial		105.23
Q3: Agricultural		23.04
Q4: Industrial		72.89
Q5: Govt. Dept. (ULB/RLB/PWW/Public Lighting)		115.67
Q6: Others		
	<i>Railways</i>	
	<i>Bulk Supply</i>	
	<i>Miscellaneous</i>	
	<i>Distribution Franchisee</i>	
	<i>Interstate/ Trading/ UI</i>	
Gross Energy Sold (Q7 = Q1 + Q2 + Q3 + Q4 + Q5 + Q6)		692.55

Note:- In pursuance of the Govt. of J&K Power Development Department unbundling Order No. 191-PDD of 2019 Dated: 23-10-2019, Kashmir Power Distribution Corporation Limited (KPDCL) came into existence as a Distribution company. The Power Purchase and Revenue realization is been done by the Administrative Department J&K, PDD. KPDCL receives Grants (both Revenue & Capital) from Administrative Department, J&K, PDD. The Revenue Grants are received by KPDCL on monthly basis for carrying out the operational expenditure. Both the Grants have been duly reflected in the Balance Sheet of KPDCL. The Revenue Grants have been shown as Other Subsidies & Grants in the Excel Sheet above. The Power purchase and Revenue receipts are not reflected in the Books of Accounts of KPDCL, as such the same are not shown in the Balance sheet of Q2, F/Y 2024-25. Keeping in view the above facts, the Revenue & Power purchase do not form part of the Table -1 & Table-2 given above.

Table 8: Consumer Categorywise Details of Revenue (Rs. Crore)		Quarter 2 2024-25
		Revenue Booked excluding subsidy
R1: Domestic		274.16
R2: Commercial		63.89
R3: Agricultural		7.69
R4: Industrial		57.50
R5: Govt. Dept. (ULB/RLB/PWW/Public Lighting)		119.75
R6: Others		
	<i>Railways</i>	
	<i>Bulk Supply</i>	
	<i>Miscellaneous</i>	
	<i>Distribution Franchisee</i>	
	<i>Interstate/ Trading/ UI</i>	
Gross Energy Sold (R7 = R1 + R2 + R3 + R4 + R5 + R6)		522.99


 Managing Director, KPDC

Table 9: Power Purchase Details	Quarter 2
	2024-25 in MUs
Power Purchase through Long term PPA	
Own Generation for GEDCOs	
Power Purchase (Short term & Medium Term)	2,082
Total Power Purchase	2,082



Managing Director, KPDCL