

**KERALA STATE ELECTRICITY BOARD LIMITED**  
**BALANCE SHEET AS AT 31 ST MARCH 2014**

(Rs.in Lakhs)

	Particulars	Note No	As at 31.03.2014	As at 31.03.2013
<b>A</b>	<b>EQUITY AND LIABILITIES</b>			
1	<b>Shareholders funds</b>			
	(a)Share Capital	1	349,905.00	5.00
	(b) Reserves and Surplus	2	(2,752.52)	(327.23)
2	<b>Contribution, Grants and other Long term reserve funds</b>	3	17,260.23	
3	<b>Non Current Liabilities</b>			
	(a)Long term borrowings	4	295,748.31	
	(b)Other long term liabilities	5	222,850.69	
	(c) Long-term provisions	6	1,579,890.45	
4	<b>Current liabilities</b>			
	(a) Short term borrowings	7	230,362.22	327.12
	(b) Trade payables	8	84,766.48	
	(c) Other Short Term liabilities	9	197,312.14	0.11
	(d) Short term provisions	10	3,312.00	
	<b>TOTAL EQUITY&amp;LIABILITIES</b>		<b>2,978,655.00</b>	<b>5.00</b>
<b>B</b>	<b>ASSETS</b>			
1	<b>Non-current assets</b>			
	(a)Fixed assets			
	(i) Tangible assets	11	1,913,971.87	
	(ii) Intangible asset	12	-	
	(iii) Capital Work in progress	13	154,566.59	
	(b) Non-current investment	14	1,950.01	
	(c) Long term loans and advances	15	8,040.27	
	(d) Other non-current assets	16	680,967.08	
2	<b>Current assets</b>			
	(a) Current investments	17	-	
	(b) Inventories	18	27,805.42	
	(c) Trade receivables	19	111,966.75	
	(d) Cash and cash equivalents	20	71,827.16	5.00
	(e) Short-term loans and advances	21	3,380.53	
	(f) Other current assets	22	4,179.32	
	<b>TOTAL ASSETS</b>		<b>2,978,655.00</b>	<b>5.00</b>
	Significant Accounting Policies	38		
	The accompanying notes are an integral part of the financial statement	39		

As per our report attached

For and on behalf of Board of Directors

For GRA & CO.

Chartered Accountants

Firm Reg. No : 010906S

*George Zachariah*  
GEORGE A. ZACHARIAH, FCA  
Partner, Membership No : 27442

*M. Sivasankar*  
M.SIVASANKAR, IAS  
CHAIRMAN & MANAGING DIRECTOR

*N.S. Pillai*  
N.S.PILLAI, IA&AS  
DIRECTOR(FINANCE)

*R. Biju R.*  
BIJU R, FCA  
FINANCIAL ADVISER & CFO

Place:Thiruvananthapuram

Date :21/01/2016

**KERALA STATE ELECTRICITY BOARD LIMITED**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2014**

(Rupees in Lakhs)

	Particulars	Note No	As at 31.03.2014	As at 31.03.2013
I	Revenue from operations	23	525,899.78	-
II	Other Income	24	12,743.56	-
III	<b>Total Revenue(I+II)</b>		<b>538,643.34</b>	-
IV	<b>Expenses</b>			
	(a) Purchase of power	25	361,211.26	-
	(b) Generation of power	26	7,792.32	-
	(c) Repairs and Maintenance	27	9,416.98	-
	(d) Employee Cost	28	104,356.70	-
	(e) Administrative and Other Expenses	29	10,622.32	-
	(f) Finance Costs	30	26,679.79	-
	(g) Depreciation and Amortization expense	31	18,653.59	-
	(h) Others	32	3,004.37	1.93
	<b>Total Expenses</b>		<b>541,737.33</b>	<b>1.93</b>
V	Add/(less):Prior period credits/(charges)	33	668.70	-
VI	<b>Profit/(Loss) before exceptional and extra ordinary items and tax(III-IV+V)</b>		<b>(2,425.29)</b>	<b>(1.93)</b>
VII	Exceptional items	34	-	-
VIII	<b>Profit/(Loss) before extra ordinary items and tax(VI-VII)</b>		<b>(2,425.29)</b>	<b>(1.93)</b>
IX	Extraordinary items	35	-	-
X	<b>Profit/(Loss) before tax(VIII-IX)</b>		<b>(2,425.29)</b>	<b>(1.93)</b>
XI	<b>Tax Expenses</b>			
	(i)Current Tax	36	-	-
	(ii) Deferred Tax	37	-	-
XII	<b>Profit/(Loss) for the period from continuing operations(VIII-IX)</b>		<b>(2,425.29)</b>	<b>(1.93)</b>
XIII	Profit/(Loss) from discontinuing operations		-	-
XIV	Tax Expenses of discontinuing operations		-	-
XV	<b>Profit/(loss) from Discontinuing operations after tax(XIII-XIV)</b>		<b>-</b>	<b>-</b>
XVI	<b>Profit/(Loss) for the period(XII+XV)</b>		<b>(2,425.29)</b>	<b>(1.93)</b>
XVII	Earnings per equity share	40		
	(1)Basic		-0.07	-
	(ii)Diluted		-0.07	-

Even though the Profit and Loss account is for the year ended 31.03.2014 the revenue and other expenditure booked have pertains to 5 months from 1.11.2013 to 31.03.2014 ie.after revesting of KSE Board.

As per our report attached

For and on Behalf of Board of Directors

For GRA & CO.

Chartered Accountants

Firm Reg. No : 010906S

*George Zachariah*  
GEORGE A. ZACHARIAH, FCA

Partner, Membership No : 27442

*M. Sivasankar*

M.SIVASANKAR, IAS  
CHAIRMAN & MANAGING DIRECTOR

*N.S. Pillai*

N.S PILLAI, IA&AS  
DIRECTOR(FINANCE)

*BJU R*

BJU R, FCA  
FINANCIAL ADVISER & CFO

Place:Thiruvananthapuram

Date :21/01/2016

**KERALA STATE ELECTRICITY BOARD LIMITED**

**Note 1: SHARE CAPITAL**

Sl. No	Particulars	Account code	As at 31.03.2014	As at 31.03.2013
			Rs.	Rs.
1	Authorised Share Capital 5000000000 Equity shares of Rs.10/- each		50,000,000,000	50,000,000,000
2	Issued,Subsribed and Paid Up Share Capital 3499050000 Equity Share of Rs.10/- each	54.510	34,990,500,000	500,000
	<b>TOTAL</b>		<b>34,990,500,000</b>	<b>500,000</b>

**1.1 Details of Shareholders holding more than 5% of Share Capital**

Name of the Share holder	As at 31.03.2014 Nos. of shares	% held	As at 31.03.2013 No. of Shares	% held
His Excellency the Honourable Governor of Kerala	3499050000	100	50000	100

**1.2 Reconciliation of the shares at the beginning and at the end of the reporting period:**

Particulars	As at 31.03.2014 No. of Shares	As at 31.03.2013 No. of Shares
Equity Shares at the beginning of the year	50000	50000
Add: Shares issued during the year	3499000000	0
Less: Shares cancelled on buy back during the year	0	0
Equity Shares at the end of the year	3499050000	50000

Addition represents equity capital of Government of Kerala on revesting the erstwhile KSE Board to KSEB Ltd through second transfer scheme issued vide G.O.No.(P) No.3/2015/pd dated 28.01.2015.



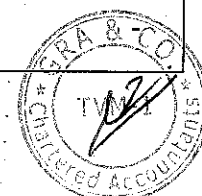
**KERALA STATE ELECTRICITY BOARD LIMITED**

**Note 2: RESERVE AND SURPLUS**

Sl. No.	Particulars	Account code	As at 31.03.2013	Additions during the year (1.11.2013 to 31.03.2014)	Deductions during the year (1.11.2013 to 31.03.2014)	As at 31.03.2014
			Rs.	Rs.	Rs.	Rs.
	<b>RESERVE</b>					
1	General Reserve	56.1	-	-	-	-
2	Capital Reserve	56.2	-	-	-	-
3	Other Reserves	56.6	-	-	-	-
4	Surplus/(Deficit) in Statement of P&L	58	(32,722,698)	(242,528,829)	-	(275,251,527)
	<b>TOTAL</b>	<b>226.90</b>	<b>(32,722,698)</b>	<b>(242,528,829)</b>	<b>-</b>	<b>(275,251,527)</b>

**Note 3: CONTRIBUTION, GRANTS AND OTHER LONG TERM RESERVE FUNDS**

Sl. No.	Particulars	Account Code	As at 31.03.2014	As at 31.03.2013
			Rs.	Rs.
	<b>Contribution &amp; Grants</b>			
1	Consumers contribution	55.1	1337088452	
2	Subsidies towards cost of Capital assets	55.2	115606481	
3	Grants towards cost of Capital Assets	55.3	99140299	
4	Contribution from Local Bodies/ Govt.	55.4	174187796	
	<b>TOTAL</b>		<b>1726023028</b>	

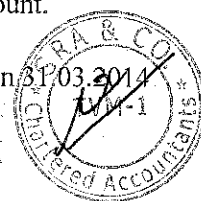


**KERALA STATE ELECTRICITY BOARD LIMITED**

**Note : 4 LONG TERM BORROWINGS**

Sl. No.	Particulars	Account code	Rate of Interest	As at 31.03.2014	As at 31.03.2013
				Rs.	Rs.
<b>A</b>	<b>SECURED LOANS TERM LOANS</b>				
	<b>From Banks</b>				
	<b>Other Financial Institutions</b>				
1	LOAN FROM LIC	52&53	9.00%	16,666,662	
			9.00%	40,000,000	
			9.00%	100,000,000	
2	LOAN FROM REC ON VARIOUS SCHEMES		8.00% to 8.75%	469,356,360	
			9.00% to 10.00%	370,055,795	
			10.75%	13,351,200	
			11.25%	75,608,600	
			11.50-11.75%	8,732,000	
			12.75%-13.25%	874,571,791	
3	LOAN FROM REC TRANSMISSION		11.88%	866,281,944	
			12.127%	458,284,432	
4	LOAN FROM REC - RGGVY		11.75 to 12 %	24,171,259	
			12.25%	9,967,100	
			12.50%	92,898,202	
5	LOAN FROM REC - Medium Term Loan		12.75%	5,000,000,000	
			13.00%	1,500,000,000	
6	LOAN FROM PFC		12.00%	1,885,078,217	
7	LOAN FROM PFC R-APDRP		9%	2,510,030,000	
	<b>SUB-TOTAL</b>			<b>14,315,053,562</b>	-
<b>B</b>	<b>UNSECURED LOANS TERM LOANS</b>				
	<b>From Banks</b>				
1	State Bank of India	52&53	10.35%	2,999,990,434	
2	Vijaya Bank		10.20%	2,000,000,000	
3	South Indian Bank		11.00%	4,000,000,000	
4	Bank of India		10.95%	1,999,789,336	
5	Indian Overseas Bank		10.50%	3,000,000,000	
6	Dhanalekshmi Bank		11.50%	999,997,419	
	<b>SUB-TOTAL</b>			<b>14,999,777,189</b>	-
	<b>Other Financial Institutions</b>				
1	KSPIFC-STL		11.50%	260,000,000	
	<b>SUB-TOTAL</b>			<b>260,000,000</b>	
	<b>TOTAL</b>			<b>29,574,830,751</b>	-

1. The Loans from REC/PFC is secured by way of hypothecation of specific assets and escrow account.
2. The loan from LIC is secured by mortgage of Land.
2. There is no continuing default in repayment of any of the above loans or payment of interest as on 31.03.2014



**KERALA STATE ELECTRICITY BOARD LIMITED**

**Note 5: Other Long Term Liabilities**

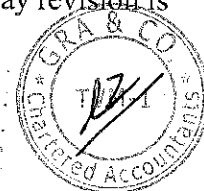
Sl. No.	Particulars	Account Code	As at 31.03.2014	As at 31.03.2013
			Rs.	Rs.
1	Security deposit from Consumers	48.1	18056104033	
2	Security deposit from consumers other than cash	48.2	1609187739	
3	Interest payable on consumers deposit	48.3	2619777216	
	<b>TOTAL</b>		<b>22285068987</b>	-

**Note 6: Long Term Provisions**

Sl. No.	Particulars	Account Code	As at 31.03.2014	As at 31.03.2013
			Rs.	Rs.
	<b>Other Long Term Reserve Funds</b>			
1	Contributory Provident Fund	57.110	379284	
2	General provident Fund	57.120	11987817179	
3	Staff Pension Fund	57.141	124190848417	
	<b>Sub Total</b>		<b>136179044879</b>	-
	<b>Long Term Provisions</b>			
1	Provision for Interest on bonds adjustable against Electricity duty	51.201	21100000000	
2	provision for Pay revision	44.3	450000000	
3	Provision for pension revision	44.3	260000000	
	<b>Sub Total</b>		<b>21810000000</b>	
	<b>TOTAL</b>		<b>157989044879</b>	-

1. Provision for interest on bond adjustable against electricity duty is provided in the accounts as per the second transfer scheme

2. Provision for pay revision and pension revision provided in the accounts since the pay revision is due from August 2013.



**KERALA STATE ELECTRICITY BOARD LIMITED**

**Note 7: SHORT TERM BORROWINGS**

Sl. No.	Particulars	Account Code	As at 31.03.2014	As at 31.03.2013
			Rs.	Rs.
<b>A</b>	<b>Secured Loans</b>			
	<b>Overdraft/ Cash Credit limit from banks</b>	<b>50.2</b>		
1	Union Bank of India	50.2	1985700218	-
2	SBI		-	-
	<b>SUB TOTAL</b>		<b>1985700218</b>	<b>-</b>
<b>B</b>	<b>Unsecured Loans</b>			
	<b>Overdraft/Cash Credit limit from banks</b>			
1	State Bank of Travancore	50.2	4361829525	-
2	Canara Bank		9948521191	-
3	Kerala Gramin Bank		3734727527	-
4	Federal Bank		2010258472	-
5	Vijaya Bank		993573674	-
6	Syndicate Bank		1611535	-
	<b>Short Term Loans from banks</b>	<b>50.4</b>	<b>-</b>	<b>-</b>
	Other loans and advances		0	32711462
	<b>SUB TOTAL</b>		<b>21050521924</b>	<b>32711462</b>
	<b>TOTAL</b>		<b>23036222143</b>	<b>32711462</b>

1. The cash credit/ overdraft from Union Bank of India is secured by hypothecation of receivables.
2. The cash credit /overdraft from SBI is availed as WCDL and hence classified separately
3. There is no continuing default in repayment of any of the above loans or payment of interest as on 31.03.2014

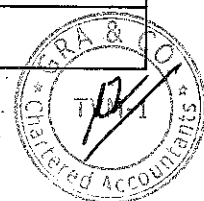


**KERALA STATE ELECTRICITY BOARD LIMITED**

**Note 8: TRADE PAYABLES**

Sl. No.	Particulars	Account Code	As at 31.03.2014	As at 31.03.2013
			Rs.	Rs.
<b>A.</b>	<b>Liabilities Sundry Creditors for purchase of power</b>			
1	National Thermal Power Corporation Ltd	41.101	4889440073	
2	Nuclear Power Corporation of India Ltd.	41.105	294048085	
3	Neyveli Lignite Corporation	41.106	1162497111	
4	TNEB	41.107	2586207	
5	Power Grid Corporation of India Ltd.	41.108	170000989	
6	Power Trading Corporation of India Ltd	41.110	202710378	
7	KPTCL	41.114	65678709	
8	KPTCL	41.115	17375714	
9	SRLDC	41.116	1776272	
10	POC	41.119	465944363	
11	APCC	41.120	3558381	
12	Chattisgarh	41.122	104470	
13	BSES	41.128	239169362	
14	Kasargode power Corporation Ltd	41.129	196400000	
15	Power purchased from GEL	41.130	27717679	
16	NTPC Vidyuth Vyapar Nigam Ltd	41.131	1781270	
17	Tata Power Trading Company Ltd	41.132	35343713	
18	JSW Power Trading Company Ltd.	41.137	136416890	
19	Energy Development Company Limited	41.139	51477792	
20	Viyyat Power Limited	41.146	2015204	
21	M/s Philip Carbon Black Limited	41.148	4351260	
22	Mittal Processors Pvt.Limited	41.150	12176043	
23	Aravali Power Co. Ltd.	41.151	370189419	
24	NTPC Tamilnadu Energy Co. Ltd.	41.153	14247399	
25	Ayyappa Hydro Power Ltd	41.157	35946023	
26	Deviation charge to POSOCO	41.158	66591601	
27	Power purchased from Wind Generating Stations	41.5	7103952	
	<b>TOTAL</b>		<b>8476648359</b>	

Trade payable includes only the liability towards the power purchased from other entities.





**KERALA STATE ELECTRICITY BOARD LIMITED**

**Note 9: OTHER SHORT TERM LIABILITIES**

Sl. No.	Particulars	Account Code	As at 31.03.2014	As at 31.03.2013
			Rs.	Rs.
1	Fuel related liabilities	40	208644325	-
2	Liability for capital supply/works	42.1-42.3	308278399	-
3	Liability for O&M supply/works	43.1-43.3	456559059	-
4	Staff related liabilities and provisions	44.1-44.4	2356938782	-
5	Deposit and Retentions from Suppliers/Contractors	28.930-46.18	3591613375	-
6	Electricity Duties and Other levies payable to Government	46.3	7396005527	-
7	Liability for Expenses	46.4	198155338	11236
8	Amount owing to Licensees	46.6	1603409	-
9	Accrued/Unclaimed amount relating to borrowings	46.7	851572842	-
10	Other Liabilities & Provisions	46.9	994868779	-
11	Deposit for Electrification, Service connection etc	47	3366974111	-
	<b>TOTAL</b>		<b>19731213946</b>	<b>11236</b>

**Note 10: SHORT TERM PROVISIONS**

Sl. No.	Particulars	Account Code	As at 31.03.2014	As at 31.03.2013
			Rs.	Rs.
1	Provision for Dearness Allowance to Employees	75.3	217200000	-
2	Provision for Dearness Relief to Pensioners	75.8	114000000	-
3	Provision for Income Tax		-	-
	<b>TOTAL</b>		<b>331200000</b>	<b>-</b>



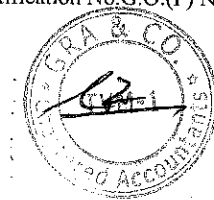
**KERALA STATE ELECTRICITY BOARD LIMITED**

**Note 11: TANGIBLE ASSETS**

FIXED ASSETS AND PROVISION FOR DEPRECIATION AS ON 31.03.2014													
Sr No	Asset Group	A/c Code	GROSS BLOCK				PROVISION FOR DEPRECIATION				NET BLOCK		
			As on 1.11.2013	Additions	Deductions	Reclassification	2013-2014	Depreciation as on 1.11.2013	Depreciation during the period (1.11.2013 to 31.03.2014)	Adjustment on deduction	2013-14	2013-14	Previous Year 2012-13
			Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
01.	Land & Land Rights	10.1	16345329696	136550110			16481879806	0	0		0	16481879806	3485436262
02.	Buildings	10.2	6302453885	157703245			6460157130	2372895315	66252090		2439147405	4021009725	3961725938
03.	Hydraulic Works	10.3	10969184139	57136617			11026320756	3479106492	169393688		3648500180	7377820576	7805094192
04.	Other Civil Works	10.4	4486263695	132291196			4618554891	1019467164	59075967		1078543131	3540011760	3429862012
05.	Plant & Machinery	10.5	152639423727	1273816713			153913240440	24518647566	640767831		25159415397	128753825043	21342202833
06.	Lines, Cable, Network etc.	10.6	57900529878	3362352308			61262882186	29519757518	915527937		30435285456	30827596731	28304263902
07.	Vehicles	10.7	167640432	5907221			173547653	138088908	822614		138911522	34636131	33512383
08.	Furniture & Fixtures	10.8	191334594	13807326			205141920	132428182	2272241		134700423	70441496	58282003
09.	Office Equipments	10.9	608214884	50578283			658793167	357703372	11246493		368949865	289843302	267589954
	<b>Sub Total</b>		<b>249610374929</b>	<b>5190143019</b>	<b>0</b>	<b>0</b>	<b>254800517948</b>	<b>61538094518</b>	<b>1865358862</b>	<b>0</b>	<b>63403453380</b>	<b>191397064568</b>	<b>68687969480</b>
10		11.11	121706	0			121706					121706	121706
	<b>TOTAL</b>		<b>249610496635</b>	<b>5190143019</b>	<b>0</b>	<b>0</b>	<b>254800639655</b>	<b>61538094518</b>	<b>1865358862</b>	<b>0</b>	<b>63403453380</b>	<b>191397186275</b>	<b>68688091186</b>

1. The Gross block and Depreciation as on 1.11.2013 represents the value of assets of erstwhile KSE Board reverted to KSEB Ltd vide Notification No.G.O.(P) No.3/2015/PD dated 28.01.2015

2. The Net Block of previous year 2012-13 represents the balance of erstwhile KSE BOARD



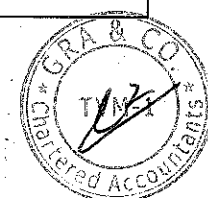
**KERALA STATE ELECTRICITY BOARD LIMITED**

**Note 12: INTANGIBLE ASSETS**

Sl. No.	Particulars	Account Code	As at 31.03.2014	As at 31.03.2013
			Rs.	Rs.
		18	0	0
	<b>TOTAL</b>		<b>0</b>	<b>0</b>

**Note 13: CAPITAL WORK IN PROGRESS**

Sl. No.	Particulars	Account Code	As at 31.03.2014	As at 31.03.2013
			Rs.	Rs.
1	Capital Work in Progress	14	10043572764	
	<b>Sub Total</b>		<b>10043572764</b>	
2	Revenue expenses pending allocation over Capital Works	15.2	4368440283	
3	Advance to Suppliers/Contractors(Capital)	25.1 to 25.9	1044645671	
	<b>Sub Total</b>		<b>5413085954</b>	
	<b>TOTAL</b>		<b>15456658717</b>	



## KERALA STATE ELECTRICITY BOARD LIMITED

### Note 14: NON-CURRENT INVESTMENTS

Sl. No.	Particulars	Account Code	As at 31.03.2014	As at 31.03.2013
			Rs.	Rs.
1	Investment other than Fund Investments	20.2	195001000	-
	<b>TOTAL</b>		<b>195001000</b>	-

1. The company has made share contribution of Rs.95001000 in the Kerala Power Finance Corporation.9500100 shares with face value of Rs.10 issued in favour of the company.

2. The company has made share contribution of Rs.10 Crore towards the Baitarani West Coal Company Limited a joint venture along with Orissa and Gujarat.100000 shares with face value of Rs.1000 issued in favour of the company

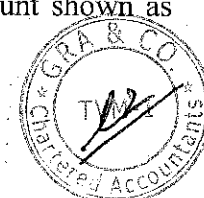
### Note 15: LONG TERM LOANS AND ADVANCES

Sl No.	Particulars	Account Code	As at 31.03.2014	As at 31.03.2013
			Rs.	Rs.
1	Loans and Advances to Licensees	27.3	10320424	
2	Loans and Advance - Others	27.8	793706700	
	<b>TOTAL</b>		<b>804027124</b>	-

### Note 16: OTHER NON CURRENT ASSETS

Sl No.	Particulars	Account Code	As at 31.03.2014	As at 31.03.2013
			Rs.	Rs.
1	Receivables from Government	28.6	63457444323	
2	Deposits	28.9	3900770248	
3	Deferred cost	17.3	738494737	
	<b>TOTAL</b>		<b>68096709309</b>	-

1. As per the Second Transfer scheme an amount of Rs. 63151300000 /- is the contribution receivable from the Government of Kerala towards the Terminal Liability to be funded. This amount shown as amount receivable from government.



**KERALA STATE ELECTRICITY BOARD LIMITED**

**Note 17: CURRENT INVESTMENT**

Sl. No.	Particulars	As at 31.03.2014	As at 31.03.2013
		Rs.	Rs.
1	(a) Investments in Equity Instruments;	0	
2	(b) Investment in Preference Shares;		
3	(c) Investments in Government or trust securities;		
4	(d) Investments in debentures or bonds;		
5	(e) Investments in Mutual Funds;		
6	(f) Investments in partnership firms;		
7	(g) Other investments (specify nature).		
	<b>TOTAL</b>	<b>0</b>	<b>0</b>

**Note 18: INVENTORIES**

Sl. No.	Particulars	As at 31.03.2014	As at 31.03.2013
		Rs.	Rs.
	Fuel Stocks	21.1	105782222
	Heavy Duty Oil	21.105	0
	HSD Oil	21.106	0
	Lub Oil	21.107	0
	Chemicals	21.108	0
	Stock of Materials at Construction Stores	22.60&61	806592208
	Stock of Materials at other stores	22.62&63	486922162
	Material at Site (Cap)	22.64	0
	Material at Site (O & M)	22.65	1301596529
	Other Materials Account	22.7	80841272
	Materials stock excess/shortage pending investigation	22.8	(1192535)
	<b>TOTAL</b>		<b>2780541858</b>

Fast moving stores and stores/spares are valued at standard rate, determined by the company, in respect of items for which standard rate are fixed. Other items are valued at actual price.



**KERALA STATE ELECTRICITY BOARD LIMITED**

**Note 19: TRADE RECEIVABLE**

Sl. No.	Particulars	Account Code	As at 31.03.2014	As at 31.03.2013
			Rs.	Rs.
1	Sundry Debtors for Sale of Power	23.1	17857028648	
2	Sundry Debtors for Inter State Sale of Power	23.6	30701645	
3	Sundry Debtors for Electricity Duty	23.2	1011960647	
4	Sundry Debtors (Miscellaneous)	23.7	190057275	
	<b>Sub Total</b>		<b>19089748216</b>	
	Less: Provision for doubtful dues from consumers	23.9	7893073137	
	<b>TOTAL</b>		<b>11196675079</b>	

**Note 20: CASH AND BANK**

Sl. No.	Particulars	Account Code	As at 31.03.2014	As at 31.03.2013
			Rs.	Rs.
1	Cash on hand	24.1	134899998	
2	Cash Imprest with Staff	24.2	4286146	
3	Balance with Bank/Treasury	24.3	105532359	500000
4	Disbursement Bank Account	24.4	218735379	
5	Drawing Account with Treasury	24.45	290145252	
6	Short-Term Deposit with Banks	24.7	6429117047	
7	Settlement Bank Accounts	24.8	0	
	<b>TOTAL</b>		<b>7182716180</b>	<b>500000</b>

**Note 20.1: DETAILS OF BANK DEPOSIT**

Sl. No.	Name of Bank	Amount	Date of Maturity
		Rs.	
1	State bank of Travancore	130146467	20.05.2014
		159910984	23.04.2014
		158201512	17.09.2014
2	Canara Bank	22282939	01.11.2014
		13477828	08.06.2014
		400000	08.06.2014
		29472431	15.12.2014
		27871698	08.02.2015
		19786009	01.10.2014
3	Vijaya Bank	1000000000	28.03.2015
4	Punjab & Sind Bank	250000000	01.09.2014
5	Dena Bank	500000000	21.03.2015
		500000000	25.03.2015
6	Kerala Gramin Bank	5747554	16.03.2015
		350000000	31.12.2014
		2747045219	01.03.2015
		500000000	23.03.2015
		14774406	15.03.2015
	<b>TOTAL</b>	<b>6429117047</b>	



**KERALA STATE ELECTRICITY BOARD LIMITED**

**Note 21: SHORT TERM LOANS AND ADVANCES**

Sl. No.	Particulars	Account Code	As at 31.03.2014	As at 31.03.2013
			Rs.	Rs.
	<b>Secured Considered good</b>			
1	Advance to Staff-Interest bearing	27.101-106	-	
	<b>Unsecured Considered Good</b>			
1	Advance Income Tax/Deductions at source	27.4	223392476	
2	Advances for O&M supplies/works	26.1to26.7	55595614	
3	Advance to Staff-Interest free	27.201-210	59065237	
	<b>TOTAL</b>		<b>338053327</b>	-

**Note 22: OTHER CURRENT ASSETS**

Sl. No.	Particulars	Account Code	As at 31.03.2014	As at 31.03.2013
1	Sundry Debtors - Trade receivable	28.1	14004316	
2	Income Accrued But Not Due	28.3	261697046	
3	Amount Recoverable from Employees/ Ex-employees	28.4	32356440	
4	Other claims	28.7	18203	
5	Other receivables	28.8	27944738	
6	Inter Unit Balances	31 to 39	81910959	
	<b>TOTAL</b>		<b>417931702</b>	



**KERALA STATE ELECTRICITY BOARD LIMITED**

**Note 23: REVENUE FROM OPERATIONS**

Sl. No.	Particulars	Account Code	This Year 2013-14	Previous Year 2012-13
			Rs.	Rs.
1	Interstate	61.1	11473360630	
2	Domestic	61.21	12599096224	
3	Commercial	61.22	9411462037	
4	Public Lighting	61.23	530051328	
5	Irrigation & Dewatering	61.24	274354265	
6	Industrial L T	61.27	3078723815	
7	Railway Traction	61.28	492163207	
8	Bulk Supply	61.29	1378822542	
9	H. T.	61.32	8692139720	
10	E. H. T.	61.33	2849198121	
11	NVVN/ Others	61.35	370130845	
	<b>TOTAL REVENUE</b>		<b>51149502735</b>	
12	Reactive Energy Charges	61.4	121108497	
13	Electricity Duty Recovery	61.501 to 61.519	2572406986	
14	Other State Levies Recovery	61.521 to 61.539	51649336	
15	Meter Rent/Service Line Rental	61.6	989345320	
	<b>SUB TOTAL (12 to 15)</b>		<b>3734510139</b>	
16	Wheeling Charges Recoveries	61.8	0	
17	Misce. Charges from Consumers	61.7&61.9	330021668	
	<b>GROSS REVENUE FROM SALE OF POWER ( 1 to 17)</b>		<b>55214034541</b>	
18	Less: Electricity Duty Payable (Contra )	61.541 to 61.559	2572406986	
19	Other State Levies Payable (Contra )	61.561 to 61.579	51649336	
	<b>TOTAL</b>		<b>52589978220</b>	





**KERALA STATE ELECTRICITY BOARD LIMITED**

**Note 24: OTHER INCOME**

Sr. No.	Particulars	Account Code	This Year 2013-14	Previous Year 2012-13
			Rs.	Rs.
1	Interest on Staff Loans and Advances	62.210 to 62.219	5654147	
2	Income from Investments	62.220 to 62.239	0	
3	Interest on Loans & Advances to Licensees /Joint Venture	62.240		
3	Interest on Advances to Suppliers/Contractors	62.260	4808065	
4	Interest from Banks	62.270 to 62.272	282881398	
5	Rebate Received	62.280 to 62.286	563808957	
	Interest Income from Energy Management Centre	62.291		
6	Income from sale of Scrap/Tender form etc	62.3	140591660	
8	Income from Staff Welfare Activities	62.6		
7	Miscellaneous Receipts	62.4,62.6 &62.9	276611652	
	<b>TOTAL</b>		<b>1274355880</b>	



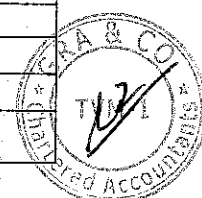
**KERALA STATE ELECTRICITY BOARD LIMITED**

**Note 25: PURCHASE OF POWER**

Sl. No.	Particulars	Account Code	This Year 2013-14	Previous Year 2012-13
			Rs.	Rs.
I.	<b>POWER PURCHASED FROM CENTRAL GENERATING STATIONS</b>			
	National Thermal Power Corporation	70.101	17035596414	
	Madras Atomic Power Project	70.105	869175059	
	Neyveli Lignite Corporation	70.106	2407691597	
	<b>TOTAL</b>		<b>20312463070</b>	
II.	<b>POWER PURCHASED FROM OTHERS</b>			
	TNEB	70.107	1053881	
	BSES	70.108	3799488735	
	Power Trading Corporation of India Ltd.(PTC)	70.110	3757265658	
	Kasargode Power Corpn. Ltd	70.129	205363916	
	Power Purchased from GEL	70.130	443494208	
	NTPC Vidyut Vyapar Nigam Limited (NVVN)	70.131	205504344	
	Tata Power Trading Company Limited	70.132	483827009	
	JSW Power Trading Company Ltd.	70.137	2339082622	
	MPS Steel Castings (P) Ltd.	70.138	27792303	
	Energy Development Company Limited	70.139	19160003	
	IEX Ltd.	70.141	259871693	
	PXI Ltd.	70.142	5296005	
	Other Charges on purchase through Power Exchange	70.143 to 70.145	8614851	
	Viyyat Power Limited	70.146	12405344	
	M/s Philip Carbon Black Limited	70.148	20609555	
	Mittal Processors Pvt.Limited	70.150	90905132	
	Aravali Power Co. Ltd.	70.151	1696575337	
	Shree Cement Ltd.	70.152	63267445	
	NTPC Tamilnadu Energy Co. Ltd.	70.153	295834501	
	Power purchased from Mangulam Panchayath	70.154	229974	
	Jindal Power Ltd	70.155	12269832	
	Sesa sterlite ltd	70.156	24961983	
	Ayyappa Hydro power Limited	70.157	53391364	
	Deviation charge POSOCO	70.158	117057423	
	<b>TOTAL</b>		<b>13943323118</b>	
III.	Power Purchased from Wind Generating Stations	70.5	30587567	
	<b>TOTAL OF I &amp; II &amp; III</b>		<b>34286373755</b>	
IV.	Wheeling Charges (Less - UI charges received)	70.4	1834751814	
	<b>GRAND TOTAL</b>		<b>36121125569</b>	

**Note 26: GENERATION OF POWER**

Sr. No.	Particulars	Account Code	This Year 2013-14	Previous Year 2012-13
			Rs.	Rs.
	<b>FUEL CONSUMPTION</b>			
1	Oil	71.120	735588902	
	HSD Oil	71.121	32607396	
	Lub Oil	71.122	6518175	
2	<b>Sub Total of Fuel Cost</b>		<b>774714473</b>	
	<b>OPERATING EXPENSES</b>			
3	Lubricants & Consumable Stores	71.6	4488437	
4	Station Supplies	71.7	28595	
5	<b>Sub Total for Operating Expenses</b>		<b>4517032</b>	
6	Cost of Generation of Power (2+5)		779231505	
	<b>TOTAL</b>		<b>779231505</b>	



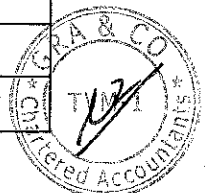
**KERALA STATE ELECTRICITY BOARD LIMITED**

**Note 27: REPAIRS AND MAINTENANCE**

Sl. No.	Particulars	Account Code	This Year 2013-14	Previous Year 2012-13
			Rs.	Rs.
	<b>Repairs and Maintenance to:</b>			
1	Plant and Machinery	74.1	222166852	
2	Buildings	74.2	26073691	
3	Civil Works	74.3	37246379	
4	Hydraulic Works	74.4	7967264	
5	Lines, Cable Network etc.	74.5	623917252	
6	Vehicles	74.6	15899503	
7	Furniture and Fixtures	74.7	869900	
8	Office Equipments	74.8	7557063	
9	Less: Expenses capitalised	74.9	0	
	<b>TOTAL</b>		<b>941697904</b>	

**Note 28: EMPLOYEE COSTS**

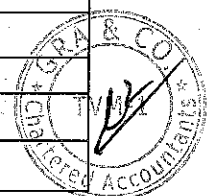
Sl. No.	Particulars	Account Code	This Year 2013-14	Previous Year 2012-13
			Rs.	Rs.
1	Salaries	75.1	3676071105	
2	Over Time/Holiday Wages	75.2	475528	
3	Dearness Allowance	75.3	2914482839	
4	Other Allowances	75.4	167938505	
5	Bonus	75.5	55429	
6	<b>Sub Total</b>		<b>6759023406</b>	
7	Medical Expenses Reimbursement	75.611	30667256	
8	Leave Travel Assistance	75.612		
8	Earned Leave Encashment	75.617 to 75.619	207078947	
9	Payment under Workmen's Compensation Act	75.629	2138474	
10	Leave Salary & Pension Contribution paid by the Board to other Departments	75.630	108972	
11	Reimbursement of Stamp Duty	75.635		
12	Funeral Allowance	75.636	55000	
13	<b>TOTAL OF OTHER STAFF COSTS (7 to 11)</b>		<b>240048649</b>	
14	Staff Welfare Expenses	75.7	2652109	
15	Terminal Benefits	75.8	4120625939	
	<b>TOTAL</b>		<b>11122350103</b>	
	Less: Expenses Capitalised	75.9	686679916	
	<b>NET TOTAL</b>		<b>10435670187</b>	



**KERALA STATE ELECTRICITY BOARD LIMITED**

**Note 29: ADMINISTRATION AND GENERAL EXPENSES**

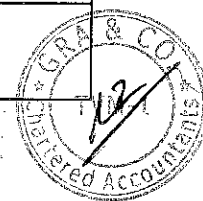
Sl. No	Particulars	Account Code	This Year 2013-14	Previous Year 2012-13
			Rs.	Rs.
1	Rent Rates and Taxes	76.101 to 76.102	27365820	
2	Insurance	76.104 to 76.107	1949113	
3	Telephone Charges, Postage, Telegram & Telex charges	76.111 to 76.114 & 76.116	14864835	
4	Up gradation charge of CUG handset	76.117	92629	
5	Internet chares	76.115	351866	
6	Legal Charges	76.121	8289479	
8	Audit Fees	76.122	1750000	
9	Consultancy Charges	76.123	3038299	
10	Technical Fees	76.124	1738267	
11	Other Professional Charges	76.125 to 75.126	3796311	
12	Conveyance and Travel	76.131 to 76.141	192707095	
	<b>Total of Administrative Expenses</b>		<b>255943714</b>	
13	<b>OTHER EXPENSES</b>			
	Fees and Subscriptions	76.151	3723024	
	Books and Periodicals	76.152	252394	
	Printing and Stationary	76.153	43828068	
	Data Processing Charges	76.154	354021	
	Advertisements	76.155	7236056	
	Exhibition, Publicity etc	76.156	1231726	
	Contributions	76.157	4776054	
	Electricity Charges	76.158	21609699	
	Water Charges	76.160	777021	
	Sports and Related Activities	76.161	1971250	
	Entertainment	76.162	1690914	
	Study Tour & Training Expenses	76.163	8592325	
	Expenses in respect of Local Advisory Committee / Consultative Council	76.164	10183	
	Ele. Duty u/s 3(i) of KED Act	76.165	438744000	
	Expense in respect of Southern Regional Power Committee	76.166	2466281	
	Expenditure for Vidyuthi adalath	76.167	41230	
	H&M data collection charge at different locations	76.168	1183779	
	Expenses APTS Inspection	76.171	50000	
	Expenditure towards safety measures	76.173	320103	
	Operating Expenses	76.174	222769461	
	Expenses on APDRP advertisement	76.175	9665	
	Miscellaneous Expenses	76.190	34887452	
	Expenditure on DSM Programme	76.191	9750	
14	<b>Total of Other Expenses</b>		<b>796534456</b>	
15	Freight	76.210 to 76.221	29031661	
16	Other Purchase related Expenses	76.230 to 76.299	24395802	
17	<b>Total Freight and Other Purchase related Expenses</b>	76.2	<b>53427463</b>	
			<b>1105905633</b>	
	Less: Expenses capitalised	76.9	43673727	
18	<b>TOTAL</b>		<b>1062231906</b>	



**KERALA STATE ELECTRICITY BOARD LIMITED**

**Note 30: FINANCE COST**

Sl. No.	Particulars	Account Code	This Year 2013-14	Previous Year 2012-13
			Rs.	Rs.
1	Interest on State Govt. Loans	78.1	-	-
2	Interest on Bonds	78.2	-	-
3	Interest on other loans/deferred credits	78.5	1272838998	-
4	<b>Total Interest on Capital Liabilities</b>		<b>1272838998</b>	-
5	Interest to Consumers	78.6	0	
6	Interest on Borrowings for Working Capital	78.7	1135093058	
	<b>OTHER INTEREST AND FINANCE CHARGES</b>			
8	Rebate allowed for prompt payment to NVVN	78.809		
7	Discount to Consumers for timely payment of bills	78.820 to 78.839	1193418	
8	Interest on Contributory Provident Fund	78.851	0	
9	Interest on General Provident Fund	78.852	450230263	
10	Other Interest	78.85	47748059	
11	Cost of Raising Finance	78.86	477945	
12	Premium payment for swapping of Loans	78.869		
13	Other Charges	78.801 & 78.881 to 78.889	27904047	
	<b>TOTAL</b>		<b>2935485788</b>	
	Less: Interest and finance charges capitalised	78.9	267506300	
	<b>TOTAL</b>		<b>2667979488</b>	



**KERALA STATE ELECTRICITY BOARD LIMITED**

**Note 30: DEPRECIATION AND AMORTIZATION**

Sl. No.	Particulars	Account Code	This Year 2013-14	Previous Year 2012-13
			Rs.	Rs.
1	Depreciation	77.1 & 77.2	1865358862	
2	Asset De-commissioning Costs	77.5		
3	Small and Low Value Items Written Off	77.6		
4	<b>SUB TOTAL</b>		1865358862	
5	Written Down Value of Assets Scrapped	77.710		
6	Write off of deficits of Fixed Assets observed upon Physical Verification	77.720		
7	Loss on Sale of Fixed Assets	77.730		
8	<b>TOTAL OF 5 TO 7</b>		0	
9	<b>TOTAL DEBITS (4 &amp; 8)</b>		1865358862	
10	Less: Gain on Sale of Assets (including Capital Gain Rs Nil transferred to Capital Reserve)			
11	<b>TOTAL</b>		1865358862	



**KERALA STATE ELECTRICITY BOARD LIMITED**

**Note 31: OTHERS**

Sl. No.	Particulars	Account Code	This Year 2013-14	Previous Year 2012-13
			Rs.	Rs.
1	Material Cost Variance	79.1	280253812	0
2	Research and Development Expenses	79.2	1371659	0
3	Sale of Stores Account	79.3	0	0
4	Bad and Doubtful Debts Written off / Provided for	79.4	0	0
5	Miscellaneous Losses and Write Offs	79.5	18326693	0
6	Sundry Expenses	79.7	367420	192858
7	Loss on account of flood cyclone etc	79.8	117541	0
	<b>TOTAL</b>		<b>300437125</b>	<b>192858</b>



**KERALA STATE ELECTRICITY BOARD LIMITED**

**Note 33: NET PRIOR PERIOD CREDITS/CHARGES**

Sl. No.	Particulars	Account Code	This Year 2013-14	Previous Year 2012-13
			Rs.	Rs.
1	INCOME RELATING TO PREVIOUS YEARS			
	Receipts from Consumers relating to Prior Periods	65.2	0	
	Excess Provision for Depreciation in Prior Periods	65.6		
	Interest Income for Prior Periods	65.4	0	
	Excess Provision for Interest and Finance Charges in Prior Periods	65.7	0	
	Other Excess Provision in Prior Periods	65.8	588498	
	Other Income relating to Prior Periods	65.9	81228583	
	<b>Total of 1</b>		<b>81817081</b>	
2	PRIOR PERIOD EXPENSES/LOSSES			
	Short Provision of Power Purchased in previous years	83.1	6415740	
	Fuel Related Losses and Expenses relating to Prior Periods	83.2	0	
	Operating Expenses of previous years	83.3	364107	
	Employee Costs relating to previous years	83.5	0	
	Depreciation under provided in previous years	83.6	0	
	Interest and other Financial Charges in previous years	83.7	3758595	
	Other Charges relating to previous years	83.8	4409021	
	<b>Total of 2</b>		<b>14947463</b>	
	<b>NET PRIOR PERIOD CREDITS/(CHARGES) (1-2)</b>		<b>66869618</b>	





**KERALA STATE ELECTRICITY BOARD LIMITED**

**Note 34: EXCEPTIONAL ITEMS**

Sl. No.	Particulars	Account Code	This Year 2013-14	Previous Year 2012-13
			Rs.	Rs.
	TOTAL CREDITS			
1	Extra-ordinary Debits (Loss on account of flood, cyclone, fire etc.)	79.8	0	
	TOTAL DEBITS			
2	Extra-ordinary items			
	NET DEBIT/(CREDIT)		0	

**Note 35: EXTRA ORDINARY ITEMS**

Sl. No.	Particulars	Account Code	This Year 2013-14	Previous Year 2012-13
			Rs.	Rs.
1	Extra-ordinary items		0	
	NET DEBIT/(CREDIT)		0	



**KERALA STATE ELECTRICITY BOARD LIMITED**

**Note 36: CURRENT TAX**

Sl. No.	Particulars	Account Code	This Year 2013-14	Previous Year 2012-13
			Rs.	Rs.
1	Income-tax-current year		0	0
2	Short Provision for Income Tax		0	0
	<b>TOTAL</b>		<b>0</b>	<b>0</b>

**Note 37: DEFERRED TAX**

Sr. No.	Particulars	Account Code	This Year 2013-14	Previous Year 2012-13
			Rs.	Rs.
1	Deferred Tax		0	0
	<b>TOTAL</b>		<b>0</b>	<b>0</b>



**KERALA STATE ELECTRICITY BOARD LIMITED**

**Note 40: EARNING PER SHARE ( EPS )**

Sl. No.	Particulars	As at 31.03.2014	As at 31.03.2013
		Rs.	Rs.
i.	<b>Basic</b>		
	(A) Net profit for the year	<b>-242528829</b>	
	(B) Weighted average number of equity shares outstanding during the year	<b>3499050000</b>	
	(C) Earning Per Share	<b>-0.07</b>	
II.	<b>Diluted</b>		
	Net Profit for the year	<b>-242528829</b>	
	(B) Weighted average number of equity shares outstanding during the year	<b>3499050000</b>	
	(C) Earning Per Share	<b>-0.07</b>	



## KERALA STATE ELECTRICITY BOARD LIMITED

### Note 38: STATEMENT OF ACCOUNTING POLICIES

**38.1.** Vide G.O(P) No.46/2013/PD dated 31 October 2013 published in Kerala Gazette dated 31<sup>st</sup> October 2013, the Government of Kerala re-vested all the Assets and liabilities of the erstwhile KSE Board in the new company Kerala State Electricity Board limited. Then the Government of Kerala issued the final transfer scheme vide G.O.(P) No.3/2015/PD dated 28.01.2015 by issuing a new opening Balance Sheet for the company as on 01.11.2013. This statement of accounts has been prepared based on the value of Assets & Liabilities notified by the Government of Kerala vide notification dated 28.01.2015.

The financial statements have been prepared on accrual basis under the historical cost convention and in accordance with the Generally Accepted Accounting Principles in India and the provisions of the Companies Act, 1956 and/or Companies Act, 2013 as amended time to time. However, where there is any deviation from the provisions of the Companies Act, 1956 and/or Companies Act 2013 in preparation of these accounts, the corresponding provisions of The Electricity Act, 2003 have been adopted. For preparation of the Financial Statements, the value of asset and liabilities notified under the re-vesting second Transfer (Amendment) Scheme (Re-vesting) 2015, have been duly adopted.

#### **38.2 Revenue Recognition**

- a. Revenue from sale of power is recognized on accrual basis at the tariff as notified by the Kerala State Regulatory Commission from time to time. As there are monthly as well as bi-monthly billed consumers under various tariff categories, an estimated amount of Rs.463.42crore is recognized as unbilled revenue as on 31.03.2014 and the amount is debited to sundry debtors for sale of power.
- b. Revenue from other sources is also accounted on accrual basis.

#### **38.3 Fixed Assets**

- a. Fixed assets are stated at cost including expenses related to acquisition, construction and installation less accumulated depreciation.



- b. The fixed asset of erstwhile KSE Board revested to KSEB LTD is taken at the value notified vide Government notification G.O.(P). No.3/2015/PD dated 28.1.2015.

#### **38.4 Depreciation**

- a. Depreciation is calculated on straight-line method up to 90% of the original cost of assets at the rates notified by the Central Electricity Regulatory Commission.
- b. Asset are depreciated to the extent of 90% of the cost of the asset and 10% is retained as residual value.
- c. The opening balance of accumulated depreciation as on 01.11.2013 is taken at the one notified by the Government of Kerala vide notification G.O.(P) No.3/2015/PD dated 28.01.2015

#### **38.5 Accounting for Grants**

- a. The government grants related to depreciable fixed assets are treated as deferred income which will be recognised in the profit and loss statement on a systematic and rational basis over the useful life of the asset. Grants related to non-depreciable assets will be credited to capital reserve. Since the depreciation is not charged on the assets created out of contribution received from 1<sup>st</sup> November to March 31<sup>st</sup>, no portion of grant received is credited to income.
- b. Revenue and untied grants are treated as income.

#### **38.6 Reserves & Surplus**

- a. Work executed/ asset created out of contribution received from the third parties vested in the company are incorporated in the books at the gross value without reducing the contribution from the cost of the asset. Such contributions received are shown separately.



### **38.7 Investments**

Investments are valued at cost determined on an individual investment basis.

### **38.8 Valuation of Inventories**

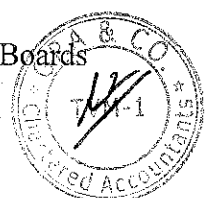
Fast moving stores and spares are valued at standard rates, determined by the company, in respect of items for which standard rates are fixed. Other items are valued at actual price. The difference between actual cost and the standard rate is debited or credited to Material cost variance as the case may be. The balance under this account is transferred to Material cost variance reserve. The debit balance under Material Cost Variance is transferred to P&L Account.

### **38.9 Borrowing Costs**

Borrowing costs specifically attributable to the construction/acquisition of qualifying assets are capitalized as part of the cost of such asset. The quantum of borrowing cost capitalized being determined on the basis of weighted average cost of the borrowings outstanding during the period.

### **38.10 Employee Benefits**

- a. Expenditure towards defined benefit scheme Gratuity and pension which covers employees who are in the pay roll of the company provided in the accounts on the basis of actual expenditure. No actuarial valuation done during the period hence actuarial gains or losses are not recognized in the Profit and Loss Account.
- b. The employees who are recruited on or after 1<sup>st</sup> April 2013 are included in the new National pension scheme and do not come under the regular pension scheme. The company has no further obligation beyond the monthly contributions.
- c. Since the implementation of NPS is not fully effected in all respects, the Boards



contribution to NPS in respect of employees recruited after 1<sup>st</sup> April 2013 is not provided in the books of accounts.

- d. The contribution made by the employees for General Provident Fund is credited to General Provident Fund Account maintained by Kerala State Electricity Board Ltd.
- e. Leave Travel Concession benefit not made applicable to KSEB Ltd

### **38.11 Accounting for tax on Income**

The company reported loss during the period and provision for current tax or deferred tax not provided in the accounts.

### **38.12 Provision for doubtful dues from consumers**

The debtors on sale of power is taken at the value notified by the Government notification dated 28.01.2015. The age wise analysis and corresponding provisions for the period from November to March 2014 is not incorporated in the accounts. In future years, provision for doubtful dues from consumers will be provided by applying a certain % on the dues of consumers depending upon the age wise analysis.

### **38.13 Segment Reporting**

The Company is primarily having operations for Generation, Transmission and Distribution of power, which are regarded as separate reporting segments. The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Inter-segment revenue is accounted for on the basis of transfer pricing methodology wherein cost of the segment (Generation & Transmission segment separately) and return on apportioned equity identified to that particular segment is considered as a revenue for it, and cost for other segment (Distribution segment).



### 38.14 Use of Estimates

The presentation of financial statements requires certain estimates and assumptions. These estimates and assumption affect the reported amount of asset and liabilities on the date of financial statements and reported amount of revenue and expenses during the reporting period. Difference between the actual result and estimates are recognized in the period in which the results are known/materialized.





**Note 39: NOTES TO ACCOUNTS**

**39.1.** The Opening Balance Sheet figures have been taken as notified by the Government vide

G.O.(P)No.3/2015/PD dated 28.01.2015.The figures notified are disclosed below

Schedule	Sl.No.	Particulars	Opening Balance Sheet as on 1.11.2013 (Rupees in Crores)
1	2	3	4
<b>NET ASSETS</b>			
19	(a)	<b>Net Fixed Assets</b>	
	1	Gross Bock	24961.05
	2	Less: Accumulated Depreciation	6153.81
	3	<b>Net Fixed Assets (1-2)</b>	<b>18807.24</b>
21	4	Capital Expenditure in Progress	1596.70
22	5	Assets Not in Use	...
23	6	Deferred Costs	69.72
24	7	Intangible Assets	....
25	8	Investments	19.50
	(b)	<b>Net Current Assets</b>	
26	9	<b>Current Assets</b>	
26(a)	(a)	Stock	353.46
26(b)	(b)	Receivable against Supply of power	549.95
26(c)	(c)	Cash and Bank Balance	698.61
26(d)	(d)	Loans and Advances	126.69
26(e)	(e)	Sundry Receivables	261.54
		<b>Total Current Assets</b>	<b>1990.25</b>
		<b>Less; Total Current Liabilities</b>	



27	10	Security Deposit from Consumers	2175.11
28	11	Other Current Liabilities	1897.08
	12	<b>Total Current Liabilities (10+11)</b>	<b>4072.19</b>
	13	<b>Net Current Assets (9-12)</b>	<b>(2081.94)</b>
29	14	Subsidies Receivable from Government	...
29(a)	15	Net Subsidy Netted off to be Written Off	...
	16	Contribution Receivable from State Government Towards terminal benefit	6315.13
29(b)	17	Regulatory Assets	...
		<b>NET ASSETS (3to8+13+14to17)</b>	<b>24726.35</b>
		<b>FINANCED BY</b>	
30	18	Borrowing for working Capital	2816.38
31	19	Payments due on Capital Liabilities	....
32	20	Capital Liabilities	2654.57
33	21	Funds from State Government	....
33A	22	Equity Capital	3499.00
34	23	Contributions, Grants and Subsidies towards Cost of Capital Assets	...
35	24	Reserves and Reserve Funds	...
	25	Terminal Benefit Fund and Provident Fund	
		(i) Terminal Benefit Fund	12419.00
		(ii) Provident Fund	1227.40
	26	Provision for Interest on Bonds adjustable Against Electricity Duty	2110.00
	27	Surplus/ (Deficit)	...
		<b>TOTAL FUNDS</b>	<b>24726.35</b>



### 39.2 Contingent liabilities and Commitments

	END OF THIS YEAR 2013-14 (Rs.in lakhs)	END OF PREVIOUS YEAR 2012-13 (Rs.in lakhs)
1. Commitment for Capital expenditure in contracts placed but not executed and not provided for		1622.66
Works authorised but not contracted.		102.00
<b>Total</b>		<b>1724.66</b>
2. Aggregate amount of Capital liabilities becoming due for repayment/redemption	295750.55	159867.08
3. Contingent liabilities exceeding Rs.1 Crore in each case: (Contingent liability includes MAT claim by Income Tax Department amounting to 16,701.20 lakhs. In the case of MAT claims on the erstwhile KSE Board, the Hon'ble High Court of Kerala vide order-dated 12.11.2010 has allowed the appeals of the Board. The IT Dept. had filed SLP before the Hon'ble Supreme Court of India and is pending disposal.)	32678.95	17010.12
4. Assets costing Rs.15521/- lakhs (previous year Rs.16455/- lakhs) have been mortgaged to LIC of India for loan availed by the Board.		

Contingent Asset includes Loan Advanced to Energy Management Centre(EMC) for the implementation of Compact Fluorescent Lamp (CFL) distribution through Clean Development Mechanism(CDM) called Bachat Lamp Yojana (BLY) and interest accrued thereon

Note: The contingent liabilities of the erstwhile KSE Board as on 31.03.2013 are reported as previous year figures.



### 39.3 Related Party disclosures

#### Key Managerial Personnel-

Sl. No.	Name	Designation
1	Sri. M. Sivasankar I.A.S	Chairman and Managing Director
2	Sri. S.Venugopal	Director(Finance)
3	Sri. Mohammed Ali Rawther	Director(Distribution)
4	Sri. Vikraman Nair	Director (Transmission)
5	Smt. Annamma John	Director(Generation-Civil)

#### Managerial remuneration paid or payable to Key Managerial Personnel:-

Sl. No.	Name	Salary and Allowances	Re imbursement of traveling expenses
1	Sri. M. Sivasankar I.A.S	Rs.6,64,416	Rs.3,15,148
2	Sri. S.Venugopal	Rs.7,40,928	Rs.1,47,195
3	Sri. Mohammed Ali Rawther	Rs.5,97,782	Rs. 8,208
4	Sri. Vikraman Nair	Rs.3,82,021	Rs.68,081
5	Smt. Annamma John	Rs.6,58,109	Rs.43,963

### 39.4 Interest and finance charges capitalized

Interest and finance charges capitalized @11.5%



39.5 Generation, Purchase and Sale of Power (in Million Units):

	This Year 2013-14			Previous Year (2012-13)		
	Unit Generated	Auxiliary consumption	Net	Unit Generated	Auxiliary consumption	Net
Hydel	3023.68	8.49	3015.19			
Wind	0.62	0.00	0.62			
<b>Sub Total</b>	<b>3024.30</b>		<b>3015.81</b>			
Thermal	67.53	2.98	64.55			
Purchase	6934.41		6934.41			
<b>Total</b>	<b>10026.24</b>	<b>11.47</b>	<b>10014.77</b>			
Less Auxiliary consumption in Substation		7.70	7.70			
<b>Total</b>	<b>10026.24</b>	<b>19.17</b>	<b>10007.07</b>			
Sales outside the state	910.82					
Energy input to KSEB System	9096.25					
Sale within the State	7622.41					
Transmission & Distribution loss (including External Loss)	1473.84					
External Loss in MU	137.98					
Net Energy input to	8958.27					



KSEB system (Excluding auxiliary consumption, external loss & sale to NVVN&PTC)						
Transmission & Distribution loss (Excluding External Loss)	<b>1335.86</b> <b>14.91%</b>					<b>3041.46</b> <b>15.30%</b>

### 39.6 Generating Stations:

#### A. Plants in operation since the beginning of the year.

Sl. No.	LOCATION	Unit Capacity (in MW)	Installed Capacity (MW)
1	Pallivasal	3X5 + 3X7.5	37.50
2	Poringalkuthu	4X8	32.00
3	Sengulam	4X12	48.00
4	Neriamangalam	3X17.5	52.50
5	Panniyar	2X 16	32.00
6	Sholayar	3X18	54.00
7	Sabarigiri	4X55 + 2X60	340.00
8	Kuttiyadi	3X25	75.00
9	Idukki	6 X130	780.00
10	Idamalayar	2X37.5	75.00
11	Kallada	2X7.5	15.00
12	Kanjikode (Wind Farm)	9 X 0.225	2.03
13	Peppara	1X3	3.00
14	Lower Periyar	3X60	180.00
15	Madupetty	1X2	2.00
16	Brahmapuram (Diesel)	5 X 21.32	106.60
17	Poringalkuthu Left Bank	1X16	16.00
18	Kozhikode (Diesel)	8X16	128.00
19	Kakkad	2X25	50.00
20	Malampuzha	1X2.5	2.50
21	Kuttiadi Extension	1 X 50	50.00



22	Chembukadavu I	3X0.9	2.70
23	Chembukadavu II	3X1.25	3.75
24	Urumi I & II	3X1.25 + 3X0.8	6.15
25	MSHEP, Malankara	3 X 3.5	10.50
26	Lower Meenmutty	2X1.5 +1X 0.5	3.50
27	Neriamangalam Extn Scheme	1 X 25	25.00
28	Kuttiadi Tail Race	3X1.25	3.75
29	Kuttiadi Addl. Extn. Scheme	2 X 50	100.00
30	Poohithode	3X1.6	4.80
31	Ranni- Perunadu	2 X 2	4.00
32	Peechi-HEP	1 X 1.25	1.25
	<b>Total</b>		<b>2246.53</b>

**B. Plants decommissioned during the year:** NIL

**C. Other Private Captive & IPPs (in MW)**

<b>Hydro</b>			
1	Maniyar	3 X 4	12.00
2	Kuthungal-	3 X 7	21.00
<b>IPP</b>			
1	NTPC Kayamkulam	2 X 116.6 + 1 X 126.38	359.58
2	KPCL Kasargode	3 X 7.31	21.93
3	BSES Kochi	3 X 40.5 + 1 X 35.5	157.00
4	Ramakkalmedu (Wind IPP)	19 X 0.750	14.25
5	Agali (Wind IPP)	31 X 0.60	18.60
6	Ullumkal (IPP Hydro)	2 X 3.50	7.00
7	MPS Steel (IPP – Co- Gen.)	1 X 10	10.00
8	PCBL	1 X 10	10.00



9	Iruttukkanam	3 X 1.50	4.50
	<b>Total</b>		<b>635.86</b>

### 39.7 Note to Balance Sheet

- i. Note 15 - Inter Unit balances amount to Rs.819.11 lakhs has been considered as Sundry Receivables pending complete reconciliation of such balances.
- ii. Expenditure incurred on Silent Valley and Kuriarkutty schmes amounting Rs.329.93 lakhs are remaining in the Accounts since final decision of the Government as to the write off of the amount or reimbursements to the Board have not been received.
- iii. The Kerala Power Finance Corporation has issued 1319440 nos. of Equity Shares of Rs.10/- each as Bonus Share to the erstwhile KSE Board during the Year 2004-05.
- iv. The Board along with Orissa and Gujarat has taken steps to sets up a 1000 MW Power Plant at Orissa. In this connection a company has been formed under the name Baitarni West Coal Company Limited. The Board has made share contribution of Rs.10 Crore. The following share certificates have been issued by the company.

Folio No.	Share Certificate No.	Face value	Amount
004	004	Rs.1000/-	Rs.29,00,000/-
005	005	Rs.1000/-	Rs.1,00,000/-
004	009	Rs.1000/-	Rs.9,70,00,000/-

The share certificates are kept in safe custody.





Further the Board has deposited Rs.25 Crores on 01.09.2012 with Punjab & Sindh Bank, Thiruvananthapuram for enabling Punjab & Sindh Bank, Bhubaneswar to issue Bank Guarantee to Government of India favouring the company.

On 10.12.2012 Ministry of Coal, Government of India de-allocated the Baitarni West Coal Block citing delay in developing the coal block .KSEB has filed appeal to the Ministry of coal to revoke the decision of de-allocation. The matter has also been taken up with the Union Government through letters written by the Chief Minister to the Prime Minister and the Union Coal Minister. A petition has also been filed by the allocatees before the High Court of Odisha challenging the decision of Union Government on de-allocating the Baitarani coal block. The case is yet to be finally heard by the Court.

- v. Government of Kerala vide order G.O (M.S) No. 13/07/PD dated 05.07.2007 has ordered to transfer 100 acres of land originally acquired by KSEB for the Brahmapuram Diesel Power Plant at Kochi to the Revenue Department in Government subject to the conditions that (i) The value of Land will be determined and paid by Government to KSEB later. (ii) Additional compensation ordered to be paid in land acquisition appeal cases in respect of the land shall be paid by Government in Revenue Department. The Government had fixed the compensation for acquisition at Rs. 7.57crores and the Board had requested the Government to enhance the compensation and for giving value of land at current market rate. No amount has been received till date and physical transfer of land has not taken place. Hence accounting adjustments were also not made.
- vi. A total provision for bad and doubtful debts amounting Rs.789.31 crore were made up to 2008-09 based on the age wise analysis of debtors. As adequate provision is already there, no further provision for bad and doubtful debts is made during the period.

**39.8. Auditors remuneration:-**

Name of Statutory Auditors	Amount in Rs.
GRA & Co. Chartered Accountants	Rs.16,00,000/- (Excluding Service Tax)



### 39.9. Foreign Exchange Transaction and earnings outgo:-

During the audit period the company does not transacted any business in foreign exchange.

### 39.10. Micro, Small and Medium Enterprises:-

The company has not received any information from its supplier regarding their status under the Micro, Small and Medium Enterprises Development Act.2006 which came into effect from 2<sup>nd</sup> October 2006 and hence disclosure, if, any, relating to amounts unpaid as on 31<sup>st</sup> March 2014 together with interest paid/payable as required under the Act, have not been given.

### 39.11. Impairment of Asset:-

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. The carrying amount of asset is reviewed at each balance sheet date. An impairment loss is charged when the asset is identified as impaired.

### 39.12. Lease:-

Operating lease payments/income are not recognized in the statement of Profit & Loss

As per our report attached

**PAT & CO.**  
Chartered Accountants  
Firm Reg. No : 010906S  
*George Zachariah*  
GEORGE A. ZACHARIAH, FCA  
Partner, Membership No : 27442

Place: Thiruvananthapuram

Date: 21/01/2016

For and on behalf of the Board of Directors

*Jmsankar*  
M.SIVASANKAR IAS  
CHAIRMAN & MANAGING DIRECTOR

*Sankaran*  
N.S PILLAI IAS & AS  
DIRECTOR (FINANCE)

*R. Biju*  
BIJU.R FCA  
FINANCIAL ADVISER & CFO

**KERALA STATE ELECTRICITY BOARD LIMITED**

**Cash Flow Statement Annexed to the Balance Sheet as at 31st March 2014**

	<b>Particulars</b>	<b>Amount (Rs. in Lakhs)</b>	<b>Amount (Rs. in Lakhs)</b>
<b>A</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES(A)</b>		
	Net profit before tax as per Profit & Loss account	(2,752.52)	
	Adjustments for:		
	Depreciation(net)	18,653.59	
	Operating profit before working capital changes	15,901.07	
	Adjustments for:		
	Changes in Stores & Spares	27,805.42	
	Changes in Sundry Debtors	111,966.75	
	Changes in Loans & Advances	3,380.53	
	Changes in Other Receivables	4,179.32	
	Changes in Current liabilities and provisions	430,986.36	
	Changes in Trade payable	84,766.48	
	<b>Cash generated from Operations</b>	<b>384,321.90</b>	
	Income Tax		
	<b>Net cash inflow from operating activities</b>		<b>384,321.90</b>
<b>B</b>	<b>CASH FLOW FROM INVESTMENT ACTIVITIES(B)</b>		
	Change in Fixed Asset	1,932,625.45	
	Changes in Capital work-in progress	154,566.59	
	Change in Investments	1,950.01	
	<b>Net cash flow from investment Activities</b>		<b>2,089,142.05</b>
<b>C</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES (C)</b>		
	Changes in Equity Capital	349,900.00	
	Contribution & grants towards cost of capital assets	17,260.23	
	Changes in Long Term Borrowings	295,748.31	
	Changes in Other long term Liabilities & Provisions	1,802,741.14	



Particulars	Amount (Rs. in Lakhs)	Amount (Rs. in Lakhs)
Change in Long Term Loans& Advances & Other Current Assets	(689,007.36)	
<b>Net cash flow from financing Activities</b>		<b>1,776,642.31</b>
<b>Net change in Cash and Cash equivalents(A-B-C)</b>		<b>71,822.16</b>
Add: Opening cash and Cash equivalents		5.00
<b>Closing Cash and Cash Equivalents as on 31.03.2014</b>		<b>71,827.16</b>

**Note:-** Government of Kerala vide G.O(P) No.46/2013/PD dated 31 October 2013 had re-vested all the Assets and liabilities of the erstwhile KSE Board in Kerala State Electricity Board Limited. The Government of Kerala had issued the final transfer scheme vide G.O.(P) No.3/2015/PD dated 28.01.2015 by issuing a new opening Balance Sheet for the company as on 01.11.2013. The cash flow statement includes the value of Assets & Liabilities notified by the Government of Kerala vide notification dated 28.01.2015 and the transactions in KSEB Ltd thereafter.

As per our report attached

For and on behalf of Board of Directors

For GRA & CO.  
Chartered Accountants  
Firm Reg. No : 010906S

*George Zachariah*  
GEORGE A. ZACHARIAH, FCA  
Partner, Membership No : 27442

*M. Sivasankar*

M.SIVASANKAR, IAS  
CHAIRMAN & MANAGING DIRECTOR

*N.S. Pillai*

N.S.PILLAI, IA&AS  
DIRECTOR(FINANCE)

Place:Thiruvananthapuram

Date:21/01/2016

*R. M. J. R.*

BIJU.R, FCA

FINANCIAL ADVISER & CFO