

**21th Annual Report
2019-20**



Karnataka Power Transmission Corporation Limited

CIN : U40109KA1999SGC025521



CHAIRMAN'S MESSAGE

It gives me an immense pleasure to present this 21st Annual Report for the Financial Year 2019-20, a year of many remarkable achievements and milestones. Electricity is one of the basic essential commodity for decent standard of living. Karnataka has recorded an abundance of Solar Power Generation and we aim to provide 7 hours of continuous power supply to all Irrigation pump sets in coming years. In order to achieve the above goal, we have made a detailed plan of a three-year strategy to put our aspirations on paper. This plan not only depicts a clear path to the future scale we aspire for, but also highlights the skills and capabilities needed to get there. During the last few weeks of March 2020, we started to see the impact of COVID-19 and reasonably, the situation has given us a chance to look at things differently. Our main focus has been and remains safety of our employees, delivery of service to our consumers, and the financial well-being of the Company.

KPTCL continues to register a record net profit of Rs.398.93 Crores for the year 2019-20. With robust network in place, KPTCL has recorded one of the lowest Transmission Loss of 3.129% in the country for the year 2019-20. During the FY 2019-20, the company has spent Rs.2232 Crores towards strengthening of transmission network, which happens to be the 111.60% of budget allocated.

We are now focused on using technology and innovative financing to deliver our projects as per the needs of the society. We intend to prepare for the exponential growth and to be a strong partner in this journey towards "Power for All".

KPTCL is well placed to meet the demand opportunities that will arise from these important and fundamental shifts. On this occasion, I would like to thank your continued trust, confidence and support as we enter a brave new decade.

With warm regards,

(B.S.YEDIYURAPPA)

Chairman, KPTCL.





Table of Contents

1. Directors. Report	1
2. Comments of the C & AG of India	97
3. Auditors. Report	
1. Statutory Auditor	98
2. Secretarial Auditor	128
4. Balance Sheet	132
5. Profit & Loss Account	133
6. Notes	136



Sri B.S. Yediyurappa,
Hon'ble Chief Minister,
Govt. of Karnataka &
Chairman, KPTCL,



Dr. N. Manjula, IAS
Managing Director,
KPTCL



Dr. E.V. Ramana Reddy, IAS
Additional Chief Secretary to
Hon'ble Chief Minister,
Govt. of Karnataka & Director, KPTCL



Sri I.S.N. Prasad, IAS
Additional Chief Secretary to
Govt. of Karnataka-Finance Department
& Director, KPTCL



Sri G. Kumar Naik, IAS,
Additional Chief Secretary to
Govt. of Karnataka-Energy Department
& Director, KPTCL



Sri V. Ponnuraj, IAS
Managing Director, KPCL &
Director, KPTCL



Sri M.B. Rajesh Gowda, IAS
Managing Director, BESCO &
Director, KPTCL



Sri Sidlingappa Teli, IRS
Director(Finance), KPTCL



Sri Gangadhara Swamy G.M., IAS
Director (Admn, & HR), KPTCL



Sri B.K. Udayakumar
Director (Transmission),
KPTCL



Sri T.R. Ramakrishnaiah
Director, KPTCL and
President KPTCL Employees Union



Sri T.M. Shivaprakash
Director, KPTCL and
President KEB Engineers Association



Sri T. Rama Naik
Director, KPTCL



Sri Prashant R. Makanur
Director, KPTCL



**Sri Mahadevappa
Shivappa Alagavadi,**
Director, KPTCL



Sri Banuprakash M.S
Director, KPTCL



Sri. Bhavani Rao Mohre
Director, KPTCL

BOARD OF DIRECTORS**(As on 09.04.2021 i.e. date of AGM)**

Sl. No.	Name	Designation
1	Sri B.S.Yediyurappa, Hon'ble Chief Minister, Govt. of Karnataka	Chairman, KPTCL
2	Dr. N.Manjula, IAS	Managing Director
3	Dr. E.V. Ramana Reddy, IAS	Director
4	Sri. I.S.N.Prasad, IAS	Director
5	Sri. G. Kumar Naik, IAS	Director
6	Sri. V.Ponnuraj, IAS	Director
7	Sri. M.B.Rajesh Gowda, IAS	Director
8	Sri. Sidlingappa Teli, IRS	Director (Finance)
9	Sri. Gangadhara Swamy G.M, IAS	Director (Admn. & HR)
10	Sri. B.K. Udayakumar	Director (Transmission)
11	Sri. T.R.Ramakrishnaiah	Director
12	Sri. T.M. Shivaprakash	Director
13	Sri. T.Rama Naik	Director
14	Sri. Prashant R. Makanur	Director
15	Sri. Mahadevappa Shivappa Alagavadi	Director
16	Sri. Banuprakash M.S	Director
17	Sri. Bhavani Rao Mohre	Director

Smt. Ramya K, FCS
Company Secretary

STATUTORY AUDITORS
M/s. B.P. Rao & Co.,
Chartered Accountants, Bengaluru

COST AUDITORS
M/s. KPR & Associates, Bengaluru

SECRETARIAL AUDITORS
Sri. Ankush Sethi,
Company Secretary in Practice, Bengaluru



DIRECTORS' REPORT

Dear Members,

Board of Directors of Karnataka Power Transmission Corporation Limited (KPTCL) have immense pleasure in presenting the 21st Annual Report and the Audited Financial Statements of the Company for the Year ended 31st March 2020.

Financial Position:

The Financial position of the Company for the three years ending 31st March 2020 are as follows:

(Rs. in Lakhs)

S.N	Particulars	2017-18	2018-19	Revised 2018-19	2019-20
	Assets				
a)	Gross Block	17,33,984.40	19,14,098.58	19,60,004.18	21,66,650.31
b)	Less: Depreciation	6,715,36.40	753,139.78	755,082.76	8,45,342.64
c)	Net Block	10,62,448.00	11,60,958.80	12,04,921.42	13,21,307.67
d)	Capital Work in Progress	3,08,326.46	3,62,525.39	3,21,389.20	3,51,100.04
e)	Other Current, Non-Current Assets, Short term, Long term Loans & Advances, Trade Receivables & Cash equivalents	1,92,943.77	2,01,887.87	2,01,921.04	3,70,626.49
f)	Miscellaneous Expenditure				
	Total	15,63,718.22	17,25,372.06	17,28,231.67	20,43,034.20
	Liabilities				
g)	Paid-up capital (including Share deposit)	2,18,232.25	2,18,232.25	2,18,232.25	2,18,232.25
h)	Reserves & Surplus	20,9370.24	2,30,587.29	2,14,987.63	2,54,880.98
i)	Borrowings				
	Government of Karnataka	297.04	238.03	178.63	118.81
	Public Bonds		-	-	-
	Private Bonds		-	-	-
	Financial Institutions & Banks	4,61,691.63	5,25,639.79	5,25,699.19	6,00,957.12
	Cash Credit from Banks		-	-	-
	Other Funds	-	-	-	-
j)	Other long term, Other Current Liabilities, Short term, Long term Provisions & other liabilities	6,74,127.06	7,50,674.70	7,69,133.98	9,68,845.04
	(Including interest accrued & due)				
	Total	15,63,718.22	17,25,372.06	17,28,231.67	20,43,034.20
	Capital Employed	11,35,423.82	12,22,985.70	12,10,944.94	13,99,691.68
	Net Worth	4,27,602.49	4,48,710.84	4,33,111.19	4,73,029.41
	Note:				
1)	Capital employed represents net fixed assets including capital work-in-progress plus working capital				
2)	Net worth represents paid up capital plus reserves & surplus less intangible assets				

Working Results :

The Working Results of the Company for the three years ending 31st March 2020 are as follows : (Rs. in Lakhs)

Sl. No	Particulars	2017-18	2018-19	Revised 2018-19	2019-20
i)	Profit (+) / Loss (-) for the year	81,235.29	34,017.22	20,360.54	73,885.12
ii)	Prior Period Adjustments	-	-		
iii)	Profit (+) / Loss (-) before Tax	81,235.29	34,017.22	20,360.54	73,885.12
iv)	Tax Provision	58,452.02	12,591.71	12,591.71	33,991.78
v)	Profit (+) / Loss (-) after Tax	22,783.27	21,425.51	7,768.83	39,893.34
vi)	Percentage of Profit before tax to:				
	a) Sales	28.41	11.52	6.90	20.98
	b) Gross Fixed Assets	4.68	1.78	1.04	3.41
	c) Capital Employed	7.15	2.78	1.68	5.28
vii)	Percentage of Profit after tax to:				
	a) Net worth	5.33	4.77	1.79	8.43
	b) Equity Capital	10.44	9.82	3.56	18.28
	c) Capital Employed	2.01	1.75	0.64	2.85

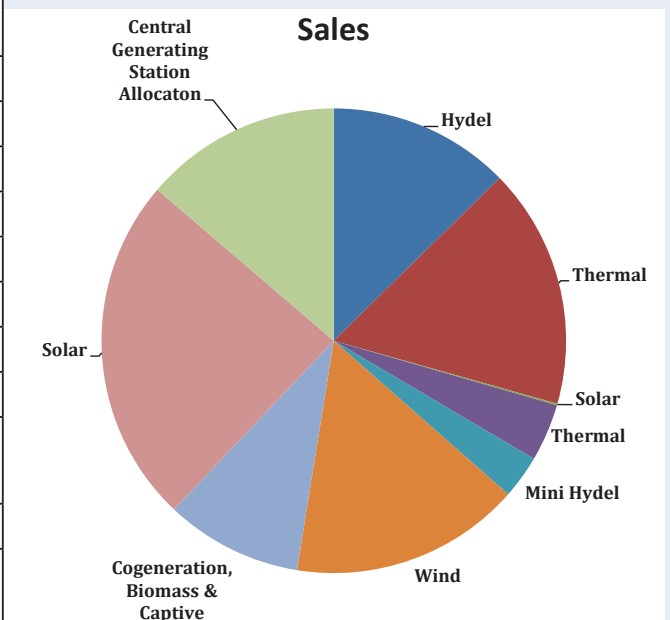
EQUITY :

(Rs. in Lakhs)

Particulars	As at 31/03/2019	As at 31/03/2019 (Revised)	As at 31/03/2020
Equity Share Capital	448,819.54	433,219.88	473,113.23
Debt	525,877.82	525,877.82	601,075.93
Debt Equity Ratio	1.17 : 1	1.21 : 1	1.27 : 1

SOURCE WISE INSTALLED GENERATION CAPACITY AS ON 31-03-2020

Source	Capacity in MWs
Public	
Hydel	3798
Thermal	5020
Solar	34
Private	
Thermal	1200
Mini Hydel	903
Wind	4819
Cogeneration, Biomass & Captive	2863
Solar	7265
Central Generating Station Allocation	4123
TOTAL	30025



**KPTCL SUB-STATIONS &
TRANSMISSION LINES AS ON
31.03.2020**

Voltage Class	Number of Sub-stations	Length of Transmission line ckms / UG cable in kms
400 kV	6 + 12#	3698.728
220 kV	108	11609.03
110 kV	432	10914.82
66 kV	676	11430.00
TOTAL	1222	37652.58

12 Nos of 400kV sub-stations are maintained by PGCIL
Transmission Loss - 3.129% (19-20)
(From KPTCL boundary point to IF point of ESCOM i.e., excluding SR Loss)

**ESCOM WISE INSTALLED
TRANSMISSION CAPACITY 2019-20
(220KV SUB-STATION)**

Company	Number of sub-stations	Trans former capacity in MVA	Transmission capacity in MWs
BESCOM	49	12995	11046
MESCOM	8	1900	1615
CESC	13	2850	2422
GESCOM	16	3000	2550
HESCOM	22	4805	4085
TOTAL	108	25550	21718

Note:

1. Transmission capacity in MVA is arrived based on installed Transformer capacity at 220kV Sub-stations
2. Transmission Capacity in MW is arrived by multiplying power factor (0.85) to transformer capacity in MVA.

ENERGY & DEMAND FORECAST

YEAR	Energy Requirement in mU	Peak Demand in MW
2020-21	81622	13534
2021-22	85932	14271
2022-23	90381	15033
2023-24	95042	15834
2024-25	99916	16674
2025-26	105017	17554
2026-27	110368	18481

Details of New Sub-stations, Transmission Lines Commissioned and Augmentation works Commissioned during 2019-20

ABSTRACT									
A. New Sub-stations Commissioned during 2019-20									
Sl No	Voltage	Progress achieved upto the end of March 2020							
		New stations commissioned		2 nd Transformer commissioned of already commissioned Sub-stations during previous FY				Total	
		Nos	MVA	Nos		MVA		Total MVA	
1	400kV	1	1000					1000	
2	220kV	3	800	1		150		950	
3	110kV	9	110	1		10		120	
4	66kV	19	231.5	1		12.5		244	
TOTAL		32	2141.5	3		172.5		2314.0	
B. Transmission Lines commissioned during 2019-20									
Sl No	Voltage	Progress achieved upto the end of March 2020							
		New Transmission lines Commissioned		Strengthening / Re-conducting				Total	
		Nos	Ckms	Nos		Nos		Ckms	
1	400kV	1	130.272			1		130.272	
2	220kV	5	106.142			5		106.142	
3	110kV	12	202.678	1		13		202.678	
4	66kV	33	355.159			33		355.159	
TOTAL		51	794.251	1		52		794.251	
C. Augmentation of Sub-stations during 2019-20									
Sl No	Voltage	Progress achieved upto the end of March 2020							
		Additional & Replacement of Transformers		2 nd Transformer commissioned of existing Sub-stations*		Spare & Replacement of same capacity of Transformer with different voltage class		Total	
		Nos	MVA	Nos	MVA	Nos	MVA	Nos	MVA
1	400kV							0	0
2	220kV	1	100	1	40			1	140
3	110kV	23	260					23	260
4	66kV	59	432.3	8	51.2	1	8	60	491.5
TOTAL		83	792.3	9	91.2	1	8	84	891.5

* Replacement of 2nd transformer under same work code in which first transformer of the sub-station was replaced during previous FY.



Details of New Sub-stations, Transmission Lines commissioned and Augmentation works commissioned during 2019-20

A.1) Zone-wise details of New Sub-Stations commissioned during the year 2019-20 under report:

Sl No.	ESCOM	District	Place	Project Name	Capacity added	Total MVA Added	Voltage in kV	Date of Commissioning
Bagalkote Transmission Zone								
1	HESCOM	Belagavi	G Hosakoti	Establishing 1x10MVA, 110/11kV Sub-Station	1X10	10	110	29-Nov-19
2	HESCOM	Belagavi	Shiraguppi	Up-gradation of 2x5 MVA,33/11 kV MUSS to 1x10MVA, 110/11kV Sub-Station	1X10	10	110	28-Feb-20 (01 Tr Commissioned)
3	HESCOM	Vijayapura	Inchageri	Establishing 1x10MVA, 110/11kV Sub-Station	1X10	10	110	5-Sep-19
4	HESCOM	Vijayapura	Ronihal	Establishing 2x10MVA, 110/11kV Sub-Station	2X10	20	110	15-Feb-20
5	HESCOM	Vijayapura	Ukkali	Establishing 1x10MVA, 110/11kV Sub-Station	1X10	10	110	30-Nov-19
Sub-Total (MVA)						60.0		
Bengaluru Transmission Zone								
6	BESCOM	Bengaluru Rural	Channarayana patna	Establishing 2x8 MVA, 66/11kV Sub-Station	2X8	16	66	19-Feb-20
7	BESCOM	Bengaluru Urban	Baggana doddi	Establishing 1x8 MVA, 66/11kV Sub-Station	1X8	8	66	20-Feb-20
8	BESCOM	Bengaluru Urban	Brndavan Alloy	Establishing 2x150MVA, 220/66/11kV Sub-Station	2X150	300	220	9-Mar-20
9	BESCOM	Bengaluru Urban	Huskur	Establishing 2x12.5MVA, 66/11kV Sub-Station	2X12.5	25	66	11-Mar-20
10	BESCOM	Bengaluru Urban	ITI	Establishment of 220/66/11kV GIS S/s of 2x150 MVA 220/66 kV substation	2X150	300	220	22-Oct-19
11	BESCOM	Bengaluru Urban	Kumbarana halli	Establishing 2x12.5 MVA, 66/11kV Sub-Station	1X12.5	12.5	66	29-Jan-20
12	BESCOM	CB Pura	Bommepalli Cross	Establishing 1x8 MVA, 66/11kV Sub-Station	1X8	8	66	21-Mar-20
13	BESCOM	Kolar	Tadigol cross	Establishing 2x12.5MVA, 66/11kV Sub-Station	2X12.5	25	66	29-Jan-20

14	BESCOM	Kolar	Talagunda village	Establishing 2x8 MVA, 66/11kV Sub-Station	2X8	16	66	23-Mar-20
15	BESCOM	Ramanagara	BV Halli	Establishing 1x12.5 MVA, 66/11kV Sub-Station	1X12.5	12.5	66	11-Dec-19
16	BESCOM	Ramanagara	Sathanur (Achalur)	Establishing 1x8 MVA, 66/11 kV Sub-station	1X8	8	66	23-Dec-19
Sub-Total (MVA)						731		
Hassan Transmission Zone								
17	CESC	Hassan	Shettihalli	Establishing 1 x 8 MVA, 66/11 KV sub-station	1X8	8	66	2-Aug-19
18	MESCOM	Shivamogga	Konandur	Establishing 1X10MVA 110/11kV Sub-station	1X10	10	110	24-Jan-20
19	MESCOM	Shivamogga	McGann Government Hospital Premises	Establishing 1X10MVA 110/11kV Sub-station	1X10	10	110	11-Oct-19
20	MESCOM	Udupi	Belman (Nandalike)	Establishing 1x10MVA, 110/11kV Sub-Station	1X10	10	110	19-Mar-20
Sub-Total (MVA)						38		
Kalaburagi Transmission Zone								
21	GESCOM	Koppal	Mangalore	Up-gradation of 33/11kV MUSS to 2X10MVA 110/33/11kV Sub-Station	2X10	20	110	23-Sep-19
Sub-Total (MVA)						20		
Mysuru Transmission Zone								
22	CESC	Chamaraja nagar	Jannur	Establishing 1 x 8 MVA, 66/11 KV sub-station	1X8	8	66	18-Jun-19
23	CESC	Mandya	Hariyalad amma Temple (Gangena halli)	Establishing 1x8MVA, 66/11kV Sub-Station	1X8	8	66	22-Jan-20
24	CESC	Mandya	Kadu kothana halli	Establishing 1 x 8 MVA, 66/11 KV sub-station	1X8	8	66	3-May-19
25	CESC	Mandya	Shivana samudra	Establishing 2x100MVA, 220/66kV & 1X12.5MVA 66/11kV Station at Shivanasamudra (Hebbani village limits)	2X100 & 1X12.5	212.5	220	10-Jul-19



26	CESC	Mysuru	Chandravadi (Nallinathapura)	Establishing 1 x 8 MVA, 66/11 KV sub-station	1X8	8	66	8-Jul-19
27	CESC	Mysuru	Gargeshwari	Establishing 1x8 MVA, 66/11 kV Sub-station	1X8	8	66	21-Dec-19
28	CESC	Mysuru	Koppalur (Mandakalli / Srinagar)	Establishing 1x8MVA, 66/11kV Sub-Station	1X8	8	66	14-Feb-20
29	CESC	Mysuru	Vyasaraajapura	Establishing 1x8 MVA, 66/11 kV Sub-station	1X8	8	66	21-Dec-19
Sub-Total (MVA)						268.5		
Tumakuru Transmission Zone								
30	BESCOM	Chitradurga	Malladihalli	Establishing 2X8MVA 66/11kV substation	2X8	16	66	16-Sep-19
31	BESCOM	Chitradurga	Vishweshwara pura	Establishing 1X8MVA 66/11kV substation	1X8	8	66	18-Nov-19
32	BESCOM	Davanagere	Jagalur (Hire mallana hole)	Establishing 2X500MVA 400/220kV substation with 400kV side GIS & 220kV side AIS	2X500	1000	400	22-Jul-19
Sub-Total (MVA)						1024.0		
Total (MVA)						2141.5		

A. 2) 2nd Transformer commissioned during 2019-20 (Station commissioned in previous year)

Bagalkote Transmission Zone								
Sl No.	ESCOM	District	Place	Project Name	Capacity added	Total MVA Added	Vol tage in kV	Date of Commissioning
1	HESCOM	Belagavi	Aratagal	Establishing 2X10 MVA, 110/11 KV sub-station	2X10	10	110	21-Jun-19
Sub-Total (MVA)						10.0		
Bengaluru Transmission Zone								
2	BESCOM	Bengaluru Urban	Hulimangala	Establishing 2x12.5MVA, 66/11kV Sub-Station	2X12.5	12.5	66	5-Oct-19
3	BESCOM	Bengaluru Urban	Jigani	Establishing 2X150 MVA, 220/66 KV sub-station	2X150	150	220	15-Nov-19
Sub-Total (MVA)						162.5		
Total (MVA)						172.5		

B. 1) Zone-wise details of Transmission Lines commissioned during the year 2019-20 under report:

Sl No.	ESCOM	District	Place	ProjectName	Voltage in kV	Length of line in Ckm	Date of Commissioning
Bagalkot Transmission Zone							
1	HESCOM	Bagalkote	Hebballi	Construction of 110 kV SC tap line from one circuit of 110 kV Hubli-Bagalkot DC line to proposed 110/11 kV S/s at Hebballi	110	14.188	7-Jul-19
2	HESCOM	Belagavi	G Hosakoti	Construction of 110kV SC line on DC towers from 110kV Salahalli S/s to G Hosakoti S/s	110	10.164	29-Nov-19
3	HESCOM	Belagavi	Shiraguppi	Construction of 110 kV SC line on DC towers from 220 kV Kudachi S/s to proposed 110 kV S/s at Shiraguppi	110	16.749	28-Feb-20

4	HESCOM	Vijaya pura	Inchageri	Construction of 110 kV SC line on DC towers from existing 110 kV Zalki S/s to the proposed 110/11 kV S/s at Inchageri	110	19.759	5-Sep-19
5	HESCOM	Vijaya pura	Ronihal	Construction of 110kV LILO line from existing 110kV Basavana Bagewadi-Mamdapur DC line (Circuit 2) to the proposed 110/11kV substation Ronihal	110	11.794	15-Feb-20
6	HESCOM	Vijaya pura	Ukkali	Construction of 110kV LILO line from 110kV B. Bagewadi-Vijayapura SC line to the proposed substation at Ukkali	110	14.33	30-Nov-19
Sub-Total (Ckm)						86.984	
Bengaluru Transmission Zone							
7	BESCOM	Bengaluru Rural	BIAL to Vidya nagar -Cable	Running of 66 kV 1000 sq mm, XLPE, UG cable from BIAL (Begur) 220 kV S/s to 66/11 kV Vidyanagar S/s	66	9.5	5-Aug-19
8	BESCOM	Bengaluru Rural	Channarayana patna	Construction of 66 kV SC line on DC towers from 66 kV Sulibe S/s to proposed 66 kV S/s at Channarayapatna S/s	66	7.9	19-Feb-20
9	BESCOM	Bengaluru Rural	Tubagere (LILO arrangement)	Stringing of Second circuit on existing 66kV DC towers from circuit-1 of 66kV NRS Doddaballapura- Chikkaballapura DC line , LILO point to 66/11kV Tubagere S/s	66	6.1	14-Jan-20
10	BESCOM	Bengaluru Urban	Bagganadoddi	Running of 3Cx300 sq.mm, 66 kV (E) Grade Copper conductor UG cable from proposed 66/11 kV Kumbarahalli S/s to proposed 66/11 kV Bagganadoddi S/s	66	9.151	20-Feb-20
11	BESCOM	Bengaluru Urban	Brndavan Alloy	Construction of 220 kV DC line for a distance of 0.52 km from 220 kV B3-B4 DC line to the proposed 220 kV Brindavan GIS.	220	1.34	9-Mar-20
12	BESCOM	Bengaluru Urban	Huskur	Running 66 kV 1000 sq.mm SC UG cable from existing 66/11 kV Malgudi (Electronic city Sector-II, Phase-II) S/s to proposed 66 kV Huskur (Avalahalli) S/s	66	6.885	11-Mar-20
13	BESCOM	Bengaluru Urban	ITI Cable	Running of 220 kV DC, 1000 sqmm 1 core XLPE UG cable from 220 kV Hoody-Hebbal SC line to proposed 220/66/11 kV GIS at ITI S/s	220	5.44	14-Oct-19
14	BESCOM	Bengaluru Urban	ITI Evacuation line	66kV 1000Sqmm UG cable to 66/11kV NGEF S/s from 220kV ITI substation	66	3.5	31-Dec-19
15	BESCOM	Bengaluru Urban	Kumbarahalli	Running of 66kV 1000 sqmm SC UG cable from proposed 220/66/11kV Jigani substation to proposed 66/11kV Kumbarahalli substation	66	3.3	14-Jan-20
16	BESCOM	Bengaluru Urban	Naganathapura-Keonic city 66kV 2nd Circuit_line	Stringing of 2nd circuit of 66kV Coyote ACSR line on existing 66 kV DC towers from 66 kV Keonic City S/s to Location No. 35.	66	6.02	1-Apr-19
17	BESCOM	Bengaluru Urban	Vikas Technical Park UG cable (B)	Running of 220kV DC 1000 sqmm UGC from location no.6 to CTT near location no.11 of proposed 220/66/11 kV Vikas Tech Park station	220	1.2	8-Nov-19
18	BESCOM	CB Pura	Bommepalli Cross	Construction of 66 kV LILO line from existing 66 kV Chintamani-Enigadale SC line to 66/11 kV S/s at Bommepalli Cross using 66 kV NBT KPTCL design towers.	66	11.106	21-Mar-20
19	BESCOM	CB Pura	Mittemari_Evacuation 66kV line: Mittemari to somanahalli	66KV SC line on DC towers proposed 220/66 KV Mittemari station to the 66/11 KV Somenahalli S/S	66	7.016	10-Jul-19

20	BESCOM	Kolar	Tadigol Cross	construction of 66kV LILo line from existing 66 kV Chintamani-Srinivasapura D/C line to proposed 66/11 kV Tadigol Cross sub-station using Narrow based KPTCL design towers and coyote conductor	66	13.16	29-Jan-20
21	BESCOM	Kolar	Talagunda village	Construction of 66kV LILo line from existing 66kV Kolar-Vemagal-Kyalanur SC line to proposed Talagunda Village substation	66	2.912	23-Mar-20
22	BESCOM	Rama nagara	BV Halli	Construction of 66 kV SC tap line on DC towers from 66 kV T.K.Halli-Harohalli SC line to the proposed B.V.Halli S/s	66	18.8	25-Sep-19
23	BESCOM	Rama nagara	Sathanur (achalu)	Construction of 66kV LILo line from existing 66kV Kanakapura-TK Halli SC line-2 to proposed 66/11kV Sathanur (Achal) substation by using narrow based KPTCL design tower and drake conductor	66	0.46	29-Nov-19
24	BESCOM	Rama nagara	Vandara guppe	Construction of 66 kV SC line on DC towers to tap the existing 66 kV Kanakapura (Kothipura) - Channapatna SC line to the proposed 66/11 kV Vandaraguppe Sub-Station	66	0.926	29-Nov-19
Sub-Total (Ckm)						114.716	
Hassan Transmission Zone							
25	MESCOM	Dakshina Kannada	MSEZ to MRPL link	Construction of 110kV MC line from 220/110/33kV MSEZ station at Oddidakala, Bajpe village to the 110kV Metering Bay of MRPL at Jokatte	110	4.426	10-Jan-20
26	CESC	Hassan	Hettur	Construction of 66kV SC line on DC towers from existing 66kV Arkalgud-Yeslur SC line to proposed 66/11kV Sub-station at Hettur	66	12.67	31-May-19
27	CESC	Hassan	Kadavinakote to the existing HN Pura-RN Pura link	Constn of 66kV MC line from 220/66kV Station Kadavinkote to the existing H.N.Pura-R.N.Pura line	66	20.79	30-Dec-19
28	CESC	Hassan	Shettihalli	66kV LILo line on DC towers from 66kV Hassan - CR Patna - Hirisave line	66	4.68	2-Aug-19
29	MESCOM	Shivamogga	Konandur	Construction 110 kV SC line from Varahi-Shimoga line	110	11.83	22-Nov-19
30	MESCOM	Shivamogga	McGann Government Hospital Premises	Running 110kV, 240Sqmm XLPE Copper U.G.Cable single circuit with one spare cable (4 Runs) from 110/11kV Alkola S/S to the proposed S/S	110	2.123	11-Oct-19
31	MESCOM	Udupi	Belman (Nandalike)	Construction of 110kV LILo line from the existing 220/110kV Kemar-Nandikur MC line in Nandalike village limits to the proposed S/s	110	2.062	19-Mar-20
Sub-Total (Ckm)						58.581	
Kalaburagi Transmission Zone							
32	GESCOM	Koppal	Mangalore	Construction of 110 kV SC radial line on DC towers from existing 110/33/11 kV Bevoor S/s to proposed 110/11 kV Mangalore S/s	110	7.673	23-Sep-19
33	GESCOM	Kalaburagi	Chincholi-Mannekalli-Sedam: (Balance Work)	Construction of 110kV DC link line between 110kV Chincholi and 110kV Manna-E-Khelly Sub-Stations	110	48.9	27-Jan-20

GESCOM	Kalaburagi	Chincholi-Mannekalli-Sedam: (Balance Work)	Chincholi-Mannekalli-Sedam: (Balance Work): Stringing Second circuit on existing DC towers from 220kV Sedam Station to 110kV Chincholi Sub-Station	110	38.68	27-Jan-20
Sub-Total (Ckm)					95.253	

Mysuru Transmission Zone

34	CESC	Chamaraja nagar	Jannur	Construction of 66 kV SC line on DC towers from existing 66/11 kV Mugur S/s to proposed 66/11 kV Jannur S/s	66	8.693	18-Jun-19
35	CESC	Mandya	Hariyala damma Temple (Gangena halli)	Construction of 66 kV LILO line from existing 66 kV SB Halli -Shravanabelagola line to proposed 66/11 kV S/s at Hariyaladamma Temple	66	17.518	22-Jan-20
36	CESC	Mandya	Kadu kothana halli	Construction of 66 kV LILO line on DC towers from existing 66 kV Shimsha-Mandya SC line to proposed 66/11 kV Kadukottanahalli	66	0.19	3-May-18
37	CESC	Mandya	Kirugavalu LILO	Conversion of 66kV S/C Line on SC Tower to 66kV LILO line on DC Towers from the existing 66kV SFC-Vajamangala DC line	66	2.77	6-Sep-19
38	CESC	Mandya	Shivana samudra	Construction of 220 kV Double DC line on MC towers tapping from existing 220 kV DC T.K.Halli-Madhuvanahally line to the proposed sub-station Shivanasamudra	220	9.2	15-Jun-19
39	CESC	Mandya	Shivana samudra	Construction of 66KV MC line on MC towers from the proposed 220/66/11KV Sub-s tation Shivanasamudra (Hebbani Village limits) to link the existing SFC-Vajmangala 66KV DC line	66	15.24	10-Jul-19
40	CESC	Mandya	Shivana samudra	Construction of 66KV MC line on MC towers from the proposed 220/66/11KV Sub-s tation Shivanasamudra (Hebbani Village limits) to link the existing SFC-Shimsha-T.K Halli 66KV DC line	66	15.452	10-Jul-19
41	CESC	Mandya	Shivana samudra	Construction of 66KV MC line on MC towers from the proposed 220/66/11KV Sub-s tation Shivanasamudra (Hebbani Village limits) to link the existing SFC-Vajmangala (Idle H-frame Line) 66KV SC line and Conversion of existing IdleH -Frame SC line to MC line from link point SFC station with Modification at SFC station	66	25.52	10-Jul-19



42	CESC	Mandya	Shivana samudra	Construction of 66KV MC line on MC towers from the proposed 220/66/11KV Sub-s tation Shivanasamudra (Hebbani Village limits) to link the existing Madhuvanahalli and sathegala 66KV SC line	66	45.02	10-Jul-19
43	CESC	Mysuru	Chandravadi (Nallinatha pura)	Construction of 66 kV LILO line from existing 66 kV Kadakola-Santhesargur-Hura line to 66/11 kV S/s at Chandravadi (Nallitalapura)	66	0.97	8-Jul-19
44	CESC	Mysuru	Gargeshwari	Construction of 66 kV LILO line from existing 66 kV Megalapura - SFC-T.N.Pura SC line to proposed 66/11 kV Sub-station at Gargeshwari	66	1.086	21-Dec-19
45	CESC	Mysuru	Koppalur (Mandakalli) (Srinagar)	Construction of 66 kV LILO line from existing 66 kV Kadakola-Mysuru South SC line to 66/11 kV S/s at Mandakalli (Koppaluru)	66	4.522	14-Feb-20
46	CESC	Mysuru	Vyasaraja pura	Construction of 66 kV LILO line from the existing 66 kV Megalapura-SFC-T.N.Pura SC to 66/11 kV Sub-station at Vyasarajapura	66	6.978	21-Dec-19
Sub-Total (Ckm)						153.159	
Tumakuru Transmission Zone							
47	BESCOM	Chitra durga	Malladi halli	Construction of 66 kV SC line on DC towers from the proposed 220/66 kV Benkikere S/s to the proposed Malladihalli S/s	66	11.456	16-Sep-19
48	BESCOM	Chitra durga	Vishweshwara pura	Construction of 66 kV LILO line on DC towers from existing 66 kV Thallak-Parashurampura SC line	66	3.3	18-Nov-19
49		Davangere	Jagalur (Hiremallana hole)_400kV	(i) Construction of 400 kV DC line with Quad Moose ACSR for a length of 0.53 km to link the proposed 400/220 kV Jagalur (Hiremallanahole) S/s from anchor point 39/0 of 400 kV Rampura limits to Jagalur line (proposed) under GEC.This is a part of 400 kV line from BPS to Chikkanayakanahalli via Rampura and Jagalur limits.	400	130.272	3-Jul-19
				(ii) Const. of 400 kV DC line with Quad Moose ACSR for a length of about 64.5 Kms from Rampura limits (400 kV MC line from BPS) upto Anchor point 39/0 near proposed 400/220 kV S/s at Jagalur (Hiremallanahole)			

50		Tumakuru	Pavagada_ evacuation line 3	Construction of 66 kV MC line by using coyote conductor ACSR conductor proposed 220/66/11 kV Pavagada S/s to link the existing 66 kV DC Madhugiri-Midigeshi Ckt. 1& 2 and Pavagada Ckt. 1& 3	66	51.568	3-Oct-19
51		Tumakuru	Vasantha narasapura- Madhugiri	Construction of 220kV DC line with Moose ACSR partly on Multi-circuit towers and partly on DC towers from proposed 765/400/220 kV PGCIL Station at Vasanthanarasapura to existing 220kV station at Madhugiri	220	88.962	7-Aug-19
Sub-Total (Ckm)						285.558	
Total Length in Ckms						794.251	

B) 2) Zone-wise details of Reconductoring and Strengthening of Transmission Lines during the year 2019-20 under report :

Sl No.	ESCOM	District		Project Name		Length of line in Ckm	Date of Commissioning
Kalaburagi Transmission Zone							
52	GESCOM	Kalaburagi	Shahapur-Hattigudar	Reconstruction of 110kV DC line on DC towers having Wolf/ Partridge conductor from 220kV Hattigudur receiving station to 110kV Shahapur substatin by 110kV DC line on DC towers using Lynx conductr in the existing corridor	100	21.26	21-May-19
Sub-Total (Ckm)						21.26	
Total Length in Ckms						21.26	

C. 1) Zone-wise details of Augmentation of Stations during the year 2019-20 under report:

Sl No.	ESCOM	District	Name of the Station	Capacity	MVA added	Voltage Class in kV	Nature of Work	Date of Commissioning
Bagalkote Transmission Zone								
1	HESCOM	Bagalkote	Bisnal	Creating 33kV reference by installing 1X20 MVA 110/33kV transformer	20	110	Additional	12-Mar-20
2	HESCOM	Belagavi	Kittur	Swapping of 20MVA, 110/33KV& 10MVA, 110/11KV Power Transformers with additional 11KV switch gear	0	110	Swapping	13-Jan-20
3	HESCOM	Belagavi	Nagara munnoli	Replacement of 1X10MVA by 1X20MVA, 110/11kV Power transformer	10	110	Replacement	9-Mar-20
4	HESCOM	Belagavi	Satti	Providing 1X10MVA 110/11kV Power Transformer	10	110	Additional	18-Mar-20

5	HESCOM	Belagavi	Sulthanpur	Replacement of 1X10MVA by 1X20MVA, 110/11kV Power transformer	10	110	Replacement	23-Mar-20
6	HESCOM	Haveri	Hangal	Providing additional 1X10MVA, 110/11kV Power Transformer	10	110	Additional	10-Dec-19
7	HESCOM	Vijayapura	Zalki	Replacement of 10 by 20MVA 110/11kV power transformer	10	110	Replacement	25-Nov-19
Sub-Total (MVA)					70			
Bengaluru Transmission Zone								
8	BESCOM	Bengaluru Rural	Nandagudi	Replacement of 2X12.5 by 2X20MVA 66/11kV Power Transformer	7.5	66	Replacement	8-Nov-19 (01 Tr Commissioned)
9	BESCOM	Bengaluru Rural	Sulibele	Replacement of 12.5 by 20 MVA 66/11kV power transformer	7.5	66	Replacement	11-Feb-20
10	BESCOM	Bengaluru Rural	Volvo	Replacing of 1X6.3 MVA by 1X12.5 MVA 66/11kV power transformer	6.2	66	Replacement	21-Feb-20
11	BESCOM	Bengaluru Urban	Attibele	Replacement of 20 by 31.5MVA 66/11kV power transformer	11.5	66	Replacement	17-Oct-19
12	BESCOM	Bengaluru Urban	Brigade Metropolis	Replacement 2X20 by 2X31.5 MVA 66/11kV power transformer	11.5	66	Replacement	23-Mar-20 (01 Tr Commissioned)
13	BESCOM	Bengaluru Urban	Naganathapura	Replacement of 2X20 by 2X31.5MVA 66/11kV Power Transformer	11.5	66	Replacement	21-Nov-19 (01 Tr Commissioned)
14	BESCOM	Bengaluru Urban	Naganathapura	Replacement of 2X100 MVA by 2X150 MVA, 220/66/11 KV Power Transformer	100	220	Replacement	1st Tr: 08-Feb-2020 2nd Tr: 18-Mar-2020
15	BESCOM	Bengaluru Urban	Prestige Shanthi Niketan	Replacing of 1X20 MVA by 1X31.5 MVA 66/11kV power transformer	11.5	66	Replacement	6-Feb-20
16	BESCOM	CB Pura	Cheemangala	Replacing of 1X8 MVA by 1X12.5 MVA 66/11kV power transformer	4.5	66	Replacement	12-Mar-20
17	BESCOM	CB Pura	Chikkaballapura IA	Replacement of 12.5 by 20MVA 66/11kV Power Transformer	7.5	66	Replacement	21-Nov-19 (01 Tr Commissioned)
18	BESCOM	CB Pura	MG Halli	Replacing of 1X8 MVA by 1X12.5 MVA 66/11kV power transformer	4.5	66	Replacement	6-Mar-20
19	BESCOM	CB Pura	Talagavara	Replacement of 12.5 by 20 MVA 66/11kV power transformer	7.5	66	Replacement	25-Feb-20

20	BESCOM	Kolar	Andersonpet	Replacing of 2X8 MVA by 2X12.5 MVA 66/11kV power transformer	4.5	66	Replacement	27-Feb-20 (01 Tr Commissioned)
21	BESCOM	Kolar	Tayalur	Replacing of 1X8 MVA by 1X12.5 MVA 66/11kV power transformer	4.5	66	Replacement	31-Mar-20
22	BESCOM	Kolar	Tekal	Replacement of 8 by 12.5MVA 66/11kV power transformer	4.5	66	Replacement	26-Nov-19
23	BESCOM	Rama nagara	Hukunda	Additional 8MVA 66/11kV power transformer	8	66	Additional	5-Mar-20
24	BESCOM	Rama nagara	Magadi	Replacement of 12.5 by 20MVA 66/11kV Power Transformer	7.5	66	Replacement	30-Jan-20
25	BESCOM	Rama nagara	Rangana doddi	Replacement of 12.5 by 20 MVA 66/11kV power transformer	7.5	66	Replacement	9-Dec-19
Sub-Total (MVA)					227.7			

Hassan Transmission Zone

26	MESCOM	Chikka magaluru	Chikka magaluru	Replacement of 2X12.5 MVA by 2X20 MVA, 66/11kV Power transformer	15	66	Replacement	1st Tr: 25-Nov-2019 2nd Tr: 28-Dec-2019
27	MESCOM	Dakshina Kannada	Gurupura	Replacement of 1 x10 MVA, 110/11kV by 1 x20 MVA, 110/11kV Power Transformer	10	110	Replacement	20-Feb-20
28	MESCOM	Dakshina Kannada	Netla mandnur	Providing additional 1x20 MVA, 110/33 kV Power Transformer	20	110	Additional	4-Jan-20
29	MESCOM	Dakshina Kannada	Salethur	Additional 10MVA 110/11kV power transformer	10	110	Additional	18-Sep-19
30	CESC	Hassan	Belur	Replacement of 6.3 by 12.5MVA 66/11kV power transformer-2	6.2	66	Replacement	11-Dec-19
31	CESC	Hassan	Bychanahalli	Providing additional 1X8MVA 66/11kV Power Transformer	8	66	Additional	22-Jul-19
32	CESC	Hassan	Chikka bommena hally	Additional 8MVA 66/11kV power transformer	8	66	Additional	21-Oct-19
33	CESC	Hassan	Chikka kondagola	Replacement of 12.5 by 20 MVA 66/11kV power transformer	7.5	66	Replacement	14-Jan-20
34	CESC	Hassan	CR Patna	Replacement of 1X12.5 by 1X20 MVA 66/11kV Power Transformer	7.5	66	Replacement	4-Nov-19



35	CESC	Hassan	Halebeedu	Replacement of 12.5 MVA by 20 MVA, 66/11kV Power transformer	7.5	66	Replacement	17-Jan-20
36	CESC	Hassan	Javagal	Replacement of 10 by 20MVA 110/11kV power transformer	10	110	Replacement	21-Mar-20
37	CESC	Hassan	Juttanahally	Additional 1 X 8 MVA, 66/11 KV Power Transformer (6.3MVA Tr. Instead of 8 MVA)	6.3	66	Additional	18-Dec-19
38	CESC	Hassan	K Byrapura	Additional 8MVA 66/11kV power transformer	8	66	Additional	18-Dec-19
39	CESC	Hassan	Rameshwara nagara	Replacement of 2X8 by 2X12.5MVA 66/11kV power transformer	9	66	Replacement	1st Tr:21-Jan-2020 2nd Tr:24-Jan-2020
40	CESC	Hassan	Salagame	Replacement of 2x8MVA, 66/11kV by 2x12.5MVA Power Transformer	4.5	66	Replacement	27-Dec-19 (01 Tr Commissioned)
41	CESC	Kodagu	Shanivara santhe	Providing additional 1X8 MVA 66/11kV Power Transformer (6.3 MVA Tr. Instead of 8 MVA)	6.3	66	Additional	2-Jan-20
42	MESCOM	Shivamogga	Essuru	Replacement of 10 by 20 MVA 110/11kV power transformer	10	110	Replacement	3-Jan-20
43	MESCOM	Shivamogga	Holaluru	Replacement of 8 by 12.5MVA 66/11kV power transformer	4.5	66	Replacement	13-Sep-19
44	MESCOM	Shivamogga	Sagara	Replacement of 10 by 20MVA 110/33kV power transformer	10	110	Replacement	23-Jan-20
45	MESCOM	Shivamogga	Sagara	Replacement of 10 by 20MVA 110/11kV power transformer	10	110	Replacement	24-Jan-20
46	MESCOM	Shivamogga	Soraba	Replacement of 10 by 20MVA 110/11kV power transformer	10	110	Replacement	13-Dec-19
47	MESCOM	Shivamogga	Thogarsi	Providing additional 1x10MVA 110/11 kV Power Transformer	10	110	Additional	16-Mar-20
48	MESCOM	Shivamogga	Tyvarachatna halli	Replacement of 1X6.3MVA by 1X12.5MVA, 66/11kV Power transformer	6.2	66	Replacement	29-Jan-20
49	MESCOM	Udupi	Madhuvana	Providing additional 1X10MVA 110/11kV power transformer	10	110	Additional	12-Sep-19
Sub-Total (MVA)					214.5			
Kalaburagi Transmission Zone								
50	GESCOM	Ballari	Banavikallu	Providing additional 1x8MVA, 66/11kV transformer	8	66	Additional	28-Nov-19

51	GESCOM	Ballari	HB halli	Replacement of 1X 8MVA by 1X12.5MVA 66/11KV power transformer	4.5	66	Replacement	31-Jan-20
52	GESCOM	Ballari	Kamalapur	Providing 1X10MVA 110/11kV Power Transformer	10	110	Additional	30-Dec-19
53	GESCOM	Ballari	Kogali	Providing additional 1x8MVA 66/11kV Power Transformer	8	66	Additional	3-Dec-19
54	GESCOM	Ballari	Sovenahalli	Providing additional 1x8MVA, 66/11kV Transformer	8	66	Additional	9-Jan-20
55	GESCOM	Ballari	Venkatapura	Replacement of 1X8MVA by 1X12.5MVA 66/11kV Power Transformer	4.5	66	Replacement	21-Feb-20
56	GESCOM	Kalaburagi	Kalaburagi West	Providing additional 1 x 20 MVA, 110/33/11 kV Power Transformer	20	110	Additional	21-Mar-20
57	GESCOM	Koppal	Munirabad Power House station	Installing 1X10 MVA 110/11kV Power Transformer	10	110	Additional	6-May-19
58	GESCOM	Yadgir	Gurmitkal	Creating 33kV Reference by providing additional 1 x 20 MVA, 110/33 kV Power Transformer	20	110	Additional	23-Mar-20
Sub-Total (MVA)					93			
Mysuru Transmission Zone								
59	CESC	Chamaraja nagar	Bandalli	Providing additional 1x8MVA 66/11kV Power Transformer	8	66	Additional	18-Sep-19
60	CESC	Chamaraja nagar	Begur	Replacement of 8 by 12.5MVA 66/11kV power transformer	4.5	66	Replacement	18-Oct-19
61	CESC	Chamaraja nagar	Kunthur	Providing additional 1x8 MVA,66/11 kV Power Transformer	8	66	Additional	5-Jul-19
62	CESC	Kodagu	Ponnampet	Replacing 1 X 8MVA, 66/11kV by 1x12.5MVA, 66/11kVTransformer	4.5	66	Replacement	7-Feb-20
63	CESC	Mandya	Akkihebbal	Replacement of 2nd 8 MVA by 12.5 MVA 66/11kV Transformer	4.5	66	Replacement	23-Mar-20
64	CESC	Mandya	Basaralu	Replacement of 1 X 6.3 MVA by 1 X 12.5 MVA 66/11kV Transformer.	6.2	66	Replacement	2-Jan-20
65	CESC	Mandya	Jakkanahalli	Replacement of 6.3 by 12.5MVA 66/11kV power transformer	6.2	66	Replacement	23-Oct-19

66	CESC	Mandya	Kadaballi	Providing additional 1 X 12.5 MVA, 66/11 KV Power Transformer	12.5	66	Additional	27-Nov-19
67	CESC	Mandya	Mandya KIADB	Replacing 1x12.5MVA, 66/11kV by 1x20MVA, 66/11kV transformers	7.5	66	Replacement	31-Jan-20
68	CESC	Mandya	Yethambadi	Providing additional 1 X 12.5 MVA, 66/11 KV Power Transformer.	12.5	66	Additional	14-Feb-20
69	CESC	Mysuru	Nanjanagud	Replacement of 1X12.5 by 1X20MVA power 66/11kV transformer	7.5	66	Replacement	9-Mar-20
70	CESC	Mysuru	TN Pura	Replacement of 2X12.5 by 2X20MVA 66/11kV Power Transformer	7.5	66	Replacement	6-Nov-19 (01 Tr Commis sioned)
Sub-Total (MVA)					89.4			
Tumakuru Transmission Zone								
71	BESCOM	Chitradurga	Hariyabbe	Replacement of 6.3 & 8 by 2X12.5MVA 66/11kV power transformer	6.2	66	Replacement	6-Feb-20 (only 6.3MVA by 12.5MVA)
72	BESCOM	Chitradurga	Kanchipura	Providing Additional 1x8 MVA, 66/11kV Power Transformer	8	66	Additional	29-Aug-19
73	BESCOM	Davanagere	Harapanahalli	Replacing 1x12.5 MVA, 66/11kV by 1x 20 MVA, 66/11kV Transformer	7.5	66	Replacement	11-Mar-20
74	BESCOM	Davanagere	Kattige	Additional 8MVA, 66/11kV Power Transformer	8	66	Additional	20-Aug-19
75	BESCOM	Davanagere	Kundur	Additional 8MVA, 66/11kV Power Transformer	8	66	Additional	13-Aug-19
76	BESCOM	Davanagere	Savalanga	Additional 8MVA, 66/11kV Power Transformer	8	66	Additional	5-Mar-20
77	BESCOM	Tumakuru	Gubbi	Replacement of 2X10 by 2X20MVA 110/11kV power transformer	10	110	Replacement	16-Aug-19 (01 Tr Commis sioned)
78	BESCOM	Tumakuru	Heggere	Providing additional 1x8 MVA,66/11 kV Power Transformer	8	66	Additional	22-Jul-19
79	BESCOM	Tumakuru	Honnudike	Replacement of 8 by 12.5MVA 66/11kV power transformer	4.5	66	Replacement	31-Oct-19
80	BESCOM	Tumakuru	Kolala	Replacement of 2nd 8 MVA by 12.5 MVA 66/11kV Transformer	4.5	66	Replacement	23-Mar-20
81	BESCOM	Tumakuru	Koratagere	Replacing 12.5 MVA,66/11kV by 20 MVA, 66/11kV Transformer	7.5	66	Replacement	2-Mar-20

82	BESCOM	Tumakuru	Sampige	Replacement of 10 by 20MVA 110/11kV power transformer	10	110	Replacement	11-Nov-19
83	BESCOM	Tumakuru	Sira	Replacing 1x12.5MVA by 1x 20 MVA, 66/11kV Transformer	7.5	66	Replacement	13-Mar-20
Sub-Total (MVA)					97.7			
Grand Total (MVA)					792.3			

C. 2) Zone-wise details of 2nd Transformer of augmentation commissioned during the year 2019-20 under report:

Sl No.	ESCOM	District	Name of the Station	Capacity	MVA added	Voltage Class in kV	Nature of Work	Completion Date
Bengaluru Transmission Zone								
1	BESCOM	Bengaluru Urban	Nelagadara halli	Replacement of 2X20 by 2X31.5MVA 66/11kV power transformer	11.5	66	Replacement	18-Nov-19
Sub-Total (MVA)					11.5			
Hassan Transmission Zone								
2	MESCOM	Chikkamagaluru	Mudigere	Replacement of 2X6.3MVA by 2X12.5MVA, 66/11kV Power transformer	6.2	66	Replacement	15-Feb-20
3	CESC	Hassan	Shanthi grama	Replacing 2X8 by 2X12.5MVA 66/11kV power transformer	4.5	66	Replacement	12-Sep-19
Sub-Total (MVA)					10.7			
Mysuru Transmission Zone								
4	CESC	Mandya	Kolkarana doddi	Additional 1x8 MVA 66/11kV transformer and replacement of 1x8 MVA by 1x12.5 MVA 66/11kV Transformer.	8	66	Additional	27-May-2019 Additional 8MVA Commissioned
5	CESC	Mysuru	HD Kote	Replacement of 2X12.5MVA by 2X20MVA, 66/11kV Power transformer	7.5	66	Replacement	24-Dec-19
6	CESC	Mysuru	Hullahalli	Replacement of 2X8MVA by 2X12.5MVA, 66/11kV Power transformer	4.5	66	Replacement	24-Feb-20
7	CESC	Mysuru	Santhesargur	Replacing 2X8 by 2X12.5MVA 66/11kV power transformer	4.5	66	Replacement	13-Dec-19
8	CESC	Mysuru	Suttur	Replacing 2X8 by 2X12.5MVA 66/11kV power transformer	4.5	66	Replacement	8-Nov-19
Sub-Total (MVA)					29.0			



Zone-wise details of 2nd Transformer of augmentation commissioned during the year 2019-20 under report:

Sl No.	ESCOM	District	Name of the Station	Capacity	MVA added	Voltage Class in kV	Nature of Work	Completion Date
Tumakuru Transmission Zone								
9	BESCOM	Davana gere	Davana gere	Replacement of 2nd 60 MVA, 220/66 kV Tr by 100 MVA, 220/66 kV Tr.	40	66	Replacement	28-Aug-19
Sub-Total (MVA)					40.0			
Grand Total (MVA)					91.2			

C. 3) Zone-wise details of Augmentation of Stations (Spare Transformer & Replacement of Same capacity of Transformer with different voltage class) during the year 2019-20 under report:

Sl No.	ESCOM	District	Name of the Station	Capacity	MVA added	Voltage Class in kV	Nature of Work	Completion Date
Mysuru Transmission Zone								
1	CESC	Mandya	Tubina kere	Providing Spare 12.5 MVA 66/11 kV transformer (Instead of 12.5, 8MVA commissioned)	8	66	Spare	23-Sep-19
Sub-Total (MVA)					8.0			
Grand Total (MVA)					8.0			

KPTCL SCADA & COMMUNICATION SYSTEM

1) PERFORMANCE DURING LAST THREE YEARS

YEAR	2017-18	2018-19	2019-2020
Energy handled in MUs	70287.85	76145.50	75128.91 (Provisional)
Maximum Energy recorded/day in MUs	242.50	259.15	259.21
Maximum Peak recorded in MWs	10802	12881	13258

1) SOURCEWISE INSTALLED GENERATION CAPACITY AS ON 31.03.2020 (Provisional)

Sl. No.	Source	Installed Capacity (MW)
1	Hydro	3798
2	Thermal	5020
3	CGS	4123
4	NCE	14892.18
5	IPPs	1200
6	Mini Thermal(Captive)	992.30
Total		30025.48

2) KPTCL SCADA & Communication System

KPTCL is having State-of-the-Art SCADA System & Satellite Communication System with Master Control Center at SLDC, A.R.Circle, Bengaluru & Disaster Recovery Management Center at Nelamangala, for Real Time Data acquisition & supervisory control of all voltage classes sub-stations including major Generating Stations & IPPs to facilitate effective Grid operation by SLDC control room.

Also, established Area Load Dispatch Centers at all Six Transmission Zone Head-quarters and Distribution Control Centers at Five ESCOMs Head-quarters for monitoring of the Transmission & Distribution Networks for stability, scheduling & load management.

As per CERC directives, using the SCADA system, Automatic Demand Management Scheme (ADMS)- automatically tripping of 11 kV feeders feeding ESCOMs during over-drawl conditions depending on the extent of over-drawl by each ESCOMs & Special Protection Scheme are implemented by the SCADA wing.

During the FY 2019-20, SCADA wing has integrated newly commissioned One 400kV, Seven 200kV & Eight 66/11kV Sub-stations to KPTCL SCADA system. Also 15 Nos. of RE Pooling Station, One Mini Hydel, One Bio-mass & One Captive Plants are integrated to the SCADA System.

REMC

The SCADA wing in co-ordination with PGCIL has established REMC (Renewable Energy Management Centre) to facilitate large scale integration of renewables into the grid under Green Energy corridor project funded by Indo-German Development Co-operation. REMC was commissioned on 14-02-2020 and the same been inaugurated through Video Conference by Hon'ble Minister of State (Power and New & Renewable Energy), Govt. of India, on 28th February 2020.

This REMC having facility for Forecasting, Scheduling & Real Time Monitoring of all Grid connected Wind & Solar Generation sources in the state of Karnataka and will closely coordinate with the Grid Operations team for safe, secure and optimal operations of the overall grid.

The following Projects envisaged by SCADA are in various-stages:

1. Installation & commissioning of RTUs for SCADA integration of 188 Nos. of 66/11kV & 110/11kV sub-stations – work is under progress.
2. Establishing Reliable Communication System by replacing 6000KMS of existing Ground wire of 220kV & above voltage level Transmission lines by Optical Ground wire which covers all 220kV & above voltage class sub-stations, Generating stations & major IPPs for Voice, DATA (SCADA & PMU) and protection at a cost of Rs. 253.57 Crores with 50% PSDF funding - e-Tendering is under process.
3. SAMAST (Scheduling Accounting Metering and Settlement of Transaction) project to facilitate web based Scheduling, Accounting of Energy, Automatic meter reading of interface points and settlement of transaction between Generators, STUs & ESCOMs



at an estimated cost of Rs. 17.75 Crores with 9 crores grant from PSDF - e-Tendering process has been initiated.

4. Replacement of 15000 Nos. of Non DLMS ETV Meters of Interface points and 11kV Feeders by DLMS Meters to facilitate transfer of feeder data to National Power Portal for Urban & Rural Feeder Management System – The work is in progress. At the end of FY 2019-20, 10,300 Nos. of DLMS Meters has been supplied & 3501 Nos. of DLMS Meters is installed at 254 Sub-stations.

Orders/ Circulars issued by O/o DGM(T), KPTCL during FY 2019-20:

Sl. No.	Circular/ Order Nos.	Date	Subject
1.	KPTCL/ B28(a)/32543/12-13	01.04.2019	Circular on Procedure for revision of O&M Charges as per KERC order dated: 14.12.2018.
2.	KPTCL/B28/1228/2019-20	27.05.2019	Order on Constitution of Committee for Co-ordination in Power Sector.
3.	KPTCL/B19/7625/86-87	28.05.2019	Revision of Major Works Schedule of Rates for the year 2019.
4.	KPTCL/B25/CEE(T&P)/ SEE(T&P)/EE(P)/AEEP- 2/19-20	27.06.2019	Procurement of 11kV Switchgears from M/s MEI Ltd., Bengaluru.
5.	KPTCL/B19/345/85-86	24.07.2019	Initial Investment by KPTCL towards creating electrical infrastructure to Arkavathy residential layout, BDA for arranging power supply to an extent of 77.22 MVA (65.62 MW) in favor of BDA subject to reimbursement of amount to KPTCL in the form of deferred payment-Reg.
6.	KPTCL/ B28(a)/32543/12-13	02.08.2019	Sparing idle/ Spare KPTCL assets for construction of dedicated transmission lines/ Terminal Bays/ 11kV Switchgear etc., for evacuation of RE Generation.

7.	KPTCL/ B25/87066/2018-19	06.11.2019	Standardization of the Quality Assurance Plan and to review the number of stage inspections for 110kV and 66kV Power Transformers of rating upto 31.5MVA.
8.	B19/7625/86-87	06.11.2019	Returning of KPTCL assets released during the execution of shifting/ modification of Transmission Line works on Self-Execution basis by NHAI.
9.	KPTCL/ B28(a)/70112/2017-18	16.11.2019	Circular on Providing Optical Ground Wire (OPGW) instead of conventional ground wire for all new & upcoming 220kV/ 400kV Transmission line.
10.	KPTCL/B28/1228/2019-20	19.11.2019	Order on Constitution of Committee for Co-ordination in Power Sector.
11.	KPTCL/B19/345/85-86	30.11.2019	Regarding taking Joint Inventory and Asset Categorization in case of Self execution Works.
12.	KPTCL/ B28(a)/70151/17-18	02.12.2019	Circular on "Sparing of KPTCL land for erection of take-off tower inside the premises of KPTCL Sub-stations for evacuation of power generated from IPPs".
13.	KPTCL/B31/ SEE(IT&MIS)/	03.12.2019	Guidelines to be followed regarding Cyber Security threats in KPTCL.
14.	KPTCL/B28/1228/2019-20	21.12.2019	Constitution of Committee for Co-ordination in Power Sector.
15.	KPTCL/B19/345/85-86	08.01.2020	Instructions for issuing clearance to the EPC Contract Agency to proceed with procuring the Materials/ Equipments for execution of Total/ Partial Turnkey Projects.
16.	KPTCL/B25/CEE/ TA&QC/ EE(O)/19-20/421	26.02.2020	Inspection/ witnessing of Temperature Rise/ Heat Run Test of Power Transformer-Reg.
17.	KPTCL/B19/345/85-86	11.03.2020	Submission of incomplete documents for according administrative approval for Arranging Power Supply to EHT Consumers on Self Execution/ DCW basis and Preparation of DPRs-Reg.

Tendering & Procurement

A. Purchase of materials:

During the year 2019-20, KPTCL has under taken procurement of major equipments like Power Transformers of various ratings, 11kV Switchgears, testing equipments and Infrared Thermo Vision Cameras. These equipments have assisted in augmentation of sub-station capacities and in effectively maintaining the transmission system there by reducing the breakdowns and supply outages.

B. Following tenders of larger magnitude works are invited:

- i. Establishing 2x500MVA, 400/220kV sub station at Gulbarga (Ferozabad).
- ii. Establishing 220/66kV Gas Insulated sub stations at Exora (CESSNA Business Park) and at Sobha Dreams in Bengaluru city.
- iii. Establishing 220kV sub-stations at Aaheri in Vijayapur District, Ghanagapura in Kalburgi District, AEQUS in Belagavi District, Gangavathi in Raichur District.
- iv. Augmentation of sub-station capacities providing by additional 150/100MVA transformers at a) T.K. Halli, b) Belagavi, c) Tubinakere, d) Doddaballapura, e) MRS Shivamogga, f) Balligavi and g) Netlamadnur 220kV sub stations.
- v. Conversion of existing 66/11kV Air Insulated sub-station by Gas Insulated sub-station at Audugodi in Bengaluru.
- vi. Establishing 110kV and 66kV sub-stations at various locations.
- vii. Construction of new 66kV& 110kV transmission lines and strengthening of existing deteriorated transmission lines by replacing the towers, conductors and accessories.
- viii. Construction of 110kV UG cable between 110kV Tarihal and Akshaya Colony sub-stations in Hubballi city and 66kV UG cable between 66kV Nelagadarenahally to Widia sub-stations in Bengaluru City.
- ix. For various Deposit Contribution Works for replacing 66kV UG cable to ISRO in Bengaluru, 110kV Traction sub-stations for Konkan Railway at Mulky, Senapura and Barkur, deviation of 220kV UG cable BMRCL and for providing additional 100MVA, 220/66kV power transformer for BIAL at existing 220/66kV BIAL sub-station near Devanahally.

C. Following is the abstract of tenders invited for procurement, services & works and the details of awards during 2019-2020.

1) Works:

- i) 400kV and 220kV Works:

Tenders Floated	No's	Amount in Rs. Lakhs	Works involving	No's/ Lengths
220kV& above voltage class works	19	1,63,472.84	400/220kV, 500MVA Power Transformers	04 Nos.
			220/66/11kV, 150MVA Power Transformers	06 Nos.
			220/110/11kV, 100MVA Power Transformers	11 Nos.
			220/66/11kV, 100MVA Power Transformers	04 Nos.
			110/11kV, 10MVA Power Transformers	02 Nos.
			110/11kV, 20MVA Power Transformers	04 Nos.
			66/11kV, 12.5MVA, Power Transformers	NIL.
			125MVAR, 400kV Bus Reactor	03 Nos.
			400kV Air Insulated Stations.	02 Nos.
			400kV Gas Insulated Stations.	NIL.
			220kV Air Insulated Stations.	04 Nos.
			220kV Gas Insulated Stations.	02 Nos.
			220kV R&M Works	01 No.
			400kV O.H Lines	232.536 Kms.
			220kV O.H Lines	99.377 Kms.
			110kV O.H Lines	109.343 Kms.
			66kV O.H Lines	NIL.
			400kV TBs	NIL.
			220kV TBs	NIL.
			110kV TBs	04 Nos.
			66kV TBs	04 Nos.
			66kV Hybrid Switchgear	02 Nos.
			220kV 1200 Sq. mm UG Cable	NIL.
			220kV 1000 Sq. mm UG Ca	12.1052 Kms.
			66kV 1000 Sq. mm UG Cable	2.45 Kms.
			66kV 630 Sq. mm UG Cable	NIL



Tenders Dropped	No's	Amount in Rs. Lakhs	Works involving	No's/ Lengths
220kV& above voltage class works	4	71,049.94	400/220kV, 500MVA Power Transformers	2 Nos.
			220/66/11kV, 150MVA Power Transformers	2 Nos.
			220/110/11kV, 100MVA Power Transformers	2 Nos.
			220/66/11kV, 100MVA Power Transformers	NIL.
			110/11kV, 10MVA Power Transformers	NIL.
			110/11kV, 20MVA Power Transformers	2 Nos.
			66/11kV, 12.5MVA, Power Transformers	NIL.
			400kV Air Insulated Stations.	01No.
			400kV Gas Insulated Stations.	NIL.
			220kV Air Insulated Stations.	01No.
			220kV Gas Insulated Stations.	01 No.
			220kV R&M Works	NIL.
			400kV O.H Lines	116.268 kms.
			220kV O.H Lines	19.388 kms.
			110kV O.H Lines	22.075 kms.
			66kV O.H Lines	NIL.
			400kV TBs	NIL.
			220kV TBs	NIL.
			110kV TBs	NIL.
			66kV TBs	NIL.
			220kV 1200 Sq. mm UG Cable	NIL
			220kV 1000 Sq. mm UG Cable	11.6352Kms.
			66kV 1000 Sq. mm UG Cable	NIL.
			66kV 630 Sq. mm UG Cable	NIL.

Tenders Awarded	No's	Amount in Rs. Lakhs	Works involving	No's/ Lengths
220kV& above voltage class works	09	74,117.58	400/220kV, 500MVA Power Transformers	NIL.
			220/66/11kV, 150MVA Power Transformers	06 Nos.
			220/110/11kV, 100MVA Power Transformers	05 Nos.
			220/66/11kV, 100MVA Power Transformers	03 Nos.
			110/11kV, 10MVA Power Transformer	02Nos.
			110/11kV, 20MVA Power Transformer	NIL.
			66/11kV 12.5MVA Power Transformer	02 Nos.
			400kV Air Insulated Stations	NIL.
			400kV Gas Insulated Stations	NIL.
			220kV Air Insulated Stations	02 Nos.
			220kV Gas Insulated Stations	02 Nos.
			220kV R&M Works	NIL.
			400kV O.H Lines	NIL.
			220kV O.H Lines	131.904 kms.
			110kV O.H Lines	125.426 kms.
			66kV O.H Lines	NIL.
			400kV TBs	NIL.
			220kV TBs	03 Nos.
			110kV TBs	03 Nos.
			66kV TBs	03 Nos.
			66kV Hybrid Switch gear	02 Nos.
			220kV 1200 Sq. mm UG Cable	NIL.
			220kV 1000 Sq. mm UG Cable	4.5 Kms.
			66kV 1000 Sq. mm UG Cable	5.78 kms
			66kV 630 Sq. mm UG Cable	0.03 Kms.

ii) 110kV and 66kV Works:

Tenders Floated	No's	Amount in Rs. Lakhs	Works involving	No's/ Lengths
Unmanned 110kV Switching Stations for KRCL, 110/11kV Sub-stations along with associated lines & TB's. 66/11kV Stations along with associated lines & TB's, 66kV Gas insulated Stations 66kV Overhead Lines along with associated TB's, 110kV Overhead Lines along with associated TB's, 66kV Hybrid Switchgear, 110kV UG Cable Line and 66kV UG Cable Lines	52	54,598.76	Unmanned 110kV Switching Stations for KRCL	03 Nos.
			110/11kV Sub-stations	13 Nos.
			66/11kV Sub-stations	10 Nos.
			66kV Gas insulated Sub-stations	01 No.
			110/11kV, 10MVA Power Transformers	17 Nos.
			66/11kV, 12.5MVA Power Transformers	03 Nos.
			66/11kV, 8MVA Power Transformers	09 Nos.
			66kV Overhead Lines	289.673 Kms
			110kV Overhead Lines	679.571 Kms
			(Installing 3nos. of) 66kV Hybrid Switchgear	1 No.
			110kV TB's	23 Nos.
			66kV TB's	15 Nos.
			110kV, 1C X 630sqmm UG Cable Line	7.922 Kms
		66kV, 1C X 630sqmm UG Cable Line	1.37 Kms	

Tenders Dropped	No's	Amount in Rs. Lakhs	Works involving	No's/ Lengths
110/11kV Sub-stations along with associated lines, 66kV Overhead Lines along with associated TB's, 66kV Hybrid Switchgear, 110kV UG Cable Line and 66kV UG Cable Line	8	12,310.40	110/11kV Stations	1 No.
			(Installing 3nos. of) 66kV Hybrid Switchgear	1 No.
			110/11kV, 10MVA Power Transformers	01 No.
			110kV Overhead Lines	11.662Kms
			66kV Overhead Line	63.094Kms (04 Nos.)
			66kV TB's	04 Nos.
			110kV, 1C X 630sqmm UG Cable Line	7.922 Kms (01 No.)
			66kV, 1C X 1000sqmm UG Cable Line	4.91 Kms (01 No.)

Tenders Awarded	No's	Amount in Rs. Lakhs	Works involving	No's/ Lengths
Unmanned 110kV Switching Stations for KRCL, 110/11kV Sub-stations along with associated lines, 66kV Overhead Lines along with associated TB's, 66kV Overhead Lines along with associated TB's, 110kV Overhead Lines along with associated TB's, 66kV 1C X 1000sqmm UG Cable Line and 66kV 1C X 630sqmm UG Cable Line	32	31,138.62	Unmanned 110kV Switching Stations for KRCL	03 Nos.
			110/11kV Stations	11 Nos.
			66/11kV Stations	14 Nos.
			110/33kV, 20MVA Power Transformers	01 No.
			110/11kV, 10MVA Power Transformers	17 Nos.
			66/11kV, 12.5MVA Power Transformers	06 Nos.
			66/11kV, 8MVA Power Transformers	10 Nos.
			66kV Overhead Lines	130.686 Kms
			110kV Overhead Lines	155.726 Kms
			110kV TB's	06 Nos.
			66kV TB's	05 Nos.
			66kV, 1C X 1000sqmm UG Cable Line	3.678 Kms
		66kV, 1C X 630sqmm UG Cable Line	1.37 Kms	

2) GOODS AND SERVICES:-

Procurement of Goods and services during the year 2019-20		
Description of goods and services procured	Amount for which P.Os are issued (in Rs. crores)	Works involving
Power Transformers, Equipments required for RT & R&D wing, Switchgear, Supply and integration of RTU & DCU, Infrared Thermovision cameras, Capacitor Voltage transformers, procurement of 11kV compact Ring main unit for outdoor use & Furnitures.	103.50	Station capacity augmentation and replacements works.

PLANNING & CO-ORDINATION:

Mission:

To formulate, update and execute integrated transmission master plan for strengthening of transmission network and evacuation of power from Generating station to the load centre.

Objectives:

- Expanding transmission network in the State in an efficient, co-ordinated and economical manner as envisaged in the Electricity Act-2003.



- b) Transmission system planning to ensure principles of reliability, security and economy.

Functions:

- a) Preparation of technical specification of equipment used in transmission of power.
- b) Discharging all functions of planning and co-ordination relating to intra-State transmission system with Central Electricity Authority, Central Transmission utility, ESCOM's, Central/State Government, IPP's etc.,
- c) Provide non-discriminatory open access to its transmission system under LTOA and MTOA.

Transmission System planned and approved for the year-2019-20:

KPTCL as a Transmission Utility in the State has been assigned the role of State Transmission Utility (STU) to carry out the functions specified in section 39 (2) of Electricity Act, 2003. Accordingly, Transmission system planning has been done taking into account of capacity addition in the state and projected demand of power. The following transmission system elements have been curved out from the in-house system study and they are also duly approved by the Technical co-ordination committee.

Voltage class in kV	Sub-stations in no's	
	Planned	Approved
400	2	2
220	10	9
110	35	32
66	30	28
Total	77	71

Renewable Energy Capacity addition for the year-2019-20:

Sl. No.	Category	Capacity of Evacuation scheme granted in MW	Interconnected with the Grid in MW
1	Wind	424.8	86.5
2	Mini Hydel	6	3.5
3	Co-Generation	0	29
4	Biomass+ Captive+ Thermal	45	49
5	Solar	473.5	425
6	Waste to Energy	15	0
	Total	964.3	593

Improvements adopted in Sub-station and Transmission Line Engineering:

- a) Assessment of maximum penetration level of RE Generator especially from Wind & Solar in Karnataka grid for period 2016 to 2021.
- b) Installation of Main-II protection to all 220 kV Receiving stations at an estimated cost of Rs. 74.87 Crores under Power System Development Funding (PSDF).
- c) Installation of 1508 MVAR new capacitor banks throughout the state at an estimated cost of Rs. 74 Crores.
- d) 7 Nos of new projects taken up to assist effective evacuation of Renewable generation at an estimated cost of Rs. 906 Crores under Green Energy Corridor Phase-I Energy Projects with NCEF Grant will be completed by December 2020.
- e) 13 Nos of new projects to be taken up to assist effective evacuation of Renewable generation at an approximate estimated cost of Rs. 2500 Crores under Green Energy Corridor Phase- II Energy Projects.
- f) Establishing of 400/220 kV Sub-station at Yalwar, Peenya, Kalaburagi, Kadakola, Huliurdurga, Dommasandra & Kushtagi to improve power condition/evacuation arrangements for RE power.
- g) Evacuation scheme for proposed 2000MW Pumped storage plant at Sharavathi is finalised.
- h) Unmanned 400kV Hoody Sub-station to be remotely controlled from 220kV Hoody Sub-station.
- i) Adoption of Multicircuit Multivoltage Transmission Towers/lines for new 400kV& 220kV (and subject to space availability for 110kV& 66kV Stations) outgoing lines for a distance of about 1 to 2Kms depending on the field condition and requirement, concept as approved in 82nd TCCM held on 4.10.2019.
- j) Outdoor GIS at proposed 220kV Electronic city Sub-station.
- k) Process Bus controller at 220kV Subramanyapura Sub-station.

Relay Testing, Research & Development

The Chief Engineer Electy., RT and R&D has the technical jurisdiction over the activities carried out by three important wings of the organization such as Relay Testing, Research & Development and Hotline Maintenance across State's Transmission system and monitors protections issues, Live line maintenance and condition monitoring of Transmission system elements.

A. Technical functions of Relay Testing wing:-

The Relay Testing wing is responsible for carrying out activities of testing and maintenance of all the relays installed in various Substation/Receiving stations for the protection of our EHV Lines starting from 66kV to 400kV Transmission elements in the network. In the process it



takes care of **1222** Stations of various voltage classes spread across the State. [**400 kV-06 no's, 220 kV-107 no's, 110 kV-432 no's and 66 kV-677 no's**] The discriminative tripping is the backbone of any Transmission system since it helps in isolating the exact faulty section which otherwise would have tripped healthy sections of the network along with faulty network. Apart from this, the spurious tripping of any Transmission elements is also being investigated for taking corrective measures, if any. Besides these main activities, the following activities are also carried out;

- a) Coordinating with other agencies like CEA, SLDC and POSOCO for effective protection of the Transmission system elements.
- b) Monitoring and upkeep of protection system and metering system by arranging routine testing and calibration of relays and meters.
- c) Monitoring healthiness of different substation equipment's by conducting periodical inspection.
- d) Investigation of the causes of breakdown of any Transmission system elements duly suggesting corrective measures to be taken to mitigate such breakdowns.
- e) Conducting Pre-Commissioning (PC) tests on various Transmission system elements including IPP's and EHT consumer stations before energizing / synchronizing it.
- f) Undertakes testing of third party meters along with associated metering equipment on cost basis.
- g) Undertakes inspection of materials procured by Corporation directly or indirectly through Turn Key agencies jointly with TA & QC Wing.

I). Activities carried out and progress achieved in various works by Relay testing Wing during the year 2019-20 is as below;

- i. The Pre-commissioning tests carried out on all voltage class Sub-stations, various Power Transformers, additional bays and IPP's/EHT consumer station and breakdowns attended is as below:

PC tests conducted on Stations of all voltage classes.	Nos.	32 *
PC tests conducted on Power Transformer of all voltage classes.	Nos.	103
PC tests conducted on additional bays.	Nos.	218
PC tests conducted on IPP's.	Nos.	26
PC tests conducted on EHT consumer stations.	Nos.	9
No. of breakdowns investigated / attended.	Nos.	2527

* Apart from these, Relay testing wing has witnessed Pre-commissioning tests of 220kV and 66kV sub-stations commissioned under self-execution/Deposit contribution basis, like KIADB VN Pura, KIADB Devanahalli Hardware Park, Manyatha Tech Park, S.K STEELS EHT, Orchid Laminates EHT, Shobha city EHT etc.

- ii. The periodical calibration works carried out on relays and meters with its associated metering equipment including that of third parties and amount collected thereon:

No. of Protective Relays subjected for testing and calibration.	Nos.	87143
No. of Meters installed at KPTCL Sub-stations subjected for testing and calibration.	Nos.	21068
No. of Meters installed at IPP installations subjected for testing and calibration.	Nos.	332
No. of Meters installed at EHT consumer installations subjected for testing and calibration.	Nos.	147
Amount collected towards testing of third party Meters and its associated metering equipment.	Rs.	1,82,53,261

- iii Apart from the above, as per the directives of Central Electricity Authority and the Hon'ble Central Electricity Regulatory commission, implementation of Renovation and Up gradation of the existing Protection system infrastructure has been taken up at an awarded cost of Rs.10760.48 Lakhs in 220 KV and above voltage class Sub-Stations of KPTCL. The Ministry of Power, Govt. of India has sanctioned a grant of Rs.6042 Lakhs from Power System Development Fund. An amount of Rs. 604 lakhs (10%) has been released during F.Y-2016-17, Rs.1208.4 lakhs (20%) has been released during F.Y-2017-18 and Rs. 3624 lakhs (60%) has been released during the year 2018-19. The last 10% of sanctioned grant (604 lakhs) has to be requested by KPTCL for disbursement only after completion of project in totality and furnishing commissioning & utilization certificate to NLDC. The works pertaining to this project will be completed shortly. The work is executed by Transmission zones and the progress of the same is being monitored by Relay Testing Wing on a continuous basis for its early completion, since SRPC (CEA) is monitoring the same during Protection-Subcommittee meetings, in which RT is representing KPTCL.

B. Technical functions of Research and Development Wing;

The Corporation has its own Research & Development Centre situated at Bengaluru, headed by a Superintending Engineer (Ele). The R&D wing undertakes the works viz., Soil Resistivity Measurement and designing of Earthmat for all the proposed substations of KPTCL/ESCOMS (on request) and other private firms/IPP's and undertakes the investigation of earthings at the existing substations of KPTCL. The Centre also approves Redesigning/ Modification of Earthmats for the existing stations on account of Augmentation works etc., undertakes the Earthing efficacy tests of the existing stations, Tan-Delta & Capacitance tests on Power Transformers (windings & bushings), 220KV&GIS station working drawing approvals, periodical testing of Oil Samples of all Power Transformers of KPTCL as per IS 1866, IS 335, and as per IEC 60296-2012, conducts dissolved Gas Analysis tests to detect any incipient faults in the power transformers, Furan analysis tests and many other tests are being conducted in the laboratory situated in Bengaluru. Further towards modernization and to meet the increasing work load at the Centre, new sophisticated equipments have been additionally procured and installed at the Centre.



I) Special Studies and Activities of R &D

- i) **Tr. Oil testing:** The New oil in Power Transformers is tested as per IS 335 and IS 1866 and as per IEC 60296-2012 at the R&D lab before commissioning to ensure that only good quality oil is utilized to serve its life span.
- ii) **G.I.S Drawing approvals:** Along with the Conventional Earthmat Design, the earthmat designs for G.I.S substations are also approved by R&D. The detailed study of Comprehensive Earthing systems including buildings for GIS stations is also carried out. The working drawings of GIS substations submitted by Turnkey Agencies regarding Comprehensive Earthing Scheme including earthmat, GIS building/module earthing systems and lightning protection would be discussed with the concerned agencies. The necessary modifications as per KPTCL practices and in accordance with CBIP 309 & IEEE 80:2000 guidelines would be included prior to the approval of drawings.
- iii) **Revenue Collection:** Apart from undertaking Earthmat Designs for KPTCL, designing, the Centre is also designing Earthmats etc., for the substations being set up by ESCOMs and other private agencies on request and chargeable basis. As a result of this activity, the Centre has conducted the Soil Resistivity Tests at site for various substations other than that of KPTCL and an amount of **Rs. 1,36,37,783/-** have been collected as consultancy/testing charges during 2019-20 for providing services to ESCOMs/Private Agencies for earthmat design and transil oil testing of Power Transformers.
- iv) **(Sodium Bentonite Clay Testing):** Sodium Bentonite clay is a moisture retaining chemical product used as an earth electrode/ earthing back-fill to help lower soil resistivity. The Centre conducts Tests on Sodium Bentonite clay samples to ensure the resistivity is less than 10 ohm - metres and PH value between 8 to 10 and swell index by volume is greater than 8.
- v) **Condition Monitoring of in service Power Transformers:** R & D Centre undertakes annually, the periodical testing of oil samples of all Power Transformers existing in KPTCL substations in order to monitor the healthiness of the transformer. At the Centre the computerized historical data for oil test results of all the in service Power Transformers in KPTCL grid is being maintained This data assists to compare and analyze the recent test results with that of trends of previous results. During 2019-20, the Centre has analysed the oil samples of **3860** Nos.(includes new & repeated test samples) of Power Transformers and recommended to take remedial measures to the station staff so as to improve the health of the transformer and curb revenue loss to the Organization.
 - Dissolved Gas analysis has been carried out on **1144** Nos. of oil samples during the year 2019-20.
 - Furan Analysis has been conducted for **1018** Nos. of Oil samples during the year 2019-20.

These activities form the core of Condition Monitoring and applied research activity in R&D Centre. In case of some complicated technical issues, the R&D Centre would share the information and initiate an interaction with M/s. CPRI, a Govt. of India Undertaking which is a well-established R&D wing situated in Bengaluru towards resolving the issues.

II. The progress of R&D Centre for the Year 2019-20 are as detailed below:

i. Soil Resistivity (SR) Measurements conducted during 2019-20:

Sl. No.	Station voltage class	No. of S/s in which SR tests conducted during the year.
1	220 kV station	10
2	110 kV Station	49
3	66 kV Station	32
4	33 kV Station	12
Total		103

ii. Earthmat Design (EMD) furnished (proposed/revised/Additional Earthmats) during 2019-20:

Sl. No.	Station voltage class	No. of S/s for which EMDs furnished during the year.
1	220 kV	14
2	110 kV	23
3	66 kV	36
4	33 kV	3
Total		76

iii. Earthing Investigations carried out and remedial measures suggested during 2019-20:

Sl. No.	Station voltage class	No. of S/s for which earthing investigations carried out during the year.
1	400 kV	1
2	220 kV	28
3	110 kV	19
4	66 kV	65
5	33 kV	4
Total		117

iv. Tan Delta & Capacitance tests conducted on Transformer windings and bushings during 2019-20:

Sl. No.	Station voltage class	No. of Transformers for which Tan Delta & Capacitance tests carried out during the year.
1	315 MVA	2
2	167 MVA/ICT	12
3	150MVA	12

4	100MVA	51
5	50MVA	1
6	31.5MVA	32
7	CTs/CVTs	182
	Total	292

v. Condition Monitoring tests conducted during 2019-20:

Transformers			
1	Oil samples analyzed	No. of Samples	3860 Nos.
2	Insulation Diagnostic Analysis (IDAX tests on power transformer)	No. of Transformers	102 Nos.
3	SFRA test conducted on Power Transformers	No. of Transformers	22 Nos.
4	Dissolved Gas Analysis	No. of Samples	1144 Nos.
5	Furan Analysis	No. of Samples	1018 Nos.

Earthing Systems			
1	Sodium Bentonite Clay tests	No. of Samples	3 Nos.
2	Station earthing drawing approved	400/220kV	9 Nos.
3	Earthmat design verification of stations for augmentation works	No. of stations	263 Nos.
4	Additional Earthmat	No. of stations	53 Nos.
Lightning Arrestors			
1	Condition Monitoring tests on LAs	No. of LA's	-
	Total (I to V)		7062

C. Technical functions of Hot Line wing:

The Hot Line Wing is vested with the responsibility of carrying out preventive /predictive maintenance and emergency maintenance works on 220kV and below lines & stations by adopting Live Line Maintenance Technique using hot stick method and 400kV& 220kV lines & stations using bare handed technique by means of insulated Arial Platform. The technique ensures maintenance of Transmission lines and substations without taking any outage thus providing continuity in power supply without any interruption to the end users. The Hot Line wing is equipped with well trained personnel who have undergone vigorous training in Hot Line techniques imparted by the Hot Line Training Centre, National Power Training Institute, Govt. of India, Somanahalli, Bengaluru to undertake Maintenance on Live Transmission Line and Substation Switch yards. The following activities are generally carried out by the Hot Line wing;

- Testing and detection of defective insulators in the lines.
- Replacement of faulty insulator strings.

- Strengthening of lines by providing by-pass jumpers.
- Thermo vision scanning of stations and lines for identifying hot spots.
- Preventive maintenance of EHV stations and lines.
- Emergency Hot Line works.

The various activities carried out by Hot Line Wing for the year 2019-20 is appended below;

Sl. No	Particulars	Voltage class in kV				Total
		400	220	110	66	
1	No. of Insulators strings tested.	---	2589	3040	5652	11281
2	No. of replacement of faulty insulator strings.	---	25	52	9	86
3	No. of Sub-stations tested through thermo vision scanning for identifying hotspots.	8	216	299	696	1219
4	No. of Jumpers tested.	330	3916	363	466	5075
5	No. of preventive maintenance done on Sub-station Switch yards.	01	218	297	645	1161
6	No. of preventive maintenance done on lines.	---	499	12	--	511
7	Providing bypass jumpers at EHV sub-stations.	---	14			14
8	Carrying out emergency works on lines and sub-stations during exigencies.	---	56			56
9	Measurement of vertical and horizontal clearance below and across EHT lines from buildings.	---	488			488
10	No. of vibration dampers fixed on Tr. lines	---	1000	---	---	1000

TECHNICAL AUDIT AND QUALITY CONTROL

The main functions of TA&QC Wing are;

- ▶▶ Inspection of materials of on-going works (Sub-stations, lines etc.) of IPP's. Self-execution, shifting etc.,
- ▶▶ Periodical inspection of existing Sub-stations, Lines, Exclusive Lines etc.,
- ▶▶ Periodical inspection of MW/TL&SS Stores.
- ▶▶ Inspection of materials at Factory.
- ▶▶ Material inspections at Site.
- ▶▶ Auditing of completed works (Stations, Lines, Augmentation Works).



- ▶▶ Inspection of factory premises for vendor Analysis.
- ▶▶ Inspection of miscellaneous works
- ▶▶ Investigation of Petitions/Complaints.
- ▶▶ Inspection of Civil Works pertaining to Sub-stations / Lines.
- ▶▶ Any other duties entrusted by the corporation.

Annual achievements during the year 2019-20

Sl. No	Actionable Items/Programme	Total No. of Works	Total No. of inspections for the year 2019-20
1	Ongoing Works		
a	Sub-stations	66	634
b	Transmission Lines	66	607
d	Exclusive Lines	126	315
c	Aug/Addl.	112	546
2	Existing Sub-stations & Lines		
a	Sub-Station	1190	910
b	Transmission Lines	1569	749
3	MW/TL&SS Stores	18	4
4	Inspection of Materials		
A	At Factory		
a	KPTCL Works	**	2012
b	IPP Works	**	34
c	Self-execution Works	**	220
B	At Site		
a	KPTCL Works	**	275
b	IPP Works	**	4
c	Self-execution Works	**	75
C	At Stores		
		**	1630
5	Auditing of completed works		
a	Sub-Station	**	24
b	Transmission Lines	**	29
c	Augmentation/Addl.	**	34
6	Investigation of Vendor Analysis	**	12
7	Inspection of Petition/ complaints	-	3
8	Miscellaneous	**	0

CIVIL:			
Sl. No	Actionable Items/Programme	Total No. of Works	Total No. of inspections for the year 2019-20
1	Ongoing Works		
a	Sub-Station	66	95
2	Existing Sub-stations & Lines		
a	Sub-station	-	9
b	Transmission Lines	-	6
3	Auditing of completed works		
a	Sub-Station	-	26
b	Augmentation/Addl.	-	4
4	Inspection of Petition/complaints	-	2
5	Miscellaneous	-	37

NOTE:

- * Speculated annual target which may vary depending upon commissioning of Stations/Lines
- *All the Ongoing works to be inspected every month
- *All the Existing Substations to be inspected once in a year.
- *All the Existing Lines to be inspected once in two years.

INFORMATION TECHNOLOGY & MANAGEMENT INFORMATION SYSTEM

The I.T. Section of KPTCL manages the I.T. Infrastructure and maintains the KPTCL's Website, Internet, Intranet Portal e-Prasarana, Data center, Networking of Offices in Kaveri Bhavan, Hardware and System Administration, Maintenance of existing Software, Development of Software, Purchase of Hardware and Software.

During the reporting year 2019-20 the following I.T. activities were carried out:

1. Development & Maintenance of following In-House Softwares:
 - Payroll
 - Pension and Family Pension, Gratuity
 - Department Examination.
 - Bio-Data of A&B officers.
 - Uploading of KPTCL Project Photos
 - Uploading of Load curve details.
 - Bill Tracking System.
 - File Tracking System.
 - Inter Unit account clearance.
 - Monthly contribution of Employees - NDCPS.
 - KPTCL & ESCOM's Post and Personnel data as on 31.03.2020
 - Station e-log
 - Uploading of Station & Power Transformer Details.
 - GST Software



- Online Transfer Request application software
 - Inventory Management System
 - Bank Reconciliation System
 - Escoms Performance Monitoring system
2. Creating, updating, mapping and granting roles to the officers of e-procurement related to KPTCL.
 3. Bio-metric attendance Monitoring system.
 4. Co-ordinating with the agency for development of software for on line services. (Vendor approval, Application for power evacuation of HT Consumers, open access), Integration with the application software developed by BESCOM for applications received from HT consumers.
 5. Co-ordinating with the agency for design, development and customization of GIS software for Transmission lines, EHV cables, Towers and associated substations of KPTCL by integrating GPS survey data into GIS software in Bangalore Transmission Zone.
 6. The following purchases for Corporate Office, KPTCL was done by IT section and is as shown below.

Sl.No.	Description	Nos
1	Desktop computers	5
2	Laptops	2
3	Printers with scanner	7
4	Printers	1

7. Maintenance of database related to the information provided from KPTCL, corporate office and other Public Information Officers under Right to Information Act.

The MIS Section is entrusted with the responsibility of collecting details, information and statistics pertaining to KPTCL and ESCOMs and furnishing the desired information to CEA, Central Government – Ministry of Power, State Government – Planning Department, Statutory bodies, etc., regularly as well as on request.

The MIS Section compiles and forwards progress reports every month to REC Ltd., New Delhi regarding the progress and achievements of rural electrification and pumpset energisation and the activities and achievements of ESCOMs to the government for Monthly Multilevel Review (MMR) and Karnataka Development Programme meeting.

During 2019-20, under Public Grievance redressal system 119 grievances were received in Hon'ble Chief Minister Janatha Darshan, E-Janaspandana and C.P. Grams. All grievances were closed after uploading the replies furnished by concerned Sections/Offices of KPTCL.

The Section also performs the very important task of furnishing replies to the questions raised by the Hon'ble Members, in the Legislature and other matter raised under various

rules during the Legislative session. During 2019-20, three Legislative sessions were held which are as follows:-

Sl No	Duration	Days	Session
1.	12-07-2019 to 23-07-2019	07 Days	Monsoon session
2.	10-10-2019to 12-10-2019	03 Days	Winter session
3.	17-02-2020to 21-02-2020	04 Days	Budget session
4.	02-03-2020 to 24-03-2020	17 Days	

Replies to 140 Assembly questions, 55 Council questions (Total 195) and 14 Nos of other issues under various rules including call attention motions and matters discussed under zero hour pertaining to KPTCL and ESCOMs were furnished.

Replies to Lok sabha and Rajya sabha questions are also furnished from MIS Section. 03 Nos. of Lok Sabha questions and 03 Nos. of Rajya Sabha questions were replied during 2019-20.

Replies to the issues that arise in the petition committee, Assurance Committee and Other Committees of Legislature were also furnished by this section.

APR & TRANSMISSION TARIFF

1. Annual Performance Review Application: KPTCL had filed its Annual Performance Review for FY19 based on the audited annual accounts for approval of ARR and revision of transmission tariff for FY 21 on 27.11.2019 before KERC.
2. In the Annual Performance Review, the KPTCL had prayed the KERC to allow an ARR of Rs.3400.64 Crore for FY19 based on the Audited Annual Accounts.
3. The KPTCL had prayed to allow recovery of Gap of Rs. 448.52 Crore from ESCOMs w.e.f. 01.04.2020.
4. The KPTCL had requested the KERC to allow incentive as it has achieved better system availability of 99.48% for FY 19.
5. Annual Performance Review order for FY 19 and revised transmission tariff Order for FY 21 yet to be issued by KERC.

HUMAN RESOURCES DEVELOPMENT

KPTCL being the essential services organization, makes it all the more mandatory to keep the professional work constantly alert and updated both in the technical and financial aspects of power sector. At HRD Centre, KPTCL, the training is imparted related to Transmission & Distribution of electricity as well as overall development of an individual employee. These trainings give adequate opportunity to gain skills that will help to improve their functional efficiency and enables them to serve the organization better and inturn organization is also benefitted. Proper methodology has been developed for imparting various trainings commiserate with the level of perception and capability of each employee.



Human Resource Development Centre at Hoody, is spread across an area of about 12 acres.

At present, this centre has :

- Nine Class Rooms which can accommodate of about 50 trainees in each room
- Two hostel blocks to accommodate about 50 trainees in each block
- In house canteen facility
- Yoga Hall
- Indoor games Hall
- Indoor Shuttle Badminton court
- A big outdoor Sports Ground with facilities to play etc.
- Library

In addition to this, construction of the State of the Art Multipurpose Auditorium with a seating capacity for 400 to 500 persons, additional Hostel Block for 200 trainees which includes an exclusive executive block, executive conference Hall, Digital Library, working Modules/ equipment's Display Laboratory, networking with premier Institutions/ Organisations etc., are in the pipe line & are expected to complete in a year. "On the whole KPTCL has a vision to groom this HRD Centre as a Centre of Excellence".

Training programme carried out during the Financial year 2019-20:

2357 numbers of Employees / Officers have been trained on various topics during the financial year 2019-20, on an average of 156 Men per day.

Training programme for the employees of KPTCL & ESCOMS are being carried out in three categories viz.

- (1) Pre-Employment Training Programme
- (2) In-Service Training Programme.
- (3) Deputation for External training.

1. PRE-EMPLOYMENT TRAINING PROGRAMME:

This training is conducted for the newly recruited Employees of KPTCL and all ESCOMs. The following Pre-employment training programme were conducted during the Financial year 2019-20:

- Pre-employment Training programme for 401 numbers of newly recruited Assistant Engineer(Ele) for a period of 60 working days which covers 30 days class room training & 30 days field training followed by an Exam.
- Pre-employment Training programme for 52numbers of newly recruited Assistant Accounts Officer for a period of 90 working days which covers 60 days class room training & 30 days field training followed by an Exam.
- Pre-employment Training programme for 210 numbers of newly recruited Junior Engineer(Ele) for a period of 60 working days which covers 30 days class room training

& 30 days field training followed by an Exam.

- Pre-employment Training programme for the 204 numbers of newly recruited Assistants for a period of 42 working days followed by an Exam.
- Pre-employment Training programme for the 155 numbers of newly recruited Junior Assistants for a period of 28 working days followed by an Exam.
- Pre-employment Training programme for the 44 numbers of Daftaries for a period of 28 working days followed by an Exam.
- Pre-employment Training programme for 26 numbers of newly recruited Assistant Engineer(Civil) & Junior Engineers(Civil) for a period of 60 working days which covers 30 days class room training & 30 days field training followed by an Exam.

2. In-Service Training Programme:

The following training programmes for the In-service employees of KPTCL & ESCOMs were conducted during the Financial year 2019-20.

- Retirement planning for the Officers / Employees of ESCOMs / KPTCL -812 Nos.
- Orientation training for newly promoted AAO's - 20 Nos.
- SAS training for Assistants of KPTCL & ESCOMs - 45Nos.
- First Aid & Fire fighting for KPTCL JE's & AE's - 185 Nos.

3. Deputation to External Training Programme:

203 Officers/employees of KPTCL were deputed to external training programs during the Financial year 2019-20.

Trainings conducted by HRD Centre, KPTCL, Bangalore for the Officers/ Employees of KPTCL & ESCOMs for the FY 2019-20:

Sl. No.	Name of the Training	No. of Batches	No. of Trainees Deputed	No. of Trainees attended	Duration in days	Total Man Days	% of Trainees
1	Pre-employment training for newly recruited Junior Engineers	4	217	210	30	6300	97%
2	Pre-employment training for Daftaries	1	56	44	28	1232	79%
3	SAS Training for Assistants	1	61	45	40	1800	74%
4	Pre-employment training for newly recruited Assistants	4	202	204	42	8568	101%



5	Retirement planning for the Officers of KPTCL and ESCOMs (with spouse)	10	982	812	2	1624	83%
6	Pre-employment training for newly recruited Junior Assistants	3	155	155	28	4340	100%
7	Pre-employment training for newly recruited Assistant Engineer (Civil)/Junior Engineer (Civil)	1	26	26	30	780	100%
8	Pre-employment training for newly recruited Assistant Engineers (Ele)	8	405	401	30	12030	99%
9	First Aid fire fighting programme	3	230	185	10	1850	80%
10	Pre-employment training for newly recruited Assistant Accounts Officer	1	55	52	60	3120	100%
11	Orientation training for newly promoted Assistant Accounts Officer	1	20	20	5	100	100%
12	Deputation to external training programmes		203	203	3	609	99%
	Grand Total Training conducted at HRD Centre KPTCL, Hoody		2612	2357		42353	90%

Total Man-days - 42353
Total working days- 271
Trainees per day - 156

Internal Audit Wing

- I. Internal Audit is being carried out as per the Audit Manual, Regulations Accounts Manual and Circulars issued by the Corporation from time to time under the supervision of Financial Adviser (Internal Audit). Audit Enquiries/Notes issued during the course of Audit and the Excess Payments /Irregular Expenditure pointed out are being finalized after due discussions with the concerned head of the offices. Progress/ Performance Report of Internal Audit are being reported periodically.

II. Achievements of Internal Audit and Significant issues observed during FY 2019-20.

- (1) Internal Audit at Corporate office has furnished its audit views for 194 Nos. of procurement / turnkey proposals before CPC. Similarly, DCAs (IA) at Transmission Zone verified procurement/ turnkey proposals and furnished the audit remarks
- (2) During 2019-20 Audit has pointed out excess claims in Price Variation bills to an extent of Rs. 6.64 crores at the time of pre-audit of Price Variation bills.
- (3) Due to constant pursuation and repeated inspection of stores by Internal Audit officers, the scrap materials worth of Rs 8.62 crores have been disposed off during FY 2019-20.
- (4) Due to constant pursuation by Internal Audit, the quarters rent and building rent demanded during FY 2019-20 is Rs. 12.87 crores and Rs. 6.63 crores respectively by the TL&SS Divisions.
- (5) Internal Audit has pointed out, left out penalty in various material supply and works bills to an extent of Rs. 1.11 Crores during FY-2019-20.
- (6) Audit has pointed out excess claims in Final Quantity Variation bills to an extent of Rs. 106.3 lakhs during FY 2019-20.
- (7) The Internal Audit has furnished opinion on several Establishment issues which are sought by Administrative Offices in Corporate Office. Further, the Audit has pointed out wrong calculation of establishment claims to an extent of Rs. 100.44 lakhs during the FY 2019-20 in respect of earned leave surrender calculation; pay fixation, medical and other claims etc.
- (8) KPTCL is awarding compensation towards Land, Tree cut and Crop Compensation to the affected persons while constructing Stations and Lines. The Internal Audit has pointed out wrong calculation of Compensation to an extent of Rs. 17.71 lakhs during the FY 2019-20.
- (9) A special report has been submitted on 18.11.2019 to Director(A&HR) towards wrong claims of Open Access and Wheeling & Banking Transaction and dereliction of duties resulting in Financial loss to the Organisation. Further, the Internal Audit has pointed out wrong calculation of Open Access and Wheeling & Banking Transaction to an extent of Rs. 149.15 lakh during the Financial Year 2019-20.

III. The Abstract of Audit Paras, excess payment, irregular expenditure pointed out and recovered/regularized during 2019-20 is as follows. Zonewise details are indicated as below:

Opening Balance	Details of Excess Payment			Rs. in lakhs
	Pointed Out	Total	Recovery	Closing Balance
241.37	1294.04	1535.41	1491.44	43.97

Details of Irregular expenditure				Rs. in lakhs
Opening Balance	Pointed Out	Total	Regularised	Closing Balance
26.29	200.95	227.24	205.99	21.25
Details of Audit Paras				In Nos.
Opening Balance	Audit Para Issued	Total	Reply Received	Closing Balance
360	1830	2190	1884	306

Zone Wise Details are as under:

Details of Audit para for the FY 2019-20

Sl. No.	Name of the Zones	Opening Balance of Audit Paras	Audit Paras Issued	Total	Reply Received & Accepted	Closing Balance of Audit Paras
1	Bengaluru	55	345	400	370	30
2	Tumakuru	22	429	451	447	4
3	Kalaburgi	80	130	210	153	57
4	Mysuru	90	215	305	242	63
5	Hassana	52	331	383	331	52
6	Bagalkote	42	282	324	238	86
7	Head Qtrs	15	84	99	91	8
8	S.L.D.C	4	14	18	12	6
	Total	360	1830	2190	1884	306

Details of Excess Expenditure for the FY 2019-20

Rs. In Lakhs						
Sl No	Name of the Zones	Excess Expenditure during FY 2019-20				
		Opening Balance	Pointed Out	Total	Recovery	Closing Balance
1	Bengaluru	197.43	718.98	916.41	915.54	0.88
2	Tumakuru	1.05	174.22	175.27	174.84	0.43
3	Kalaburgi	8.45	55.38	63.83	53.66	10.16
4	Mysuru	6.10	17.04	23.14	21.26	1.88
5	Hassana	15.13	72.97	88.10	63.94	24.16
6	Bagalkote	0.92	47.09	48.01	46.42	1.59
7	Head Qtrs	10.27	49.01	59.28	56.33	2.95
8	S.L.D.C	2.02	159.35	161.37	159.45	1.92
	Total	241.37	1294.04	1535.41	1491.44	43.97

Details of Irregular Expenditure during FY 2019-20

Rs. in Lakhs						
Sl. No	Name of the Zones	Irregular Expenditure during FY 2019-20				
		Opening Balance	Pointed Out	Total	Regularised	Closing Balance
1	Bengaluru	15.24	9.16	24.40	21.77	2.63
2	Tumakuru	0.00	115.22	115.22	106.15	9.07
3	Kalaburgi	0.00	0.41	0.41	0.00	0.41
4	Mysuru	5.11	18.45	23.56	17.15	6.42
5	Hassana	2.08	35.97	38.05	37.33	0.72
6	Bagalkote	3.52	20.55	24.07	22.06	2.00
7	Head Qtrs	0.00	0.84	0.84	0.84	0.00
8	S.L.D.C	0.34	0.35	0.69	0.69	0.00
	Total	26.29	200.95	227.24	205.99	21.25

ASSISTANT GENERAL MANAGER (ENQUIRIES) SECTION:

Cases pending at the beginning of the Year (as on 01.04.2019)	103
No. of departmental enquiries ordered during 2019-20	57
No. of departmental enquiries disposed during 2019-20	22
Departmental enquiries pending as at the end of 31.03.2020	138

Statement of details of Cases of Departmental Enquiry initiated, Enquiry disposed and Pending for the period from 01.04.2019 to 31.03.2020 in Manager(Enquiries-1 and 2) section.

Section	opening balance as on 01.04.2019		Total	Departmental; Enquiries initiated from 01.04.2019 to 31.03.2020.		Total	Departmental; Enquiries disposed from 01.04.2019 to 31.03.2020.		Total	Pending Departmental Enquiries as on 31.03.2020		Total
	Reg 11	Reg 12		Reg 11	Reg 12		Reg 11	Reg 12		Reg 11	Reg 12	
	Manager (Enq-1)	38		2	40		46	2		48	18	
Manager (Enq-2)	63	0	63	9	0	9	2	0	2	70	0	70
Total	101	2	103	55	2	57	20	2	22	136	2	138



CONTROLLER (A, P & A) SECTION:

1. The Pension and Advance section is working under Financial Adviser (NDCPS).
2. In the financial year 2019-20, 119 numbers of group 'A' and 'B' officers retired, out of which 114 pension cases have been settled which includes 79 cases for the financial year 2019-20 & 35 cases of previous financial years.
3. In the financial year 2019-20 family pension of 520 numbers of death after retirement cases have been settled in the Pension and Advance section.
4. Out of Pension payable Rs.200/- is deducted for every month towards Pensioners' Security Fund, from which Rs.30000 / Rs.75000 is payable to the beneficiaries of deceased pensioner. In the financial year 2019-20, 897 numbers of PSF cases were received and 786 numbers of Pension Security Fund including cases of previous financial year were settled in the Pension and Advance section.

FINANCIAL ADVISOR (NDCPS) SECTION:

"As per the KPTCL Order No: KPTCL/B16/B14/4977/2005-06, Bangalore, Dated:05.07.2007, the New Defined Contributory Pension Scheme has been made mandatory to all new recruits to KPTCL/ESCOMs service joining on or after 01.04.2006. The overall management of the scheme has been entrusted to M/s LIC (P&GS) Unit, Bangalore in May-2015. The monthly contribution is 10% of Basic Pay (Dearness Pay if admissible) and Dearness Allowance thereon to be paid by the employee and matched by KPTCL/ESCOMs contribution (Employer portion) in equal proportion. The Employer portion is now enhanced from 10% to 14% with effect from 01.04.2019 vide KPTCL Order No. KPTCL/B16/B14/4977/2005-06 Dated:13.09.2019. The Employee-wise contribution data is captured through web enabled 'NDCPS Software' for 211 Accounting Units and forwarded to LIC (P&GS) Unit, the Fund Manager of the Scheme. The total contribution amount collected from Companies is invested in New Group Superannuation Cash Accumulation Policy (NGSCA) of LIC (P&GS) Unit.

The total No. of Officers/Employees covered under the Scheme are 34332 as on 31.03.2020 and the total contribution of KPTCL/ESCOMs till March-2020 along with interest accrued is Rs.2179.35 Crores as per the Quarterly statement of LIC (P&GS) Unit."

IMPORTANT ORDERS ISSUED BY DGM (PERSONNEL) SECTION:

Sl. No.	Order/ Circular No./ Date	Subject
1.	No: KPTCL/B16/3610(III)/2003-04 dated: 04.04.2019	Enhancing the rates of Dearness Allowance for employees from 3.75% to 6.50% w.e.f 01.01.2019.
2.	No: KPTCL/B16/3611/2003-04 dated: 11.04.2019	Enhancing the rates of Dearness Allowance for retired employees/ family pensioners from 3.75% to 6.50% w.e.f 01.01.2019.

3.	No: KPTCL/B16/86460/2018-19 dated: 12.04.2019	Enhancing the pension for retired/ family pensioners who have crossed 80 years and above.
4.	No: KPTCL/B5/721/Gen(Vol-II)/80-81 dated: 12.04.2019.	Processing of Compassionate Ground Appointment duly prescribing the income ceiling limit of Rs.49,633/- for applications submitted from 01.01.2019 onwards.
5.	No: KPTCL/B16/7990/2009-10 dated: 24.04.2019	Consideration of 'Dearness Pay' as a part of Basic pay for sanction of conveyance allowance at the rate of 6% for Physically challenged Officers/ Employees.
6.	No: KPTCL/B16/3595/98-99 dated: 02.05.2019	Sanction of Flexi time for specially disabled employees.
7.	No: KPTCL/B16/3595/1998-99 dated: 02.05.2019	Sanction of grant from Rs.25000/- to Rs.40000/- for purchase of Motor/ Mechanical vehicles to physically challenged employees.
8.	No: KPTCL/B16/3595/98-99, dated: 02.05.2019	Approval for sanction of educational allowance of Rs.1000/- per month to the employees having blind or physically challenged children.
9.	No: KPTCL/B16/3595/98-99 dated: 20.05.2019	Reducing the maximum qualifying service from 33 years to 30 years for the purpose to get full fledge pension.
10.	No: KPTCL/B16/780/2019-20 dated: 20.05.2019	Enhancement of Charge Allowance from 7.5% to 15%.
11.	No: KPTCL/B16/86466/2018-19 dated: 06.06.2019	Regularization of date of Annual Increment for Officers/ Employees.
12.	No: KPTCL/B16/2835/99-2000 dated: 17.06.2019	Consideration of fourth Saturday as a general holiday and reducing of Casual leave from 15 days to 10 days.
13.	No: KPTCL/B16/3736/2019-20 dated: 09.07.2019	Adopting Government Order with regard to fixation of consequential seniority for promoted employees.
14.	No: KPTCL/B16/KENDCPSC/B93/ 36012/ 2018-19 dated: 19.07.2019	Instructions for withdrawal of amount for employees who have under New Defined Contributory Pension Scheme.
15.	No: KPTCL/B16/86466/2018-19 dated: 03.08.2019	Payment of arrears for refixation of date of Annual Increment.

16.	No: KPTCL/B16/2835/99-2000 dated: 05.08.2019	Reducing of Casual leave from 15 days to 10 days.
17.	No: KPTCL/B16/4682/06-07 dated: 19.08.2019	Payment of arrears to Physically Challenged Revenue Assistants who were regularized with retrospective effect from 20.12.2010.
18.	No:KPTCL/B16/5608/2000-01 dated: 21.08.2019	Payment of Bonus/ Ex-gratia to the employees for the financial year 2018-19.
19.	No:KPTCL/B16/4977/2005-06 dated: 13.09.2019	Adopting Government Order with regard to National Pension Scheme enhancing the rates of Government contribution from 10% to 14% with effect from 01.04.2019.
20.	No:KPTCL/B16/3610(Vol-III)/2003-04 dated: 28.10.2019	Enhancing the rates of Dearness Allowance for employees from 6.50% to 11.25% w.e.f 01.07.2019.
21.	No:KPTCL/B16/3611/2003-04 dated: 30.10.2019	Enhancing the rates of Dearness Allowance for Retired/ Family Pensioners from 6.50% to 11.25% w.e.f 01.07.2019.
22.	No: KPTCL/B16/KENDCPS/ B93/36012 /2019-20 dated: 31.10.2019	Settlement of PPN amount while employee suspension under NDCPS.
23.	No: KPTCL/B16/ B93/35989/2019-20 dated: 31.10.2019	Payment of arrears for employer contribution w.e.f 01.04.2019 to 31.08.2019 with relates to NDCPS.
24.	No: KPTCL/B5/721/Gen(Vol-II)/80-81dated: 13.11.2019	Processing of Compassionate Ground Appointment duly prescribing the income ceiling limit of `51,422/- for applications submitted from 01.07.2019 onwards
25.	No: KPTCL/B16/5411/1996-97dated: 28.11.2019	Relaxation of condition to sanction of child care leave for women employees having the child with disability of mental illness, cerebral palsy, mental retardation and multiple disabilities.
26.	No: KPTCL/B16/2835/99-2000 dated: 28.11.2019	Publishing of Holiday list for the year 2020.
27.	No: KPTCL/B16/813/2019-20 dated: 06.01.2020	Amendment of method of recruitment and minimum qualification to KEB R&P Regulations for the post of Assistant Executive Engineer (Elec/ Civil).
28.	No: KPTCL/B16/5411/96-97 dated: 03.02.2020	Adopting the Government Order with regard to verification of geniuses of marks cards of the candidates appointed through direct recruitment.

ABOLITION OF POSTS :-

During the year under report, 291 No. of posts of different cadres have been abolished in various offices of KPTCL as below:

SL. No.	Name of the Post	No. of posts abolished
1	Draughtsman	03
2	Assistant Draughtsman	10
3	Senior Draughtsman	01
4	Typist	104
5	Merit Grade Mechanic	04
6	Cable Jointer	06
7	Assistant Cable Jointer	04
8	Store Attendant Grade 1	15
9	Helper Store	29
10	Mechanic cum Machinist Grade 1	01
11	Carpenter Grade 2	04
12	Blacksmith Grade 2	01
13	Maistry (Civil) Grade 1	06
14	Maistry (Civil) Grade 2	02
15	Civil Mate	04
16	Field Men Grade 2	02
17	Cleaner/ Auto helper circle wise	61
18	Maiti	01
19	Painter Grade 2	01
20	Helper (Workshop)	09
21	Mason Grade 2	01
22	Cook cum caretaker	03
23	Helper Civil	06
24	Attendant Grade 1	03
25	Maistry (Health) Grade 2	01
26	Security Head Guard	02
27	Plumber (Civil) Grade 1	01
28	Auto Mechanic Grade 2	02
29	Auto Mechanic	01
30	Auto Helper cum Cleaner	03
	Total	291



Industrial relation:-

Corporation has considered the Manpower as a valuable asset in accomplishing the object and also taking care of social security and labour welfare measures to them. The Corporation mutually discuss and settle the employee's grievances with the KPTC Employees Union representatives periodically.

As the Corporation is in the process of reformation and it will discuss with the Union as and when called for, Corporation has identified the "Employees Role in Management" and the Union has always extended its support in the reform process with a view to provide a better service to the consumers.

As on 31-03-2020, there are about 21 labour related matters, 22 No.of cases in different Labour Courts and 73 No. of Writ petitions/Writ Appeals are pending in Hon'ble High Court of Karnataka Bangaluru, Dharawad and Kalaburagi bench.

The Corporation has maintained a good and cordial relationship with the KPTC Employees Union which helps in rendering a better service to the women Employees.

Women Grievance Committee :-

As per Board order dated: 03.07.1998, the Corporation has constituted the Committee for prevention of sexual harassment of women at work place. The committee consists of one Chairperson along with nine members including convener and one External member from the public Voluntary Service.

The Women Grievance Committee is reconstituted on 02-01-2020 under the Act is as follows:

Sl.No.	Name	Designation
1.	Smt. Shobha M.S, Controller of Accounts (A, P&A) Corporate Office, KPTCL, Kaveri Bhavan, Bangalore.	Chairperson
2.	Smt. C. Sujatha, Executive Engineer (El) (P&C), Corporate Office, KPTCL, Kaveri Bhavan, Bangalore.	Member
3.	Smt. Suma .S. Deputy Controller of Accounts.	Member/ Conveyer
4.	Smt. Veena, Accounts Officer(I/A).	Member
5.	Smt. Roopa, Asst. Manager	Member
6.	Smt. Swathi.S Assistant Engineer (El) (P&C), Corporate Office, KPTCL, Kaveri Bhavan, Bangalore..	Member
7.	Smt, Bharathi, Senior Assistant (Establishment-2), Corporate Office, KPTCL, Kaveri Bhavan, Bangalore.	Member
8.	Smt, Rehamath Unnisa, Assistant, Corporate Office, KPTCL, Kaveri Bhavan, Bangalore.	Member
9.	Smt. Radha, Junior Assistant, Corporate Office, KPTCL, Kaveri Bhavan, Bangalore.	Member
10.	One Member from Public Voluntary Service	Member

The committee is meeting regularly to discuss upon the complaints. In the year 2019-20 No complaint was registered.

SPORTS:

Achievements of KPTCL Sports Organisation Players for the year 2019-20.

The following KPTCL Teams have participated in the AIESCB Tournaments.

Body building and Power lifting, Kabaddi, Cricket, Basketball, Lawn tennis, Hockey and Shuttle badminton

KPTCL Players have participated in International, Open National and Open State Championships and have Secured National Ranks and State Ranks and made our organization Proud

<u>Table Tennis</u>	<u>At International Level</u> Sri Sanjeev.G.Hammanavar, AEE, Belgaum represented India in the Asian Para Table Tennis Championship held at Thaichung, Thaipe during the month of July-2019.
<u>BODY BUILDING</u>	<u>At National Level</u> Sri Roshan Ferrao, Jr. Asst, Mescom Participated in the National Masters Power lifting Championship-2019 held at Gudiyatam, Tamilnadu during the month of May 2019 and secured 5th place . Sri Roshan Ferrao, Jr. Asst, Mescom Participated in the 67 th National Body building Championship held at Bangalore in the month of December-2019 and secured 2nd place . Sri J.C.Jagadeesh, Jr.Asst Participated in the 67th National Body building Championship held at Bangalore in the month of December-2019 and secured 3rd Place .
<u>Billiards, and Snooker</u>	Sri D Rajkumar, Sports Section, Kaveri Bhavan, KPTCL has represented Karnataka in the National Masters Snooker Championship held at Mumbai during the month of August-2019 and secured 6th Rank . Sri D Rajkumar, Sports Section, Kaveri Bhavan, has represented Karnataka in the National Billiards & Snooker Championship held at Pune during the month of Feb 2020 .
<u>Billiards, Snooker and Pool</u> <u>BODY BUILDING</u>	<u>At State Level</u> Sri D Rajkumar, Sports Section, Kaveri Bhavan, KPTCL has participated in the below mentioned State Ranking Tournaments for the year 2019-20 and has achieved the following Ranks. <ul style="list-style-type: none"> • Billiards - 2nd Rank • Snooker - 2nd Rank • 6 Reds Snooker - 2nd Rank Sri J.C.Jagadeesh, Jr.Asst Participated in the Dasarashree -2019 State level Bodybuilding Championship held at Tumkur in the month of October-2019 and secured 3rd place .



Participation and Achievements of KPTCL Teams in AIESCB Tournaments	
<u>Body building and Power lifting</u>	KPTCL Body building and Power lifting team participated in the 43rd AIESCB Body building and Power lifting Tournament held at Patiala during the month November - 2019 and secured the following palces. <ul style="list-style-type: none"> • Gold - 3 Medals • Silver - 2 Medals • Bronze - 2 Medals
<u>Kabaddi</u>	KPTCL Kabaddi Team participated in the 44th AIESCB Kabaddi Tournament held at Maharashtra during the month of January-2020 and secured 3rd place.
<u>Cricket</u>	KPTCL Cricket Team participated in the 43rd AIESCB Cricket Tournament held at Hyderabad during the month of June-2019.
<u>Basket ball</u>	KPTCL Basketball Team participated in the 43rd AIESCB Basket ball Tournament held at Trivanathapuram during the month of September-2019.
<u>Lawn tennis</u>	KPTCL Lawntennis Team participated in the 43rd AIESCB Lawn tennis Tournament held at Lucknow during the month of September-2019.
<u>Hockey</u>	KPTCL Hockey Team participated in the 43rd AIESCB Hockey Tournament held at Kolkata during the month of December - 2019.
<u>Shuttle badminton</u>	KPTCL Shuttle badminton Team participated in the 43rd AIESCB Shuttle badminton Tournament for Men held at Vadora, Gujarat during the month of January-2020.
Participation and Achievements of KPTCL Players and Teams in Local Tournaments	
<u>Cricket</u>	Sri Prakash.D.Honnavad, Jr Revenue Assistant, Hubli participated in the selection camp for International cricket tournaments for Physically challenged organized by All India Cricket Association for physically challenged during the month of March-2020. KPTCL cricket team participated in the KSCA Group - II 2nd division League held at Bangalore during the month of February - 2020.

Participation of players as Coach in Tournament	
Football	Sri Imran.A.Thadkod, Jr Assistant participated as a Referee in the CM cup 2019-20 Football tournament held at Mandya during January - 2020 .
Independence day Celebration at Kaveri Bhavan	
As a part of the Independence day celebration, Chess and Carrom competetions were held to the Men and Women employees/officers at Kaveri Bhavan and certificates and medals were awarded to the Winners on Independence day-2019.	

In view of encouraging more number of young and newly recruited Officers/Employees to participate in the sports activities, the KPTCL Sports organization is giving lectures with power point presentation to the newly recruited officers/ employees of KPTCL/Escoms under going training at HRDC with a brief introduction about KPTCL Sports Organization, about Sports Players and Sports activities of KPTCL Sports Organization at Inter National, National, AIESCB and State Level Competitions and most importantly about Company wise selections, Inter Company Tournaments with the selection Process for representing KPTCL Teams in AIESCB Tournaments. The Sports Section has also conducted Sports Activities and Competitions to the newly recruited officers/employees during their training period at HRD Centre during 2019-2020.

The KPTCL Sports organization recognizes and feels proud of the Players who are participating in the International Championships, National championships and Open State Championships and achieving Medals / Ranks at International, National and State Levels.

CORPORATE GOVERNANCE

KPTCL believes in transparency, accountability and fairness in all aspects of its operations. Board of KPTCL believes and supports Corporate Governance Practices ensuring observance of best practices in all its dealings.

The Governance process in the company includes an effective post-meeting follow-up, review and reporting process for Action Taken/pending on decisions of the Board & Board Sub-committees.

As on 31st March 2020, the Board of Directors comprised 12 members. All the Directors took active part in the proceedings of Board and Sub- Committee meetings which add value to the decision making process.

Following are the Board of Directors during the period from 1st April 2019 to till the date of this Report.



Sl No	Name of Directors Shriyuths/Smt	DIN	Designation	Period	
				From	To
1	B.S.Yediyurappa	02319705	Hon'ble Chairman	05/08/2019	-
2	H.D.Kumaraswamy	00267014	Hon'ble Chairman	11/06/2018	05/08/2019
3	Dr. S.Selvakumar, IAS	00962240	Managing Director	06/08/2018	05/08/2019
4	Dr.N.Manjula, IAS	07508345	Managing Director	20/08/2019	-
5	P.Ravikumar, IAS	02285126	Director	21/10/2017	24/06/2019
				05/08/2019	04/09/2020
6	Mahendra Jain, IAS	01660388	Director	24/06/2019	18/11/2020
7	Kapil Mohan, IAS	03627128	Director	18/11/2020	31/03/2021
8	G.Kumar Naik, IAS	01918435	Director	31/03/2021	-
9	I.S.N.Prasad, IAS	01469651	Director	06/09/2013	-
10	Dr. E.V. Ramana Reddy, IAS	02935216	Director	27/06/2018	05/08/2019
				04/09/2020	-
11	V. Ponnuraj, IAS	05211567	Director	15/12/2018	05/08/2019
			Managing Director (Additional Charge)	05/08/2019	20/08/2019
12	Shikha C, IAS	06447295	Director	14/08/2018	18/09/2019
13	Rajesh Gowda M.B, IAS	06917336	Director	18/09/2019	-
14	Dr.H.N.Gopalakrishna, IAS	08184281	Director (Admn & HR)	22/06/2018	20/08/2019
15	Praveen Kumar L. Goudru, KAS	08557704	Director (Admn & HR)	20/08/2019	01/10/2019
16	Gangadharaswamy G.M., IAS,	06782021	Director (Admn & HR)	15/10/2019	----
17	R.Nagaraja	03108629	Director (Finance)	30/03/2019	03/06/2019
				30/08/2019	21/05/2020
18	Ashwin D.Gowda, IRS	08498735	Director (Finance)	03/06/2019	30/08/2019
			CFO(KMP)	28/06/2019	30/08/2019
19	Sidlingappa Teli, IRS	08764080	Director (Finance)	21/05/2020	-
			CFO(KMP)	09/09/2020	
20	K.V.Shivakumar	08104146	Director (Transmission)	16/03/2018	30/11/2019

21	K.Siddaraju	05184367	Director (Transmission)	06/12/2019	07/10/2020
22	B.K.Udayakumar	08529370	Director (Transmission)	07/10/2020	-
23	T.R.Ramakrishnaiah	07924084	Director	14/08/2017	-
24	A.N.Jayaraj	07178623	Director	07/04/2015	18/07/2019
25	T.M Shivaprakash	08522445	Director	18/07/2019	-
26	T. Rama Naik	08908142	Director	14/09/2020	-
27	Prashant R. Makanur	07709746	Director	25/11/2020	-
28	Mahadevappa Shivappa Alagavadi,	09006543	Director	25/11/2020	-
29	Banuprakash M.S	07415144	Director	27/11/2020	-
30	Bhavani Rao Mohre	01677748	Director	27/11/2020	-

Board Meetings:

Meetings of the Board of Directors are scheduled in advance for which notice is given to each Director in writing. Agenda and other relevant Notes are circulated to the Directors well in advance.

During 2019-20, Five Board meetings were held on the dates as mentioned below:

Sl. No	Meeting No.	Meeting Held on
1.	115th Meeting	28/06/2019
2.	116th Meeting	26/09/2019
3.	117th Meeting	21/10/2019
4.	118th Meeting	12/11/2019
5.	119th Meeting	11/03/2020

Board Sub-Committees:

The Sub-Committees of the Board were constituted not only to give more focused attention on important issues but also to expedite decisions on such issues. The Board has delegated certain specific powers to the Sub-committees towards expediting decisions.

1. Central Purchases Committee:

Central purchases Committee was formed to consider all cases of purchases & Award of Station/ Line Works or any other works and all matters relating thereto whether for Transmission Zone, Projects which are beyond the powers delegated to the Chief Engineers, Electricity upto a financial implication of Rs. 20 Crores.



The composition of the Central Purchases Committee is as follows:

Sl. No.	Members Shriyuths/Smt	Designation	Period	
			From	To
1	Dr.S.Selvakumar, IAS Managing Director, KPTCL	Chairman	06/08/2018	05/08/2019
2	Dr. N.Manjula, IAS Managing Director, KPTCL	Chairperson	20/08/2019	-
3	R.Nagaraja Director(Finance) (Additional Charge), KPTCL,	Member	30/03/2019	03/06/2019
			30/08/2019	21/05/2020
4	Ashwin D.Gowda, IRS Director(Finance),KPTCL	Member	03/06/2019	30/08/2019
5	Sidlingappa Teli, IRS Director (Finance),KPTCL	Member	21/05/2020	-
6	K.V.Shivakumar Director(Transmission), KPTCL	Member	16/03/2018	30/11/2019
7	K.Siddaraju Director(Transmission), KPTCL	Member	06/12/2019	07/10/2020
8	B.K.Udayakumar Director(Transmission), KPTCL	Member	07/10/2020	-
	Ramya K, FCS, Company Secretary, KPTCL	Convener	16/01/2019	-

During the year under report, CPC meetings were held as follows:

Sl. No	Meeting No.	Meeting Held on
1	a) 182 nd Tendering & Procurement b) 150 th Transmission Zone, Bengaluru c) 64 th Transmission Zone, Hassan d) 68 th Transmission Zone, Kalaburagi e) 61 st Transmission Zone, Tumakuru f) 93 rd Transmission Zone, Mysuru	14/05/2019
2	a) 183 rd Tendering & Procurement b) 151 st Transmission Zone, Bengaluru c) 65 th Transmission Zone, Hassan d) 62 nd Transmission Zone, Tumakuru	03/07/2019
3	a) 184 th Tendering & Procurement b) 152 nd Transmission Zone, Bengaluru c) 66 th Transmission Zone, Hassan d) 69 th Transmission Zone, Kalaburagi e) 63 rd Transmission Zone, Tumakuru f) 93 rd Transmission Zone, Bagalkote	07/09/2019

4	185 th Tendering & Procurement	20/09/2019
5	a) 186 th Tendering & Procurement b) 153 rd Transmission Zone, Bengaluru c) 67 th Transmission Zone, Hassan d) 70 th Transmission Zone, Kalaburagi e) 64 th Transmission Zone, Tumakuru f) 94 th Transmission Zone, Bagalkote	05/11/2019
6	a) 187 th Tendering & Procurement b) 154 th Transmission Zone, Bengaluru c) 68 th Transmission Zone, Hassan d) 71 st Transmission Zone, Kalaburagi e) 65 th Transmission Zone, Tumakuru f) 94 th Transmission Zone, Mysuru	26/11/2019
7	a) 188 th Tendering & Procurement b) 69 th Transmission Zone, Hassan	23/01/2020

2. Borrowings Sub Committee:

The Borrowings Sub-Committee has been delegated powers to borrow Long Term Loans from Banks/Financial Institutions on behalf of the Board upto the limit fixed by the shareholders at the General Meeting from time to time (Presently Rs.8600 Crores).

The Sub-Committee consists of the following members:

Sl. No.	Members Shriyuths/Smt	Designation	Period	
			From	To
1.	G.Kumar Naik, IAS ACS,GoK, Energy Department	Chairman	31/03/2021	-
2.	Kapil Mohan, IAS ACS,GoK, Energy Department	Chairman	18/11/2020	31/03/2021
3.	Mahendra Jain, IAS, ACS,GoK, Energy Department	Chairman	24/06/2019	18/11/2020
4.	P.Ravikumar, IAS ACS,GoK, Energy Department	Chairman	21/10/2017	24/06/2019
5.	I.S.N.Prasad, IAS, Additional Chief Secretary to Govt, Finance Department, GoK,	Member	06/09/2013	-
6.	Dr.S.Selvakumar, IAS, Managing Director, KPTCL	Member	06/08/2018	05/08/2019
7.	V.Ponnuraj, IAS, Managing Director (Additional Charge)	Member	05/08/2019	20/08/2019



8.	Dr. N.Manjula, IAS Managing Director, KPTCL	Member	20/08/2019	-
9.	R.Nagaraja, Director(Finance), Additional Charge, KPTCL	Member	30/03/2019	03/06/2019
			30/08/2019	21/05/2020
10.	Ashwin D.Gowda, IRS Director(Finance),KPTCL	Member	03/06/2019	30/08/2019
11.	Sidlingappa Teli, IRS Director (Finance),KPTCL	Member	21/05/2020	-
	Ramya K, FCS, Company Secretary, KPTCL	Convener	16/01/2019	-

During the year under report, the Borrowing Sub-Committee held its meetings as below:

Sl. No.	For availing Long Term Finance from	Amount of Financial Assistance	Meeting held on
1	M/s. Canara Bank	Rs.500 Crores	22/07/2019
2	M/s. Punjab National Bank	Rs.400 Crores	25/11/2019
3	M/s. State Bank of India	Rs.250 Crores	26/02/2020
4	M/s. Union Bank of India	Rs.250 Crores	31/03/2020

3. Audit Committee:

In accordance with the provision of Companies Act, 2013, KPTCL has constituted an Audit Committee with the following members:

Sl. No.	Members Shriyuths/Smt	Designation	Period	
			From	To
1	G.Kumar Naik, IAS ACS,GoK, Energy Department	Chairman	31/03/2021	-
2	Kapil Mohan, IAS ACS,GoK, Energy Department	Chairman	18/11/2020	31/03/2021
3	Mahendra Jain, IAS ACS, GoK, Energy Department	Chairman	24/06/2019	18/11/2020
4	P.Ravikumar, IAS ACS,GoK, Energy Department	Chairman	21/10/2017	24/06/2019
5	I.S.N. Prasad, IAS., ACS, GoK, Finance Department	Member	06/09/2013	-
6	Shikha C, IAS, Managing Director, BESCO	Member	14/08/2018	18/09/2019
7	Rajesh Gowda M.B, IAS, Managing Director, BESCO	Member	18/09/2019	-
8	K.V.Shivakumar, Director(Transmission), KPTCL	Member	16/03/2018	30/11/2019

9	K.Siddaraju, Director(Transmission), KPTCL	Member	06/12/2019	07/10/2020
10	B.K.Udayakumar Director(Transmission), KPTCL	Member	07/10/2020	-
	Ramya K, FCS, Company Secretary, KPTCL	Convener	16/01/2019	-

Following are Terms of Reference prescribed to the Audit Committee:

- 1) Recommendation for appointment, remuneration and terms of appointment of Auditors of the company;
- 2) Reviewing and monitoring the Auditor's independence and performance, and effectiveness of Audit process;
- 3) Examination of the financial statement and the Auditors' report thereon;
- 4) Approval or any subsequent modification of transactions of the company with related parties;
- 5) Scrutiny of inter-corporate loans and investments;
- 6) Valuation of undertakings or assets of the company, wherever it is necessary;
- 7) Evaluation of internal financial controls and risk management Systems;
- 8) Monitoring the end use of funds raised through public offers and related matters.

Auditors and Whole time Key Managerial Personnel were invited to the meetings of the Audit Committee when it considers the Auditor's report but shall not have the right to vote.

During the Year under report, the Audit Committee held its meetings as below:

Sl. No.	Meeting No.	Held on
1	30 th Meeting	16/09/2019

During the year under Report, General Meetings were held as below:

Meeting No. & Date	Resolutions
20 th AGM - 12/11/2019	<p>Ordinary Resolutions</p> <p>i) Adoption of Directors Report for FY 2018-19</p> <p>ii) Audited Annual Accounts for FY 2018-19</p> <p>iii) Statutory Auditors Report for FY 2018-19</p> <p>iv) C & AG's Certificate for FY 2018-19</p> <p>Special Resolutions</p> <p>Inter corporate loan under Section 186 of Companies Act, 2013 to the extent of Rs.112.11 Crores to Bangalore Development Authority.</p>



EGM - 11/03/2020	Ordinary Resolutions Authorising the Board of Directors for Borrowing monies- Enhancement of Borrowing Limit from existing Rs.6800 Crores to Rs.8600 Crores.
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Vigil Mechanism (Whistle Blower) policy:

Pursuant to requirement under Section 177(9) of the Companies Act, 2013, the Company has established Vigil mechanism (Whistle Blower) Policy. The copy of the policy is available in the company website www.kptcl.karnataka.gov.in.

Nomination and Remuneration Committee:

The provisions of Sub Section (2), (3) and (4) of Section 178 of the Companies Act, 2013 which prescribes the role and functioning of Nomination and Remuneration Committee have been exempted for Government Companies. The remuneration and allowances of whole time Directors will be based on the time scale of pay applicable to them. Non whole time Directors are being paid only sitting fees as per the orders of GoK from time to time. As such, exemption under Section 178(1) of the Companies Act, 2013 was sought from Ministry of Corporate Affairs, New Delhi.

Appointment of Independent Directors:

Clause (a) of Section 149(6) of the Companies Act, 2013 which relates to appointment of Independent Directors, has been amended by MCA vide Notification dated: 5th June 2015 whereby State Government has been accorded powers to determine and appoint an Independent Director is a person of integrity and possesses relevant expertise and experience. In view of the said provision, Independent Directors are being appointed by Govt. of Karnataka. Further code of conduct may have to be prescribed by Government of Karnataka.

Pursuant to provisions of Section 134(3) of the Act, the following information is provided:

(a) ANNUAL RETURN:

The Extract of Annual Return pursuant to the provisions of Section 92 furnished in Annexure 1 is attached to this Report (MGT-9).

(b) Directors' Responsibility Statement:

Pursuant to the requirement under Section 134(5) of the Companies Act, 2013, the Directors state that:

- (a) In the preparation of the Annual Accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- (b) The Directors have selected such Accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent

so as to give a true and fair view of the state of affairs of the Company at the end of the financial Year and of the profit and loss of the company for that period;

- (c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the Assets of the company and for preventing and detecting fraud and other irregularities;
- (d) The Directors have prepared the Annual Accounts on a Going Concern basis; and
- (e) The Directors have devised proper Systems to ensure compliance with the provisions of all applicable Laws and that such Systems were adequate and operating effectively.

(c) Explanations or Comments by the Board on every Qualification, Reservation or Adverse Remark or Disclaimer Made

- (i) By the Statutory Auditor in his report; enclosed as Annexure-2.

(d) Particulars of loans, guarantees or investments under Section 186 -

1. The Company, during the period under review, at the 20th AGM of the Company held on 12-11-2019, has accorded approval to lend Inter corporate Loan under Section 186 of Companies Act, 2013 to the extent of Rs.112.11 Crores to Bangalore Development Authority for creating electrical infrastructure at Arkavathy Residential Layout at interest at SBI One year MCLR plus twenty five basis points.
2. The Company, during the period under review, at its 113rd Meeting held on 20-12-2018 (Subject No.113/26) accorded following existing non fund based credit facilities from M/s. State Bank of India, Specialized Mid Corporate Branch, Bangalore to Department of Telecommunication, GoI, and M/s.Antrix Corporation, Department of Space and the documents were executed on 29/07/2019.
 - (a) Letter of Credit: Rs.5.70 Crores.
 - (b) Bank Guarantee: Rs.1,20,49,793/-

[Total Rs. 6,90,49,793/- (Rupees Six Crores Ninety Lakhs Fourty Nine Thousand Seven Hundred Ninety Three Only)].

(e) Particulars of contracts or arrangements with related parties referred to in sub-Section (1) of section 188 in the prescribed form; Nil

(f) The state of the company's affairs;

As indicated in previous page Nos.2 to 72.

(g) The amounts, if any, which it proposes to carry to any reserves - No amount is proposed to carry to any Reserve.

(h) The amount, if any, which it recommends should be paid by way of dividend - No amount recommended towards dividend.



(i) **Material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial Year of the company to which the financial statements relate and the date of the report - NIL**

(j) **The Conservation of Energy, Technology Absorption, Foreign Exchange earnings and outgo;**

As the Company's operations do not involve any manufacturing or processing activities, the particulars as per the Companies(Disclosure of particulars in the Report of the Board of Directors) Rules,1988, regarding conservation of energy and technology absorption, are not applicable. During the year under review, there is no foreign exchange earnings and outgo.

(k) **Statement Concerning Development and implementation of risk Management policy of the Company - NIL.**

(l) **Details of Policy Developed and implemented by the Company on its Corporate Social Responsibility Initiatives**

(i) **CSR COMMITTEE:**

Corporate Social Responsibility Committee is constituted in accordance with Section 135 of the Companies Act, 2013. The composition is as below:

Sl. No.	Members Shriyuths/Smt	Designation	Period	
			From	To
1.	G.Kumar Naik, IAS ACS,GoK, Energy Department	Chairman	31/03/2021	-
2.	Kapil Mohan, IAS ACS,GoK, Energy Department	Chairman	18/11/2020	31/03/2021
3.	Mahendra Jain, IAS Additional Chief Secretary to Govt., GoK, Energy Department	Chairman	24/06/2019	18/11/2020
4.	P.Ravikumar, IAS Additional Chief Secretary to Govt., GoK, Energy Department	Chairman	21/10/2017	24/06/2019
5.	I.S.N. Prasad, IAS, Additional Chief Secretary to Govt., GoK, Finance Department	Member	06/09/2013	-
6.	Dr. N.Manjula, IAS, Managing Director, KPTCL	Member	20/08/2019	-
7.	Dr. S.Selvakumar, IAS, Managing Director, KPTCL	Member	06/08/2018	05/08/2019

8.	V.Ponnuraj, IAS, Managing Director (Additional Charge)	Member	05/08/2019	20/08/2019
	Ramya K, FCS, Company Secretary, KPTCL	Convener	16/01/2019	-

(ii) CSR Policy:

The Copy of the CSR Policy adopted by KPTCL is enclosed as ANNEXURE-3

(iii) During the year under report, the CSR(Corporate Social Responsibility) Committee held its Meetings as below:

Sl.No.	Meeting No.	Held on
1	7 th Meeting	17/02/2020

(iv) CSR Committee by passing resolutions by Circulation on 31/03/2020 have recommended contribution of Rs. 25 Crores towards CSR activity during the FY 2019-20.**(v) Contribution towards CSR during 2019-20.**

An amount of Rs.25,01,73,602/- was spent towards CSR activities listed under Schedule VII to Companies Act 2013 as on 31st March 2020 as Corporate Social Responsibility Expenditure for FY 2019-20.

The details of amount spent on CSR activities are as at Annexure-3 to this Report.

(vi) Terms of Reference:

The CSR Committee has adequate powers and Terms of Reference to play an effective role as mentioned in Companies Act, 2013 which includes;

- To formulate and recommend a CSR Policy to the Board
- To recommend the amount of expenditure to be incurred on CSR activities;
- To monitor the CSR policy of the Company from time to time; and
- To institute a transparent Monitoring Mechanism for implementation of the CSR Projects/Programs or Activities undertaken by the Company

STATUTORY AUDITORS

Vide Letter No. CA.V/COY/KARNATAKA,KNTRA(1)/1030 dtd: 16/08/2019 C & AG of India have appointed M/s. B.P.Rao & Company, Chartered Accountants as Statutory Auditors of KPTCL for the FY 2019-20.



COST AUDITORS

Board of Directors at its 117th meeting held on 21.10.2019 have appointed M/s. KPR & Associates, Bengaluru as Cost Auditors for Auditing the Cost Accounting Records of KPTCL for the Financial Year 2019-20.

SECRETARIAL AUDITORS

Board of Directors at its 115th meeting held on 28.06.2019 have appointed Sri. Ankush Sethi, Company Secretary in Practice as Secretarial Auditors for KPTCL for three FYs 2018-19, 2019-20 and 2020-21 under Section 204 of the Companies Act, 2013.

ACKNOWLEDGEMENTS

Board of Directors would like to place on record its appreciation for all the support and guidance extended by the Government of Karnataka, Government of India, Karnataka Electricity Regulatory Commission, Central Electricity Authority, Central Electricity Regulatory Commission, Commercial Banks & other Financial Institutions, Ministry of Corporate Affairs, Registrar of Companies and the General Public for their co-operation and active support to KPTCL.

Board of Directors would also like to place on record its appreciation for the untiring efforts and contributions of the Employees at all levels to ensure that the company continues to grow and excel.

For and on behalf of Board

**Sd/-
(B.S.YEDIYURAPPA)
CHAIRMAN, KPTCL**

ANNEXURE - I

Form No. MGT-9

EXTRACT OF ANNUAL RETURN ON THE FINANCIAL YEAR ENDED ON 31st MARCH 2020.*[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]***I. REGISTRATION AND OTHER DETAILS:**

I	CIN	U40109KA1999SGC025521
II	Registration Date	28-07-1999
III	Name of the Company	Karnataka Power Transmission Corporation Limited
IV	Category / Sub-Category of the Company	Government Company
V	Address of the Registered office and contact details	Corporate Office, Kaveri Bhavan, Bengaluru - 560 009
VI	Whether listed company	Not listed company
VII	Name, Address and Contact details of Registrar and Transfer Agent, if any	Not Applicable

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Transmission	35/07	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

SL. No.	Name And Address Of The Company	CIN/GLN	Holding/ Subsidiary /Associate	% of shares held	Applicable Section
1.	NIL	NIL	NIL	NIL	NIL



IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Share holders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	De mat	Physical	Total	% of Total Shares	Dem at	Physical	Total	% of Total Shares	
A. Promoter									
1) Indian									
a. Individual/ HUF									
b. Central Govt									
c. State Govt(s)	-	21823225	21823225	100%		21823225	21823225	100%	Nil
d. Bodies Corp									
e. Banks / FI									
f. Any Other									
Sub-total(A)(1):-	-	21823225	21823225	100%		21823225	21823225	100%	Nil
2) Foreign									
g. NRIs-Individuals									
h. Other-Individuals									
i. Bodies Corp.									
j. Banks / FI									
k. Any Other....									
Sub-total (A)(2):-	-	Nil	Nil	Nil	-	Nil	Nil	Nil	Nil
B. Public Shareholding									
1. Institutions									
a. Mutual Funds									
b. Banks / FI									
c. Central Govt									
d. State Govt(s)									
e. Venture Capital Funds									
f. Insurance Companies									
g. FIIs									
h. Foreign Venture Capital Funds									
i. Others (specify)									
Sub-total (B)(1)		Nil	Nil	Nil	-	Nil	Nil	Nil	Nil
2. Non Institutions									
a) Bodies Corp. (i) Indian (ii) Overseas									
b) Individuals (i) Individual shareholders holding nominal share capital upto Rs. 1 lakh (ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh									



c) Others (Specify)		Nil	Nil	Nil		Nil	Nil	Nil	Nil
Sub-total (B)(2)									
Total Public Shareholding (B)=(B)(1)+(B)(2)									
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	-	21823225	21823225	100%	-	21823225	21823225	100%	Nil

ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1	Hon'ble Governor, State of Karnataka	21823218	100		21823218	100		-
2	Dr. S.Selvakumar	1	0		0	0		-100%
3	Dr. N.Manjula	0	0		1	0		+100%
4	Sri. P.RaviKumar	1	0		0	0		-100%
5	Sri. Mahendra Jain	0	0		1	0		+100%
6	Sri. I.S.N. Prasad	1	0		1	0		-
7	Sri. V.Ponnuraju	1	0		1	0		-
8	Smt. C.Shikha	1	0		0	0		-100%
9	Sri. Rajesh Gowda M.B	0	0		1	0		+100%
10	Sri. R.Nagaraja	0	0		1	0		+100%
11	Sri. Ashwin D.Gowda	1	0		0	0		-100%
12	Sri. Shivakumar.K.V	1	0		0	0		-100%
13	Sri. K.Siddaraju	0	0		1	0		+100%
	Total	21823225	100%		21823225	100		

iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	21823225	100	21823225	100



2	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Nil	Nil	Nil	Nil
	At the End of the year	21823225	100	21823225	100

INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	59893614943	1523823607	0	61417438550
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not	63459320	589046	0	64048366
Total (i+ii+iii)	59957074263	1524412653	0	61481486916
Change in Indebtedness during the financial year				
- Addition	14420000000	13000000000	0	27420000000
- Reduction	7323696307	6506001444	0	13829697751
Net Change	7096303693	6493998556	0	13590302249
Interest Amount				
- Addition				
- Reduction				
Net Change				
Indebtedness at the end of the financial year				
i) Principal Amount	66989918636	8017822163	0	75007740799
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	47021442	412568	0	47434010
Total (i+ii+iii)	67036940078	8018234731	0	75055174809

REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
1	Gross salary FY 2019-20 (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s17(2) Income-tax Act,1961 (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	Dr.S.Selvakumar, Managing Director, (upto 05.08.2019)	Rs.90,706.00
2	Gross salary FY 2019-20 (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s17(2) Income-tax Act,1961 (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	Dr.N.Manjula, Managing Director, (from 20.08.2019 to 31.03.2020)	Rs.16,91,044.00
3	Gross salary FY 2019-20 (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s17(2) Income-tax Act,1961 (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	Dr.Gopalakrishna.H.N, Director(A&HR), (upto 20.08.2019)	Rs.5,35,486.00
4	Gross salary FY 2019-20 (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s17(2) Income-tax Act,1961 (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	Dr. Praveen Kumar G.L Director(A&HR), (from 20.08.2019 to 01.10.2019)	Rs.1,63,714.00



5	Gross salary FY 2019-20 (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s17(2) Income-tax Act,1961 (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	Sri.Gangadharaswamy GM Director(A&HR) (from 15.10.2019 to 31.03.2020)	Rs.6,83,155.00
6	Gross salary FY 2019-20 (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s17(2) Income-tax Act,1961 (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	Sri.R.Nagaraja Director(Finance) (from 01.04.2019 to 03.06.2019) & (from 04.09.2019 to 31.03.2020)	Rs.15,298.00 Rs.77,508.00
7	Gross salary FY 2019-20 (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s17(2) Income-tax Act,1961 (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	Sri.Ashwin D.Gowda Director(Finance) (from 04.06.2019 to 31.07.2019)	Rs.1,72,512.00
8	Gross salary FY 2019-20 (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s17(2) Income-tax Act,1961 (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	Sri.Shivakumar.K.V Director (Transmission) Upto 30.11.2019	Rs.43,17,922.00

9	Gross salary FY 2018-19 (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s17(2) Income-tax Act,1961 (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	Sri.K.Siddaraju Director (Transmission) (from 07.12.2020 to 31.03.2020)	Rs.9,57,213.00
10	Total		Rs.8704558.00
11	Stock Option		----
12	Sweat Equity		----
13	Commission - as % of profit - others, specify...		----
14	Others, please specify		----
	Total (A)		Rs.8704558.00

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount																								
(1)	<u>Independent Directors</u> · Fee for attending board committee meetings · Commission- nil - Others TA and DA	<table border="1"> <thead> <tr> <th>Sl.No</th> <th>Name of Directors</th> <th>Sitting Fees</th> </tr> </thead> <tbody> <tr> <td>1.</td> <td>P.Ravikumar</td> <td>5000/-</td> </tr> <tr> <td>2.</td> <td>I.S.N.Prasad</td> <td>12000/-</td> </tr> <tr> <td>3.</td> <td>Mahendra Jain</td> <td>14000/-</td> </tr> <tr> <td>4.</td> <td>V.Ponnuraj</td> <td>5000/-</td> </tr> <tr> <td>5.</td> <td>M.B.Rajesh Gowda</td> <td>5000/-</td> </tr> <tr> <td>6.</td> <td>C.Shikha</td> <td>1000/-</td> </tr> <tr> <td>7.</td> <td>E.V.Ramana Reddy</td> <td>1000/-</td> </tr> </tbody> </table>	Sl.No	Name of Directors	Sitting Fees	1.	P.Ravikumar	5000/-	2.	I.S.N.Prasad	12000/-	3.	Mahendra Jain	14000/-	4.	V.Ponnuraj	5000/-	5.	M.B.Rajesh Gowda	5000/-	6.	C.Shikha	1000/-	7.	E.V.Ramana Reddy	1000/-	Rs.43,000/-
		Sl.No	Name of Directors	Sitting Fees																							
		1.	P.Ravikumar	5000/-																							
		2.	I.S.N.Prasad	12000/-																							
		3.	Mahendra Jain	14000/-																							
		4.	V.Ponnuraj	5000/-																							
		5.	M.B.Rajesh Gowda	5000/-																							
		6.	C.Shikha	1000/-																							
7.	E.V.Ramana Reddy	1000/-																									
Total (1)																											
(2)	<u>Other Non-Executive Directors</u> · Fee for attending board committee meetings.	<table border="1"> <thead> <tr> <th>Sl.No</th> <th>Name of Directors</th> <th>Sitting Fees</th> </tr> </thead> <tbody> <tr> <td>1.</td> <td>T.R.Ramakrishnaiah</td> <td>6000/-</td> </tr> <tr> <td>2.</td> <td>Shivaprakash T.M</td> <td>5000/-</td> </tr> </tbody> </table>	Sl.No	Name of Directors	Sitting Fees	1.	T.R.Ramakrishnaiah	6000/-	2.	Shivaprakash T.M	5000/-	Rs.11,000/-															
		Sl.No	Name of Directors	Sitting Fees																							
		1.	T.R.Ramakrishnaiah	6000/-																							
2.	Shivaprakash T.M	5000/-																									
Total (2)																											
Total (B)=(1+2)																											
	Total Managerial Remuneration (A+B)		Rs.87,58, 558/-																								
	Overall Ceiling as per the Act																										

C. Remuneration to Key Managerial Personnel Other Than MD /Manager /WTD- NIL

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		Smt. Ramya K, Company Secretary, KPTCL		Rs.16,14,302.00
2	Stock Option				----
3	Sweat Equity				----
4	Commission - as % of profit - others, specify...				----
5	Others, please specify				----
6	Total				Rs.16,14,302.00

VI. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

Type	Section of the companies Act	Brief description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority[RD /NCLT/Court]	Appeal made. If any(give details)
A. Company					
Penalty					
Punishment					
Compounding					
B. Directors					
Penalty					
Punishment			NIL		
Compounding					
C. Other Officers In Default					
Penalty					
Punishment					
Compounding					

ANNEXURE - II

FOLLOWING REMARKS ARE OFFERED ON THE OBSERVATION/COMMENTS OF THE
STATUTORY AUDITORS ON THE ACCOUNTS FOR 2019-20

Observation No. - As in Statutory Auditors Report	Management Replies
(1)	<p>KPTCL and ESCOMs Pension and Gratuity Trust(KEPGT) is getting the Actuarial valuation done from time to time and intimates the rate at which contribution towards Pension and Gratuity to be made by KPTCL and ESCOMs to KEPGT. KPTCL is accounting provision towards Pension & Gratuity based on the contribution rates provided by KEPGT in accordance with Accounting policy of KPTCL, which is being followed hitherto and accepted by Statutory Auditors and AG Auditors up to 2018-19 without any severe objections.</p> <p>Statutory Auditors during the Audit of Accounts for FY2019-20 suggested to get the Actuarial valuation done as per the provisions of Ind AS 19 for FY2019-20 specific to KPTCL and to account Expenses, Other Comprehensive Income (OCI) and Liability in respect of Pension & Gratuity as per Actuarial Valuation Report instead of contribution rates provided by KEPGT.</p> <p>KEPGT informed Statutory Auditors that employees of ESCOMs are treated as employees of KPTCL on deputation to ESCOMs, until there is clear bifurcation of company-wise employees. The issue of bifurcation of employees was challenged in the court of Law by Engineers Association and the writ appeals filed by KPTCL was dismissed by the Hon'ble High Court of Karnataka in WP No. 27495/2002 on 18.10.2010. In light of the said judgment, the subject was placed before the 78th Board of Directors meeting held on 26.04.2011 and it was resolved to maintain status quo visa-a-vis officers and employees of KPTCL treating them, on deputation to ESCOMs. Therefore, service liability cannot be shown company-wise. Plan asset is the total amount held in the trust and does not have company-wise bifurcation.</p> <p>Therefore, Uniform rate of contribution is applied to KPTCL and ESCOMs. This procedure is being followed since the inception of Trusts. KEPGT also states that even the Actuarian has recommended for collecting uniform rate from KPTCL and ESCOMs.</p> <p>In the absence of Company-wise segregation of Planned Asset, Defined Benefit Obligation, Deficit, though Actuarial Valuation for 2019-20 is done on notional data specific to KPTCL, it will not serve any purpose. Accounting the same in the books of KPTCL will lead to wrong depiction of balance. Hence, it is not be possible for KPTCL to account on notional basis.</p> <p>Statutory Auditors have referred liability towards Pension to be recognised in Balance Sheet as Rs.1155.74 crore and gratuity liability Rs.85.41 crore based on the draft standalone KPTCL Actuarial Report for 2019-20, which is prepared based on the notional data.</p>

	<p>KPTCL has accounted provision towards Pension & Gratuity for FY2019-20 based on the contribution rates provided by KEPGT amounting to Rs.188.31 crore (Rs.182.94 crore for current year and Rs.5.36 crore pertains to previous years) in accordance with Accounting policy of KPTCL as has been done in the past, which is more reasonable and gives a fair picture of the provision rather than making provisions based on notional data. The total liability towards Pension and Gratuity as on 31/03/2020 is Rs.644.44 crore as per KPTCL Accounts.</p> <p>Further, regarding maximum contribution rate mentioned in Trust Deed, i.e, 27%, it is stated that contribution for the past service shall not exceed 27% of his pay for each year of his past service. Trust Deed was executed on 23rd Nov. 2000 prior to formation of ESCOMS. Trust will be requested to suitably modify the Trust Deed in view of higher actuarial valuation percentage in the recent past.</p>
(ii)	<p>KERC vide Tariff Order 2020, dated 04.11.2020 approved carry forward deficit for FY 19 amounting to Rs.436.71 Crore recoverable during 2020-2021 from ESCOMS as Transmission charges. The same was accounted as Regulatory Deferral Asset as per the provisions of Ind AS 114 and Ind AS 115.</p> <p>KPTCL had accounted Rs.262.44 crore, being the difference between Transmission charges approved by KERC (19.42 paise per unit) & Transmission charges already billed by KPTCL during 2006-07 on provisional basis based on ATE Order dated 29.08.2006 (26.23 paise per Unit). The Transmission Tariff as determined by KERC in its order dated 31.12.2007 was appealed by KPTCL before the Appellate Tribunal for Electricity (ATE), New Delhi. The Hon'ble ATE passed an Order directing KERC to undertake truing up exercises for FY 07. The KERC had preferred an Appeal against the Order of the ATE before the Hon'ble Supreme Court.</p> <p>The Hon'ble Supreme Court vide order dated 11/04/2018 has dismissed the Appeal. Consequent on disposal of the appeal by the Hon'ble Supreme court, the Hon'ble ATE, in its Order dated 05.10.2020 has upheld the Truing up of ARR of KPTCL for FY06-07 as approved by the Commission as per its order dated 16.01.2020. Revenue deficit of Rs. 72.90 crore found out during the said truing up exercise for FY06-07 was approved by KERC and directed to collect the same during 2020-21 vide its Tariff order 2020 dated 4/11/2020. Accordingly KPTCL accounted Rs.72.90 crore as Transmission charges based on provisions of Ind AS 10 and Ind AS 115 in 2019-20 Accounts and liability to that extent has been reduced to Rs.189.54, which will be refunded to ESCOMS in coming years.</p> <p>A.G. Auditors during their Supplementary Audit have raised Audit query for having accounted Rs.436.71 Crore and Rs.72.90 Crore. The contention of A.G. Auditor is that as per Ind AS 114, entity is permitted to follow the regulatory balance standard only if (a) conducts rate-regulated activities; and (b) recognised amounts that qualify as regulatory deferral account balances in its financial statements in accordance with its previous GAAP.</p>

	<p>The above issue was discussed with Ind AS consultant of KPTCL and requested to draft replies to the said queries based on the provisions of Ind AS 114 and Ind AS 115. Ind AS consultants have replied to the Audit queries in detail quoting relevant provisions under Ind AS 114 and Ind AS 115.</p> <p>A.G's Office has placed the replies before Technical Cell of AG Office for their opinion. Based on the opinion expressed by Technical Cell, A.G. Office suggested KPTCL to withdraw Regulatory income in respect of deficit for FY 19 amounting to Rs.436.71 Crore and truing up deficit found for FY06-07 amounting to Rs. 72.90 crore and connected Accounting policies and to revise the Accounts as KPTCL was not recognizing amounts that qualify as regulatory deferral account balances in its financial statements in accordance with its previous GAAP.</p> <p>Accordingly, KPTCL withdrawn Regulatory income in respect of deficit for FY 19 amounting to Rs.436.71 Crore and truing up deficit found for FY06-07 amounting to Rs. 72.90 crore and shown the same as Contingent Asset.</p>
(iii)	<p>Company have made new policies in accordance with the Ind AS 8 regarding the prior period errors and made all the necessary changes/actions as suggested by Ind AS 8. All the adjustment and details of all the prior period errors adjusted have been duly disclosed in note no 37.37 by the company. further, As per general instruction (2) to MCA notification dated G.S.R. 111(E) dated 16th February, 2015, "Indian Accounting Standards are intended to apply only to items which are material". Company have materially applied all the requirements of Ind AS 8 in respect to adjustment of prior period errors.</p>
(iv)	<p>Instructions have already been issued to accounting Units on 12/12/2017 to identify and reclassify the Fiber optic and to account separately for providing depreciation in accordance with CERC Notification. Accordingly, Rs.26.03 Cr worth of Fiber optic has been identified and accounted up to 2019-20. Majority of the Accounting Units have intimated that all the Fiber optic cables are identified and reclassified.</p>
(v)	<p>Due to practical difficulties in identifying the original cost of asset and accumulated depreciation thereon to a specific asset when it is removed from the field and kept at stores, released assets are accounted at written down value and subsequently put to re-use at the written down value. This method is consistently being followed since inception of then KEB.</p>
(vi)	<p>As per general instruction (2) to MCA notification dated G.S.R. 111(E) dated 16th February, 2015, "Indian Accounting Standards are intended to apply only to items which are material".</p> <p>Due to practical difficulties consultancy charges, testing charges inspection charges, earth mat design charges and Mandap keeper charges are being collected upfront and accounted as income as and when received on cash basis as per the accounting policy. In majority of the cases, service will be rendered before the closure of financial year. Hence, accounting the said charges on cash basis is not material with regard to nature and size of the company and when compared to total income of KPTCL which may not have material impact on Accounts.</p>

(vii)	KPTCL is using the contractual interests for capitalisation of borrowing cost. In case of KPTCL, EIR is different from contractual interest rate when there is a transaction cost. Transaction cost means “cost to obtain the loan”. If there is transaction cost in the loan KPTCL needs to calculate the EIR. Otherwise EIR is equals to the contractual interest rate. For borrowing cost calculation purpose, EIR rate needs to be consider. As cost incurred to obtain the loan is not material, Contractual rate is equal to EIR rate in the case of KPTCL. Hence, action taken by KPTCL is in order.
(viii)	<p>In the case of KPTCL, the components of other comprehensive income only includes re-measurements of defined benefit plans (see Ind AS 19, Employee Benefits). Company is in the process of obtaining the actuarial valuation for its defined benefit plans.</p> <p>Govt of Karnataka has issued an Order (GoK Order No : AE 34 PEN 2018, Bangalore dated 23.06.2018) modifying the scheme of NDCPS w.e.f 01.04.2018 by bringing in the entitlement of gratuity for retired employees/ in case of death of employees covered under NDCPS up to a maximum of Rs. 20 Lakhs in addition to the existing benefits for employees covered under NDCPS. The process of adopting GoK Order is in progress.</p> <p>The said issue was placed before the Board of Directors meeting held on 9th Sept 2020. Pending completion of formalities/modalities, the provision for gratuity is provided amounting to Rs.147.51 Crore based on the provisional valuation furnished by LIC. On adoption of GoK order by KPTCL, difference if any, based on Actuarial Valuation Report will be accounted during FY 2020-21. Once on the receipt of Actuarial valuation, company will account the Other comprehensive income</p>
(ix)	The Cash Flow statement has been prepared under the ‘Indirect Method’ as set out in the Ind AS - 7 “Statement of Cash Flows “. Company has disclosed all the changes in the Property, Plant and Equipment, Capital Work in Progress, borrowings, Unsecured Loans etc. in Cash Flow Statement.
(x)	Ind AS 36 states that Impairment is required only if the indicator of the impairment is existed as on the balance sheet date. KPTCL is a power transmission utility and all the transmission equipment are required to be in usable condition throughout the year to carry out the activity of transmission of power. Instances of impairment of transmission equipment may not crop up. However, company have performed the preliminary assessment of external and internal indicators mentioned in the Ind AS 36 and no indicators have been identified as per preliminary assessment. In the absence of such indicator of the impairment, company have not recognized the impairment as on balance sheet date. Efforts will be made to establish a detailed procedure and assess in the subsequent years whether the indicator of the impairment is exists or not. If these indicators will be identified in subsequent years, company will perform the detailed impairment calculations.
(xi)	Majority of land are already reclassified under leasehold/Freehold land. Head office is obtaining land documents from Accounting Units for any additions shown in their Accounts towards land and ensuring correct classification of leasehold/freehold land.
(xii)	Policy has been formulated during 2019-20 to account the land acquired at free of cost. Land details will be examined and guidelines will be issued to accounting units with regard to accounting of such land during 2020-21.

(xiii)	<p>Accomplishment of NJY scheme is rests with distribution companies. KPTCL has provided some of the equipment in KPTCL stations, so as to enable distribution companies to complete the projects. Amount spent by KPTCL to this scheme are available in 'C' Registers maintained at respective accounting unit of KPTCL. Letters were already addressed to all MDs of ESCOMs requesting to reimburse the amount spent by KPTCL. ESCOMs are yet to respond. Company has provided all the available details regarding NJY works. As Such, Auditors comments that "Company has not provided sufficient information, we are unable to ascertain the correctness or completeness of the same and the consequential impact on Ind AS Financial Statements" is not acceptable.</p>
(xiv)	<p>Self-execution works are being carried out by consumer himself with the permission of Corporation and hand over the asset to Corporation after commissioning of the Work duly completing the process of taking joint inventory. Procedure to complete the joint inventory and categorization of the assets within the time frame was issued vide KPTCL/B19/245/85-86 dated 30/11/2019. Accordingly, Self Execution Works (SEW's) and DC Works amounting to Rs.337.24 Crore capitalized during 2019-20. KPTCL categorise such assets in its books as asset by debiting Fixed asset account and crediting consumers' Contribution towards Cost of Capital Assets Such Consumer contribution towards cost of Capital Asset are treated as Deferred Income and are grouped under Non-Current Liabilities which are subsequently adjusted as Income in the same proportion as the depreciation is charged during the year on the assets acquired out of the Contribution. Ind AS consultants of KPTCL opines that the procedure followed by KPTCL is in line with Ind AS.</p> <p>Hence, amortization of assets created out of self-execution works, is in order. Further, These transactions does not have impact on P&L Account.</p> <p>Instructions has been issued regarding recovery of common infrastructure charges from IPPs in case of sparing of existing infrastructure of KPTCL to IPPs vide Order KPTCL/B28(a)/32543/12-13 dated 11/12/2020. One time non-refundable charges collected from IPPs towards KPTCL land spared is being treated as income for the year.</p>
(xv)	<p>Assets dismantled are being accounted at written down value(Gross cost less depreciation) based on Annexure 5A prescribed for this purpose. Difference between Written Down Value and sale proceeds are charged to P&L Account. Auditors comments that "...Company has adopted adhoc values of the components that are released.." is not acceptable.</p>
(xvi)	<p>Presently there is no incentive clause in DWA, hence provision is not being made.</p> <p>In majority of the cases price variation and quantity variation provision is being accounted.</p> <p>Employee cost, A&G expenses and other over heads are being allocated using Annexure 1A</p> <p>Circular has been issued to account the supervision charges to income on percentage of completion of supervision made and such income only is being reduced from employee cost. Vide circular No. FA(A&R)/KCO-21/6936/2013-14/ Vol-03 dated: 08.04.2020 and the same is followed in FY 2019-20.</p>

	<p>Capitalisation of present value of the estimated cost of decommissioning is practically not possible to compute, as date of retirement of equipment cannot be predicted in case of electrical equipment. Further CERC or KERC has not given any directions or Notifications with regard to date of retirement of each type of equipment.</p> <p>Asset ready for intended use is being considered for capitlisation of asset. At the end each Financial year, details of capital spares are being obtained from Accounting units at Head Office and accounting treatment is being incorporated in the books of KPTCL.</p>
(xvii)	<p>DCW are being monitored by maintaining 'C' Register and Schedule at units. Amount collected, expenditure on works, status are being maintained at Units. Status of each DCW as at the end of Financial year are being collected by Head Office to ensue catagorisation of DCW and the same were made available to Auditors. KPTCL categorise assets created out of DCWs in its books as asset by debiting Fixed asset account and crediting consumers' Contribution towards Cost of Capital Assets. Such Consumer contribution towards cost of Capital Asset are treated as Deferred Income and are grouped under Non-Current Liabilities which are subsequently adjusted as Income in the same proportion as the depreciation is charged during the year on the assets acquired out of the Contribution. Deposit contribution works are being carried out through Turnkey contractors by KPTCL, similar to other capital works funded by KPTCL. Hence, categorisation of asset at fair value does not arise. Although the capacity of an entity to control benefits is usually the result of legal rights. However to obtain the control the right of ownership is not essential; if company can controls the benefits which are expected to flow from the assets i.e. can use line/station for transmission purposes to other customers, can operate the line as they intent, can use asset till the substantial life etc. If company have the control over the assets, Ind AS consultants of KPTCL opines that the procedure followed by KPTCL is in line with Ind AS. it can continue with the existing practice of accounting under customer contribution as it is in line with Ind AS.</p> <p>Further, DCWs does not have any agreement period as stated by Auditors, In view of the above, Auditors comments that "Company does not have sufficient information with regard to the status of such works" and "amortization of the same over the useful life instead of the agreement period" is not acceptable.</p>
(xviii)	<p>PSDF Works involves replacement of relays, current transformers etc., PSDF works are carried out at Units of KPTCL and involves numerous materials for installation of such equipment. GEC work related to strengthening of intra state transmission network of lines. The grants received from the concerned Ministries are utilised fully through dedicated Bank Account and balance of grant available is Nil in respect of these works. Copy of utilisation certificate in respect of PSDF and GEC works are furnished to Auditors. Further, the accounting of these expenses are incurred at unit level and booked in their concerned accounts. The same information has been furnished by the units to the Auditors.</p> <p>Hence, detailed information pertaining to these works are furnished by units at the time of Audit of Accounts.</p>

(xix)	<p>Compensation are not part of Detailed Work Award(DWA), these compensations are to be determined based on field conditions. There are cases of litigations after determination of compensation before the same is disbursed. Contractor/Agency has to pay the compensation to beneficiaries and to claim the same from KPTCL. Hence, actual compensation after disbursement to beneficiaries are being accounted.</p> <p>As per general instruction (2) to MCA notification dated G.S.R. 111(E) dated 16th February, 2015, "Indian Accounting Standards are intended to apply only to items which are material".</p> <p>The amount of expenditure recognised on the cash basis is not material with regard to nature and size of the company.</p>
(xx)	<p>The Petition has been filed before Hon'ble KERC u/s 86 (1) (f) on 26.08.2019 by KPTCL is still pending. The effect on Revenue & Trade Receivables can be ascertained only after the decision of KERC in the matter.</p>
(xxi)	<p>As per Ind AS 19 para 153 Other long-term employee benefits include items such as the following, if not expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related service:</p> <ul style="list-style-type: none"> (a) long-term paid absences such as long-service or sabbatical leave; (b) jubilee or other long-service benefits; (c) long-term disability benefits; (d) profit-sharing and bonuses; and (e) deferred remuneration. <p>Para 158. Although this Standard does not require specific disclosures about other long-term employee benefits, other Ind ASs may require disclosures. For example, Ind AS 24 requires disclosures about employee benefits for key management personnel. Ind AS 1 requires disclosure of employee benefits expense. Ind AS 19 does not prescribe any disclosures for "Other long-term employee benefits". Hence, company have not disclosed the same.</p> <p>Further, during 2019-20 details of KPTCL employees has been collected though online by in house software developed for this purpose and the same was shared with Statutory Auditors before sending the information to Actuaries. With regard to assumptions, Actuarial has made industrial standards assumptions as is being done by other professional Actuaries. KPTCL cannot question Actuarial assumptions. Hence, Auditors' comments is not acceptable.</p>
(xxii)	<p>This issue has to be sorted out among KPTCL, ESCOMs and GoK. Action will be initiated to reconcile the amount with ESCOMs and correspondence with GoK.</p>
(xxiii)	<p>KPTCL has made payment of Rs.276.40 crore to KPCL towards power purchase liability during 2020-21. The balance liability towards power purchase in respect of KPCL is Rs.92.13 crore. With regard to liability of Rs.15.73 crore, action will be taken to reconcile with concerned power generators.</p>

(xxiv)	Corporate Office has issued directions vide circular No.FA(A&R)/KCO-21/6936/ 2013-14/vol3 dated 03/02/2020 for treatment of penalty recovered from suppliers/contractors towards delay in supplies/completion of work in respect of terminated and short closed works. Accordingly, Rs.2.29 crore has been transferred to Miscellaneous income during 2019-20. Necessary information has been provided to Auditors in this regard.
(xxv)	Old items under IUA transactions are being reconciled. IUA Transactions from 01/04/2015 and onwards a new software has been developed and implemented with effect from 01.04.2015 to operate IUA transactions through on-line. Further action will be taken to reconcile the old balances.
(xxvi)	Process of reconciliation is under progress. Most of the items are identified, necessary accounting treatment will be given after the completion of reconciliation.
(xxvii)	Corporate office has obtained the details of capital cost, estimated cost, cost accounted in books etc., and O&M charges demanded during the year in respect of each IPP along with Annual Accounts of the Units and made available to Auditors. O&M charges has been demanded based the rates approved by KERC.
(xxviii)	<p>Transactions related to TDS are being carried out by KPTCL Accounting Units and these transactions are voluminous. Deductees TAN is not appearing in 26AS to find out the exact deductee and the unit on which TDS has been made. In order to reconcile the balances, circular Vide No. FA(A&R)/KCO-18/96298/2018-19 dated: 27.12.2019 has been issued for strict compliance.</p> <p>Appropriate action will be taken to reconcile with the Income, Income Tax, Advance Income Tax paid, self Assessment and Refunds as per assessment orders.</p>
(xxix)	<p>Unless approved by the Regulator, no amount becomes receivable. Hence the incentive amount for Financial year 2019-20 which is yet to be approved by KERC cannot be treated as receivable. KERC while issuing Tariff Orders have allowed incentive for achieving system availability above the target availability of 98%. While allowing the said incentive KERC has directed KPTCL to spend the incentive as stated below: "..... utilise the same to adopt technological advancements in tools & machinery and to initiate advanced training to its officers and employees, to improve their efficiency in performance and report compliance thereof to the Commission."</p> <p>Due to the above directions of KERC, KPTCL has to account the incentive and utilisation of the same needs to be reported to the Commission.</p> <p>Incentive is an income to the Organisation. It is an internal Resource generated out of the efficiency factor. Hence at present, it may not be possible to envisage what KERC would suggest regarding utilisation of the "to be allowed incentive" for 2019-20. Hence, the same is shown as contingent asset in 'Note-37- Other Notes to Accounts'.</p>

(xxx)	Trade receivables from ESCOM are reconciled as on 31/03/2020 and confirmation obtained. Reconciliation of other receivables and payables accounts with ESCOMs are being pursued at Accounting Unit level as well as at Corporate Office. Necessary action will be taken to arrange meetings with ESCOM authorities at Transmission Zonal levels for reconciliation of receivables and payables accounts with ESCOMs.
(xxxi)	The GoK vide GO dated 10/05/2005 ordered the ESCOMs to open an ESCROW account with KPTCL in respect of Transmission charges. As per clause 8.7 of the Standard Transmission Agreement approved by Hon'ble Commission, Article 8.5 Rebate clause and 8.6 Penalty clause are not applicable to ESCOMs/Open Access customer having ESCROW arrangement for payment of transmission charges. Hence, Non charging of late payment surcharge for ESCOMs is in accordance with the Transmission Agreement entered into with ESCOMs.
(xxxii)	During the year, company have made the following policy " Bank guarantee encashed from supplier / contractors due to non-performance or supply of defective products has been adjusted from the cost of the asset, if these are directly identifiable with the project and received for mitigating extra project costs to be incurred by the company which will be capitalised as part of the cost of the asset. Otherwise the same should be accounted for as income." Company has accounted all the bank guarantee encashment according to the new policy adopted by the company during 2020-21.
(xxxiii)	As per Ind AS 37, para 28 A contingent liability is disclosed, as required by paragraph 86, unless the possibility of an outflow of resources embodying economic benefits is remote. Company is probable that, no economic outflow of resources is expected to be incurred in future year in respect to these cases and possibility is seems to be not clear. Hence, company have not disclosed the same as contingent liability.
(xxxiv)	<p>SRPC has certified the intrastate transmission lines as non-ISTS lines carrying interstate power as per clause 2.1.3 of Annexure-1 of CERC (Sharing of Interstate Transmission Charges) Regulations 2010,(III Amendment 2015). The determination of Yearly Transmission Charges (YTC) for these lines are to be carried out by the State Electricity Regulatory Commission. The transmission charges for these lines are to be borne by beneficiary states. In this context, Annual Revenue Requirement (ARR) of 9 Non-ISTS lines was computed and submitted to the Hon'ble KERC for determination of YTC for FY 2017-18 and FY 2018-19 claiming Rs.15.60 Crore and Rs.16.26 Crore respectively.</p> <p>However, considering the Accounting Policy of Revenue Recognition from Transmissions on accrual basis, the same was accounted as income during 2018-19. Further KPTCL has filled the application before KERC for determination of Tariff for FY 2019-20 for 12 numbers of Non-ISTS Lines claiming transmission charges for Rs. 23.41 Crore. KERC is yet to approve transmission charges for the FY 2017-18 , 2018-19 & 2019-20, pending approval of transmission tariff in respect of Non ISTS Lines and in accordance with the principles of Prudence as per the framework for the preparation and presentation of Financial Statements, income is not recognised in accordance with Ind AS 115.</p>

	<p>It is opined by Ind AS consultant that as per Ind AS 114, Paragraphs 11-12 require an entity to continue to apply its previous GAAP accounting policies for the recognition, measurement, impairment and derecognition of regulatory deferral account balances i.e. guidance note on Accounting for Rate Regulated Activities is applicable</p> <p>As per the Guidance note, Para 31..... If the recovery of the incurred costs is at the discretion of the regulator, the right can at best be said to be a contingent asset as per Accounting Standard (AS) 29, Provisions, Contingent Liabilities and Contingent Assets. In such case it would not be appropriate to recognise an asset till the approval of the regulator is received.</p> <p>Company is engaged in the rate regulated activities. Tariff Rates charged by the company for each year are subject to the approval of regulatory authority i.e Karnataka Electricity Regulatory Commission (KERC). Further, in accordance with guidance note, regulatory asset is required to be created only if there is a reasonable certainty. The allowance and disallowance of cost is at the discretion of regulator, therefore there is no reasonable certainty for the same. Hence, company have not recognized the income in respect of Non-ISTS lines for FY 2019-20 in the absence of information and reasonable certainty in accordance with Ind AS 114 and its related guidance note.</p> <p>Transmission charges accounted on accrual basis during FY 2017-18 & 2018-19 is withdrawn during FY 2019-2020 and transmission charges for FY2019-20 is not Accounted in current Financial year. As experienced by the management from past two years, no action has been initiated by the KERC and not even a single hearing is made in this regard. Management have changed its estimate during the year as there is a huge uncertainty in view of above-mentioned reasons regarding the realisation of income.</p> <p>Transmission charges in respect of Non-ISTS lines for FY 2017-18,2018-19 and FY 2019-2020 is disclosed as contingent Assets in Annual Accounts of FY 2019-20.</p> <p>It is to be noted here that transmission income for the entire transmission network of KPTCL including the Non- ISTS lines have already been accounted for the years FY 2017-18, 2018-19 and FY 2019-2020 based on approved transmission charges as per the Tariff Orders issued from time to time, hence there is no impact on KPTCL's Income.</p>
(xxxv)	<p>The BESCOM requested KPTCL to take up the work of providing new 11kv switchgear panels along with accessories in the respective MUSS of 50 No's under the IPDS scheme and it revised to 66 Nos later and 31 Nos under DDUGJY scheme on actual requirement basis in Bangalre Transmission Zone area.</p> <p>The work was taken up under Deposit Contribution Works basis and BESCOM has initially paid Rs.4 crore and Rs.2 crore towards IPDS and DDUGJY scheme respectively. 29 Nos of switchgears which are already existed in the stations as idle breakers are commissioned under IPDS scheme and intimated to BESCOM.</p>

	In order placed to procure remaining switchgears, Purchase Order was placed and requested BESCO to pay remaining amount. BESCO after examining the list of commissioned switchgear has paid Rs.43.65 lakhs, stating that only 14 Nos of Switch gears are commissioned in the jurisdiction of BESCO. Correspondences are being made from Transmission Zone Bangalore with BESCO for resolving the issue. On reconciliation of commissioned switchgears with BESCO, the value of the same will be accounted during FY2020-21 in the books of KPTCL as assets created out of consumer contribution.
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Reply to Statutory Auditors' Report on IFC

Observation No. - As in Statutory Auditors Report	Management Replies
A.	<p>KEPGT informed Statutory Auditors that employees of ESCOMs are treated as employees of KPTCL on deputation to ESCOMs, until there is clear bifurcation of company-wise employees. The issue of bifurcation of employees was challenged in the court of Law by Engineers Association and the writ appeals filed by KPTCL was dismissed by the Hon'ble High Court of Karnataka in WP No. 27495/2002 on 18.10.2010. In light of the said judgment, the subject was placed before the Board 78th Board of Directors meeting held on 26.04.2011 and it was resolved to maintain status quo visa-a-vis officers and employees of KPTCL treating them, on deputation to ESCOMs. Therefore, service liability cannot be shown company-wise. Plan asset is the total amount held in the trust and does not have company-wise bifurcation.</p> <p>Therefore, Uniform rate of contribution is applied to KPTCL and ESCOMs. This procedure is being followed since the inception of Trusts. KEPGT also states that even the Actuarian has recommended for collecting uniform rate from KPTCL and ESCOMs.</p>
B. (I)	<p>a) The Property, Plant and Equipment register is being maintained and updated by accounting units of KPTCL. The updation of PPE Register is a recurring process, the same is being updated as and when the assets are categorized.</p> <p>b) As the Company is carrying out the transmission of power, it is maintaining its assets in good condition on all 365 days of a year. As such, there may not be any impairment of assets on the reporting date.</p> <p>c&d) It is not practically possible for the Company to conduct periodic physical verification as the assets like lines, run through forest area, hilly region and are spread over the entire State. However, the assets are considered as physically available as long as the transmission and related functions are continued to be discharged.</p> <p>e) Capitalisation of present value of the estimated cost of decommissioning is practically not possible to compute, as date of retirement of equipment cannot be predicted in case of electrical equipment. Further CERC or KERC has not given any directions or Notifications with regard to date of retirement of each type of equipment.</p>



(ii)	Refer reply to SI No. (x) of Audit Report.
(iii)	Refer reply to SI No. (xi) of Audit Report.
(iv)	a) KPTCL is capitalizing the cost of equipment and other expenses relating construction of an asset as accounted in Cost registers as on the date of commissioning of the asset. Bills received subsequently and expenditure booked will also be capitalized to the same asset and depreciation charged retrospectively from date of commissioning of the asset. Provision towards balance expenditure in respect of works completed as on reporting date with reference to DWA is being made to the extent identified. b) 'C' registers are being maintained at units as per Company's policy.
(v)	Refer reply to SI No. (vi) of Audit Report.
(vi)	Circular instructions to all the Accounting Units with regard to capitalization of erection and civil charges, capitalization and apportionment of establishment charges, employee costs, administrative charges and other general overheads, borrowing costs have already been issued vide circular dated 08/02/2018 and implemented the same. Employee cost, A&G expenses, borrowing cost and other over heads are being allocated work wise and material wise using Annexure 1A
(vii)	Guidelines on actual date of capitalization has also been issued vide Circular No KPTCL/ FA(A&R) /KCO-21/6936/ 2013-14 Dtd 16/01/2018 and accounted accordingly. Employee cost, A&G expenses and other over heads are being allocated using Annexure 1A.
(viii)	Refer reply to SI No. (xiv) of Audit Report.
(ix)	Circular instructions has been issued to account the supervision charges to income on percentage of completion of supervision made and such income only is being reduced from employee cost. Vide circular No. FA(A&R)/KCO-21/ 6936/2013-14/ Vol-03 dated: 08.04.2020 and the same is followed in FY 2019-20.
(x)	New policy in respect of Investment Properties is made vide Accounting Policy 1.10 the same will be complied during 2020-21.
(xi)	While preparing the DPR, the total cost of the project is calculated using prevailing SR rate. The Benefit Cost Ratio (BCR), payback period is calculated as per the cost calculated using SR. After completion of the project, the CE Transmission .Zone in consultation with concerned MWD will revise the cost of project as per actuals. Of all the relevant details furnished to Planning Sec, Corporate office, the actual BCR and payback period will be revised.
(xii)	Instructions have been issued vide 12/02/2015 regarding Guidelines for Capitalization of Interest during Construction the same will be emphasized to follow scrupulously.
C. (xiii)	Refer reply to SI No. (xiii) of Audit Report.
(xiv)	A draft interconnection agreement is placed before KERC for approval. Likewise, Terms and Condition to carryout Self Execution Works/ Deposit Contribution Works/Sparing of Assets is being furnished to KERC for approval. This will ensure a uniform procedure to be followed across all the Divisions of KPTCL. And also refer reply to SI No. (xiii) of Audit Report.

(xv)	Circular has been issued to account the supervision charges to income on percentage of completion of supervision made and such income only is being reduced from employee cost. Vide circular No. FA(A&R)/KCO-21/6936/2013-14/ Vol-03 dated: 08.04.2020 and the same is followed in FY 2019-20.
(xvi)	Instructions have been issued vide Circular No KPTCL/B28(A)/32543/2012-13 Dtd 01/04/2019 for timely demand, collection, claiming delayed payment charges and to compute capital cost as per directions of KERC.
(xvii)	Refer reply to Sl No. (xiii) of Audit Report.
(xviii)	Instructions has been issued regarding recovery of common infrastructure charges from IPPs in case of sparing of existing infrastructure of KPTCL to IPPs vide Order KPTCL/B28(a)/32543/12-13 dated 11/12/2020.
D. (xix)	<p>a) Field staff will be insisted to record all the measurement in the Measurement Book on site as and when the work progresses.</p> <p>In majority of the cases provisions in respect of works completed as on the reporting date are being made.</p> <p>Quantity variation claims are being processed at Units and sent for approval of higher authorities. These bills are to be approved at various levels before passing for payment which is consuming much time. Price variation bills are prepared on receipt of IEEMA index which is issued by IEEMA quarterly. Hence, there is a delay in processing Price variation bills.</p> <p>RA bills are being audited at the time of voucher audit (post Audit basis) and final bills are being audited on pre audit basis.</p>
(xx)	This issue has been examined. Presently price variation is allowed for the materials own manufactured by the contract agency and not allowed for bought out items. The related circular is placed in the file as (Annexure-1). However the existing tender stipulations in respect of admitting price variation is under revision by KPTCL with regard to base rate to be considered.
(xxi)	Suitable instructions have been issued to the field staff that the material inspections and the subsequent issue of Dispatch instructions shall be processed for the actual requirement of quantities only based on the approved design/drawing and restricting the payment for this quantity only, vide circular No.KPTCL/B19/345/85-86 dtd 08.01.2020.
(xxii)	It is clearly brought out in the circular No.KPTCL/B8/2344/09-10(10) dtd 08/02/2011 that the Price variation is not allowed where only pure labour is allowed for the erection portion of the work where both labour and machinery is used. Copy of the Circular and subsequent amendments issued are placed in the file and there is no ambiguity. (Annexure-3).
E. (xxiii)	<p>The internal audit is being carried out under the supervision of Financial Advisor (Internal Audit) as per the Audit Manual and circulars issued by the corporation from time to time.</p> <p>The audit is being carried out in two stages, i.e., pre audit and post audit besides verifying Cash transactions, Accounts and Store transactions, Procurement proposals, SLDC Transactions and Transmission Billing Activities etc. Presently the Internal Audit wing is managed with skeleton staff at Zonal level.</p>

	<p>In view of the above the strengthening of Internal Audit wing has been envisaged and detailed proposal has been sent to Administrative Authority duly considering the scope and coverage of transactions of accounting units, and their jurisdictions vide Note No. KCO-46/43982/12-13/240 dated 19.10.2012. Further one more Note has been sent duly highlighting the need for strengthening of Internal Audit wing to the Financial Advisor (A&R) vide Note No. KCO-46/31582/2015-16/141 dated: 04.02.2016 and chairman of the Internal Man Power Committee to include the same in the report.</p> <p>The Internal Committee on ASCI's report on Work Load & Man Power Study for KPTCL has also been recommended for Strengthening of Internal Audit on Top priority duly considering the scope, extent and coverage as per the observations made by AG's & Statutory Auditors. Appropriate decision has to be taken by the Management. Again one more Note has been sent duly highlighting the need for strengthening of Internal Audit wing to the Managing Director, KPTCL vide Note No. FA(I/A)/KCO-43/97435/208-19/ 545 dated: 05.03.2019.</p> <p>Running Accounts (RA) bills are being audited at the time of voucher audit (post audit basis) & final bills are being audited on pre audit basis as per the Corporate Office Circular No. KPTCL/B8/2344/ 09-10(6) Dated: 24.03.2010.</p> <p>The Zonal Deputy Controllers and Assistant Accounts officers are regularly verifying the capitalization of assets, income and expenses during the course of inspection and audit. However, instructions to focus more on capitalization of assets and recognition of income and expenses will be given.</p> <p>Training of Internal Audit staff is being monitored by HRD Department of KPTCL and some of the trainings are being imparted on various subjects on regular basis.</p>
(xxiv)	The statutory dues are being accounted and paid to concerned department within the stipulated dates. In a few cases, delay is noticed, efforts will be made to avoid the same.
F. (xxv)	O&M charges and Transmission charges are being accounted on accrual basis. Whereas Incentives, penalty recovery, corridor charges are being accounted on cash basis as per the accounting policy of KPTCL
(xxvi)	The issues of Late Payment Surcharge/Rebate is dealt in the Standard Transmission Agreement approved by the Hon'ble Commission.
(xxvii)	The Transmission Charges are computed in accordance with the Regulations issued by KERC from time to time and filed before Commission for approval. The commission approves the Transmission Charges in its Tariff Order issued from time to time and the same is accounted as Revenue in the Financial Statements of KPTCL.
G. (xxviii)	Adequate policies and procedures has been formulated to comply with provisions of IND AS. The same is being implemented. Further during 2019-20 Company has utilized the services of IND AS Consultant in preparing its IND AS Financial Statements.
(xxix)	The standard procedures specified in the Karnataka Transparency in Public procurement Act, 1999 and rules there under is being followed in all tendering and procurement activities carried out by the tendering and procurement section of KPTCL and it is felt that there is no requirement of standard operating procedure to ensure appropriateness of comply of the KTPP Act.

(xxx)	<p>Constructing and maintaining infrastructure by KPTCL is a continuous process, which requires KPTCL to take up large number of works year after year. As KPTCL is carrying out these works through contractors/firms, KPTCL is collecting EMD and other deposits from contractors/firms and maintaining work-wise, contractor/ firm-wise schedules for monitoring collection and refund of deposits. As there are enormous number of items in schedules, it is practically not feasible to obtain confirmation from each contractor/firm.</p> <p>In respect of Unclaimed EMD, letters have been addressed to agency/firms requesting to claim Security Deposit outstanding in the books of KPTCL, before transferring the same to Miscellaneous income. The same is being followed since 2019-20. To this effect a Circular instructions was issued from this office vide Circular No FA(A&R)/KCO-21/6963/2013-14/Vol-3 Dtd 20/12/2019.</p>
(xxxi)	<p>All the critical estimates and judgment made by the company has already been disclosed under the note. 37.17 of the financial statements. These estimates are reviewed by the company at the end of each year. Further, to ensure the appropriateness, the review is conducted at each financial year end while preparing the financial statements of KPTCL. In case of any significant change, company have accounted the same in the financial statements. Attention may also be drawn to note no. 1.3 of accounting policy, where company have disclosed its detailed policy regarding treatment of critical estimates.</p>
(xxxii)	<p>Currently, KPTCL is not holding any financial asset and liability which is required to be fair valued at FVTPL and FVOCI.</p> <p>The line-by-line classification as “amortised cost”, “FVTPL” or “FVOCI” of all financial assets and liability has already been disclosed in note no 37.18 of financial statements where company have mentioned all the financial assets and liabilities are classified on amortized cost basis.</p> <p>Further, KPTCL has also performed the detailed analysis for classification of financial assets and liabilities as follows:</p> <p>(A) Financial liability</p> <p>As per Ind AS 109, an entity is required to classify all of its financial liabilities at “amortized cost” except in few cases where financial liability can be classified at FVTPL. Examples of financial liabilities classified as amortized cost security deposits refundable, supplier liabilities etc.</p> <p>The few examples where a liability is required to be classified as FVTPL</p> <p>Derivatives</p> <ul style="list-style-type: none"> • Designation as FVTPL eliminates or significantly reduce a measurement or recognition inconsistency • Financial guarantee contracts. • Financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies. • Contingent consideration • Commitments to provide a loan at a below-market interest rate. <p>Hence, based on above, there are no financial liabilities which should be classified as FVTPL</p>

	<p>(B) Financial assets There can be three categorization under financial assets as follows:</p> <p>a) Amortized Cost A financial asset is required to be classified as “Amortized Cost” if following both conditions are satisfied</p> <ul style="list-style-type: none"> • Financial asset is held by the entity within a business model which have an objective to collect contractual cash flows from it till its maturity • Financial asset will provide solely payments of principal and interest to the entity <p>For example: In case of loans given to employees, KPTCL objective is to collect the contractual cash flows i.e., principal and interest payments till the maturity. Hence, these loans are required to be classified at “Amortized Cost”</p> <p>(b) FVOCI A financial asset is required to be classified as “FVOCI” if following both conditions are satisfied</p> <ul style="list-style-type: none"> • Held within a business model which have an objective to collect both contractual cash flows as well as proceeds from selling of financial assets Financial asset will give payments of principal and interest to the entity <p>Example: An entity frequently purchased quoted bonds with an objective for collecting contractual cash flow from it and also sell these debentures in case of increase in market value.</p> <p>(c) FVTPL The financial assets not qualified as FVOCI or amortized cost will be classified as FVTPL.</p> <p>On review of financial assets, all the financial assets are required to be classified as “amortized cost”.</p>
(xxxiii)	Separate Annexure has been prescribed in March Final Accounts for obtaining data from the accounting Units in respect Micro, Small and Medium Enterprises firms. As per the details obtained from Accounting Units, no transaction has been made with Micro, Small and Medium Enterprises firms during 2019-20.
(xxxiv)	Data in respect of Current/Non-current Assets/Liabilities have been obtained from each accounting unit of KPTCL and incorporated the same in Annual Accounts for 2019-20.
(xxxv)	Annexure has been prescribed to March Final Accounts and obtained data in respect of prior period items booked during the year. Prior period items are restated during 2019-20.
(xxxvi)	The Regulations/Orders/Directions issued by CERC/KERC are referred to the concerned Heads of sections by the MD/DF/DT depending upon the subject and nature of regulation. The concerned Heads of the section are taking action to implement the same. No separate procedure/ Orders are issued by KPTCL for adopting and implementing the Regulations. Any clarifications required or any modifications suggested to the Regulations are being dealt by Regulatory Affairs section. This ensures that there is no material misstatement in Revenue recognition and Current assets in financial statements.

(xxxvii)	Instructions have already been issued to record and monitor delay condonation applications vide circular dated 15/12/2017. The same is being followed.
(xxxviii)	Employee-wise details are being obtained from each accounting unit in the form of Annexure to March final accounts and the same is being submitted to Actuary for determining probable liability towards employee benefits. Provision towards employee benefits are being made based on Actuarial valuation report.
(xxxix)	The Company is maintaining separate dedicated account as prescribed in the guidelines and also maintaining separate cash books for monitoring and accounting of receipt of grants and utilization details as and when payments are made. The compliance has been provided to the concerned in the form of utilization certificate year on year basis.
(xL)	Transactions related to TDS are being carried out by KPTCL Accounting Units and these transactions are voluminous. Deductees TAN is not appearing in 26AS to find out the exact deductee and the unit on which TDS has been made. In order to reconcile the balances, circular Vide No. FA(A&R)/KCO-18/96298/2018-19 dated: 27.12.2019 has been issued for strict compliance. Appropriate action will be taken to reconcile the same.
(xLi)	KPTCL procures material for maintenance of stations and transmission lines as well as minor capital works. At the time of procurement of materials it is not possible to segregate as to utilization of such materials to R&M works/capital works. Same type of materials can be used to R&M works as well as to capital works. When Compared to huge amount of capital expenditure being incurred by KPTCL every year non-capitalization of capital spares at the time of procurement may not have material impact on accounts.
(xLii)	Firm-wise and Work-wise schedules are being maintained by each accounting unit for monitoring all the receivables and payable accounts. Amount recovered/ received/ to be received and payable/paid are being recorded in the said schedules. Due to enormous number of items in such schedules, it is practically not feasible to reconcile the balances with each contractor/firm/suppliers.
(xLiii)	Renovation and maintenance expenses incurred by KPTCL with regard to residential quarters occupied by ESCOM's employees has to be shared in accordance with arm's length arrangement approved vide Order dated 29/05/2003. In majority of the cases maintenance expenditure is claimed by KPTCL and correspondences are being made by accounting units to recover the same from ESCOMs.
(xLiv)	Information has been obtained from the Units along with Accounts in the form of Annexure, in order to disclose contingent liabilities in Notes to Accounts. Further, details of court cases has also been obtained from legal section. Both the information are consolidated to arrive at contingent liability and the same is disclosed in the Accounts. Existence of contingent asset in the Units are remote.
(xLv)	Intangible assets are identified, capitalised and amortised as per the modified accounting policy 1.22 on Intangible assets.
H. (xLvi)	The Management will review the Reporting Structure
I. (xLvii)	Detailed project Report for taking up ERP covering majority of KPTCL transactions has already been approved. Tender has been invited by KPTCL for implementing ERP.
(xLviii)	

ANNEXURE-3 to Directors Report 2019-20
KARNATAKA POWER TRANSMISSION CORPORATION LIMITED
CORPORATE SOCIAL RESPONSIBILITY POLICY:

Table of Contents:	
1.	Background
2.	Objective
3.	Terms of Reference to CSR Committee
4.	CSR Activities/Projects:
5.	CSR Amount
6.	Spending of CSR Amount
7.	Governance
8.	Dissemination of information

1. BACKGROUND:

Corporate Social Responsibility is a company's sense of responsibility towards the community and environment in which it operates. It is the continuing commitment by business to behave ethically and contribute to economic development of the society at large and building capacity for sustainable livelihoods. The Corporation believes in conducting its business responsibly, fairly and in a most transparent manner. It continually seeks ways to bring about an overall positive impact on the society and environment where it operates and as a part of its social objectives.

Karnataka Power Transmission Corporation Limited as a State Transmission Utility (STU) is vested with the functions of Transmission of power in the entire State of Karnataka through its Stations & Transmission Lines. KPTCL in its endeavor to serve general public has set its mission to ensure reliable quality power at competitive prices through:

1. Encouraging best practices in transmission;
2. Ensuring high order maintenance of all its technical facilities; and
3. Emphasizing the best standards in customer service.

2. OBJECTIVE:

This Policy lays down guidelines to make CSR a key business process. The Policy aims at enhancing welfare measures of the society based on social and environmental consequences of the Corporation's activities in India. This Policy specifies the projects and programmes that can be undertaken in terms of the Schedule VII to the Companies Act, 2013. Policy brings out the plans and projects proposed to be undertaken during the implementation years, specifies the modalities of execution in the areas/ sectors chosen and the implementation schedule. The scope of the Policy has been kept as wide as possible, so as to allow the Corporation to respond to different situations and challenges appropriately and flexibly, subject to the activities enumerated in Schedule VII of the Companies Act, 2013. However, no contribution will be made for any activities undertaken outside India.

3. TERMS OF REFERENCE TO CSR COMMITTEE:

Board of Directors of KPTCL have constituted a Corporate Social Responsibility (CSR) Committee of Directors with the following Terms of Reference:

- a) To formulate and recommend a CSR policy to the Board;
- b) To recommend amount of expenditure to be incurred on CSR activities;
- c) To monitor the CSR policy of the company from time to time; and

- d) To institute a transparent Monitoring Mechanism for implementation of the CSR projects/ programs or activities undertaken by the Company.

CSR Committee will play the following role in fulfilling the Corporation's CSR objectives:

- Formulation and review of CSR Policy indicating the activities to be undertaken by the Corporation towards CSR initiatives;
- Recommendation of the amount of expenditure to be incurred on the CSR activities; and
- Formulation of a transparent monitoring mechanism for ensuring implementation of the projects/ programmes/ activities proposed to be undertaken by the Corporation or the end use of the amount spent by it towards CSR activities.
- Monitor and implement this Policy from time to time
- Annually report to the Board, the status of the CSR activities and contributions made by the Corporation
- Any other requirements mandated under the Act and Rules issued thereto.

4. CSR ACTIVITIES / PROJECTS:

1. Schedule VII of Companies Act, 2013 provides for the following which may be included by Companies as their Corporate Social Responsibility Policy Activities:
 - i) Eradicating Hunger, Poverty and Malnutrition, Promoting Health Care including Preventive Health Care and Sanitation including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of Sanitation and making available safe Drinking Water.
 - ii) Promoting Education including Special Education And Employment Enhancing Vocation Skills especially among Children, Women, Elderly And Differently Abled and Livelihood Enhancement Projects.
 - iii) Promoting Gender Equality, Empowering Women, Setting up Homes and Hostels for Women and Orphans; Setting up Old Age Homes, Day Care Centres and such other Facilities for Senior Citizens and Measures for reducing Inequalities faced by Socially and Economically Backward Groups.
 - iv) Ensuring Environmental Sustainability, Ecological Balance, Protection of Flora & Fauna, Animal Welfare, Agroforestry, Conservation of Natural Resources and Maintaining Quality of Soil, Air & Water including contribution to the Clean Ganga Fund set-up by Central Government for rejuvenation of River Ganga.
 - v) Protection of National Heritage, Art And Culture Including Restoration Of Buildings and Sites of Historical Importance and Works of Art; Setting up Public Libraries; Promotion and Development of Traditional Art and Handicrafts;
 - vi) Measures for the Benefit of Armed Forces Veterans, War Widows and their Dependents;
 - vii) Training to promote Rural Sports, Nationally Recognised Sports, Paralympic Sports & Olympic Sports
 - viii) Contribution to the Prime Minister's National Relief Fund or any other Fund set up by the Central Govt. for Socio Economic Development and Relief and Welfare of The Schedule Caste, Tribes, Other Backward Classes, Minorities and Women;
 - ix) Contributions or Funds Provided to Technology Incubators located within Academic Institutions which are Approved by Central Govt.
 - x) Rural Development Projects
 - xi) Slum Area Development.

Explanation.- For the purposes of this item, the term 'Slum Area' shall mean any Area declared as such by the Central Government or any State Government or any other Competent Authority under any Law for the time being in force.

Schedule VII of the Companies Act, 2013 is the guiding Document towards the areas for consideration of expenditure under CSR obligation which would be revised by MoCA. Hence, Schedule VII as amended by MoCA, GoI from time to time shall be replaced in the CSR Policy.



5. CSR AMOUNT:

The Corporation shall ensure that it spends, in every financial year, at least 2% of its average net profits made during the 3 immediately preceding financial years, in pursuance of its corporate social responsibility and subject to Section 135 of the Companies Act, 2013 and the Rules made thereunder.

For the purpose of this Policy, the first CSR spending financial year would be 2014-15 and the net profit shall mean average of the annual net profits of the financial years 2011-12, 2012-13 and 2013-14.

Net profits mentioned herein above means, net profit before tax as per the books of accounts of the Corporation and shall not include profits arising from branches outside India.

6. SPENDING OF CSR AMOUNT:

The CSR Committee will decide on the following with regard to spending of CSR amount:

- Percentage of total amount to be used for funding various development organizations and grass-root level organisations; and
- Tranches of disbursement.
- Any surplus arising from CSR projects or programs or activities will not form part of the business profits of the Corporation
- Any income arising from the contribution received and surplus arising out of the CSR activities will be used for CSR only.
- The Committee shall recommend to contribute funds for building the CSR capacities of personnel for the Corporation, through which it may undertake its CSR activities.

7. GOVERNANCE:

1. Every year, the CSR Committee will place for the Board's approval, a CSR Plan delineating the CSR Programmes to be carried out during the financial year and the specified budgets thereof. The Board will consider and approve the CSR Plan with any modification that may be deemed necessary.
2. The CSR Committee shall review the implementation of the CSR Programmes and issue necessary directions from time to time to ensure orderly and efficient execution of the CSR Programmes in accordance with this Policy.
3. Once every six months the CSR Committee will provide a status update on the progress of implementation of the approved CSR Programmes carried out during the six month period. It shall be the responsibility of the CSR Committee to review such reports and keep the Board apprised of the status of implementation of the same.
4. At the end of every financial year, the CSR Committee will submit its report to the Board.

8. DISSEMINATION OF INFORMATION

The CSR Committee shall report to the Board of the Corporation, at least on an annual basis, the status of the CSR projects/ activities undertaken by the Corporation along with the report on the impact created by such projects/ activities.

The Corporation shall also upload this Policy on its website www.kptcl.com/ePrasarana. Further, a detailed status report on the CSR activities carried out by the Corporation would be disclosed every year as part of the Directors' Report in the Annual Report. The said information would also be uploaded on the website of the Corporation.

The CSR Committee will also make a Responsibility Statement in the Annual Report stating that the CSR Policy implementation and monitoring thereof is, in letter and spirit, in compliance with its CSR objectives.

ANNEXURE-4 to Directors Report 2019-20
ANNUAL REPORT ON CSR ACTIVITIES
TO BE INCLUDED IN THE BOARD'S REPORT 2019-20

A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken enclosed as (Annexure-3). Reference to the web-link to the CSR policy and projects or programs: www.kptcl.karnataka.gov.in.

1. The Composition of the CSR Committee is as below:

Sl. No.	Name Sriyuths	Particulars
1.	Additional Chief Secretary to Govt., GoK, Energy Department	Chairman
2.	Additional Chief Secretary to Govt., GoK, Finance Department	Member
3.	Managing Director, KPTCL	Member
	Company Secretary, KPTCL	Convener

2. Calculation of CSR Amount to be spent during the FY 2019-20

Sl. No.	Financial years	Net profit Before Tax (Rs.)
1	2016-17	19 15 08 07 018
2	2017-18	8 12 35 29 074
3	2018-19 (restated)	2 03 60 53 998
4	Total	29 31 03 90 090
5	Average of Net profit for the preceding three Financial Years	9 77 01 30 030
6	2% of Average of Net profit	19 54 02 601
7	Unspent amount pertaining to previous FY 2018-19	5 35 89 337
8	CSR Amount to be spent during the FY 2019-20	24 89 91 938

Average net profit of the company for last three financial years (FY 2016-17 to 2018-19):
 Rs.9 77 01 30 030/- (Considering Net Profit before Tax)

3. Prescribed CSR Expenditure to be spent during the Financial Year 2019-20:
 Rs.24 89 91 938/-
4. Details of CSR spent during the financial year 2019-20.
 (a) Total amount spent during the financial year:Rs. 25,01,73,602/-
 (b) Amount unspent :nil



(c) Manner in which the amount spent during the financial year is detailed below:

(1) Sl. No.	(2) CSR project or activity identified	(3) Sector in which the project is covered	(4) Projects or programs (1) Local area or other district where projects or programs was undertaken	(5) Amount outlay (budget)project or programs wise	(6) Amount spent on the projects/programs Sub heads	(7) Cumulative expenditure upto the reporting period	(8) Amount Spent Direct or through implementing Agency- Give details of implementing Agency.
1	Promoting Voter education during the General Lok Sabha Elections held on 18 th and 23 rd April 2019 in the State of Karnataka	Education	Bengaluru, Karnataka	Rs.1,73,602/-	Rs.1,73,602/-	Rs.1,73,602/-	Amount spent directly by the company (KPTCL)
2	Contribution to Karnataka State Disaster Management Authority, Government of Karnataka towards containment and other measures taken by Govt. of Karnataka for COVID 19 which was declared as notified disaster by Govt. of India	Health care	Karnataka	Rs.25,00,00,000/-	Rs.25,00,00,000/-	Rs.25,01,73,602/-	Karnataka State Disaster Management Authority, Government of Karnataka
			Total	Rs. 25,01,73,602/-	Rs. 25,01,73,602/-		

5. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report: KPTCL during the FY2019-20 has spent an amount of Rs. 25,01,73,602/- being 97% of prescribed CSR expenditure of Rs.25,80,96,391/- and the remaining 3% viz. Rs.79,22,789/- was carried forward to the FY 2020-21. Company could not approve CSR Projects due to delay in project identification.

6. A Responsibility Statement of the CSR Committee:

The Members state that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company.

Sd/-
(Dr.N.MANJULA,IAS)
DIN: 07508345
MANAGING DIRECTOR,
KPTCL

Sd/-
(KAPIL MOHAN,IAS)
DIN:03627128
CHAIRMAN,
CSR COMMITTEE, KPTCL

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF KARNATAKA POWER TRANSMISSION CORPORATION LIMITED, BENGALURU FOR THE YEAR ENDED 31ST MARCH 2020.

The preparation of Financial Statements of **KARNATAKA POWER TRANSMISSION CORPORATION LIMITED, BENGALURU** for the year ended 31st March 2020 in accordance with the financial reporting framework prescribed under the Companies Act, 2013(Act) is the responsibility of the management of the Company. The statutory auditors appointed by the Comptroller and Auditor General of India under section 139 (5) of the Act are responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Revised Audit Report dated: 22.03.2021 which superseded their earlier Audit Report dated: 30.11.2020.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of **KARNATAKA POWER TRANSMISSION CORPORATION LIMITED, BENGALURU** for the year ended 31st March 2020 under section 143(6)(a) of the Act. The supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personal and a selective examination of some of the accounting records.

In view of the revisions made in the financial statements by the management, as indicated in Note No.37.38 of the financial statements and revision to Auditors' Report to give effect to some of my audit observations raised during supplementary audit, I have no further comments to offer upon or supplement to the statutory auditors' report under section 143(6)(b) of the Act.

**For and on behalf of the
Comptroller & Auditor General of India**

**Sd/-
(ANUP FRANCIS DUNGUNG)
ACCOUNTANT GENERAL (AUDIT-II)
KARNATAKA, BENGALURU**

**Place: Bengaluru
Date: 05.04.2021**



INDEPENDENT AUDITOR'S REPORT

To

The Members of Karnataka Power Transmission Corporation Limited

REPORT ON THE IND AS FINANCIAL STATEMENTS

Pursuant to the Audit Enquiries made by Comptroller and Auditor General of India (CAG) under Section 143(6) of the Companies Act, 2013 the Ind AS Financial Statements approved by the Board of Directors on 30.11.2020 have been revised to incorporate the observations made by CAG on the Ind AS Financial Statements and the Books of Account of the Company. The impact of the revision in the accounts of the company is stated in Note No. 37.38(e) to the Ind AS Financial Statements. This Independent Auditor's Report supersedes our earlier Independent Auditor's Report issued on 30.11.2020. Our audit procedure on events subsequent to the date of our original Independent Auditors Report issued on 30.11.2020 is restricted solely to the amendments made in Note No. 37.38(e) to the Ind AS Financial Statements.

DISCLAIMER OF OPINION

We were engaged to audit the accompanying Ind AS Financial Statements of **Karnataka Power Transmission Corporation Limited ("the Company")** which comprise the Balance Sheet as at 31st March 2020, the Statement of Profit and Loss (including other comprehensive income), the Statement of Cash Flows and Statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'Ind AS Financial Statements').

We do not express an opinion on the accompanying Ind AS Financial Statements of the Company. Because of the significance of the matter described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these Ind AS Financial Statements.

BASIS FOR DISCLAIMER OF OPINION:

We had issued a qualified opinion on the Independent Auditor's Report on the Ind AS Financial Statements for the preceding financial year as at 31st March, 2019. These observations together with the observations noted during the year ended 31st March, 2020 are as follows:

- i) *Note No. 23(I)(1), 23.1, 23.2 and 23.3, with regard to Provision for Pension and Gratuity payable to KPTCL & ESCOMs Pension and Gratuity Trust (KEPGT) amounting INR 64443.85 Lakhs, Net Liability to be stated in Balance Sheet as on 31.03.2020 for Pension was INR 115574.23 Lakhs (excluding of INR 52779 Lakhs of GOK Liability) and Gratuity was INR 8541.81 Lakhs as per the Standalone Draft Actuarial Valuation Report for the FY 2019-20.*

Further, we have been informed that the plan assets of the Company have been dipped in to meet the non-contribution by GoK towards its portion of liability which is not in accordance with Karnataka Electricity Reforms (Transfer of Undertakings of KPTCL and its personnel to

Electricity Distribution and Retail Supply Companies) Rules, 2002 notified by the Government of Karnataka on 31.05.2002 and indirectly resulting in higher contribution at the rate 57.30% instead of the maximum recommended contribution rate of 27% as per the Trust Deed of KPEGT which results in claiming of expenses for Tariff fixations not in accordance with the directions issued by the KERC.

In this regard, we have not been able to obtain sufficient audit appropriate evidence in support of and comment upon the completeness, correctness and adequacy/inadequacy of such non-accounting of provisions and their consequential effect on the carrying values of subjected accounts and impact on Ind AS Financial Statements.

- ii) Note No. 1.2(a), 1.8, 1.12, 1.20, 4A (SI.No. 1), and 37.38(e), the Company has not recognised, measured, presented and disclosed the true-up of transmission revenue / Revenue Deficit in the Year in which performance obligation is completed in respect of True-up income/Revenue Deficit amounting to INR 43671 Lakhs for FY 2018-19 and True-up income / Revenue Deficit approved for FY 2006-07 amounting to INR 7290 Lakhs in the Tariff order 2020 and the impact of true-up of transmission revenue for FY 2019-20 in accordance with IND AS 115 'REVENUE FROM CONTRACT WITH CUSTOMERS', IND AS 114 'REGULATORY DEFERRAL ACCOUNTS' and IND AS 1 'PRESENTATION OF FINANCIAL STATEMENTS' issued under the Companies (Indian Accounting Standards) Rules, 2015, Section 129 of the Companies Act, 2013 read with Schedule III (Division II) to the Companies Act, 2013 and subsequent amendments thereon and this leads to inconsistency over adoption of the recognition and measurement criteria for Deferred Regulatory Assets as referred to in IND AS 114 'REGULATORY DEFERRAL ACCOUNTS' for the different transaction of similar nature. Further, the Company has presented aforesaid true-up revenue amounting INR 43671 Lakhs and 7290 Lakhs as Contingent Assets which is not in accordance with IND AS 37 'PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS'. In this regard, we have not been able to obtain sufficient audit appropriate evidence in support of and comment upon the completeness, correctness, presentation, disclosure and non-accounting of revenue and their consequential effect on Regulatory Deferral Balances, Income tax, Deferred Tax, Non-Current Liabilities and Contingent Assets on Ind AS Financial Statements.
- iii) Note No. 1.6 Significant Accounting Policies, Statement of Changes in Equity, Note 2.5(b) and Note 33, the company has adjusted in the current year without properly assessing and quantifying, Prior Period income of INR 1264.96 Lakhs and expenditures of INR 16864.62 Lakhs against the opening retained earnings and not corrected errors retrospectively by restating the comparative amounts presented in which the error occurred or by restating the opening balance of assets, liabilities and other equity for the earliest period in accordance with Accounting policy of the company and IND AS 8 'ACCOUNTING POLICIES, CHANGES IN ACCOUNTING ESTIMATES AND ERROR' issued under the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereon and the consequential impact of the same is not ascertainable.
- iv) Note No. 1.11 Significant Accounting Policies and Note No. 31.1, adequate documentation were not made available with regard to identification and segregation of Fibre Optic in the PPE and charging depreciation at 5.28% instead of 6.33% in accordance with the CERC Notification L-1/144/2013/CERC dated 05-11-2015, CERC (Terms & Conditions of Tariff) Regulations, 2019 and IND AS 16 'PROPERTY, PLANT AND EQUIPMENT' issued under the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereon, the consequential effect on PPE, depreciation and profit could not be ascertained.

- v) Note No.1.11 (g) Significant Accounting Policies and Note 2A.1 (b) for the purpose of depreciation, the life of released assets when put to re-use have been considered as if they were new asset at written down value and depreciated accordingly, which is not in compliance with the IND AS 16, 'PROPERTY, PLANT AND EQUIPMENT' issued under the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereon wherein depreciation is to be provided over the residual life of the original asset. The consequential effect on PPE and depreciation thereon could not be ascertained.
- vi) Note No. 1.12(e) Significant Accounting Policies, Revenue Recognition of consultancy charges, charges towards land spared, inspection charges, testing charges, earth mat design charges and Mandap keeper charges on cash basis is not in compliance with Section 128 of The Companies Act, 2013 and IND AS 1 'PRESENTATION OF FINANCIAL STATEMENTS' and IND AS 115 'REVENUE FROM CONTRACTS WITH CUSTOMERS' issued under the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereon and the consequential impact on of the same on the Ind AS Financial Statements is not ascertainable;
- vii) Note No. 1.17 Significant Accounting Policies with regard to computation of Capitalization rate on Borrowings based on the weighted average method and non-adoption of Effective Interest rate method which is not in compliance/accordance with IND AS 23, 'BORROWING COST' issued under the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereon, the consequential effect on PPE, Capital work in progress and depreciation thereon, could not be ascertained.
- viii) Note No. 1.8 and Note No. 1.22(a) of Significant Accounting Policies, Note No. 17 and Statement of Profit and Loss, Company has not identified, presented and restated the items under Other Comprehensive Income as required under IND AS 1 'PRESENTATION OF FINANCIAL STATEMENTS' in the Statement of Profit and Loss and has also not provided related disclosures as required under IND AS 19 'EMPLOYEE BENEFITS' and IND AS 12 'INCOME TAXES' issued under the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereon, consequential impact, if any, is not ascertainable.
- ix) The Company has not prepared and presented the Cash Flow Statement as required under IND AS 1 'PRESENTATION OF FINANCIAL STATEMENTS' and IND AS 7 'STATEMENT OF CASH FLOWS' issued under the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereon with respect to non-segregation of acquisition and disposal of Property, Plant and Equipments and Capital Work in Progress, non-bifurcation of proceeds from borrowings and repayment of borrowings of Secured and Unsecured Loans and non-disclosure of Reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, consequential impact, if any, is not ascertainable.
- x) Note No. 1.19 Significant Accounting Policies and Note No. 37.5, the company has not provided any documentation as to the technical evaluation to test for any impairment of assets in compliance with IND AS 36 'IMPAIRMENT OF ASSETS' issued under the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereon and the consequential effect if any, on misstatement in respect of carrying cost of PPE and depreciation thereon could not be ascertained.
- xi) Note No. 2.1 and Note No. 2.2(a)(1) pending documentation and reconciliation of classification and valuation of Leasehold/Freehold land in the Ind AS Financial Statements is not in compliance with IND AS 16 'PROPERTY, PLANT AND EQUIPMENT' and IND AS 116 'LEASES' issued under the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereon and consequential effect on misstatement of the presentation and measurement of free hold, lease hold land and amortization could not be ascertained.

- xii) Note No. 2.2(a) the non-accounting of land acquired from Other than Government either at concessional rate or free of cost at the fair value in accordance with IND AS 115 'REVENUE FROM CONTRACTS WITH CUSTOMERS' and IND AS 16 'PROPERTY, PLANT AND EQUIPMENT' issued under the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereon and the consequential effect of misstatement in the Ind AS Financial Statements with regard to PPE, amortization, Grants, Consumer Contribution and Other Income is not ascertainable.
- xiii) Note 2.4(c) and Note No. 3.6, the Company estimated that an amount of INR 2709.98 Lakhs was incurred as expenditure as on reporting date under the Niranthara Jyothi Yojana (NJY) which at present is accounted under PPE and CWIP but is recoverable from the ESCOMs after due ascertainment. As the Company has not provided sufficient information, we are unable to ascertain the correctness or completeness of the same and the consequential impact on Ind AS Financial Statements.
- xiv) Note No.2.4(e), Note No. 3.1, Note No. 26.(1)(i) and Note No. 26.4, with respect to on-going and completed Self Execution Works (SEW's), the Company does not have sufficient information with regard to such works, we are unable to ascertain either correctness or completeness of the same including non-capitalization at fair value, amortization of the same over the useful life instead of the agreement period wherever applicable, absence of adequate method for computation of recovering infrastructure charges, inconsistency in recognizing of one-time non-refundable deposit towards land spared in accordance with IND AS 115 'REVENUE FROM CONTRACTS WITH CUSTOMERS' and IND AS 16 'PROPERTY, PLANT AND EQUIPMENT' issued under the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereon and the consequential impact of the same on PPE, Liabilities, Receivables and Revenue is not ascertainable. Further, based on our audit to the extent identified, the Company could not ensure the capitalization of SEW's and the consequential impact of the same on PPE, Liabilities, Receivables and Revenue is not ascertainable.
- xv) Note No. 2.5(a) pending reconciliation of Property Plant and Equipment Register, the Company has adopted adhoc values of the components that are released for inter unit transfers, decommissioning and sale of assets as it is unable to identify the carrying value of such components (Gross cost less accumulated depreciation) in accordance with IND AS 2 'INVENTORIES' and IND AS 16 PROPERTY, PLANT AND EQUIPMENT issued under the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereon and the consequential effect of misstatement in the Ind AS Financial Statements with regard to PPE, assets held for sale, depreciation and profit/ loss on sale of asset is not ascertainable.
- xvi) Note No. 2.1, Note No. 2.2, Note 2.5(c) and Note No. 3 regarding accounting of capital work in progress, capitalization, ownership, documentation, physical controls, non-provision of incentives and non-ascertaining/non provision of quantity variation/price variation to/from contractors, capitalization and apportionment of establishment charges, employee costs, administrative charges and other general overheads, borrowing costs, allocation of expenses incurred on Supervisory charges recovered on Self Execution Works, capitalization of present value of the estimated cost of decommissioning during the initial recognition and actual date of capitalization, identification of Capital Spares, presentation of movement/reconciliation of capital work in progress at the beginning and end of the reporting period which is not in compliance with IND AS 16 'PROPERTY, PLANT & EQUIPMENT' issued under the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereon on Accounting and presentation of Capital Work in Progress and PPE, the consequential impact of which, on CWIP, PPE and depreciation is not ascertainable;

- xvii) Note No. 3.1, Note No. 18.6 and Note No. 22 (Sl. No. (I)4) in respect of on-going and completed Deposit Contribution Works (DCW's), as the Company does not have sufficient information with regard to the status of such works, we are unable to ascertain either correctness or completeness of the same including non-capitalization at fair value, amortization of the same over the useful life instead of the agreement period wherever applicable and the consequential impact of the same on PPE, Current/ Non-Current Liabilities, Receivables and Revenue is not ascertainable.
- xviii) Note No. 3.4, Note No. 3.5, Note No. 18.4, Note No. 18.6, Note No. 18.7 and Note No. 22.1 in respect of non-ascertaining of overall expenditure incurred towards work for the renovation and upgradation of the protection system of various 220KV and 400KV Substation undertaken from contribution from PSDF amounting to INR 5437.60 Lakhs and the Development of Intra State Transmission System under Green Energy Corridor Project through Grants from NCEF amounting to INR 17119.10 Lakhs, the company has not provided sufficient information in this regard. Further, Company has not provided the break-up for the balances under 'Contribution towards cost of capital assets' and 'Special Grant towards Capital Works' duly reconciling the same with Books. Accordingly, we are unable to ascertain the consequential impact on PPE, CWIP, Revenue recognized on Assets created out of Consumer contribution/Government Grants, repairs and maintenance, depreciation, and profit for the year.
- xix) Note No. 3.7, accounting of compensations towards tower, corridor, plantation, crop, tree cut, etc on cash basis is not in compliance with Section 128 of The Companies Act, 2013 and IND AS 1 'PRESENTATION OF FINANCIAL STATEMENTS' issued under the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereon and the consequential impact on Property, Plant and Equipment, Capital work in progress, depreciation and liabilities are not ascertainable;
- xx) Note No. 7.2 with regard to rebate of INR 9317.54 Lakhs claimed by BESCO from Jan 2014 to Mar 2019 and INR 637.94 Lakhs claimed by MESCOM from July 2015 to June 2017 towards timely payment in accordance with the Transmission Agreement entered into with the ESCOM's read with KERC Tariff Regulations, 2006, pending outcome of the dispute in the Hon'ble KERC vide Petition OP No. 55/2019 dated 26.08.2019, the consequential effect on Revenue and Trade Receivables are not ascertainable.
- xxi) Note No's. 16, 15A.1 and 23, with regard to the information, assumptions and disclosures considered for Actuarial valuation of Provision for Leave Encashment, Half Pay Leave salary, Family Benefit Fund are not appropriate and it is not in compliance with IND AS 19 'EMPLOYEE BENEFITS' issued under the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereon, further the consequent impact of the same in the Ind AS Financial Statements is not ascertainable.
- xxii) Note No. 18.3 Adjustment pending re-notification by GoK, INR 4239.10 Lakhs shown in the accounts under 'Other Non-Current-Financial Liabilities' which represents adjustments made after notification of final opening balance sheet as on 01.06.2002. As per GoK letter dated 14.06.2012, Government has directed the Company to reconcile the above balance with ESCOMS and to send the revised proposal for approval. As on 31.03.2020 the reconciliation of the above accounts is under progress, pending which the effect on the net worth could not be ascertained.
- xxiii) Note No. 20, we are unable to ascertain either the correctness of liability or additional liability, if any, required in respect of Sundry Creditors for purchase of power INR 1573.41 Lakhs(excluding outstanding interest of INR 36853.20 Lakhs payable to Karnataka Power

Corporation Limited) stated to be the balance amount payable relating to purchase of power made up to 09.06.2005.

- xxiv) Note No. 18(SI. No. 3), Note No. 18.1, Note No. 22(1)(3), Note No. 26.1 (ii) and Note 26.3 with regard to inadequate policy on penalty towards Short Closed Works and inadequate information in respect of condonation applications received from the contractors on penalty recoveries, as the Company has not provided sufficient information, we are unable to ascertain the correctness or completeness of INR 10291.08 Lakhs under Other Non-Current Financial Liabilities, INR 10712.83 Lakhs under Other Current Liabilities and INR 1407.31 Lakhs under Other Income-Miscellaneous Recoveries, the consequential impact on Ind AS Financial Statements is not ascertainable.
- xxv) Note No. 22.2 'Other Current Liabilities' regarding net credit/ debit balances of INR 1572.94 Lakhs under Inter Unit Account – Materials and INR 2127.51 Lakhs under Inter Unit Account – Released assets & Note No. 12.1 'Other Current Assets' regarding debit balances of INR 32.78 Lakhs under Inter Unit Account – Personnel & of INR 19.06 Lakhs which represents un reconciled / un responded entries in Inter Unit Accounts and which also includes several old transactions. The consequential effect of the same on the Ind AS Financial Statements is not ascertainable in the absence of information.
- xxvi) Note No. 21.5 with regard to outcome of pending reconciliation of the balance shown in State Load Dispatch Centre (SLDC) towards Unscheduled Interface (UI)/ Deviation Settlement Mechanism (DSM) credit balance of INR 438.01 Lakhs and the balance in bank showing a debit balance of UI/DSM charges of INR 452.23 Lakhs, we are unable to ascertain the consequential impact on the Ind AS Financial Statements, if any.
- xxvii) Note No. 26 Other Income-Miscellaneous Recoveries (Sl. No. 16) and Note 26.2, Miscellaneous Recoveries include INR 1023.18 Lakhs in respect of O & M Charges on IPP's Infrastructures to the extent identified, as the Company has not provided sufficient information with regard to the completeness/Capital Cost/Cost of improvement of Infrastructure of IPP's for which O & M charges are to be recovered, we are unable to ascertain either the correctness or completeness of the same and the consequential impact of the same on the Revenue and Receivables are not ascertainable;
- xxviii) Note No. 26.1 (iv), with regard to non-reconciliation of income as per Ind AS Financial Statements with FORM 26AS, where in, the income pertaining to TDS receivable of INR 77.65 Lakhs for FY 2019-20 have not been reconciled and accounted as income, consequential impact of the same on Revenue, Advance from customers and Trade Receivables are not ascertainable.

Further Note No. 4A (SI. No. 4) and Note No. 5 (SI. No. 3) in respect of Income Tax Refund receivable, Advance Income tax, TDS Receivable and Provision for taxation have not been reconciled with the Income Tax Returns and IT Assessment Orders and Refund Received/ Adjusted and the consequential impact on Income Tax Recoverable, Deferred Tax, Advance Tax, TDS Receivable and Provision for taxation is not ascertainable.

- xxix) Note No. 37.8(ii) with regard to non-accounting of INR 2906.13 Lakhs for Incentive Receivable for the Financial Year 2019-20 for the efficiency of Transmission System Availability and Transmission Loss Reduction, pending approval from KERC is not in accordance with the IND AS 115 'REVENUE FROM CONTRACTS WITH CUSTOMERS' issued under the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereon and leads to understatement of Revenue, Trade Receivables, Provision for Tax and Reserves and Surplus.



- xxx) Note No. 37.3 and 37.9 (b), on the accounts regarding Trade Receivables from ESCOM's aggregating to INR 105431.34 Lakhs (Note No. 7 – Trade Receivables – Current – Financial Assets – SI. No. 1 - 1), Other Receivables from ESCOM's aggregating to INR 18261.74 Lakhs (Note No. 11-Other Current Financial Assets - SI. 4 to 8) and Payables to ESCOM's aggregating to INR 22124.54 Lakhs (Note No. 21(I) – Other Current Financial Liabilities – SI. No. 8 to 12). These balances are subject to confirmation and pending reconciliation, the consequential impact on the Ind AS Financial Statements is not ascertainable.
- xxxii) With regard to non-charging of Late Payment Surcharge @ 1.25% for ESCOM's for delayed payments beyond the stipulated period which is not in accordance with the Transmission Agreement entered into with the ESCOM's read with KERC Tariff Regulations, 2006, we are unable to ascertain the amount, as necessary information with regard to payments received beyond the stipulated period was not made available and no disclosure has been disclosed in the Ind AS Financial Statements and the consequential effect on the Revenue and Trade Receivables, if any, is not ascertainable.
- xxxiii) Note No. 1.9(j) of Significant Accounting Policies and Note No. 3.9 in respect of encashment of the Bank Guarantees (B.G) provided by the Contractors amounting INR 4364.74 Lakhs, the company has not assessed the facts and circumstances (project wise) and has not adjusted the same either as revenue nor as an adjustment to respective PPE/CWIP during the year in accordance with the accounting policy and the consequential effect, if any, on misstatement in respect of carrying cost of PPE, CWIP, depreciation and tax thereon could not be ascertained.
- xxxiiii) Company has received a claim of INR 26895 Lakhs from the Liquidator of Deepak Cables (India) Limited for which counter claim of INR 28292.81 Lakhs (Net Receivable after netting off INR 867.73 Lakhs) has been submitted by the company. The Company has not disclosed the same in accordance with IND AS 37 'PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS' and consequential impact, if any on CWIP, Liabilities, Contingent Liabilities, Contingent Assets and Receivables is not ascertainable.
- xxxv) Note No. 25.3, the Company has reversed INR 3185.48 Lakhs being yearly transmission charges for Non ISTS lines for the period from April 2017 to March 2019 and non-accounting of INR 2341.45 Lakhs pertaining to 2019-20 pending approval of transmission charges from KERC which is not in accordance with IND AS 114 'REGULATORY DEFERRAL ACCOUNTS' issued under the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereon and consequential impact on Revenue, Profits, balance in Deferral Regulatory Accounts and Reserves.
- xxxvi) Note 2.4 (j) Company has identified INR 907.87 Lakhs incurred as expenditure under the IPDS scheme and INR 128.47 Lakhs under the DDUGJY scheme of which INR 400 Lakhs has been recovered from BESCOM under Deposit Contribution Work. In this regard, we have not been able to obtain sufficient audit appropriate evidence in support of and comment upon the completeness, correctness and adequacy/inadequacy of the same and their consequential effect on the carrying values of subjected accounts and impact on Ind AS Financial Statements.

For the matters described above, we are unable to obtain sufficient appropriate audit evidence to form an opinion on the Ind AS Financial Statements due to the potential interaction of the multiple misstatements and undetected misstatements, if any contained therein and their possible cumulative effect on the Ind AS Financial Statements, which could be both material and pervasive, accordingly forms a basis for the disclaimer of opinion.

EMPHASIS OF MATTER

We draw attention to the following Notes to the Ind AS Financial Statements:

- a. *Note 1.15(b)(III) Company has treated Pension and Gratuity as Defined Contribution Scheme instead of Defined Benefit Obligation scheme with respect to employees joined service upto 31.03.2006 which is not in accordance with the IND AS 19 'Employee Benefits' issued under the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereon.*
- b. *Note No. 4.3 pending outcome of the review petition filed with the Commissioner, Company has shown receivable of amounts paid to PGCIL under protest amounting to INR 3399.70 Lakhs for the period from April 2018 to March 2020 as per the CERC Order dated 08.11.2019 (Petition No. 361/TT/2018).*
- c. *Note No. 15A(II)(1), Note No. 15A(II)(3), Note No. 21(I)(5), Note No. 21(I)(6) and 26.1(iii) with regard to inadequate policy for treatment of non-transferring to Revenue, the unclaimed credit balance under Retention money INR 90316.13 Lakhs and Security deposit amounting to INR 2543.26 Lakhs which are outstanding for more than three years, pending intimation to contractor or awaiting response from the contractor.*
- d. *Note No. 18(3), Note No. 18.1, Note No. 22(I)(3), Note No. 26.1 (ii) and Note No. 26.7, with regard to pending decision of the company on adoption of GoK letter dated 20.06.2020, to refund the penalties recovered/withheld from the bills of Mysore Electrical Industries (MEI) Limited to the tune of INR 866.63 Lakhs already written back to income in earlier years and balance lying under liabilities to the tune of INR 553.90 Lakhs.*
- e. *Note No. 18.8 pending extension of time limit towards non-implementation of OPGW based reliable communication at 132kV and above stations within one year as per sanction terms, Company has not refunded the grant received on 02.04.2019 from NLDC (PSDF) amounting to INR 1267.90 Lakhs.*
- f. *Note No. 21.1 regarding pending transfer of INR 113.99 Lakhs to proposed Employee Welfare Trust for non-completion of formalities and modalities.*
- g. *Note No. 21.3, regarding Ex-gratia paid since FY 2014-15 is subject to post facto approval / ratification of Government of Karnataka.*
- h. *Note No. 21.4 regarding disclosure of information pertaining to vendors under Micro, Small and Medium Enterprises Development Act, 2006.*
- i. *Note No. 23(II)(2), Note No. 27 (II)(5) and Note No. 27.6, Company has provided for Gratuity in case of employees covered under New Defined Contributory Pension Scheme (NDCPS) in Financial Year 2019-20 on an provisional basis through LIC of India as per The Payment of Gratuity Act, 1972 instead of DCRG (Death cum Retirement Gratuity) Scheme for the period from 01.04.2006 to 31.03.2020 and pending adoption of GoK Order No : AE 34 PEN 2018, Bangalore dated 23.06.2018 gratuity has not been provided/paid to employees who have deceased/retired post 01.04.2018 till 31.03.2020 the details of which was not made available, which is not in accordance with IND AS 37 'PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS' issued under the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereon and consequential impact of which is not ascertainable.*
- j. *Note No. 25.2, the Company has reversed INR 15137.98 Lakhs being transmission charges for ISTS lines from financial year 2014 to 2019 in Financial Year 2018-19 based on the CERC orders,*



pending the outcome before the Appellate Tribunal for Electricity and the consequential impact on the Ind AS Financial Statements.

- k. Note No. 29.4, Note No. 37.6 and Note No. 37.10, Company has not spent INR 79.26 Lakhs with respect to Corporate Social Responsibility (CSR) as on 31-Mar-2020 and has not obtained the complete utilization certificates for the amounts spent/contributed to CSR Activities. The CSR Committee on 31-Mar-2020 had approved INR 2500 Lakhs to Chief Minister Relief Fund COVID 19 which has been diverted to Karnataka State Disaster Management Authority in Financial Year 2020-21 without the approval of CSR committee and the acknowledgement receipt from Karnataka State Disaster Management Authority has not been made available for our verification: The consequent impact on Ind AS Financial Statements due to said contravention of Section 135 of the Companies Act, 2013 is not ascertainable.*
- l. Note No. 31.2 in respect of Depreciation rates the Company has not reviewed and adopted the useful life based on the CERC Tariff Regulations, 2019.*
- m. Note No. 37.9, wherein balance confirmations have been obtained only in respect of Borrowings from Banks, Financial Institutions and Bank balances. Consequently, the balances in respect of Bank Guarantee given and Letter of Credit issued, receivables/payables/ loans/ advances / other liabilities/ Goods sent on Repairs, Loan given by the company, etc., as disclosed in the accounts are subject to confirmation.*
- n. Note No. 37.38(a), the figures appearing in the Ind AS Financial Statements of the company has not been rounded off to the nearest, lakhs, millions or crores, or decimals as required by the Schedule III of the Companies Act 2013 issued for Ind AS Financial Statements.*

MANAGEMENT'S RESPONSIBILITY FOR IND AS FINANCIAL STATEMENTS

The Board of Directors of the company is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS 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 accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 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 Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS 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.

The Board of Director's are also responsible for overseeing the company's financial reporting process.

AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF IND AS FINANCIAL STATEMENTS

Our responsibility is to conduct an audit of the Company's Ind AS Financial Statements in accordance with Standards on Auditing and to issue an auditor's report. However, because of the matters described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on Ind AS Financial Statements.

We are independent of the Company in accordance with the ethical requirements in accordance with the requirements of the Code of Ethics issued by ICAI and the ethical requirements as prescribed under the laws and regulations applicable to the Company.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by Section 143(1), we report that, we have not been able to comment whether the loan to Bangalore Development Authority (BDA) referred in Note No. 4.4 to the Ind AS Financial Statement have been properly secured and hence this loan may have been granted in a manner that is prejudicial to the interest of the Company or its Members pending mortgage creation as well as non-monitoring of disbursement of loan based on the progress of the project.
2. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143 (11) of the Act, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order which is subject to the possible effects of the matters described in the Basis for Disclaimer Opinion section of our Independent Auditor's Report and the material weakness described in the Basis for Adverse Opinion section in our separate Report on the Internal Financial Controls over Financial Reporting with reference to Ind AS Financial Statements.
3. As required by Section 143(3) of the Act, we report that:
 - a) As described in the Basis for Disclaimer of Opinion section above, we have sought but were not able to obtain all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) 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, except to the extent stated in the Basis for Disclaimer of Opinion section above.
 - c) Read with the matters stated in the Basis for Disclaimer of Opinion section of our Report, the Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) Due to the possible effects of the matter described in the Basis for Disclaimer of Opinion section above, we are unable to state whether the aforesaid Ind AS Financial Statements comply with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
 - e) Due to the possible effect of the matters described in the Basis for Disclaimer of Opinion section above, we are unable to state whether they have any adverse affect on the functioning of the Company.



- f) as per GSR- 463 (E) dated 5th June 2015, issued by the Ministry of Corporate Affairs, the provisions of Section 164(2) of the Companies Act, 2013 regarding disqualification of director(s) is not applicable to the company, since the Company is a Government Company;
- g) The reservation/modification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Disclaimer of Opinion section, read with paragraph 3(b) above.
- h) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “**Annexure B**”. Our report expresses adverse opinion on the Company’s internal financial controls over financial reporting for the reasons stated therein.
- i) Except for the possible effects of the matters described in the Basis for Disclaimer of Opinion section above, with respect to the other matters to be included in the Independent 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 has disclosed the estimated impact, of pending litigations on its the financial position as detailed in Note No. 37.7& 37.8 to the Ind AS Financial Statements;
 - ii) the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii) there are no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- j) As required by Section 143(5) of the Act, we have considered the directions issued by the Comptroller and Auditor-General of India, the action taken thereon and its impact on the accounts and Ind AS Financial Statements of the company is given in “**Annexure C**”.

For B. P. Rao & Co
Chartered Accountants
Firm Reg No. 003116S

Place: Bengaluru
Date: 22.03.2021
UDIN: 212024559AAAADR9595

Sd/-
B Satish Rao
Partner
Membership No. 024559

“ANNEXURE A” TO THE INDEPENDENT AUDITOR’S REPORT

As referred to in Paragraph 2 of the section on ‘Report on Other Legal and Regulatory Requirements’ of our report at even date to the Members of the Karnataka Power Transmission Corporation Limited on the Ind AS Financial Statement for the year ended 31st March, 2020 and to be read subject to the possible effects of the matters described in the Basis for Disclaimer of Opinion section above and the material weakness described in the Basis of Adverse Opinion in our separate report on the internal controls over financial reporting, we report that:

i) FIXED ASSETS (PRESENTLY REFERRED AS PROPERTY, PLANT AND EQUIPMENT)

- a) As per the information and explanations provided to us the company has not maintained adequate records showing particulars, including quantitative details and location of Property, Plant and Equipment. Further, the company has not maintained adequate records with respect to:
- Lands to classify the same as Free-hold or Lease-hold Land in the Books of Account.
 - Assets (including Land) acquired at concessional rate / Free of cost from Government / Customers / Private Parties.
- b)
- According to the information and explanations given to us, the assets/installations put to use in power transmission functions are considered as physically available so long as the functions are continued to be discharged and are not subject to periodical physical verification as assets like lines run through forest area and are spread over the State.
 - The Company has a system of physical verification of tools, equipment and furniture (T&P counting) every year, However PPE register were not maintained with the adequate quantitative information and the same are not reconciled with the physical verification reports. Accordingly, we are unable to comment on the discrepancies on such verification, if any.
 - Land records at Divisions / Units need to be reconciled with documents held at Corporate Office.
- iv) In our opinion, the Company should evolve suitable system of periodic physical verification covering all types of PPE, capital work in progress (including material procured under turnkey contracts) and assets not in use.
- c) According to the information and explanations given to us, the company does not hold complete title deeds in respect 481 properties. Further, In respect of 263.62 acres of land acquired for INR 5158.30 Lakhs from KIADB through Sale cum Lease Agreements, the company is the process of replacing the existing terms of 99 years lease to a Lease cum Sale period fixed for minimum of two years in relation to the amendments made by GOK vide “Order No.CI 15 SPQ 2017 dated 09/03/2017”. Out of 263.62 acres of land, the Company is yet to receive possession for 9.62 acres from KIADB.

ii) INVENTORIES

- a) According to the information and explanation provided to us, the inventories were physically verified during the year by the management at reasonable intervals in respect of stores, spares, tools, plants and released assets.



- b) According to the information and explanation provided to us, discrepancies on physical verification of stock as compared to book records were properly dealt with in the books of accounts by making necessary provision for shortage and obsolescence.

iii) LOANS AND ADVANCES

In our opinion and according to the information and explanations given to us, the company has not granted loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered under Section 189 of the Companies Act, 2013. Hence our reporting on the matters referred to in Clause 3(iii) of the Companies (Auditor's Report) Order, 2016 does not arise.

iv) LOANS, INVESTMENTS AND GUARANTEES

In our opinion and according to the information and explanations given to us, the company has not given any loan to directors, etc., covered under Section 185 of the Companies Act, 2013 or made any loans, investments, guarantees and security covered under Section 186 of the Companies Act, 2013 except in case of Loan sanctioned to Bangalore Development Authority u/s 186(9) amounting to INR 11211 Lakhs of which INR 8757.38 Lakhs has been disbursed during the year. As the Company has obtained prior permission from GoK vide letter dated 14.10.2019, reporting on the matters referred to in Clause 3(iv) of the Companies (Auditor's Report) Order, 2016 does not arise as per MCA Notification F.No. 12/2014-CL.V (G.S.R. 463(E)) dated 05.06.2015.

v) DEPOSITS

According to the information and explanation given to us, the company has not accepted any deposits from the public covered under Sections 73 to 76 of the Companies Act, 2013 and rules framed there under, except in case of Network Augmentation charges collected post 30-11-2012 amounting to INR 1255.90 Lakhs which is against the directions of KERC and not refunded within the prescribed period as per Act/Rules and Supervision Charges collected at the rate of 10% instead of 5% which is against GoK Notification No. EN21 VSC 2014 dated 22.05.2014 and pending to be repaid amounting to INR 538.61 Lakhs.

vi) COST RECORDS

The maintenance of cost records in respect of electricity transmission of power has been prescribed by the Central Government under Section 148(1) of the Companies Act, 2013. As per the information and explanation provided to us, the company does not keep separate set of registers and books for cost records. The cost statements are prepared based on the financial accounting books and records.

vii) STATUTORY DUES

- a) According to the information and explanation provided to us, the company is generally regular in depositing the undisputed applicable statutory dues with appropriate authorities, including Provident Fund, Employees' State Insurance, Income tax, Sales tax, VAT, Service Tax, Cess, Royalty and other statutory dues. According to the information and explanations given to us, there are no undisputed statutory dues outstanding for a period exceeding six months from the date they became payable as at Balance Sheet date.

b) According to the information and explanations given to us, there are no dues of Income tax, GST, VAT, Service Tax, Customs duty and Excise duty which have not been deposited on account of any dispute, except for the following as detailed below:

Name of the Statute	Nature of Dues	Amount in INR	Period	Forum where the Dispute is pending
Service Tax	Service Tax (VSAT Charges)	1,68,568/-	2011-12	CESTAT
Service Tax	Service Tax (Renting Of Immovable Property)	1,02,03,581/-	2007-08 to 2009-10	CESTAT
		16,28,588/-	April 2010 to March 2011	
		37,70,652/-	April 2011 to March 2012	
		12,30,928/-	01.04.2012 to 30.06.2012	Commissioner (Appeals)
		17,86,173/-	July 2012 to September 2013	Commissioner (Appeals)
Service Tax	Service Tax (To & Fro charges in connection with Technical Inspection & Certification Services)	3,62,972/-	April 2010 to September 2010	CESTAT
		1,94,104/-	April 2011 to September 2011	
		3,75,086/-	October 2011 to March 2012	
Service Tax	Service Tax (Deposits, retention money and penalty recovered pending decision for refund transferred to income after 3 years)	14,86,38,823/-	01.07.2012 to 30.03.2015	Honorable High Court of Karnataka
		22,42,464/-	April 2015 to March 2016	Honorable High Court of Karnataka
Service Tax	Service Tax (Supervision charges)	1,96,62,528/-	July 2012 to August 2014	CESTAT
Service Tax	Service Tax (Guarantee Commission paid to GOK)	72,344/-	April 2012 to March 2013 & July 2012 to March 2013	CESTAT
Central Goods and Services Tax Act, 2017	Interest on Late payment	6,78,448/-	Aug 17 to Dec 2019	Commissioner (North)



Income Tax Act, 1961	Adjustment of Dues from the Refund	86,26,972/-	Assessment Year 2009-10	Assistant Commissioner of Income Tax (ACIT)
		73,03,387/-	Assessment Year 2009-10 (FBT)	
		33,013/-	Assessment Year 2012-13	
		80,73,980	Assessment Year 2015-16	
Income Tax Act, 1961	Income Tax Due Demanded on capital gains	2,92,99,051/-	Assessment Year 2012-13	Commissioner of Income Tax, Appeals (CIT(A))
	Adjustment of Dues from the Refund	65,60,637/-	Assessment Year 2014-15	Joint Commissioner of Income Tax (JCIT)
	Income Tax Due Demanded on disallowances (Rs. 12,04,420 has been paid as pre-deposit in FY 2019-20)	60,22,111/-	Assessment Year 2017-18	Commissioner of Income Tax, Appeals (CIT(A))

- viii) In our opinion, and according to the information and explanations given to us, the company has not defaulted in repayment of loans or borrowings to banks, financial institutions and Government. According to the information and explanation given to us the company has not raised any money by way of issue of debentures.
- ix) In our opinion and according to the information and explanations given to us, the company has not raised money by way of initial public offer or further public offer including debt instruments. As regards the specific term loans from banks, we are of the opinion that the same has also been utilized towards other than specific capital works for which the loan was obtained and with the information available the impact of the same could not be ascertained. As regards the short term loans from banks borrowed for working capital purposes, we are unable to comment as to whether the monies raised from such loans have been utilized for the purposes for which they were obtained.
- x) To the best of our knowledge and according to the information and explanations given to us, no fraud on or by the Company has been noticed/reported during the course of our audit nor we have been informed of any such cases by the management. However, in respect of departmental enquiry initiated against certain employees relating to alleged serious irregularities, we are informed that the nature can be determined only on completion of enquiry.
- xi) The Company, being a Government Company is exempted from the provisions of Section 197 of the Companies Act, 2013 relating to managerial remuneration in terms of MCA Notification No.GSR 463 (E) dated 05th June 2015. Hence our reporting on the matters referred to in Clause 3 (xi) of the Companies (Auditor's Report) Order, 2016 does not arise.
- xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Hence our reporting on the matters referred to in Clause 3 (xii) of the Companies (Auditor's Report) Order, 2016 does not arise.

- xiii) The Company, being a Government Company is exempted from the provisions of Section 177 and Section 188 of the Companies Act, 2013 relating to transactions with related parties in terms of MCA Notification No. GSR 463 (E) dated 05th June 2015. Hence our reporting on the matters referred to in Clause 3 (xiii) of the Companies (Auditor's Report) Order, 2016 does not arise.
- xiv) According to the information and explanations given to us and based on our examination of the records, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year, thus paragraph 3(xiv) of the order is not applicable.
- xv) In our opinion and according to the information and explanations given to us, during the year, the company has not entered into any non-cash transactions with its directors or persons connected with him. Hence our reporting on the matters referred to in Clause 3(xv) of the Companies (Auditor's Report) Order, 2016 on compliance with the provisions of Section 192 of the Companies Act, 2013 does not arise.
- xvi) In our Opinion and according to the information and explanation provided to us, the Company is not a 'Non-Banking Financial Company' and hence, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For B. P. Rao & Co
Chartered Accountants
Firm Reg No. 003116S

Place: Bengaluru
Date: 22.03.2021
UDIN: 212024559AAAADR9595

Sd/-
B Satish Rao
Partner
Membership No. 024559



“ANNEXURE B” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in Paragraph 3(h) of the section on ‘Report on Other Legal and Regulatory Requirements’ of our report at 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 over financial reporting of Karnataka Power Transmission Corporation Limited (“the Company”) as of March 31, 2020 in conjunction with our audit of the Ind AS 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 based on the Internal Control over Financial Reporting with reference to Ind AS 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 (the “Guidance Note”) issued by the Institute of Chartered Accountants of India (ICAI). 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 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.

AUDITORS’ RESPONSIBILITY

Our responsibility is to express an opinion on the Company’s Internal Financial Controls over Financial Reporting with reference to Ind AS Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of Internal Financial Controls with reference to Ind AS Financial Statements, and the Guidance Note issued by the ICAI. 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 over financial reporting with reference to Ind AS 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 system over financial reporting with reference to Ind AS Financial Statements and their operating effectiveness. Our audit of Internal Financial Controls over financial reporting with reference to Ind AS Financial Statements included obtaining an understanding of Internal Financial Controls over Financial Reporting with reference to Ind AS 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 judgment, including the assessment of the risks of material misstatement of the Ind AS 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 adverse audit opinion on the Company’s Internal Financial Controls over Financial Reporting with reference to the Ind AS Financial Statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO IND AS FINANCIAL STATEMENTS

A company's Internal Financial Controls over Financial Reporting with reference to Ind AS Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's Internal Financial Controls over Financial Reporting with reference to Ind AS 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 Ind AS Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations' of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS Financial Statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO IND AS FINANCIAL STATEMENTS

Because of the inherent limitations of Internal Financial Controls over Financial Reporting with reference to Ind AS 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 over Financial Reporting with reference to Ind AS Financial Statements to future periods are subject to the risk that the Internal Financial Controls over Financial Reporting with reference to Ind AS Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

BASIS FOR ADVERSE OPINION

In our opinion and according to the information and explanations given to us and based on our audit, the following material weaknesses have been identified in the adequacy and operative effectiveness of the Company's internal financial controls over financial reporting as at March 31, 2020:

A) PENSION AND GRATUITY

The Company does not have an effective procedure and internal financial control in respect of obtaining on a timely basis the Standalone Actuarial Valuation Report and to ensure the correctness of the contributions made, net defined benefit obligation accounted and the payments made thereof with respect to the Defined Benefit Obligation of Pension and Gratuity for employees joined service upto 31.03.2006. Further, the Company does not have adequate controls to check whether the contributions made by the Company include the deficit of the GoK portion of liability.

B) PROPERTY PLANT AND EQUIPMENT (PPE)

- i) The Company does not have effective procedure and internal financial control in respect of:
 - a) Updating of Property, Plant and Equipment Registers with relevant information for each individual asset on timely basis.
 - b) Identification of the Property, Plant and Equipment which are impaired as on the reporting date.



- c) Physical verification of Property, Plant and Equipment other than movable assets as there is no regular programme.
- d) Reconciliation of Physical verification report of movable assets with the Property, Plant and Equipment Register.
- e) To estimate the decommissioning charges to recognize as part of cost of Property, Plant and Equipment during capitalization.
The above deficiencies may lead to material misstatement of Property, Plant and Equipment and consequential impact on the Depreciation and Maintenance cost in the Ind AS Financial Statement of the company.
- ii) The Company's internal control system with regard to identification of nature of land, documentation, valuation of land and amortization of lease land is not operating effectively, which leads to material misstatement of Leasehold / Freehold land and its amortization in the Ind AS Financial Statements.
- iii) The Company's internal control system with regard to accounting of the land acquired at concessional rate/ free of cost is not operating effectively, which may lead to misstatement in the Ind AS Financial Statements with regard to PPE, amortization, Grants, and Other Income.
- iv) The Company's adequate procedure and internal control system were not operating effectively to ensure:
- a) The completeness with regard to the costs of asset as on the date of commissioning of PPE.
- b) The Maintenance of the adequate cost register (C Register) as intended to be maintained as per Company's policy.
This could potentially result in material misstatement in respect of understatement/ overstatement of PPE capitalized, depreciation thereon and liability towards contractors as on the reporting date in the Ind AS Financial Statements.
- v) The Company does not have adequate procedure and internal financial control to ensure computation of Capitalization rate based on the weighted average method and calculation of interest expense using the effective interest method in accordance with IND AS 23 'BORROWING COST' issued under the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereon. This could potentially result in material misstatement of capital work-in progress, PPE, depreciation and finance cost in the Ind AS Financial Statements.
- vi) The Company's procedure and internal control over financial reporting with regard to allocation and apportionment of Establishment expenses and Borrowing cost over the PPE were operating inconsistently over various divisions, which could potentially result in material misstatement of capital work-in progress, PPE and depreciation in the Ind AS Financial Statements.
- vii) The Company does not have adequate policy and procedure to issue a commissioning certificate on timely manner. This could potentially result in material misstatement in early/ delayed capitalization of PPE, allocation of Expenditure during Construction (EDC) including Borrowing cost and depreciation in the Ind AS Financial Statements.
- viii) Due to lack of effective procedure and internal financial control to ensure providing appropriate depreciation for the released assets and appropriate valuation of assets transferred to other

division, which could potentially result in material misstatement in carrying cost of PPE and depreciation in the Ind AS Financial Statements.

- ix) The Company does not have adequate policy to technically evaluate the employee cost attributable to supervision charges in respect of Major Works Division. This could potentially result in material misstatement in respect of Employee Cost allocated to PPE, depreciation thereon and overstatement of employee cost in the Ind AS Financial Statements.
- x) The Company does not have adequate procedure to identify the let-out property, plant and equipment as an "Investment Property". This could potentially result in material misstatement in respect of presentation of PPE and Investment Property in the Ind AS Financial Statements.
- xi) The Company does not have adequate procedures and internal controls to revise the Cost benefit analysis, IRR and Payback Period to consider the changes taken place after preparation of the DPR due to change in design, price variation and quantity variations. This may have impact on the actual Cost-benefit, IRR and Payback period.
- xii) The Company does not have internal control to restrict the allocation of interest during the construction period over the cost of PPE during extended periods in which it suspends active development of a qualifying asset. This may have impact on PPE, depreciation thereon and Interest expenses.

C) SELF-EXECUTION WORKS (SEW'S) OR DEPOSIT CONTRIBUTION WORKS (DCW'S)

- xii) The Company does not have internal financial control to ensure that the register is being maintained for each of the Self-Execution works (SEW's) and Deposit Contribution Works (DCW's) with the relevant information and taking of Joint inventory on timely basis. This could potentially result in material misstatement in timely capitalization of PPE, depreciation, Customer Contribution, Expenses and Revenue recognition.
- xiv) The Company does not have adequate procedures and internal controls to ensure the signing of connection agreement at time of interconnection as required by Karnataka Electricity Grid Code, 2015 and issue of appropriate interconnection approval to applicant connecting to the Grid and valuation of infrastructure handed over to the company at fair value and timely basis, which may result in material misstatement in timely capitalization of Self Execution works / Deposit Contribution Works as PPE, amortization, consumer Contribution, revenue recognition and collection of Operation and maintenance charges in the Ind AS Financial Statements.
- xv) The Company does not have internal controls to ensure that accounting of Supervision charges is in accordance with IND AS 115 'Revenue from Contracts with Customers'. This could potentially result in material misstatement in early recognition of revenue in the Ind AS Financial Statements.
- xvi) The Company does not have adequate policy and procedure for timely demand, collection, liquidated damages on delayed payment, to compute capital cost and internal financial controls to verify the accuracy and completeness of Operation & Maintenance charges recovered from the IPP's. This could potentially result in the material misstatement of profit in the Ind AS Financial Statements.



- xvii) The Company does not have adequate policies and procedure for appropriate and timely accounting of customer's contribution towards Self Execution Works /Deposit contribution works / One-time non-refundable charges for sparing of Land and other Infrastructure, valuation of commissioned Self Execution Works /Deposit contribution works in accordance with IND AS 115 'Revenue from Contracts with Customers'. This may result in of misstatement of PPE, depreciation thereon, Revenue recognition and receivables from/ payables to customers in the Ind AS Financial Statements.
- xviii) The Company does not have adequate policies, procedure and internal control for appropriate computation and recovery of cost of infrastructures spared to applicants of Self Execution Works, which may lead to material misstatement in PPE and Depreciation thereon, Operation maintenance Charges, Supervision Charges in the Ind AS Financial Statements.

D) PROCESSING OF WORK BILLS

- xix) The Company's internal control systems regarding processing of contractor's bills were not operating effectively with regard to the following:
- a) As per clause 5 of KPTCL M-Book rules for measurement of work, 'All the measurements should be recorded on site as and when the work progresses'. However, in practice, M-Book is updated after the Running Account (RA) Bills have been prepared/ received.
 - b) Provisions for Capital /Renovation and Modernization /Repairs and maintenance works completed (including Quantity variation bills and Price Variation bills) as on the reporting date are not made adequately by the company.
 - c) Price variation bills/Quantity variation bills/Recovery Bills were not processed on a timely basis.
 - d) Running Account (RA) Bills for works are not being verified before processing for payment by the Internal Auditors.

This could potentially result in material misstatement in the company's liabilities and provisions, capital work-in progress, Property, Plant and Equipment, allocation of EDC including Borrowing cost, depreciation, and Cost of asset maintenance.

- xx) The Company does not have any procedures and Internal Financial Controls with regard to Turnkey contracts wherein the price variation claims and quantity variation claims are considered over the contracted rates instead of the prevailing Schedule of rate/ market rate. This could potentially result in material misstatement in CWIP, PPE, Payables, Receivables and consequential impact on the Depreciation and Finance Cost.
- xxi) The Company does not have adequate procedure and Internal Financial Controls with regard to changes to quantities and Contract Price due to amendment in the Design/drawing, to issue dispatch instruction in line with amended design and accordingly, restrict the payments for quantities in case of turnkey contracts. This could potentially result in material misstatement in CWIP, PPE, Payables, Receivables and consequential impact on the Depreciation and Finance Cost.
- xxii) The Company does not have adequate procedure and internal financial controls with regard to the applicability of the Price Variation claims, where only pure labour cost is involved in the erection portion of the Turnkey contract due to non-clarity in the tender documents and relevant circulars. This could potentially result in material misstatement in CWIP, PPE, Payables, Receivables and consequential impact on the Depreciation and Finance Cost.

E) INTERNAL AUDIT SYSTEM

- xxiii) The internal audit department needs to be strengthened further regarding availability of adequate & quality manpower, scope, and extent of coverage of transactions. Further scope of Internal Audit may be strengthened to include material areas like Capitalization of asset, income and expenses recognition, verification of Running Account Bills which at present is not covered. Training of internal audit staff should be planned as a continuous process to equip them with adequate skills and latest techniques.
- xxiv) The Company does not have appropriate internal controls to ensure the completeness of timely accounting of statutory dues payable, this could potentially result in delayed payment of statutory dues along with applicable interest and other charges.

F) REVENUES

- xxv) The Company does not have adequate controls to identify/demand/collect on timely basis, monitor the accuracy and completeness and also to account on accrual basis for revenues like O & M charges, Transmission Charges, Supervision charges, rental income, Consultancy Charges, Charges towards land spared and Terminal bay, Incentives, penalty recovery, retention money and security deposit written back which are not in accordance with IND AS 115 'REVENUE FROM CONTRACTS WITH CUSTOMERS' issued under the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereon. This could potentially result in material misstatement of Revenue, Expenses, Assets and Liabilities in the Ind AS Financial Statements.
- xxvi) The Company does not have adequate policies, procedures and internal controls to collect/pay, in respect of late payment surcharge/rebate in accordance with the transmission agreement entered into with the ESCOM's read with KERC (Terms and Conditions for Determination of Transmission Tariff) Regulations, 2006. This could potentially result in material misstatement of Revenue, Expenses, Assets and Liabilities in the Ind AS Financial Statements.
- xxvii) The Company does not have appropriate internal controls to ensure the completeness and accuracy on computation of Transmission charges in accordance with respective regulation which may result in material misstatement of Revenue and Trade receivable in the Ind AS Financial Statements.

G) OTHERS

- xxviii) The Company does not have adequate policies and procedures to be fully compliant with the Ind AS with respect to the recognition, measurement, presentation, and disclosures in the Ind AS Financial Statements.
- xxix) The Company does not have the Standard Operating Procedure to ensure the appropriateness of the procedures followed by the Tendering and Procurement Department and compliance of the Karnataka Transparency in Public Procurements Act, 1999 and rules there under by the company.
- xxx) The Company does not have appropriate internal controls for reconciliations and confirmations of Earnest Money Deposit (EMD) and other deposits from the contractors and to also ensure the timely write back of the EMD/ Security Deposits as per company policy, which could potentially result in material misstatement of current liabilities and Revenue in



the Ind AS Financial Statements.

- xxxii) The Company does not have adequate internal control to ensure the appropriateness of assessment of identification of critical estimates and judgments that may affect materially the components in the Ind Financial Statements.
- xxxiii) The Company does not have adequate procedure for measuring through Fair Value Through Other Comprehensive Income (FVTOCI) and Fair Value Through profit and loss (FVTPL) with respect to Financial Assets and Financial Liabilities in accordance with Ind AS 109 'FINANCIAL INSTRUMENTS' issued under the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereon.
- xxxiiii) The Company does not have adequate policies and procedures to identify contractors under Micro, Small and Medium Enterprises Development Act, 2006 to disclose the information in the Ind AS Financial Statements. This could potentially result in material misstatement of adequate disclosure in the Ind AS Financial Statements.
- xxxv) The Company does not have adequate policies and procedures to identify the Current/Non-Current Assets/Liabilities. This could potentially result in material misstatement with respect to presentation of assets and liabilities in the Ind AS Financial Statements.
- xxxvi) The Company does not have adequate procedures and internal controls over identification and reporting of prior period items. This could potentially result in material misstatement in reporting of the current year profit or loss and state of affairs in the Ind AS Financial Statements.
- xxxvii) The Company does not have adequate procedures to adopt and Implement the New Regulation/Notification/Circulars/Orders/Direction/Any Amendments from CERC /KERC/ Head Office/other Applicable Statute on a timely basis, which could potentially result in material misstatement in the Ind AS Financial Statements.
- xxxviii) The Company does not have adequate procedures and internal controls in respect of delay condonation applications received from the contractors by maintaining a suitable register at concerned division. This could potentially result in material misstatement in revenue recognition of penalty recovered as per company policy in the Ind AS Financial Statements.
- xxxix) The Company does not have adequate procedures and internal controls in respect of computation of liability with regard to employee benefits in accordance with the IND AS 19 'EMPLOYEE BENEFITS' issued under the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereon.
- xl) The Company does not have adequate procedures and internal controls in respect of grants received from various authorities regarding monitoring, accounting and compliance of receipt and utilization of grants.
- xli) The Company does not have adequate procedures and internal controls in respect of accounting and reconciliation of Income and TDS deducted reflected in Form 26AS with the books of accounts, which could result in material misstatement in computation of advance tax payment as well as on Revenue, Advance from customers and Trade Receivables.
- xlii) The Company does not have adequate procedures and internal controls in respect of capitalization of capital spares at the time of procurement, consistency over inventory valuation, Scraping of obsolete/unusable materials on timely basis. This potentially could

lead to overstatement/understatement of Inventory and understatement of capital work in progress.

- xlii) The Company does not have adequate procedures and internal controls to reconcile the balance as on the reporting date with the respective customers/ contractors/suppliers. This could potentially lead to overstatement/understatement of Assets and liabilities in the Ind AS Financial Statements.
- xliii) Lack of effective procedures and internal controls in respect of consistency over the basis for demand and collection of sharing of renovation and maintenance expenses incurred by the company with the ESCOM's with regard to residential quarters may lead to material misstatement in the maintenance cost for the year.
- xliv) Company does not have an adequate internal control system to compute the provisioning or disclosure of contingent liability/ asset as on the reporting date in the Ind AS Financial Statements.
- xlvi) Lack of effective procedures and internal controls in respect of identification/ Measurement/ Capitalization/amortization of the Intangible Assets, which may lead to material misstatement in the Intangible Asset and amortization thereof in the Ind AS Financial Statements.

H) ORGANIZATION REPORTING STRUCTURE

- xlvi) Accounts Officers of each division report to the concerned Exec. Engineers (EE's); Deputy Controller of Accounts (DCA's) of each circle report to Supdt. Engineers (SE's) of the concerned circle & Controller of Accounts (CA's) report to Chief Engineers (CE's) of the respective zones.

The above reporting structure may impair the functional independence of Accounts Officer in bill processing & payment system and functionally AO's should be made to report to DCA's, DCA's to CA's and CA's to Financial Adviser (A&R) while retaining the administrative reporting structure.

I) COMPUTERIZATION

- xlvi) An effective procedure and internal financial control may be evolved to computerize the accounting system to ensure the accuracy and timely financial reporting and consistency over accounting and computing in respect of reports to the Head Office. The absence of computerization may potentially result in material misstatement in the Ind AS Financial Statements.
- xlvi) The Company does not have adequate procedures and internal controls to ensure the existing Application/Information system like Bill Tracking System, Inventory Management System, Revenue expenses bill tracking system, Project Monitoring System are effectively and efficiently implemented and continuously monitored to realize the intended benefits.

A 'material weakness' is a deficiency, or a combination of deficiencies, in Internal Financial Control over financial reporting with reference to Ind AS Financial Statements, such that there is a reasonable possibility that a material misstatement of the company's Ind AS Financial Statements will not be prevented or detected on a timely basis.



ADVERSE OPINION

In our opinion, to the best of our information and according to the explanations given to us, possible effects of the matters described in the disclaimer of opinion section of our Independent Auditor's Report on the Ind AS Financial Statements and in view of the material weaknesses described in Basis for Adverse Opinion section above on the achievement of the objectives of the control criteria, the Company has not maintained adequate and effective internal financial controls over financial reporting as of March 31, 2020, based on the internal control over financial reporting 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.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the Ind AS Financial Statements of the Company for the year ended March 31, 2020, and these material weaknesses have affected our opinion on the said Ind AS Financial Statements of the Company and we have issued a disclaimer of opinion on the Ind AS Financial Statements of the Company.

For B. P. Rao & Co
Chartered Accountants
Firm Reg No. 003116S

S/d
B Satish Rao
Partner
Membership No. 024559

Place: Bengaluru
Date: 22.03.2021
UDIN:21024559AA AADR9595

“ANNEXURE C” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in Paragraph 3(j) of the section on ‘Report on Other Legal and Regulatory Requirements’ of our report at even date)

A. DIRECTIONS

(ANNEXURE REFERRED TO IN OUR REPORT OF EVEN DATE TO THE MEMBERS OF KARNATAKA POWER TRANSMISSION CORPORATION LIMITED (“THE COMPANY”) FOR THE YEAR ENDED 31ST MARCH, 2020 DIRECTIONS UNDER SECTION 143(5) OF COMPANIES ACT, 2013)

Sl.No.	Directions	Report on / Replies to directions of C&AG
1.	Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of accounts along with the financial implications, if any, may be stated.	<p><i>According to the information and explanations given to us, presently Company is Maintaining the books of accounts and documents manually, however, the following are the major automated processes being presently used in the Company:</i></p> <ol style="list-style-type: none"> <i>1.E-Procurement</i> <i>2.Final Accounts Compilation-DSS software</i> <i>3.IUA transaction and clearance</i> <i>4.Bill tracking system</i> <i>5.Revenue Expenses bill tracking system, etc</i> <p><i>Implementation and continuous monitoring of above Information system to be strengthened to achieve the intended benefits of the system.</i></p> <p><i>Cost register (C Register) of works taken up has been maintained in manual books of account. Company has to strengthen the Accounting, Reporting Monitoring controls to ensure the Maintenance of the adequate C Register as intended to be maintained as per Company’s policy. Hence company has to plan to Integrate and computerize the maintenance of C Register, Allocation and Apportionment of expenditure incurred during the construction, and other related process of capitalization.</i></p> <p><i>Management is planning for integrated system in computerization of Accounts. DPR approved for implementation of ERP solution. Tendering of the same is under process.</i></p>
2.	Whether there is any restructuring of an existing loan or cases of waiver/write off to debts/loans/ interest etc. made by a lender to the company due to the company’s liability to repay the loan? If yes, the financial impact any be stated.	<p><i>As per the information provided by the management and based on our verification, we have not come across any cases of waiver/ write off of debts/ loans/ interest, etc.,</i></p>



<p>3. Whether funds received/receivable for specific schemes from Central /state agencies were properly accounted for / utilized as per its term and conditions? List the cases of deviation.</p>	<p><i>As per the information and explanation provided by the management and based on our verification, Company has received Fund from PSDF amounting INR 5437.60 Lakhs until 31.03.2020 and also Company has received INR 17119.10 Lakhs until 31.03.2020 from NCEF for Green Energy Corridor Project.</i></p> <p><i>Company has received grant towards Implementation of OPGW based reliable communication at 132kV and above stations from NLDC (PSDF) amounting to INR 1267.90 Lakhs during the year 2019-20. Company has not utilized the grant within one year of receipt as required under the sanction terms. Company has sought for extension of time and is pending with NLDC.</i></p> <p><i>Company has not provided reconciliation of Grants received, Utilized and expenditure incurred in excess of grant received in respect Projects executed by Grant from PSDF and NCEF, accordingly we are unable to ensure the correctness and appropriateness of the same in the Ind AS Financial Statement.</i></p> <p><i>Company has not maintained of Project-wise, separate accounts for development and implementation of above referred projects.</i></p> <p><i>Company has not disclosed the portion of the scheme funded separately in the Tariff.</i></p> <p><i>Further, Company has not provided sufficient information to ensure compliance of Terms and Conditions with regard to submission of Utilization Certificate to appropriate authority, timely completion of project, Other reporting and compliance requirement as per the agreement and sanction letter. Accordingly, we are unable to comment on the compliance of terms and conditions.</i></p>
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B. ADDITIONAL COMPANY SPECIFIC DIRECTIONS

(ANNEXURE REFERRED TO IN OUR REPORT OF EVEN DATE TO THE MEMBERS OF KARNATAKA POWER TRANSMISSION CORPORATION LIMITED ("THE COMPANY") FOR THE YEAR ENDED 31ST MARCH, 2020)

Directions	Report on / Replies to the additional directions of C&AG
<p>a) Adequacy of steps to prevent encroachment of idle land owned by Company may be examined. In case land of the Company is encroached, under litigation, not put to use or declared surplus, details, may be provided.</p>	<p><i>As per the information and explanation provided to us, total of 152.42 Acres 398.63 Guntas have been encroached by various parties and necessary efforts and action are being taken to clear the encroachment.</i></p>



<p>b) Is the system of evacuation of power commensurate with power available for transmission with the generating company? If not, loss, if any, claimed by the generating company may be commented.</p>	<p><i>As per the information and explanation provided to us, the system of evacuation of power commensurate with power available for transmission with the generating company and no loss has been claimed by the generating Company.</i></p>
<p>c) How much transmission loss in excess of prescribed norms has been incurred during the year and whether the same been properly accounted for in the books of accounts?</p>	<p><i>As per the information and explanation given to us, the actual transmission loss of 3.129% for the financial year 2019-20 is within the KERC approved range of 3.050% and 3.150% as per the Tariff Order, 2020 (Average being 3.100%).</i></p>
<p>d) Examine the system of effective utilisation Loans / Grant-in-Aid / Subsidy. List the cases of diversion of funds.</p>	<p><i>As per our examination and information provided to us, the borrowings by way of term loans are generally utilized for the purpose for which the loans were obtained except in some of the cases, term loans have not been exclusively utilized for the project for which the loan has been sanctioned and short term loans taken was also utilized for the purpose of Advancement of Loans, Capital works and Long term loan repayments.</i></p> <p><i>The Company has sanctioned Inter Corporate Loan to Bangalore Development Authority (BDA) amounting to INR 11211 Lakhs for carrying out Self Execution Work. On requisition letter from BDA, INR 8757.38 Lakhs was disbursed during the year of which INR 6300 Lakhs was funded from Short Term Loan from Oriental Bank of Commerce which is against the sanction terms.</i></p> <p><i>Company has received grant towards Implementation of OPGW based reliable communication at 132kV and above stations from NLDC (PSDF) amounting to INR 1267.90 Lakhs during the year 2019-20. Interest Accrued amounting to INR 62.98 Lakhs on deposit of the grant received was also credited to the Grant. Company has not utilized the grant within one year of receipt as required under the sanction terms. Company has sought for extension of time and is pending with NLDC.</i></p> <p><i>Company had received INR 6785.80 Lakhs in 2018-19, INR 2652.30 Lakhs in 2017-18 and INR 7681.00 Lakhs in 2016-17 (Total Grant Received: INR 17119.10 Lakhs) towards creation of Inter-state Transmission System in the state of Himachal Pradesh and Karnataka under Green Energy Corridor Project. Interest and interest accrued on deposit created out of grant received is INR 36.63 Lakhs. Company had received INR 3625.00 Lakhs in 2018-19, INR 1208.40 Lakhs in 2017-18 and INR 604.20 Lakhs in 2016-17 (Total Grant Received: INR 5437.60 Lakhs) towards renovation and up-gradation of protection system in 400 KV and 220 KV substations under PSDF Project and interest accrued on deposit created out of grant received is INR 16.94 Lakhs.</i></p>

Examine the cost benefit analysis of major capital expenditure/expansion including IRR and payback period.

As per the information and explanation provided to us, the transmission infrastructure of substation and related line works are created by the Company based on the request of ESCOM's. The KERC fixes the tariff based on the ARR which includes all the related operational costs and depreciation towards capital expenditure. Hence, in our opinion the company recovers its capital expenditure over the years as part of tariff fixed by KERC.

However, the Company is not revising the Cost benefit analysis, IRR and Payback Period to consider the following changes taken place after preparation of the DPR, which may lead to increase /decrease the actual Cost / IRR / Payback period.

Non amendment of cost of the project due to amendment in design of the project and subsequent variation in the cost of the project, which is having an impact on the total cost of the project which also lead to excess advance payment during the execution of the project and recovery of the same based on the FQV Claim and having consequential impact on the finance cost.

In respect of Turnkey contracts, the price variation claims and quantity variation claims are considered over the contracted rates instead of the prevailing Schedule of rate/ market rate.

Processing of Price Variation on Erection, due to no clarity in the tender documents and relevant circulars on the applicability of the Price Variation on Erection, where only pure labour cost is involved in the erection portion of the Turnkey contract.

The Company does not have appropriate policy guidelines in accordance with KERC norms for deciding the various situations under which a work need to be carried out either under Self-Execution basis (SEW) / under Deposit-Contribution Works (DCW) or in its capital budget under Annual Program of Works (APW).

We were informed that requisitions from customers are made to ESCOMs and the Company does not undertake validation of such requests. As capital expenditure is incurred by the Company, adequate validation need to be carried out before taking up the work. Hence, the Company need to devise suitable policy guidelines in accordance with KERC norms for deciding the various situations under which a work need to be carried out either under Self-Execution basis (SEW) / under Deposit-Contribution Works (DCW) or in its capital budget under Annual Program of Works (APW).

In the absence of such guidelines or proper explanations, we are unable to comment on the appropriateness of the Capital expenditures incurred by the Company in case of taking up of replacement of existing meters with DLMS meters at an initial cost of 3892.48 Lakhs under APW instead of DCW.

For B. P. Rao & Co
Chartered Accountants
Firm Reg No. 003116S

S/d
B Satish Rao
Partner
Membership No. 024559

Place: Bengaluru
Date: 22-03-2021
UDIN:21024559AA AADR9595





ANKUSH SETHI

The opinion stated in this document is in response to the issues placed before us by KARNATAKA POWER TRANSMISSION CORPORATION LIMITED (hereinafter referred to as “KPTCL” or ‘the company’) and while there may be facts and situations surrounding the issued placed before us, we have tried our best to address the legal points by interpreting the same in the light of the provisions contained in the Companies Act, 2013 (hereinafter referred to as ‘the Act’)

This opinion is meant solely for the use of Karnataka Power Transmission Corporation Limited and their authorized agents. The information and views contained herein are privileged and confidential information and may not be used by any other party or for any other purpose. Disclosure of such information may be prohibited by law. Unauthorized distribution or copying of this opinion or any part of it is strictly prohibited.

This opinion is based on the facts and information providing to us by the Company and per the law prevalent on the date of this opinion with regard to the subject under consideration. Also, the firm/Company hereby acknowledges the fact that views of professionals may be different, that an opinion is a matter of individual contention and may differ from one professional to another.

Date: 30-11-2019

Place: Bengaluru

sd/-

Ankush Sethi

Company Secretary

M. No. 42050

COP No. 15741





ANKUSH SETHI

FACTS OF THE CASE:

KPTCL was incorporated as a Government Company (i.e. Karnataka State Government) in the year 1999, it continue to operate as such.

The Bengaluru Development Authority (BDA), a department of the State of Karnataka, has approached KPTCL, seeking electrical infrastructure in BDA Arkavathy Residential Layout on deferred payment mode, on the following terms:

- KPTCL would provide an initial monetary support to BDA
- Government of Karnataka (Gok) has by letter dated: 14.10.2019 approved BDA to obtain a interest bearing loan of INR 112.11 cr from KPTCL.
- The interest shall be charged at SBI one year MCLR+2.5% to meet cost to KPTCL.

Further, the Government of Karnataka has issued an order directing KPTCL to oblige and extend the finance facility to BDA, on deferred payment basis.

Whereas, the Memorandum of Association (MoA) of the Company does not expressly provide for providing loans and guarantees, in ordinary course of business or otherwise.

Our opinion is being sought to ascertain the validity of the transaction, in the absence of an express consent / provision in the MoA of the Company to provide for loans / guarantees.

Date: 30-11-2019

Place: Bengaluru

sd/-

Ankush Sethi

Company Secretary

M. No. 42050

COP No. 15741



**QUERY 1:**

Whether the transaction to provide loan to BDA shall be treated as ultra vires of MoA; and hence a violation of Companies Act

ANALYSIS IN THE LIGHT OF LEGAL PROVISIONS:

The provisions of Section 186 of Companies Act 2013 (corresponding Section 372A of Companies Act 1956) enable companies to invest the surplus funds available with them in suitable investment opportunities, including the option to provide loan or guarantee.

Further the notification number GSR 463(E) dated: 05.06.2015, and as amended by notification number GST 802 dated 23.02.2018, the provisions of Section 186 shall not apply to government companies.

The extract of notification is as below:
Chapter XII, Section 186 shall not apply to-

- (a) a Government company engaged in defense production;
- (b) a Government Company, other than a listed company, in case such company obtains approval of the Ministry or Department of the Central Government which is administratively in charge of the company, or, as the case may be, the State Government before making any loan or giving any guarantee or providing any security or making any investment under the section.

In the given instance, we are given to understand that KPTCL has received an Order from the Government of Karnataka, duly signed by the Cabinet Secretary of Energy Department – directing KPTCL to extend the financial support to BDA for set-up of infrastructure in BDA Akavathy Residential Layout.

Therefore, it shall be safe to infer that KPTCL has the approval of the Ministry, (Department of Energy) which is administratively in charge of the Company; and to that extent this transaction satisfy the condition as illustrated above, and thus is outside the purview of compliance of Section 186 of Companies Act 2013.

Further we refer to Clause 26 & 27 of the Memorandum of Association of the Company, which reads as under:

Clause 26:

To act as an entrepreneur on behalf of the central or any State Government, to identify new areas of economic investment and to undertake or help in undertaking of such investments



ANKUSH SETHI

Clause 27:

To advance money on property or an mortgage of immovable property or against Bank/Institutional Guarantee and to make advances of money against future supply of goods and services on such terms as the Directors may consider necessary and to invest money of the Company in such manner as the Directors may think fit and to sell, transfer or deal with the same.

On a plain reading of Clause 26 & 27 of the Memorandum of Association of KPTCL, it can be inferred that the KPTCL has been empowered to take up such actions as may deem fit and proper to further establish and perform the objectives of the Company.

In the given instance, the mandate (i.e.Objective) for KPTCL is to ensure outreach and supply of power to all parts and areas of the State of Karnataka, in that pre-text the action of KPTCL providing financial assistance to BDA for setting-up of infrastructure in BDA Arkavathy Residential Layout, is in compliance with the objects as set out under Clause 26 & 27 of the MoA of the Company.

CONCLUSION:

On a combined reading of the above cited provisions i.e. Clause 26 & 27 of the Memorandum of Association of the Company; exemptions provided by notification number GSR 463(E) dated 05.06.2015, it shall be inferred that the transaction of providing financial assistance to BDA is well within the scope and objects of the MoA of the Company and that the transaction as such is outside the purview of Section 186 of Companies Act, 2013.

Hence, we conclude that the transaction is neither ultra vires the Memorandum of Association and as also not in violation of any provisions of Companies Act 2013.

Date: 30-11-2019

Place: Bengaluru

sd/-

Ankush Sethi

Company Secretary

M. No. 42050

COP No. 15741



**BALANCE SHEET
AS AT 31ST MARCH, 2020**

(Amount in INR)

PARTICULARS	NOTE NO.	ACCOUNT CODE	AS AT 31ST MARCH, 2020		AS AT 31ST MARCH, 2019		As at 1st April, 2018	
ASSETS								
Non-Current Assets								
(a) Property, Plant and Equipment	2	10,12 & 16.2	13213 07 67 098		12049 21 42 355		11381 36 81 615	
(b) Capital Work-in-progress	3	14 & 15	3511 00 03 599		3213 89 20 475		2371 65 40 512	
(c) Other Intangible Assets	3A	18	83 81 259		1 08 69 755			
(d) Goodwill								
Financial Assets								
(i) Loans	4	28.935 & 28.936	121 39 99 018		20 30 70 414		19 29 07 546	
(ii) Others	4A	25 to 27 & 28	1794 53 66 665		629 81 65 098		616 59 16 797	
(f) Other Non-Current Assets	5	17, 25, 26, 27, 28, 28.4 to 28.9 & 31 to 37	133 58 45 877	18774 43 63 516	193 64 22 990	16107 95 91 087	110 29 97 763	14499 20 44 233
Current assets								
(a) Inventories	6	22&16.1	84 97 85 965		72 93 06 821		60 81 41 199	
Financial Assets								
(i) Trade Receivables	7	23 & 28.1	1063 17 25 651		676 96 36 611		661 95 30 785	
(ii) Cash and Cash Equivalents	8	20 & 24	73 60 71 717		52 74 59 151		130 31 40 350	
(iii) Other Bank Balances	9	24.8 & 20.2	131 61 59 093		106 95 97 056		90 30 80 779	
(iv) Loans	10	25 & 27	18 79 24 511		1 18 95 950		88 93 434	
(v) Other Financial Assets	11	28	277 85 81 241		256 57 06 720		236 48 02 808	
(c) Other Current Assets	12	16,28.1 to 28.9	5 88 08 325	1655 90 56 503	6 99 73 910	1174 35 76 219	3 91 39 723	1184 67 29 078
TOTAL ASSETS				20430 34 20 019		17282 31 67 306		15683 87 73 311
Equity								
Equity and Liabilities								
(a) Equity Share Capital	13	52.301	2182 32 25 000		2182 32 25 000		2182 32 25 000	
(b) Other Equity	14	55 to 58	2548 80 97 642		2149 87 63 259		2072 18 80 250	
TOTAL EQUITY				4731 13 22 642		4332 19 88 259		4254 51 05 250
Non-Current Liabilities								
Financial Liabilities								
(i) Borrowings	15	51 to 54	6010 75 93 499		5258 77 81 522		4619 88 66 775	
(ii) Other financial liabilities	15A		2303 04 19 413		253 61 09 195		461 06 57 919	
(b) Provisions	16	44	293 98 56 990		226 67 84 131		173 14 76 182	
(c) Deferred Tax Liabilities (Net)	17	46.802	1159 34 29 139		950 84 29 826		898 22 89 128	
(d) Other Non-Current Liabilities	18	42 to 53	1549 01 39 589	11316 14 38 630	1932 19 29 545	8622 10 34 219	1740 97 59 542	7893 30 49 546
Current liabilities								
Financial Liabilities								
(i) Borrowings	19	51 to 54	800 00 00 000		150 00 20 000		158 33 33 123	
(ii) Trade Payables								
(A) Total outstanding dues of MSME's			-		-			
(B) Total outstanding dues of creditors other than MSME's	20	41	384 42 81 878		684 26 61 486		710 60 58 214	
(iii) Other Financial Liabilities	21	46.9	1904 58 97 285		2161 19 23 818		1466 38 20 206	
(b) Other Current Liabilities	22	42 to 46	265 41 81 402		230 38 15 701		223 97 95 689	
(c) Provisions	23	42,44,46	1028 62 98 182		1102 17 23 823		932 40 55 927	
(d) Current Income Tax Liabilities (Net)	24	46.8		4383 06 58 747		4328 01 44 828	44 35 55 356	3536 06 18 515
TOTAL EQUITY AND LIABILITIES				20430 34 20 019		17282 31 67 306		15683 87 73 311

Significant Accounting Policies & Notes to Accounts 1-37

The accompanying notes form an integral part of the financial statements
As per our Report of even date attached

For B.P.Rao & Co.
Chartered Accountants
FRN : 003116S

For and on behalf of the Board of Directors

Sd/-
B. SATISH RAO
Partner
Membership No. 024559

Sd/-
(Dr. N MANJULA)
Managing Director

Sd/-
(SIDLINGAPPA TELI)
Director (Finance)

Place: Bengaluru
Date: 22-03-2021

Sd/-
(RUTH.G.MIRAJKAR)
Financial Adviser (A&R)

Sd/-
(RAMYA KANNAN)
Company Secretary



**STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED 31ST MARCH, 2020**

(Amount in INR)

PARTICULARS	NOTE NO.	ACCOUNT CODE	CURRENT YEAR 2019-20	PREVIOUS YEAR 2018-19
I Revenue from Operations (Transmission of Power)	25	61 & 62	3520 88 68 032	2952 12 24 471
II Other Income	26	62	226 06 01 890	178 76 63 070
III Total Revenue (I+II)			3746 94 69 922	3130 88 87 541
Expenditure				
a) Employee Costs	27	75	1154 68 43 272	1283 67 37 508
b) Repairs and Maintenance	28	74	305 63 81 050	270 93 42 370
c) Administrative and Other Expenses	29	76	131 60 32 697	116 62 33 134
d) Finance Cost	30	78	457 91 06 018	391 54 38 678
e) Depreciation and Amortization	31	77	953 72 39 372	854 74 90 522
f) Other Expenses	32	77, 79 & 80	4 53 55 180	9 75 91 331
Total Expenditure (IV)			3008 09 57 589	2927 28 33 543
Profit/(Loss) Before Exception Items and Taxes (III - IV + V)			738 85 12 333	203 60 53 998
Add / (Less) : Exceptional Items (Income withdrawn)	34	62		
Profit/(Loss) Before Tax			738 85 12 333	203 60 53 998
Less : Tax Expenses				
Income Tax	35	81.1	131 41 78 637	73 30 30 291
Deferred Tax	36	81.201	208 49 99 313	52 61 40 698
Profit /(Loss) for the period			398 93 34 383	77 68 83 009
Profit /(Loss) for the period			398 93 34 383	77 68 83 009
Other Comprehensive Income			-	-
A.1.Items that will not be reclassified subsequently to Profit or Loss			-	-
A.2. Income tax relating to above items			-	-
B.1. Items that will be reclassified subsequently to profit or loss			-	-
B.2. Income tax relating to above items			-	-
Total Other Comprehensive Income/(Loss) for the year (Net of Tax)			-	-
Total Comprehensive Income/(Loss) for the year			398 93 34 383	77 68 83 009

Earnings per Equity Share (in INR)

Face Value of Equity Share: INR 1,000/-

Basic	182.80	35.60
Diluted	182.80	35.60

Weighted Average Equity Shares used in computing earnings per equity share

Basic	2 18 23 225	2 18 23 225
Diluted	2 18 23 225	2 18 23 225

Significant Accounting Policies & Notes to Accounts 1-37

The accompanying notes form an integral part of the financial statements
As per our Report of even date attached

For B.P.Rao & Co.

Chartered Accountants

FRN : 003116S

For and on behalf of the Board of Directors

Sd/-
B. SATISH RAO
Partner
Membership No. 024559

Sd/-
(Dr. N MANJULA)
Managing Director

Sd/-
(SIDLINGAPPA TELI)
Director (Finance)

Place: Bengaluru
Date: 22-03-2021

Sd/-
(RUTH.G.MIRAJKAR)
Financial Adviser (A&R)

Sd/-
(RAMYA KANNAN)
Company Secretary



STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31ST MARCH, 2020

(Amount in INR)

PARTICULARS	A. EQUITY SHARE CAPITAL	B. OTHER EQUITY		TOTAL
		Reserves and Surplus		
		CAPITAL RESERVE	RETAINED EARNINGS	
Balance at the beginning of the reporting period (01/04/2018)	2182 32 25 000	7 45 46 563	2086 24 77 379	2093 70 23 942
Readjustment of Capital Reserve		-7 45 46 563	7 45 46 563	
Add / (Less) : Net Prior Period Income / (Expenses) of 2018-19 (Refer Note No. 33)	-		-2 08 46 168	-2 08 46 168
Add / (Less) : Net Prior Period Income / (Expenses) of 2019-20 (Refer Note No. 33)			-19 42 97 524	-19 42 97 524
Adjusted Opening Balance at the beginning of the reporting period (01/04/2018)	2182 32 25 000		2072 18 80 250	2072 18 80 250
Add: Transfer to retained earnings (Profit / (Loss) for the year 2018-19)	-	-	77 68 83 009	77 68 83 009
Add / (Less) : Net Prior Period Income / (Expenses) of 2019-20 (Refer Note No. 33)				
Re-Adjusted Opening Balance at the beginning of the reporting period (01/04/2019)	2182 32 25 000		2149 87 63 259	2149 87 63 259
Add: Transfer to retained earnings (Profit / (Loss) for the year 2019-20)	-	-	398 93 34 383	398 93 34 383
Balance at the end of the reporting period (31/03/2020)	2182 32 25 000		2548 80 97 642	2548 80 97 642

Note : The Company has adjusted the previous year Net Prior Period figures to the Reserves & Surplus (Retained Earnings) (Refer Note No. 33)

The accompanying notes form an integral part of the financial statements

As per our Report of even date attached

For B.P.Rao & Co.
Chartered Accountants
FRN : 003116S

For and on behalf of the Board of Directors

Sd/-
B. SATISH RAO
Partner
Membership No. 024559

Sd/-
(Dr. N MANJULA)
Managing Director

Sd/-
(SIDLINGAPPA TELI)
Director (Finance)

Place: Bengaluru
Date:22-03-2021

Sd/-
(RUTH.G.MIRAJKAR)
Financial Adviser (A&R)

Sd/-
(RAMYA KANNAN)
Company Secretary



**STATEMENT OF CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST MARCH, 2020**

(Amount in INR)

	Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
I	CASH FLOW FROM OPERATING ACTIVITIES		
	Profit/(Loss) before Tax	738 85 12 333	203 60 53 998
	Adjustment for Deferral Regulatory Income		
	Adjustments for:		
i	Depreciation and Amortization Expenses	953 72 39 372	854 74 90 522
ii	Withdrawal of Excess provision made during Previous years	-12 32 69 999	- 85 60 724
iii	Depreciation on Assets created out of Consumer Contribution	-98 57 20 333	-72 05 43 501
iv	Provision for Stock shortage	- 10 82 306	13 53 256
v	Profit on sale of stores	-1 59 23 353	- 91 36 105
vi	Sale of scrap		- 16 39 246
vii	Profit on sale of released Assets	-2 22 09 450	-6 11 71 251
viii	Sundry Receivables Write off & Other Write off & exceptional items	1 86 87 778	3 19 29 556
ix	Interest income	-1 60 14 375	-5 00 90 743
x	Prior Period Adjustment		
xi	Finance Costs	457 91 06 018	391 54 38 678
	Operating Profit/(Loss) before working capital changes	2035 93 25 683	1368 11 24 440
	Change in Operating Assets and Liabilities		
i	(Increase)/Decrease in trade receivables	-386 20 89 040	-15 01 05 826
ii	(Increase)/Decrease in inventories	-11 93 96 838	-12 25 18 878
iii	(Increase)/Decrease in current assets	-18 22 63 912	-19 17 21 052
iv	(Increase)/Decrease in current liabilities & provisions	-573 53 80 029	818 42 57 740
v	(Increase)/Decrease in Non-current assets	-1205 75 53 057	-97 58 36 396
vi	Increase/(Decrease) in Non-current liabilities	-320 47 43 788	143 61 24 515
vii	Increase/(Decrease) in Non-current Financial liabilities	2049 43 10 219	-207 45 48 725
viii	(Increase)/ Decrease in Loans	-17 60 28 561	- 30 02 516
	Cash Generated from Operations	1551 61 80 678	1978 37 73 301
	Add/(Less): Income Tax Paid (Net of Refund)	-140 49 94 690	-90 58 87 872
	Net Cash Inflow From Operating Activities (A)	1411 11 85 988	1887 78 85 429
II	CASH FLOW FROM INVESTING ACTIVITIES		
i	Changes in PPE & Capital Work in Progress	-2307 58 73 811	-2288 16 99 668
ii	Net increase/decrease in Bank Deposit with maturities exceeding 3 months	-24 65 62 037	-16 65 16 277
iii	Interest Income	1 60 14 375	5 00 90 743
	Net Cash Inflow From Investing Activities (B)	-2330 64 21 473	-2299 81 25 201
III	CASH FLOW FROM FINANCING ACTIVITIES		
i	Contribution & Grants towards cost of capital assets	103 17 47 023	173 18 96 938
ii	Changes in Secured Loans	752 57 93 421	639 48 14 747
iii	Changes in Unsecured Loans	649 39 98 556	-8 92 13 123
iv	Finance and other Charges	-564 76 90 948	-469 29 39 992
	Net Cash Inflow From Financing Activities (C)	940 38 48 052	334 45 58 570
	Net Change in Cash and Cash equivalents (A+B+C)	20 86 12 566	-77 56 81 199
	Add: Opening Cash and Cash Equivalents as on 01.04.2019	52 74 59 151	130 31 40 350
	Closing Cash and Cash Equivalents as on 31.03.2020	73 60 71 717	52 74 59 151

Note- 1)The Cash Flow statement has been prepared under the 'Indirect Method' as set out in the Ind AS - 7 "Statement of Cash Flows".

Note-2) Cash and Cash Equivalents balances held by the Company not available for use Amounts to INR 3,14,371/- (Previous Year : INR 4,19,268/-) earmarked towards Pension Security Fund and INR 20,783/- (Previous Year : INR 20,607/-) earmarked to Family Benefit Fund. Cash and Cash Equivalents INR 4,52,23,316/- (Previous Year : INR 7,57,47,477/-) collected towards UI Charges from Short Term Open Access Customers which is payable to/adjustable with ESCOM's. Cash and cash equivalents includes INR 2,38,08,666 (Previous Year INR: Nil) earmarked towards Power System Development Fund to be utilised for the purpose as specified by the state commission. Cash and Cash equivalents INR 5,17,254/- (Previous Year : INR 5,99,461/-) and INR 2,731/- (Previous Year : INR 61,831/-) earmarked towards GEC and PSDF grants respectively."

The accompanying notes form an integral part of the financial statements
As per our Report of even date attached

For B.P.Rao & Co.
Chartered Accountants
FRN : 003116S

For and on behalf of the Board of Directors

Sd/-
B. SATISH RAO
Partner
Membership No. 024559

Sd/-
(Dr. N MANJULA)
Managing Director

Sd/-
(SIDLINGAPPA TELI)
Director (Finance)

Place: Bengaluru
Date:22-03-2021

Sd/-
(RUTH.G.MIRAJKAR)
Financial Adviser (A&R)

Sd/-
(RAMYA KANNAN)
Company Secretary



Note – 1 –Company Overview and Significant Accounting Policies

1.1. Karnataka Power Transmission Corporation Limited (KPTCL) is a Public Limited Company incorporated and domiciled in India and has its registered office in Bengaluru, Karnataka. KPTCL is engaged in the business of power transmission to ESCOM's and Open Access Customers and such other related activities.

1.2. Basis of preparation of Financial Statements

- a. The financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost (fair value as mandated by Ind AS where applicable) and going concern convention on the accrual basis (subject to Note 1.12(f)) and the provisions of the Companies Act, 2013('Act') and The Electricity Act, 2003. The Ind AS prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendment thereon.
- b. The financial statements for the period up to 31 March, 2016 were prepared in accordance with Accounting Standards notified under section 133 of the Companies Act, 2013 read together with Rule 7 of the Companies (Accounts) Rules, 2014 (Previous Indian GAAP). Pursuant to the mandatory requirement for adoption of Indian Accounting Standards (Ind AS), as notified by the Ministry of Corporate Affairs (MCA), the Company has prepared its financial statements for the year ended 31st March, 2017 in accordance with Ind AS101- First time adoption of Indian Accounting Standards as notified under the Companies (Indian Accounting Standards) Rules 2015 as amended from time to time.
- c. Accounting policies have been consistently applied except where a newly issued Accounting Standard is initially adopted or a revision to an existing Accounting Standard requires a change in the accounting policy hitherto in use.
- d. The Assets are classified as Current Assets and Non-Current Assets and Liabilities are classified as Current Liabilities and Non-Current Liabilities considering the operating cycle of the Company as 12 months.

1.3. Use of Estimates

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of financial statements and reported amounts of revenues and expenses during the period. The application of accounting policies requires critical accounting estimates involving complex and subjective judgments and the use of assumptions in the financial statements. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of the changes in circumstances surrounding the estimates. Changes in estimates are reflected in financial statements in the period in which changes are made and if material their effects are disclosed in the notes to the financial statements.

Unclaimed liability/liability existed in respect of supply of materials under Head of Account "Liability for Supply of Materials" and "Sundry Creditors / Control Account" without any disputes

and which are continued to exist in the books of Accounts for more than 10 years period as on closure of current financial year are transferred to Miscellaneous income.

1.4. Valuation of Inventories

- a. Inventories are valued at the lower of cost and net realizable value. Cost is determined based on weighted average cost method.
- b. Cost includes bringing the inventories to their present location and condition.
- c. The value of materials which are identified as scrap/obsolete by the Scrap approval committee are accounted at net realisable value if available in Schedule of Rates (SR) and in cases where rates are not available in the SR, the value of such materials are reduced by 90% of the existing (original) value and the remaining 10% value will be retained till their disposal.

1.5. Cash Flow Statement

Cash Flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipt or payments and item of income or expenses associated with the investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

1.6. Prior Period Items

Material prior period Errors/Omissions are corrected retrospectively by restating the comparative amounts for the prior periods presented in which the Errors/Omissions occurred. If the Errors/Omissions occurred before the earliest period presented, the opening balances of Assets, liabilities and Equity for the earliest period presented, are restated. The prior period errors below threshold of 1% of the Gross Property Plant & Equipment of company are accounted for the current year.

1.7. Operating segments

In accordance with Ind AS 108, the operating segments used to present segment information are identified on the basis of internal reports used by the Company's Management to allocate resources to the segments and assess their performance. The Board of Directors is collectively the Company's 'Chief Operating Decision Maker' or 'CODM' within the meaning of Ind AS 108. The indicators used for internal reporting purposes may evolve in connection with performance assessment measures put in place.

1.8. Income Tax and Deferred Tax

Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities. Income tax expense comprises current and deferred income tax. Income tax expense is recognized in net profit in the statement of profit and loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income.

Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the



extent that it is no longer probable that the related tax benefit will be realized. Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized.

The company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

1.9. Property, Plant and Equipment (PPE)

- a. Company applies Cost Model for recognising and measuring all PPE's. PPE's are stated at cost less accumulated depreciation and impairment, if any. The cost comprises of purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the PPE to the location and condition necessary for it to be capable of operating in the manner intended by management.
- b. Establishment and other administration expenditure of Works Circles and Major Works Divisions which are directly attributable to capital works are allocated to the capital works handled by the respective Divisions and form part of the cost of assets. Incentives for early completion of works are added to the Capital Works as and when the contractor makes the claim.
- c. Assets put up by third parties, which vest with the Company under Regulation for Condition of Supply of Electricity issued by the KERC, are incorporated in the books at the Fair Value (cost estimate approved by the Company in the absence of actual cost).
- d. Land cost includes acquisition cost (including enhanced compensation), Compensation paid for afforestation and social forestry to the local people/families affected by the projects.
- e. Advances paid towards the acquisition of PPE outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of assets before ready to use as intended by the Management are disclosed under 'Capital work-in-progress'.
- f. Subsequent expenditures relating to PPE is capitalized only when it meets the recognition criteria for PPE and is probable that future economic benefits associated with the Assets flow to the company and the cost of the item can be measured reliably.
- g. Repair and maintenance costs are recognized in the Statement of Profit and Loss when incurred.
- h. An item of PPE and any significant part initially recognised is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal

proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognized.

- i. Decommissioning Cost is not capitalised to the PPE at the present value of estimated cost of decommissioning.
- j. Bank guarantee encashed from supplier/ contractors due to non-performance or supply of defective products has been adjusted from the cost of the asset, if these are directly identifiable with the project and received for mitigating extra project costs to be incurred by the company which will be capitalised as part of the cost of the asset. Otherwise the same should be accounted for as income.

1.10. Investment properties:

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from its current use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised. Investment properties, other than free hold land, are depreciated using straight line method over their estimated useful lives.

1.11. Depreciation

- a. Depreciation is calculated on straight line method at the rates notified by Central Electricity Regulatory Commission (CERC) and adopted by Karnataka Electricity Regulatory Commission (KERC) from time to time. The depreciation rates as per CERC are as under:

S No.	Particulars	Depreciation Rates
1	Buildings and Roads	3.34%
2	Internal Wiring, Optic Fibre, Communication Equipment's, Furniture and Fixtures, Calculators, Typewriters, Cash Registers, Cash Chest, Duplicators, Xerox and Copiers	6.33%
3	Trucks, Tempos, Trucks, Buses, Jeeps, Vans, Motor Cars and Other Vehicles	9.50%
4	Computers and such other IT Equipment's	15.00%
5	Temporary Erections such as wooden structures	100.00%
6	All other assets not covered above	5.28%

- b. Assets are depreciated to the extent of 90% of the cost of the asset and 10% is retained as residual value.
- c. For additions to assets from 1.4.2007, depreciation is provided from the beginning of the month of addition. For additions to assets up to 31.3.2007, depreciation has been provided from the year succeeding the year of addition.
- d. Depreciation is charged upto the previous month in which asset is discarded/dismantled.
- e. Individual assets costing up to Rs. 500/- are fully depreciated in the year in which they are put to use.
- f. Depreciation charged on structures of lease hold properties as follows:
 - (i) Depreciation on structures and other assets other than Civil structures put up on leasehold properties are depreciated in such a manner that the assets are depreciated up to 90% over the life period of the structures and other assets or period of lease of the land whichever is earlier.
 - (ii) Civil Structures are depreciated 100% over the useful life of the Assets or lease period whichever is earlier.
- g. Depreciation on released assets (Assets not in use) and released assets issued for repairs has been charged at the rate prescribed under Note 1.11a on the written down value of those assets on written down value method.
- h. Depreciation on assets created out of deposit contribution and assets created out of self-execution are transferred to Income in the same proportion as the depreciation charged during the year on the assets created out of Contribution/Grants.
- i. Gains and losses on disposals are determined by comparing sale proceeds with carrying amount. These are included in profit or loss within other gains/(losses).

1.12. Revenue Recognition

- a. Revenue is measured based on the consideration that is specified in a contract with a customer or is expected to be received in exchange for the products or services. Companies performance obligation is satisfied over time.
- b. Revenue from Transmission is recognized on accrual basis at the tariff as notified by Karnataka Electricity Regulatory Commission (KERC) annually which is based on Multi Year Tariff (MYT) Regulations and also considering the estimated Return on Equity and other relevant aspects.
- c. Yearly Transmission Charges(YTC) from ISTS lines are accounted on accrual basis as per the CERC Order from time to time.
- d. Works executed/assets created out of contributions received from the third parties vest in the Company under the Regulation for Condition of Supply of Electricity by the KERK and they are incorporated as assets in the books at the fair value. Consumer contribution

towards cost of Capital Asset are treated as Deferred Income and are grouped under Non-Current Liabilities which are subsequently adjusted as Income in the same proportion as the depreciation is charged during the year on the assets acquired out of the Contribution/Grant.

- e. Other operating revenues from rendering services are accounted on the basis of stage of completion method except for inspection charges, testing charges, Earth Mat design charges, Consultancy charges on Deposit contribution works, charges towards land spared, Corridor charges and Mandap Keeper Charges which are accounted for on cash basis.
- f. Interest income is recognized using effective interest method.

1.13. Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a written down basis over the estimated useful lives of the assets. The right-of-use assets are also subject to impairment.

ii) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable.

iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease and low-value assets recognition. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.



As a Lessor

A lease is classified at the inception date as a finance lease or an operating lease. Leases under which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases.

Lease Income from operating lease where the Company is a lessor is recognised as income on a straight-line basis over the lease term unless the receipts are structured to increase in line with the expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the Balance Sheet based on their nature.

1.14. Accounting for Grants

- a. Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. Grant related to income is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. Grant related to an asset is recognised as income in equal amounts over the expected useful life of the related asset.
- b. Revenue/Untied grants are treated as income on satisfying the obligations attached to them and receipt of the same is certain.
- c. Grants in the form of non-monetary assets such as land and other resources are recognised at nominal value.

1.15. Employee Benefits**a. Short Term Employee Benefits**

Short-term employee benefits viz., salaries, wages and other benefits are recognized as expenses at the undiscounted amount as per contractual terms in the Statement of Profit and Loss for the year in which the related service is rendered.

b. Defined Contribution Plans**I. NDCPS :**

Employees who have joined the Corporation on or after 01.04.2006 are covered under “New Defined Contributory Pension Scheme (NDCPS)” and Company’s Contribution at fixed percentage of salary is ascertained and paid/provided accordingly.

II. Pension Security Fund :

KEB Pensioners Family Benefit/Security Fund’ was established on 08.10.1998. As per the Scheme, every pensioner/family pensioner shall make a monthly contribution of INR 200/- to the Fund. When the Member of the Fund expires after contributing for a minimum of 12 months, the Nominee(s) shall be paid a lumpsum of INR 75,000/- out of the Fund. The Company does not make any contribution to the Fund.

III. Pension and Gratuity :

Expenditure towards defined contribution scheme Gratuity and Pension which covers employees who have joined service upto 31.03.2006 is provided on the basis of rates/ amount and method as intimated by the “KPTCL & ESCOMs Pension & Gratuity Trust”

(KEPGT). The rates/amounts are arrived at based on the Actuarial Valuation Report done in accordance with Ind AS-19 by KEPGT from time to time.

c. Defined Benefit Plans

I. Leave Encashment :

Long term benefit – Leave Encashment is ascertained on the basis of Actuarial valuation using Projected Unit Credit Method (PUCM) and provided at the end of each financial year.

II. Family Benefit Fund :

Employees Family Benefit Fund' Scheme has been introduced with effect from 01.07.1978. INR 200/- is deducted from each employee and paid to this Fund. In case of death of an employee while in service, INR 2,00,000/- is being paid to the legal heir of the employee if contribution of INR 2,400/- is been made by the employee for a minimum period of 12 months. As per the Scheme, the Company contributes to this Fund as per the terms of the Scheme in case of Death/Retirement of the employees. Actuarial gains or losses are recognized in the Other Comprehensive Income for the period in which they occur.

1.16. Foreign Currency Transactions

a. Functional currency

The functional currency of the company is the Indian rupee. These financial statements are presented in Indian rupees.

b. Transactions and translations

Foreign-currency denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the balance sheet date. The gains or losses resulting from such translations are included in net profit in the Statement of Profit and Loss.

Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled. Revenue, expense and cash-flow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction.

1.17. Borrowing Costs

Borrowing costs that are directly attributable to the acquisition, construction, production of a qualifying asset are capitalized as part of the cost of that asset which takes substantial period of time to get ready for its intended use. The Company determines the amount of borrowing cost eligible for capitalization by applying capitalization rate to the expenditure incurred on such cost. The capitalization rate determined based on the weighted average rate of borrowing cost applicable to the borrowings of the Company which are outstanding during the period, other than borrowings made specifically towards purchase of the qualifying asset. The amount of borrowing cost that the Company capitalizes during the period does not exceed the amount of borrowing cost incurred during that period. All other borrowing costs are expensed in the period in which they occur.



1.18. Earnings per Share

Basic Earnings per Share

Basic Earnings per Share is calculated by dividing the profit attributable to equity shareholders of the company by the weighted average number of equity shares outstanding during the financial year.

Diluted earnings per Share

Diluted earnings per share adjusts the number of equity shares used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential equity shares and the weighted average number of equity shares including additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

1.19. Impairment of PPE and Intangible Assets:

The carrying values of PPE's and Intangible Assets are reviewed at each Balance Sheet date to determine whether there is any indication of impairment of the carrying amount of the Company's assets. If any indication exists, an asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of the asset exceeds the recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased such reversal of impairment loss is recognised in the Statement of Profit and Loss.

1.20. Provisions, Contingent Liabilities and Contingent Assets:

- a. A provision is recognised when the Corporation has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are determined based on the best estimate required to settle the obligations at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.
- b. Contingent liabilities are not recognised in the financial statements and are disclosed in the Notes. Contingent liability is a possible obligation arising from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation that arises from past events but is not recognised because: (i) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or (ii) the amount of the obligation cannot be measured with sufficient reliability.
- c. A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. A Contingent asset is not recognised in the financial statements. The details of contingent asset are disclosed in the Notes when the inflow of economic benefits is probable.
- d. Contingent Liabilities and Contingent Assets are assessed continuously to appropriately disclose/recognise in the Financial Statements.

1.21. Intangible Assets

Intangible Assets are measured on initial recognition at cost. After initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Subsequent expenditure on already capitalized Intangible assets is capitalized when it increases the future economic benefits embodied in an existing asset and is amortised prospectively.

Expenditure incurred, eligible for capitalization under the head Intangible Assets, are carried as "Intangible Assets under Development" till such assets are ready for their intended use. Expenditure on research shall be recognized as an expense when it is incurred. Expenditure on development shall be recognised as Intangible asset if it meets the eligibility criteria as per Ind AS 38 'Intangible Assets', otherwise it shall be recognised as an expense.

An item of Intangible asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of Profit and Loss when the asset is derecognised.

Cost of software capitalized as intangible asset is amortized over the period of estimated useful life with Nil Residual value.

1.22. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and liabilities are offset and the net amount is presented in the Balance sheet when and only when the Company has a legal right to offset the recognised amounts and intends either to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

The Company initially determines the classification of financial assets and liabilities. After initial recognition, no re-classification is made for financial assets which are categorised as equity instruments at FVTOCI and financial assets/liabilities that are specifically designated as FVTPL. However, other financial assets are re-classifiable when there is a change in the business model of the Company. When the Company reclassifies the financial assets, such reclassifications are done prospectively from the first day of the immediately next reporting period. The Company does not restate any previously recognised gains, losses including impairment gains or losses or interest.

a. Financial Assets

Financial assets comprises of investments in equity and mutual funds, trade receivables, cash and cash equivalents and other financial assets.

Depending on the business model (i.e) nature of transactions for managing those financial assets and its contractual cash flow characteristics, the financial assets are initially measured at fair value and subsequently measured and classified at:

- Amortised cost; or
- Fair value through other comprehensive income (FVTOCI); or
- Fair value through profit or loss (FVTPL)



Amortised cost represents carrying amount on initial recognition at fair value plus or minus transaction cost. Accordingly, financial assets are measured at FVTPL except for those financial assets whose contractual terms give rise to cash flows on specified dates that represents solely payments of principal and interest thereon, are measured as detailed below depending on the business model:

Classification	Business model
Amortised cost	The objective of the Company is to hold and collect the contractual cash flows till maturity. In other words, the Company do not intend to sell the instrument before its contractual maturity to realise its fair value changes.
FVTOCI	The objective of the Company is to collect its contractual cash flows and selling financial assets.

Company classifies its financial assets for measurement as below:

Classification	Name of financial assets
Amortised cost	Trade receivables, loans and advances, deposits, interest receivable, unbilled revenue and other advances recoverable in cash or kind.
FVTOCI	There are no such items
FVTPL	There are no such items.

Financial assets are derecognised (i.e) removed from the financial statements, when its contractual rights to the cash flows expire or upon transfer of the said assets. The Company also derecognises when it has an obligation to adjust the cash flows arising from the financial asset with third party and either upon transfer of:

- significant risk and rewards of the financial asset, or
- control of the financial asset

However, the Company continue to recognise the transferred financial asset and its associated liability to the extent of its continuing involvement, which are measured on the basis of retainment of its rights and obligations of financial asset. The Company has applied the de-recognition requirements prospectively.

Upon de-recognition of its financial asset or part thereof, the difference between the carrying amount measured at the date of recognition and the consideration received including any new asset obtained less any new liability assumed shall be recognised in the Statement of Profit and Loss.

For impairment purposes, significant financial assets are tested on individual basis at each reporting date. Other financial assets are assessed collectively in groups that share similar credit risk characteristics. Accordingly, the impairment testing is done retrospectively on the following basis:

Name of financial asset	Impairment testing methodology
Trade receivables	Expected Credit Loss model (ECL) is applied. The ECL over lifetime of the assets are estimated by using a provision matrix which is based on historical loss rates reflecting current conditions and forecasts of future economic conditions which are grouped on the basis of similar credit characteristics such as nature of industry, customer segment, past due status and other factors that are relevant to estimate the expected cash loss from these assets.
Other Financial assets	When the credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. When there is significant change in credit risk since initial recognition, the impairment is measured based on probability of default over the lifetime. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL. However, the impairment testing methodology used in respect of unbilled revenue is same as that of trade receivables.

b. Cash and Cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash in hand, cash at bank and other deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

c. Trade Receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

1.23. Financial Liabilities

Financial liabilities comprise of Borrowings, Trade payables and other financial liabilities. The Company measures its financial liabilities as below:

Measurement basis	Name of Financial liabilities
Amortised cost	Borrowings, Trade payables, Interest accrued, Security deposits and other financial liabilities not for trading.
FVTPL	There are no such items.

Financial liabilities are derecognised when and only when it is extinguished (i.e.,) when the obligation specified in the contract is discharged or cancelled or expired.

Upon de-recognition of its financial liabilities or part thereof, the difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid including any non-cash assets transferred or liabilities assumed is recognised in the Statement of Profit and Loss.

1.24. Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.



NOTE-2 PROPERTY PLANT & EQUIPMENT

(Amount in INR)

PARTICULARS	A/C CODE	GROSS BLOCK				A/C CODE	DEPRECIATION				NET BLOCK	
		Restated AS AT 1ST APRIL, 2019	Restated ADDITIONS	Restated DEDUCTIONS / ADJUSTMENTS	Restated AS AT 31ST MARCH, 2020		1ST APRIL, 2019	ADDITIONS	Prior Period Adjustment 2020	DEDUCTIONS / ADJUSTMENTS	AS AT 31ST MARCH, 2020	AS AT 31ST MARCH, 2019
Land & Rights	10.1	350 23 72 939	25 52 67 805	71 71 476	376 48 12 220	12.1	- 7 58 109	7 58 109		350 23 72 939	376 48 12 220	
Land held under Lease	10.102 & 10.103	12 04 02 111	49 47 027	- 95 33 910	11 58 15 228					12 11 60 220	11 58 15 228	
Buildings	10.2	658 39 30 221	65 24 33 536	- 8 072	723 63 55 685	12.2	2 07 45 41 389	40 54 474	99 19 905	450 93 88 832	492 69 66 414	
Hydraulic Works	10.3	100 18 29 391	13 56 03 607	- 80 55 351	112 93 77 648	12.3	32 04 69 878	- 13 60 215	- 16 51 385	68 13 59 513	75 75 12 745	
Other Civil Works	10.4	155 16 14 313	38 42 69 221	- 3 67 38 155	189 91 45 380	12.4	27 63 56 181	- 55 32 413	55 76 409	127 52 58 132	155 22 84 292	
Plant & Machinery	10.5	9243 43 99 470	1127 80 93 800	- 211 37 99 392	10159 86 93 879	12.5	40 48 17 60 667	- 9 91 54 783	- 31 29 03 905	5195 26 38 803	5699 74 94 199	
Lines Cable Networks	10.6	8957 58 96 627	1222 53 46 360	- 189 80 43 045	9990 31 99 942	12.6	32 13 95 18 327	- 9 18 98 057	2 91 92 727	5743 63 78 300	6322 93 41 866	
Vehicles	10.7	27 27 27 348	34 49 534	- 25 42 091	27 36 34 791	12.7	5 27 89 361	- 2 016	- 22 85 865	21 99 37 987	20 01 50 027	
Furniture & Fixtures	10.8	23 38 31 329	1 86 60 410	- 2 01 53 404	23 23 38 335	12.8	11 85 88 830	- 11 71 034	- 1 78 20 512	11 52 42 499	12 05 53 407	
Office Equipments	10.9	3 89 37 237	57 41 569	- 22 98 948	4 23 79 858	12.9	1 72 15 573	8 411	- 13 85 594	2 17 21 664	2 44 17 690	
TOTAL		19531 59 40 986	2496 38 12 871	- 408 40 00 891	21619 57 52 966		7548 04 82 097	- 19 42 97 524	- 29 13 58 219	11983 54 58 889	13168 93 48 089	
PREVIOUS YEAR		18080 51 87 525	1844 50 21 840	- 393 42 68 379	19531 59 40 986		6749 99 26 761	- 17 56 31 114	- 35 92 42 014	11330 52 60 764	11983 54 58 889	

* The Company has opted to continue with the carrying amount for all of its property, plant and equipment as per Previous GAAP and use that as its deemed cost as at the date of transition to Ind AS.

PARTICULARS	A/C CODE	GROSS BLOCK				A/C CODE	DEPRECIATION				NET BLOCK	
		Restated AS AT 1ST APRIL, 2018	Restated ADDITIONS	Restated DEDUCTIONS / ADJUSTMENTS	Restated AS AT 31ST MARCH, 2019		Restated AS AT 1ST APRIL, 2018	ADDITIONS	Prior Period Adjustment for 2018	DEDUCTIONS / ADJUSTMENTS	Restated AS AT 31ST MARCH, 2019	AS AT 31ST MARCH, 2018
Land & Rights	10.1	359 29 96 586	15 99 03 409	- 13 01 24 945	362 27 75 050	12.1	- 39 99 175	- 39 99 175	32 41 066	- 7 58 109	359 69 95 761	362 35 33 159
Buildings	10.2	622 59 20 769	41 34 93 204	- 5 54 83 752	658 39 30 221	12.2	187 92 33 392	20 08 35 382	- 10 67 573	207 45 41 389	434 66 87 378	450 93 88 832
Hydraulic Works	10.3	89 17 86 946	11 15 97 775	- 15 55 330	100 18 29 391	12.3	27 08 65 460	4 75 89 645	- 10 92 835	32 04 69 878	62 09 21 486	68 13 59 513
Other Civil Works	10.4	129 44 83 220	26 71 68 637	- 1 00 37 544	155 16 14 313	12.4	18 27 17 380	5 22 98 413	- 41 54 511	27 63 56 181	111 17 65 840	127 52 58 132
Plant & Machinery	10.5	8919 02 33 259	595 51 91 723	- 271 10 25 512	9243 43 99 470	12.5	3699 03 08 020	4 09 64 93 294	- 7 50 96 788	4048 17 60 667	5219 99 25 239	5195 26 38 803
Lines Cable Networks	10.6	7927 39 04 543	1130 22 35 858	- 100 02 43 774	8957 58 96 627	12.6	2800 19 48 599	4 09 78 04 406	- 9 49 49 347	3213 95 18 327	5127 19 55 944	5743 63 78 300
Vehicles	10.7	8 24 36 695	19 43 68 000	- 40 77 347	27 27 27 348	12.7	5 04 84 038	60 46 342	- 37 43 019	5 27 89 361	3 19 50 657	21 99 37 987
Furniture & Fixtures	10.8	20 97 63 350	3 63 84 921	- 1 23 16 942	23 38 31 329	12.8	10 51 30 307	1 23 64 067	- 25 21 816	11 85 88 830	10 46 33 042	11 52 42 499
Office Equipments	10.9	4 36 62 157	46 78 312	- 94 03 232	3 89 37 237	12.9	2 32 36 740	19 96 915	10 691	1 72 15 573	2 04 25 418	2 17 21 664
TOTAL		18080 51 87 525	1844 50 21 840	- 393 42 68 379	19531 59 40 986		6749 99 26 761	851 54 28 464	- 17 56 31 114	7548 04 82 097	11330 52 60 764	11983 54 58 889
PREVIOUS YEAR		15004 27 22 044	2325 82 18 393	- 43 45 63 367	17286 63 77 070			732 39 28 315	- 30 29 28 703	6712 99 98 123	8993 37 23 533	10573 63 78 947



Fixed Assets Note 2.1- Land register reconciliation

The Company is considering to initiate the process of reconciliation of the Land registers maintained at units (comprising quantitative information of Land available in various localities including leasehold land) to the value stated in the Financial Statements amounting to INR 376,48,12,220/- (Previous year : INR 350,23,72,939) of free hold land and INR 11,58,15,228/- (Previous year INR 12,04,02,111/-) of lease hold land as on 31st March, 2020.

Note 2.2- Land and Title Deeds

a) As per the Land Registers maintained, Company has capitalised land aggregating 8070 Acres 30.84 Guntas of 1405 premises (includes 198 A 0.0 G of Forest land under lease, 857 A 23.63 G of Government land under lease and 36 A 1.40 G of Private lands under lease) and 86.46 A 684.09 G of land gifted to KPTCL. (Previous year : 7896 A 64.60 G of 1365 premises (includes 187A 26G of Forest land under lease, 860A of Govt land under lease and 36A 1.4G of private lands under lease and 81.46A 684.09G of land gifted to KPTCL)

- 1) Process of updating the land records including title is in progress.
 - 2) Out of 1405 premises complete documents are available for 924 premises (Previous year : Out of 1365 premises complete document are available for 826 premises). Company is pursuing with the respective Revenue Authorities to complete the documentation in favour of the Company, for the remaining premises.
 - 3) Out of 8070 Acres 30.84 Guntas, 152.42 Acres 409.63 Guntas of land (Previous year : Out of 7896 A 64.60 G, 189.42 A 387.35 G) are encroached by various parties. Efforts are being made in order to take the possession of land and legal course is being initiated.
- b) Land INR 376,48,12,220/- includes INR 2,79,36,915/- (Previous year : INR 26,96,089) given on lease to various entities.
- c) Land INR 376,48,12,220/- includes possession of land at MEI Lay out and at Mandur on amounting to INR 10,48,590/- (Previous year : INR 10,48,590/-) which KPTCL has constructed 66/11 KV stations. The said land is a Government land allotted by GoK vide No.LND(east)CR:13:06-07 dated 21/03/2007 and Possession Certificate was issued by Thashildar vide LND:CR:13/06-07-266/0708 dated 06/03/08. Since the land is a Government land, title deeds in the name of KPTCL is not mandatory.
- d) Land includes land allotted by KIADB on lease cum sale agreement dated 13th Oct 2011 for INR 6,67,00,000/-. The land will be registered in the name of KPTCL at the end of lease period as per the terms and conditions of lease.
- e) Land includes various land allotments made by GOK amounting to INR NIL/- (Previous year : 5,56,84,860/-) located in Ajjanahalli, Kempagondanahalli and Kallubaalu and later found not suitable for construction of Sub stations. The Company has therefore made a request for the refund/return of the amount paid on such lands, vide letter dated 12/12/2012 to the Deputy Commissioner, Bengaluru Urban District and pending settlement.
- f) Land cost includes 252.23 acres of Land amounting to INR 53,79,70,746/- acquired from KIADB through Lease Agreement dated 03/03/2017 for a period of 99 years. GOK vide order No.CI 15 SPQ 2017 dated 09/03/2017 has issued an order to replace the existing terms of 99 years lease to a "Lease

cum Sale period fixed for minimum of two years and the sale deed shall be executed on implementation of the project and satisfactory utilization of Land". The management is in the process of examining the further course of action to make an amendment to the Original Lease Agreement with KIADB.

- g) GoK has allotted land to KPTCL towards construction of stations at concessional rates, the same was accounted at cost as per the notification of MCA in the Companies (Indian Accounting Standards) Second Amendment Rules, 2018 on 20 September 2018. KPTCL has also received land at free of cost from various parties.
- h) Land measuring 9.62 A (Previous year : 9.62 A)at Bellary is in the possession of KPTCL and tittle of the land is yet to be transferred to KPTCL
- i) Company is in the process of entering into lease agreements with various parties in 11 cases (Previous year : 80) where lands have been taken on lease to the extent of 327.16 A 1230.09 Guntas (Previous year : 293.61 A 824.81 Guntas)
- j) Company is in the process of entering into lease agreements with various parties in 15 cases (Previous year : 24) where lands have been given on lease to the extent of 0.741 A 174.37 Guntas (Previous year : 5.01 A 78.93 Guntas)
- k) Independent Power producers and other consumers are constructing terminal bays, Stations and other infrastructure on self-execution basis and handing over the assets to KPTCL. Possession of land pertaining to such self-execution works are with KPTCL and transfer of title deed in favour of KPTCL is under progress.

Note 2.3-Land and Buildings

Land and Buildings (including Powerhouses but excluding installations) at the time of unbundling of KPTCL have been accounted on the basis of Balance Sheet Restructuring Program issued by the Government of Karnataka. Formalities for transfer of title of certain assets amounting to INR 41,03,69,016/- (Previous year : INR 41,03,69,016) in favor of the Company are pending.

In some cases, existing 33 KV Stations of ESCOMs are being augmented to 66 KV and other higher capacity stations and taken over by KPTCL. In few cases land lease agreement is yet to be executed with ESCOMs and lease rent to be paid to ESCOMs.

Note 2.3A-Land Held under Lease :

KPTCL has recognised the Right to use in respect to Land in accordance with Ind AS 116. This right to use has been included in the head of (Land Held under Lease) mentioned in the above table.

Note 2.4 -Plant & Machinery

- a) Plant & Machinery does not include the Gross cost of assets amounting to INR 47,01,29,660 obtained on finance lease from IDBI vide agreement dated 29.03.1996 and retained by the Company after the expiry of the primary lease period pending agreement on the price. The lessor has demanded INR 1,12,50,000(including INR 59,60,000 of assets held by ESCOMs) which is not accepted by the Company. Necessary entry for capitalisation of the asset

and depreciation from 31/12/2003, date of expiry of Primary lease period, will be provided in the Accounts after settlement on the price. The Company has not obtained any latest valuation report for such assets retained as on date.

- b) Plant & Machinery does not include cost of assets sold and leased back from ING Vysya Bank (now Kotak Mahindra B) retained by the Company after the expiry of the agreement period, as the assets has reached their residual value and pertains to erstwhile KEB period and the exact location of such assets are not identifiable.
- c) PPE includes additional Switch gears and other equipments installed at various stations of KPTCL under NJY scheme for which amount is to be ascertained and recovered from ESCOM.
- d) Company has submitted draft connection agreement to KERC for approval which is to be signed at the time of interconnection as required by KEGG 2015 .
- e) Self execution Works completed and commissioned will be identified and categorized after handing over of inventory. Further, suitable guidelines will be issued in 2020-2021 with respect to assets created out of self-execution works in respect of EHT consumers.
- f) During the year around 6 works executed, completed and charged before taking the approval of the Chief Electrical Inspectorate for commissioning by not obtaining the safety certificates. However, KPTCL has taken approval of Chief Electrical Inspectorate subsequent to commissioning in 3 cases and the remaining will be pursued in FY 2020-2021.
- g) Generally, the original design as per DWA is not altered as per the final approved design, which results in excess quantities issued and excess payments made to contractors. This results in excess categorization/ capitalization and CWIP along with excess depreciation. However, the same is being recovered from the contractors on the final quantity variation bill and subsequently necessary rectification entries in this regard for all heads of account's are being passed along with reconciliation with C Register.
- h) As per clause No. 15.1, III of ITB, the Price Variation on Erection Portion is being paid as per IEEMA. A detailed Circular vide No. KPTCL/B8/2344/09-10 (10) dated. 08.02.2019 and KPTCL/B8/2344/09-10 (11) dated. 15.07.2011 has been issued clarifying the admissibility of Price Variation for various Erection related activities.
- i) Tools and tackles, Office equipment, Furniture & fixtures, old mobile phones which are scrapped in earlier years but not withdrawn from asset accounts are withdrawn during the year amounting to INR Nil/- (Previous Year INR 80,91,905/-).
- j) Amounts received from BESCOM towards providing new 11KV switchgear panel along with accessories under IPDS and DDUGJY scheme will be reconciled with the books based on the works executed. The same will be identified and reconciled in FY 2020-2021 and balance if any will be recovered from BESCOM.

Note 2.5 -PPE register

- a) Company is in the process of reconciling the Fixed Asset register to the Gross cost of assets stated in the Financial statements .

b) Previous year Commissioned projects and current year capitalisation

During the year, capitalisation amounting to INR 150,22,40,076/- is related to the projects commissioned prior to 1st April, 2016 and the corresponding depreciation on such capitalisation amounting to INR 4,26,08,127/- has been accounted under the Prior Period Item

c) Overhead apportionment to PPE

i) The Establishment cost and Interest cost attributable to the PPE has been apportioned based only on the Asset Categories. However, due to the practical concerns and considering the inherent nature of the operations such costs attributable to the PPE has been apportioned to independent Asset components/Equipment wise since 2017-18.

ii) Establishment cost capitalised is net of supervision charges collected on Self Execution Works till 31.03.2019. W.e.f 01.04.2019 supervision charges are determined based on Percentage of Supervision completed on self excusion works and such supervision charges are deducted from establishment Cost.

d) Investment property

The Company has not classified the PPE held for the purpose of earning rental income as Investment Property. These properties are not primarily held for earning rentals from ESCOMS, whereever rented out is due to administrative purpose. The Lands given on Lease will be classified under investment property after identification of the same in FY 2020-2021.

NOTE 2.6

Restated Balances 2018-19

PARTICULARS	A/C CODE	GROSS BLOCK											
		AS AT 1ST APRIL, 2018	Addition- Prior Period Adjustment for 2020	Deduction- Prior Period Adjustment for 2020	Addition- Prior Period Adjustment for 2019	Deduction- Prior Period Adjustment for 2019	AS AT 1ST APRIL, 2018(Restated)	ADDITIONS for 2019	Prior Period Adjustment for 2019	Revised Additions for 2019(Restated)	DEDUCTIONS / ADJUSTMENTS for 2019	Prior Period Adjustment for 2019	Revised Deductions/ Adjustments 2019 (Restated)
Land & Rights	10.1	359 29 96 586					359 29 96 586	15 99 03 409			15 99 03 409	-13 01 24 945	-13 01 24 945
Land held under Lease	10.102 & 10.103												
Buildings	10.2	608 43 78 738	3 77 85 394	4 52 89 718	2 10 51 292	3 74 15 627	622 59 20 769	43 45 44 496	2 10 51 292	41 34 93 204	-1 80 68 125	3 74 15 627	-5 54 83 752
Hydraulic Works	10.3	83 91 92 517	1 38 17 506	89 16 522	1 40 36 830	1 58 23 571	89 17 86 946	12 56 34 605	1 40 36 830	11 15 97 775	1 42 68 241	1 58 23 571	-15 55 330
Other Civil Works	10.4	102 68 06 860	5 80 66 200	4 59 90 548	2 63 72 006	13 72 47 607	129 44 83 220	29 35 40 643	2 63 72 006	26 71 68 637	12 72 10 063	13 72 47 607	-1 00 37 544
Plant & Machinery	10.5	84 45 10 72 652	81 87 87 167	211 63 26 637	37 18 98 893	143 21 47 910	8919 02 33 259	632 70 90 616	37 18 98 893	595 51 91 723	-127 88 77 602	143 21 47 910	-271 10 25 512
Lines Cable Networks	10.6	765 4 26 23 495	-4 96 84 600	146 45 22 043	50 91 70 934	80 72 72 671	7927 39 04 543	1181 14 06 792	50 91 70 934	1130 22 35 858	-19 29 71 103	80 72 72 671	-100 02 43 774
Vehicles	10.7	8 21 82 272	2 54 423				8 24 36 695	19 43 68 000		19 43 68 000	-40 77 347		-40 77 347
Furniture & Fixtures	10.8	20 34 61 795	59 211	15 67 491	33 90 690	12 84 163	20 97 63 350	3 97 75 611	33 90 690	3 63 84 921	-1 10 32 779	12 84 163	-1 23 16 942
Office Equipments	10.9	4 36 62 157					4 36 62 157	46 78 312		46 78 312	-94 03 232		-94 03 232
Software for Internal Use	18												
TOTAL		17286 63 77 072	87 90 85 301	368 26 12 958	94 59 20 644	243 11 91 550	18080 51 87 525	1939 09 42 484	94 59 20 644	1844 50 21 840	-150 30 76 829	243 11 91 550	-393 42 68 379



NOTE 2.6

Restated Balances 2019-20

PARTICULARS	A/C CODE	ADDITIONS for 2020	Prior Period Adjustment for 2020	Revised Additions for 2020(Restated)	DEDUCTIONS / ADJUSTMENTS for 2020	Prior Period Adjustment for 2020
Land & Rights	10.1	25 52 67 805		25 52 67 805	71 71 476	
Land held under Lease	10.102 & 10.103	49 47 027		49 47 027	- 95 33 910	
Buildings	10.2	69 02 18 930	3 77 85 394	65 24 33 536	4 52 81 646	4 52 89 718
Hydraulic Works	10.3	14 94 21 114	1 38 17 506	13 56 03 607	8 61 171	89 16 522
Other Civil Works	10.4	44 23 35 421	5 80 66 200	38 42 69 221	92 52 393	4 59 90 548
Plant & Machinery	10.5	1209 68 80 967	81 87 87 167	1127 80 93 800	25 27 245	211 63 26 637
Lines Cable Networks	10.6	1217 56 61 760	-4 96 84 600	1222 53 46 360	-43 35 21 002	146 45 22 043
Vehicles	10.7	37 03 957	2 54 423	34 49 534	- 25 42 091	
Furniture & Fixtures	10.8	1 87 19 621	59 211	1 86 60 410	-1 85 85 913	15 67 491
Office Equipments	10.9	57 41 569		57 41 569	- 22 98 948	
TOTAL		2584 28 98 172	87 90 85 301	2496 38 12 871	-40 13 87 933	368 26 12 958

NOTE 2.A

PROPERTY PLANT & EQUIPMENT

Asset Group	A/c Code	Opening WDV as on 01.04.2018	Increase or Decrease	Deprecia tion	"Closing WDV 31.03.2019"	Increase or Decrease	Deprecia tion	"Closing WDV 31.03.2020"
WDV of Standy-by assets/released & re-usable assets	16.2	22 79 16 524	10 40 90 085	1 22 52 617	31 97 53 992	-11 60 33 812	81 22 317	19 55 97 863
Transformers issued to Contarctors / Suppliers for repairs	26.604	28 05 04 327	4 31 04 244	1 55 40 844	30 80 67 727	-4 74 37 525	1 93 57 080	24 12 73 122
Transformers / Meters etc. issued for repairs to the Corporation personnel	27.210				2 88 61 747	-2 39 34 005	3 79 718	45 48 024
		50 84 20 851	14 71 94 329	2 77 93 461	65 66 83 466	-18 74 05 342	2 78 59 115	44 14 19 009

Note 2A.1

a) WDV of Standy-by assets/released & re-usable assets/Assets sent for repair aggregating to INR 44,14,19,009/- (Previous year : INR 65,56,30,837/-) which are reusable is disclosed separately as shown above and depreciated based on WDV method at the prescribed rates.



- b) When such assets are regularised and installed into the PPE again, the WDV computed as on the date of installation is considered to be the revised Cost of the regularised asset and transferred to either CWIP/Plant and Machinery as the case may be as if it is a new asset and depreciation is charged on SLM on such revised cost arrived at based on the prescribed rates.
- c) INR 24,12,73,122/- (Previous Year : INR 30,80,67,726/-) represents 122 (Previous Year 115) transformers issued to various firms for repairs.

NOTE 2B ABSTRACT - PROPERTY PLANT & EQUIPMENT

Particulars	2018	2019	2020
Note No 2	11330 52 60 764	11983 54 58 889	13168 93 48 089
Note No 2A	50 84 20 851	65 66 83 466	44 14 19 009
Total	11381 36 81 615	12049 21 42 355	13213 07 67 098

NOTE 3 : CAPITAL WORKS IN PROGRESS

SL. NO	PARTICULARS	ACCOUNT CODE	AS AT 31ST MARCH, 2020		AS AT 31ST MARCH, 2019		AS AT 1ST APRIL, 2018	
1	Capital Work in Progress	14	2470 40 37 292		2026 69 68 480		1585 20 03 960	
2	Turnkey Contractors Control Account in respect of Capital Works	26.605	1045 94 84 901		1100 98 58 152		779 77 51 940	
3	Capital Work in Progress -Contribution from NCEF as Grants	47.325 & 47.326	38 29 55 429	3554 64 77 622	129 90 01 002	3257 58 27 634	50 34 69 171	2415 32 25 071
	Less : Encashment of Bank Guarantee pending decision for adjustment to Capital works (Refer Note 3.9)	56.202		-43 64 74 023		-43 69 07 159		-43 66 84 559
	Sub-Total			3511 00 03 599		3213 89 20 475		2371 65 40 512
	TOTAL			3511 00 03 599		3213 89 20 475		2371 65 40 512

Note 3.1 : CWIP does not include the Self execution works and Deposit contribution works that are in progress. The Asset would be recognised in PPE once the same is handed over to KPTCL after the joint inventory procedures are completed.

Note 3.2 : Capital expenditure as on year end is accounted only to the extent of Bills received and bills not received from the Contractors for the work completed during the year.

Note 3.3 : CWIP includes materials issued at site and not utilised amounting to INR 71,90,886/- (Previous Year : INR 5,38,30,297/-)

Note 3.4 : CWIP includes INR 3,13,83,663/- (Previous Year : 5,74,39,877/-) in respect of Capital Works pertaining to PSDF Work and INR 68,11,72,132/- (Previous Year : INR 210,96,37,424/-) pertaining to NCEF Work and Turnkey Contractors Control Account in respect of Capital Works includes INR 31,21,77,063/- (Previous Year INR 67,55,29,361/-) pertaining to PSDF Work (including KPTCL Portion) and INR 127,93,35,011/- (Previous Year INR 88,14,05,250/-) pertaining to NCEF Work (including KPTCL Portion)

Note 3.5 : CWIP and Turnkey Contractors Control Account in respect of Capital Works includes works taken up under PSDF. The Company considers PSDF Works as Capital in nature.

Note 3.6 : CWIP includes Additional Switchgears and other equipments supplied to various stations of KPTCL under Niranthara Jyothi Yojana Scheme for which amount is to be ascertained and recovered from ESCOM's.

Note 3.7 : Tree/Crop/Land Compensation and similar compensations are accounted for on cash basis.

Note 3.8 : Refer Note 2.4 (f), (g) & (h) of PPE

Note 3.9 : The Company was encashing the Bank Guarantees (B.G) provided by the Contractors and was adjusting the same against the cost of the work during capitalisation of the said project/work till 31.03.2018. The Company has adopted suitable accounting policy during the year 2019-20 and is in the process of assessing the facts and circumstances (project wise) and will make suitable adjustments.



NOTE 3A : OTHER INTANGIBLE ASSETS

SL. NO	PARTICULARS	ACCOUNT CODE	AS AT 31ST MARCH, 2020		AS AT 31ST MARCH, 2019		AS AT 1ST APRIL, 2018	
1	Custom built Application software for internal use Less : Acumulated Amortization (Note 31)	18		1 49 08 288 - 65 27 029		1 49 08 288 - 40 38 533		35 20 800 - 35 20 800
	TOTAL			83 81 259		1 08 69 755		-

NOTE 4 : LOANS - NON-CURRENT FINANCIAL ASSETS

SL. NO	PARTICULARS	ACCOUNT CODE	AS AT 31ST MARCH, 2020		AS AT 31ST MARCH, 2019		AS AT 1ST APRIL, 2018	
1	"Unsecured (Considered good) : Deposits with Others (Refer Note No. 4.1,4.2 & 4.3) "	28.935		50 23 97 893		20 07 36 768		19 08 69 630
2	Security Deposit made with ESCOMS for obtaining power supply to KPTCL Installations	28.936 28.937		40 27 935		23 33 646		20 37 916
3	Corporate loan to BDA (Refer Note No. 4.4) - Related Party Less : Current portion (Refer Note No.10)	27.301	87 57 38 190 -16 81 65 000	70 75 73 190				
	TOTAL			121 39 99 018		20 30 70 414		19 29 07 546

Note 4.1: Above includes INR 4,16,90,935/- (Previous Year : INR 4,16,90,935/-) receivable from revenue department towards refund/return of land cost paid for Sunkadakatte lands. Other receivables is net of INR 2,29,85,789/- (Previous Year : INR 2,31,91,679/-) towards Bad and Doubtful Debts provided for - Others (Amount receivable from Buidling & Other Construction Workers Welfare Board)

Note 4.2 : Deposit with Others includes INR 17,34,646/-paid to Safal Market complex towards cost of land on lease basis for 30 years for construction of substation at Konadasapura. The lease agreement for the same is yet to be entered.

Note 4.3 : PGCIL has demanded INR 33,99,69,697 during the Financial Year pertaining to the period from April 2018 to March 2020 due to the CERC Order dated 08.11.2019 (Petition No. 361/TT/2018). KPTCL has filed a Review Petition with the Commission for grant of stay and to review its earlier Order. Pending decision of the Commission, KPTCL has decided to pay the dues demanded by PGCIL under protest.

Note 4.4. As per decision taken in 118th Board of Directors meeting held on 12.11.2019 corporate loan has been sanctioned to BDA amounting to INR 112,11,00,000/- at the rate of 8.25%. Total Loan amount released as on 31.03.2020 is INR 87,57,38,190/-. The moratorium period is six months and the repayment of principal amount is to be made in Twenty equal Quarterly installments w.e.f 31.08.2020. Pending completion of formality of obtaining the mortgage deed, the same is clasified as unsecured.

NOTE 4A : OTHER NON-CURRENT FINANCIAL ASSETS

(Amount in INR)

SL. NO	PARTICULARS	ACCOUNT CODE	AS AT 31ST MARCH, 2020		AS AT 31ST MARCH, 2019		AS AT 1ST April, 2018	
1	Regulatory Asset- Receivable towards additional fixed cost of TBPCL from ESCOMS (Refer Note No. 4A.6 & 18.9)	23.150, 28.968 to 28.973	1657 07 00 000		543 84 00 000		543 84 00 000	
2	Advances to Staff - Interest Bearing (Secured (Considered good))	27.101 to 27.106	3 06 190		3 16 990		4 02 390	
3	Income Tax Refund receivable from Income Tax Department for AY 2014-15	28.819	3 06 30 657		3 06 30 657		3 06 30 657	
4	Advance Income Tax and Tax deducted at source, Other tax payment (Net of Provision)(Unsecured (Considered good)) (Refer Note No. 4A.1 & 26.1(iv))	27.4 & 28.821	114 10 15 545		57 60 21 570		53 53 30 726	
5	Amounts Recoverable from Employees (Refer Note No. 4A.2 & 4A.3)	28.4	1 39 43 791		2 42 50 878		3 94 77 791	
6	Claims for Loss / Damage to Capital Assets	28.740	12 74 693		1 50 864		1 50 863	
7	Other Receivables (Refer Note No. 4A.4 & 4A.5)	28.8 & 28.9	18 64 95 789		22 83 94 139		12 15 24 370	
8	Deposits with maturity period more than One (1) year	24.883	10 00 000					
	TOTAL			1794 53 66 665		629 81 65 098		61 65 916 797

Note 4A.1 : Advance Income Tax includes INR 4,54,06,442/- (Previous Year : INR 4,54,06,442/-) has been paid under Protest to the IT Department towards non-effecting TDS on Interest Provision on Belated Payment of Power Purchase Dues for Assessment Year 2004-05, 05-06 and 06-07.

Note 4A.2 :Amount recoverable from employees include INR 47,12,982/- adjusted against the amount recoverable from retired employees, pertaining to the recoveries to be made from employees as on 31st March 2020 on account of non-effecting of TDS on EL Encashment Amount paid at the time of their retirement in the FY 2012-13, 2013-14 & 2014-15. The company has paid the TDS demand during 2016-17 raised by the income tax department amounting to INR 3,38,42,597/- including interest of INR 1,22,36,616/- & KPTCL has preferred an appeal before ITAT against the demand of income tax department. The Income Tax Appellate Tribunal has allowed the appeals, however the Income Tax Department has approached and filed an appeal before Hon'ble High Court of Karnataka against the orders passed by Income Tax Appellate Tribunal. Further, the Income Tax department has withdrawn the appeal citing that appeal could not be maintainable. Hence, the tax paid by the KPTCL has to be obtained back from the Income Tax Department. On obtaining refund, the amount recovered has to be refunded to the concerned Retired Employee. The process of obtaining refund is under process.



During FY 2017-18 the interest component has charged to the Profit & Loss Account.

Note 4A.3 : Amount recoverable from Employees include INR 1,50,89,191/- (Previous Year : INR 2,25,56,822/-) relating to shortage of stores etc, proposed to be recovered from future salaries/ terminal benefits.

Note 4A.4 : Above includes land advances made amounting to INR 8,94,52,235/- (Previous Year : 3,63,15,710/-) located in Sadenahalli, Maranayakanahalli, Thammanayakanahalli , Kallubalu, Kempegowdanahally and Ajjanahalli & later found not suitable for construction of Sub-stations. The Company has made request for refund/return of the advance amounts paid.

Note 4A.5 : Based on Letter from Workers Welfare Cess Board dated 27/04/2012, the Workers Welfare Cess (WWC) is not applicable on Material portion and the amount remitted to the Board may be refunded based on the representation from the company, accordingly the company refunded the WWC to the contractor to the extent of INR 2,29,82,997/- (Previous year:INR. 2,29,85,789/-) and stopped recovering on material portion from the pending and fresh contract thereafter. But when the representation has been made before the Board for the refund of earlier remittance, It has clarified through letter dated 17/01/2018 that WWC is applicable on overall contract value including Material portion, accordingly withdrawn the earlier clarification and denied for the refund. Company made a provision for the doubtful receivables from the Board to the extent of INR 2,29,82,997/- (Previous year:INR.2,29,85,789/-). Company is in the process of taking appropriate action on the aforesaid letter in respect of recovery of WWC on the material portion.

Note 4A.6 : In accordance with the Judgement of the Hon'ble Tribunal dated 05.10.2020 in Appeal No.97/2020, Judgment dated 09.05.2008 in Appeal No.9/2008 read with judgment dated 19.10.2006 in Appeal No.107/2006, the KERC allowed an amount of INR 545,87,00,000/- towards additional power purchase cost of Tanir Bhavi Company and the carrying cost of INR 1111,20,00,000/- on the said additional power purchase cost, for the purpose of computation of Transmission Tariff and recovery from the consumers in the retail supply tariff.

In compliance of the directions of the Hon'ble Tribunal, in its order dated 05th October 2020, in appeal No.97 of 2020 and in accordance with Judgment dated 19.10.2006 in Appeal No.107/2006 KPTCL is directed vide KERC Order dated 19th October 2020 to create a regulatory asset for an amount of INR 1657,07,00,000/- and amortise the same over a period of next 5 years for facilitating gradual increase in Tariff.

Note 4A.7 : In order to comply with KERC Order dated 19.10.2020, Regulatory Defferal Asset already accounted is reversed and new Regulatory deferral asset is created as explained in Note 4A.6

NOTE 5 : OTHER NON CURRENT ASSETS

(Amount in INR)

SL. NO	PARTICULARS	ACCOUNT CODE	AS AT 31ST MARCH, 2020		AS AT 31ST MARCH, 2019		AS AT 1ST April, 2018	
1	Capital Advance - Advance towards procurement of Assets	26.701, 26.602	12 77 81 743	12 77 81 743	14 59 89 936	14 59 89 936	5 92 000	5 92 000
2	Expenditure Pending Allocation Preliminary expenditure on survey / feasibility studies of projects not yet sanctioned	17.301	8 54 90 670	8 54 90 670	9 02 23 667	9 02 23 667	9 94 01 530	9 94 01 530
3	Advance Income Tax and Tax deducted at source, Other tax payment (Net of Provision of INR 131,41,78,637/- Advance Tax INR 136,01,00,000/- & TDS INR 4,48,94,691/-) (Unsecured (Considered good)) (Refer Note No. 24)	27.4 & 28.821	9 08 16 053	9 08 16 053	65 71 03 781	66 39 34 506		
4	Advances to Staff - Interest Free	27.202, 27.204, 27.205	1 10 73 335	1 10 73 335	3 53 48 822	3 53 48 822	1 42 35 349	1 42 35 349
5	Advances to Contractors	28.411	1 834	1 834	3 266	3 266		48 497
6	Proposed adjustments to Net-worth (Refer Note No. 20.1 & 5.1)	52.304 to 52.309	97 70 78 513	97 70 78 513	97 70 78 513	97 70 78 513		97 70 78 513
7	Advance to Suppliers and Contractors (Unsecured (Considered good)) (Refer Note No. 5.2)	25 & 26	5 45 84 837		3 48 25 388		2 26 22 982	
	Less : Provision for Bad & Doubtful Debts - Advances to Suppliers / Contractors		-1 09 81 108	4 36 03 729	-1 09 81 108	2 38 44 280	-1 09 81 108	1 16 41 874
	TOTAL			133 58 45 877		193 64 22 990		110 29 97 763

Note 5.1 : Proposed adjustment to Net worth represents the net amount accounted on transfer of R.E. Subsidy dues receivable from GoK and Power purchase dues payable to KPCL from KPTCL to ESCOMs as per G.O.No.EN 67 PSR 2017 dated 31/07/2017.

Note 5.2 : Advance to suppliers and contractors includes INR 1,09,81,108/- (Previous Year: INR 1,09,81,108/-) to be reconciled with the counterpart Accounting Units and hence provision is made for the same.



NOTE 6 : INVENTORIES

(Amount in INR)

SL. NO	PARTICULARS	ACCOUNT CODE	AS AT 31ST MARCH, 2020		AS AT 31ST MARCH, 2019		AS AT 1ST April, 2018	
I	Stores & Spares							
1	WDV of Obsolete / Scrapped Assets	16.1	11 14 20 542		9 98 00 296		11 11 07 049	
	Less : Provision for obsolescence			11 14 20 542	7 92 94 474	2 05 05 822	8 88 04 085	2 23 02 964
2	Materials Stock Account	22.610	74 01 01 872		70 92 41 448		58 75 87 788	
3	Materials issued on hire basis	22.732			12 93 000		11 437	
	Sub-Total			74 01 01 872		71 05 34 448		58 75 99 225
II	Materials stock Excess / Shortage Pending Investigation.							
1	Stock Excess pending Investigation.	22.810	- 17 36 449		- 17 33 449		- 17 60 990	
2	Stock Shortage pending investigation.	22.820	92 42 824		81 60 518		95 13 774	
	Less : Provision towards Stock Shortage		- 92 42 824		- 81 60 518		- 95 13 774	
	Sub-Total			- 17 36 449		- 17 33 449		- 17 60 990
	TOTAL			84 97 85 965		72 93 06 821		60 81 41 199

Note 6.1 : Material stock includes INR 2,07,08,466/- value of items identified as obsolete and valued at 10 % of actual cost (Previous Year :INR 87,81,937/-).

Note 6.2 : Material stock includes slow / non-moving materials for more than 3 years to the extent of INR 9,43,51,143/- (Previous Year : INR 9,34,19,293/-).

Note 6.3 : Provision for obsolescence is being made on WDV of obsolete/scrapped assets on adhoc basis at the rate of 80% on WDV of obsolete/scrapped assets upto 31.03.2019. As per revised accounting policy, with effect from FY 2019-20 provision on adhoc basis is not made as Net Realization Value(NRV) shown under 16.1 is at SR Rate which is similar to Present Market Rate.

Note 6.4 : Inventories include Capital Spares not issued for installation/erection.

NOTE 7 : TRADE RECEIVABLES - CURRENT - FINANCIAL ASSETS

(Amount in INR)

SL. NO	PARTICULARS	ACCOUNT CODE	AS AT 31ST MARCH, 2020		AS AT 31ST MARCH, 2019		AS AT 1ST April, 2018	
I	(Un-secured and considered good)							
1	Trade Receivables for Transmission Charges							
a)	BESCOM (Refer Note No. 7.2) - Related Party	23.101	432 95 79 956		148 10 00 181		112 03 05 192	
b)	MESCOM (Refer Note No. 7.2) - Related Party	23.102	50 58 41 962		26 25 63 746		33 38 53 476	
c)	HESCOM - Related Party	23.103	359 35 07 541		296 20 79 282		309 15 00 544	
d)	GESCOM - Related Party	23.104	105 71 01 745		102 75 73 706		85 29 44 630	
e)	CESCO - Related Party	23.107	105 71 03 101		57 62 48 894		84 98 89 058	
f)	Long term open access customer - South Western Railways	23.108	46 77 540		40 52 160		39 04 530	
2	Sundry Debtors for sale of Power – Inter State	23.6	13 27 208		13 27 208		13 27 208	
	Sub-Total			1054 91 39 053		631 48 45 177		625 37 24 638
3	Trade Receivables - Wheeling charges- Other States (Refer Note No. 25.2)	28.120+ 23.114+ 23.148		7 27 16 100		44 72 96 654		36 57 68 865
4	SLDC expenditure recoverable from Open Access Customers and wheeling and banking customers	28.130+ 28.131		98 70 498		74 94 780		37 282
	TOTAL			1063 17 25 651		676 96 36 611		661 95 30 785

Note 7.1 : Trade Receivables

Particulars	2019-20	2018-19
1) Outstanding Over 6 months	469 71 49 922	403 61 93 625
2) Others	593 45 75 729	273 34 42 986

Note 7.2 : Transmission charges receivable from BESCOM & MESCOM includes rebate for prompt payment of Transmission charges as per KERC Regulation, 2006 demanded and deducted from Transmission charges bills payable by BESCOM & MESCOM to KPTCL amounting to INR 93,17,53,918/- (Previous Year : INR 93,17,53,918/-)(pertaining to the period Jan 2014 to March 2019) and INR 6,37,94,343/- (Previous Year INR 6,37,94,343/-) (pertaining to the period July 2015 to June 2017) respectively. KPTCL has raised a dispute against claiming of rebate by BESCOM & MESCOM on the ground that the rebate claimed by BESCOM & MESCOM is against the terms and conditions of Transmission Agreement entered into between KPTCL & BESCOM & MESCOM during 2012. KPTCL has filed a petition before KERC against the unilateral decision of BESCOM & MESCOM. KERC vide tariff order dated 11th April 2017 expressed its decision to deal this issue as per the Transmission Agreement entered into between KPTCL & ESCOMs during 2012. The amount deducted from Transmission charges towards rebate by BESCOM & MESCOM has to be paid to KPTCL.



NOTE 8 : CASH AND CASH EQUIVALENTS

(Amount in INR)

SL. NO	PARTICULARS	ACCOUNT CODE	AS AT 31ST MARCH, 2020	AS AT 31ST MARCH, 2019	AS AT 1ST April, 2018
I	Cash and Cash Equivalents	24.110	542	1 55 916	1 28 158
1	Cash on Hand				
2	Imprest Balance	24.210	37 38 000	34 55 000	30 11 500
3	Balance with Banks (Refer Note No. 8.1)		68 54 49 403	48 78 67 951	125 79 32 547
4	Cheque / Drafts on Hand			3 17 32 875	55 86 897
II	Others				
1	Govt. Treasury	24.850			81 976
2	Postage stamps on hand	24.120	1 45 950	1 69 409	1 56 228
3	Funds in Transit	24.5, 24.6	4 67 37 822	40 78 000	3 62 43 044
	TOTAL		73 60 71 717	52 74 59 151	130 31 40 350

Note 8.1 : Cash and Cash Equivalents balances held by the Company not available for use Amounts to INR 3,14,371/- (Previous Year : INR 4,19,268/-) earmarked towards Pension Security Fund and INR 20,783/- (Previous Year : INR 20,607/-) earmarked to Family Benefit Fund. Cash and Cash Equivalents INR 4,52,23,316/- (Previous Year : INR 7,57,47,477/-) collected towards UI Charges from Short Term Open Access Customers which is payable to/adjustable with ESCOM's. Cash and cash equivalents includes INR 2,38,08,666 (Previous Year INR: Nil) earmarked towards Power System Development Fund to be utilised for the purpose as specified by the state commission. Cash and Cash equivalents INR 5,17,254/- (Previous Year : INR 5,99,461/-) and INR 2,731/- (Previous Year : INR 61,831/-) earmarked towards GEC and PSDF grants respectively.

NOTE 9 : OTHER BANK BALANCES

(Amount in INR)

SL. NO	PARTICULARS	ACCOUNT CODE	AS AT 31ST MARCH, 2020	AS AT 31ST MARCH, 2019	AS AT 1ST April, 2018
1	Deposits with maturity period more than 3 months	20.280 24.882 24.883	26 93 58 021	10 05 44 221	3 98 06 229
2	Employee Welfare Fund Balances (Refer Note No. 9.2)	28.210	104 68 01 072	96 90 52 835	86 32 74 550
	TOTAL		131 61 59 093	106 95 97 056	90 30 80 779

Note 9.1 : The above includes Deposits of INR 13,24,31,225/- (Previous Year INR 5,63,00,000/-) pertaining to PSDF.

Note 9.2 : Details of Family Benefit Fund and Pension Security Fund

(Amount in INR)

PARTICULARS	ACCOUNT CODE	AS AT 31ST MARCH, 2020	AS AT 31ST MARCH, 2019	AS AT 1ST April, 2018
Family Benefit Fund	24.882	80 87 31 072	75 49 03 236	69 37 70 328
Pension Security Fund	24.883,20.280	23 80 70 000	19 75 71 000	15 12 00 000
Interest Accrued on above Funds			1 65 78 599	1 83 04 222
TOTAL		104 68 01 072	96 90 52 835	86 32 74 550

NOTE 10 : LOANS - CURRENT - FINANCIAL ASSETS

(Amount in INR)

SL. NO	PARTICULARS	ACCOUNT CODE	AS AT 31ST MARCH, 2020		AS AT 31ST MARCH, 2019		AS AT 1ST April, 2018	
I	Advances Recoverable in cash or in kind or for value to be received Unsecured Considered good							
1	Corporate loan to BDA (Refer Note No. 4.4) - Related Party	27.301	16 81 65 000					
2	Advances to Staff - Interest Free	27.203	1 97 48 711		1 18 85 150		88 82 634	
II	Secured Considered good							
1	Advances to Staff - Interest Bearing (Refer Note 4A)	27.101 to 27.106	10 800		10 800		10 800	
	TOTAL			18 79 24 511		118 95 950		88 93 434

NOTE 11 : OTHER CURRENT - FINANCIAL ASSETS

(Amount in INR)

SL. NO	PARTICULARS	ACCOUNT CODE	AS AT 31ST MARCH, 2020		AS AT 31ST MARCH, 2019		AS AT 1ST April, 2018	
1	Amount Recoverable from Suppliers and Contractors towards TDS remitted by KPTCL on their behalf	25.502	1 43 87 557		2 17 54 738		1 00 55 874	
2	Income Accrued but not due-Other than Fund Investments	28.3	3 82 43 248		26 96 896		26 31 278	
3	Amounts Recoverable from Employees(Ref Note No.4A.2 & 4A.3)	28.4	2 80 57 509		1 75 55 475		1 90 97 217	
4	Other Receivables - BESCOM - Related Party	28.8 & 28.9, 28.125, 28.926	62 12 20 230		57 73 88 513		53 09 08 960	
5	Other Receivables - MESCOM - Related Party	28.8 & 28.9, 28.126	20 21 74 604		17 81 22 816		17 45 21 486	
6	Other Receivables - HESCOM - Related Party	28.8 & 28.9, 28.127	35 23 65 703		40 15 34 383		38 68 07 396	
7	Other Receivables - GESCOM - Related Party	28.8 & 28.9, 28.128	43 24 71 369		43 31 32 091		41 15 47 247	
8	Other Receivables - CESCO - Related Party	28.9	21 79 42 399		19 94 09 286		20 02 18 662	
9	Receivables - P & G Trust-Advance Paid - Related Party	28.907	15 98 51 259		7 94 63 137		3 64 28 890	
10	Receivable - Others	28.101 to 28.109, 28.111 to 28.124, 28.810, 28.836, 28.917, 28.898	71 18 67 363		65 46 49 385		59 25 85 798	
	TOTAL			277 85 81 241		256 57 06 720		236 48 02 808



NOTE 12 : OTHER CURRENT ASSETS

(Amount in INR)

SL. NO	PARTICULARS	ACCOUNT CODE	AS AT 31ST MARCH, 2020		AS AT 31ST MARCH, 2019		AS AT 1ST April, 2018	
1	ASSETS NOT IN USE Prepaid Expenses	28.820	5 36 24 361		6 47 27 045		2 70 19 563	
2	IUA - Personnel (Refer Note No. 12.1)	36	19 05 665		19 68 565		19 42 480	
3	IUA- Other transactions / adjustments (Refer Note No. 12.1)	37	32 78 299		32 78 300		1 01 77 680	
	TOTAL		5 88 08 325		6 99 73 910		3 91 39 723	

“Note 12.1 : Inter Unit Account - INR 51,83,964/- (Previous Year : INR 52,46,866/-) represents net debit balance under reconciliation details are given below:

	Debits un-paired	Credits un-paired
37.300 - IUA-Other transactions/adjustments	32,21,20,307/-	31,88,42,008/-
36.300 - IUA Personnel	1,99,82,526/-	1,80,76,861/-

NOTE 13 : Equity Share Capital

(Amount in INR)

SL. NO	PARTICULARS	ACCOUNT CODE	AS AT 31ST MARCH, 2020		AS AT 31ST MARCH, 2019		AS AT 1ST April, 2018	
I	Authorised Capital 3,00,00,000 Equity Shares of INR 1,000/- each (Previous Year - 3,00,00,000 Equity Shares)		3000 00 00 000		3000 00 00 000		3000 00 00 000	
II	Issued, Subscribed and Paid up 2,18,23,225 Equity Shares of INR 1,000/- each (Previous Year - 2,18,23,225 Equity Shares)	52.301	2182 32 25 000		2182 32 25 000		2182 32 25 000	
				2182 32 25 000		2182 32 25 000		2182 32 25 000
	TOTAL		2182 32 25 000		2182 32 25 000		2182 32 25 000	

NOTE 13.1 : Reconciliation of Equity Share Capital:

(Amount in INR)

Particulars	As at 31st March, 2020 (No. of Shares)	As at 31st March, 2019 (No. of Shares)	As at 1st April, 2018 (No. of Shares)	As at 31st March, 2020 (Amount in INR)	As at 31st March, 2019 (Amount in INR)	As at 1st April, 2018 (Amount in INR)
Equity Shares at the beginning of the year	2 18 23 225	2 18 23 225	2 07 53 225	2182 32 25 000	2182 32 25 000	2075 32 25 000
Add : Shares issued			10 70 000	-	-	107 00 00 000
Equity Shares at the end of the year	2 18 23 225	2 18 23 225	2 18 23 225	2182 32 25 000	2182 32 25 000	2182 32 25 000

NOTE 13.2 : Details of shareholders holding more than 5% shares in the Company:

(Amount in INR)

Name of the Shareholder	"As at 31st March, 2020"		"As at 31st March, 2019"		"As at 1st April, 2018"	
	No. of Shares	% of holding	No. of Shares	% of holding	No. of Shares	% of holding
Hon'ble Governor of State of Karnataka (including 7 nominee shareholders)	2 18 23 225	100%	2 18 23 225	100%	2 18 23 225	100%

Note 13.3 : Rights, preference and restrictions attached

The Company has one class of equity shares having a par value of INR 1,000/- per share. These shares rank pari passu in all respects including voting rights and entitlement to dividend.

NOTE 14 : Other Equity

(Amount in INR)

SL. NO	PARTICULARS	ACCOUNT CODE	AS AT 31ST MARCH, 2020	AS AT 31ST MARCH, 2019	AS AT 1ST APRIL, 2018
1	Capital Reserve (Ref Note No.14.2)	56.2			
2	Surplus in Profit and Loss Account	58	2548 80 97 642	2149 87 63 259	2072 18 80 250
	TOTAL		2548 80 97 642	2149 87 63 259	2072 18 80 250

Note 14.1 - Movement in Other Equity

(Amount in INR)

SL. NO	Particulars	ACCOUNT CODE	OPENING BALANCE	ADDITIONS	DELETIONS	BALANCE AS AT 31ST MARCH, 2020
1	Capital Reserve	56.2		-		
2	Surplus in Profit and Loss Account	58	2149 87 63 259	398 93 34 383		2548 80 97 642
	Total		2149 87 63 259	398 93 34 383		2548 80 97 642

SL. NO	Particulars	ACCOUNT CODE	"OPENING BALANCE April 2018"	ADDITIONS	DELETIONS	BALANCE AS AT 31ST MARCH, 2019
1	Capital Reserve	56.2	-	-	-	-
2	Surplus in Profit and Loss Account	58	2072 18 80 250	227 83 27 275	150 14 44 266	2149 87 63 259
	Total		2072 18 80 250	227 83 27 275	150 14 44 266	2149 87 63 259

Note 14.2 : Capital Reserve represents gain on sale of assets in excess of the accumulated depreciation charged by the company on sold asset has been treated as Capital Reserve in accordance with para 2.77 of ESAAR 1985. The transactions are pertaining to the period prior to 2012. However, on adoption of accounting standards, this balance has been restated to retained earnings as gain on sale of assets in excess of the accumulated depreciation are not permitted to show in capital reserve under the Ind AS.

The following table represents the adjustment to capital reserve:-

Particulars	Amount
Balance as per Last audited financials	7 45 46 563
Transfer to Retained Earnings	-7 45 46 563
Balance as per latest financials	0



NOTE 15 : NON-CURRENT BORROWINGS

(Amount in INR)

SL. NO	PARTICULARS	ACCOUNT CODE	AS AT 31ST MARCH, 2020		AS AT 31ST MARCH, 2019		AS AT 1ST APRIL, 2018	
I	SECURED LOANS							
1	<u>Term Loans</u>							
a)	From Banks (Refer Note No. 15.1)	53 & 54	6009 57 12 057		5256 99 18 636		4614 36 14 943	
b)	Other Financial Institutions (Refer Note No. 15.1)						3 14 88 946	
	Sub-Total			6009 57 12 057		5256 99 18 636		4617 51 03 889
II	UNSECURED LOANS							
1	<u>Term Loans</u>							
1	From Others - From GoK (Refer Note No. 15.1)	53 & 54	1 18 81 442		1 78 62 886		2 37 62 886	
	Sub-Total			1 18 81 442		1 78 62 886		2 37 62 886
	TOTAL			6010 75 93 499		5258 77 81 522		4619 88 66 775

Note 15.1: BORROWINGS -NON CURRENT - FINANCIAL LIABILITY

(Amount in INR)

Sl. No	Bank Name	Amount of loan in Rs	Security & Terms of repayment	Amount as at 31/03/2020	Amount as at 31/03/2019	Loan From	Loan To	Tenure of Loan (Years)	Period of Maturity from 31.03.2020
	Secured Loans from Banks:								
1	State Bank of India	250 00 00 000	13 years Term Loan secured by hypothecation of assets of 15 works, repayable in last 40 quarterly instalments of INR 6,25,00,000/- each.	210 00 00 000	NIL	7/3/2020	31/10/2033	13	12 Years 9 Months
2	Bank of Baroda	250 00 00 000	13 years Term Loan secured by hypothecation of assets of 15 works, repayable in last 40 quarterly instalments of INR 6,25,00,000/- each.	250 00 00 000	NIL	16/3/2020	16/3/2033	13	12 Years 9 Months
3	Punjab National Bank	400 00 00 000	13 years Term Loan secured by hypothecation of assets of 2 works, repayable in last 40 quarterly instalments of INR 10,00,00,000/- each.	400 00 00 000	NIL	30/11/2019	31/10/2032	13	12 years 6 Months
4	Canara Bank A/c. No. 041377 3000119	500 00 00 000	13 years Term Loan secured by hypothecation of assets of 7 works, repayable in last 40 quarterly instalments of INR 12,50,00,000/- each.	500 00 00 000	NIL	25/7/2019	25/7/2032	13	12 Years



5	Canara Bank	600 00 00 000	13 years Term Loan secured by hypothecation of assets of 12 works, repayable in last 40 quarterly instalments of INR 15,00,00,000/- each.	600 00 00 000	518 00 00 000	24/12/2018	24/12/2031	13	12 Years
6	Jammu & Kashmir Bank	550 00 00 000	13 years Term Loan secured by hypothecation assets of various stations & lines. repayable in last 40 quarterly instalments of INR 13,75,00,000/- each.	550 00 00 000	550 00 00 000	2/3/2018	2/3/2031	13	11 Years
7	Bank of India	350 00 00 000	13 years Term Loan secured by hypothecation assets of various stations & lines. repayable in last 40 quarterly instalments of INR 8,75,00,000/- each.	350 00 00 000	350 00 00 000	20/9/2017	20/9/2030	13	10 Years 6 months
8	Canara Bank A/c. No. 041377 3000107	500 00 00 000	13 years Term Loan secured by hypothecation of assets of 3 Works, repayable in last 40 quarterly instalments of INR 12,50,00,000/- each.	500 00 00 000	500 00 00 000	17/2/2017	17/2/2030	13	9 Years 11 Months
9	State Bank of India	300 00 00 000	12 years 6 months Term Loan secured by hypothecation of stations & lines, repayable in last 40 quarterly instalments of INR 7,50,00,000/- each.	270 00 00 000	300 00 00 000	17/10/2016	17/1/2029	12.6	9 Years 7 Months
10	State Bank of India	578 00 00 000	12 years 6 months Term Loan secured by hypothecation of stations & lines, repayable in last 40 quarterly instalments of INR 14,45,00,000/- each.	520 20 00 000	578 00 00 000	17/10/2016	17/1/2029	12.6	9 Years 7 Months
11	Punjab National Bank	300 00 00 000	13 years Term Loan secured by hypothecation of stations & lines, repayable in last 40 quarterly instalments of INR 7,50,00,000/- each.	270 00 00 000	300 00 00 000	31/3/2016	31/3/2029	13	9 Years
12	UCO Bank	200 00 00 000	13 years Term Loan secured by hypothecation of stations & lines, repayable in last 40 quarterly instalments of INR 5,00,00,000/- each.	180 00 00 000	200 00 00 000	28/3/2016	28/3/2029	13	9 Years
13	State Bank of Mysore	200 00 00 000	13 years Term Loan secured by hypothecation of stations & lines, repayable in last 40 quarterly instalments of INR 5,00,00,000/- each.	170 00 00 000	190 00 00 000	21/9/2015	21/9/2028	13	8 Years 6 Months



14	Vijaya Bank	195 00 00 000	13 years Term Loan secured by hypothecation of stations & lines, repayable in last 40 quarterly instalments of INR 4,87,50,000/- each.	160 87 50 000	180 37 50 000	19/6/2015	19/6/2028	13	8 Years 3 Months
15	State Bank of Mysore	300 00 00 000	13 years Term Loan secured by hypothecation of stations & lines, repayable in last 40 quarterly instalments of INR 7,50,00,000/- each.	225 00 00 000	255 00 00 000	18/7/2014	18/7/2027	13	7 Years 4 Months
16	Vijaya Bank	60 00 00 000	13 years Term Loan secured by hypothecation of stations & lines, repayable in last 40 quarterly instalments of INR 1,50,00,000/- each.	43 50 00 000	49 50 00 000	4/4/2014	4/4/2027	13	7 Years
17	Bank of India	200 00 00 000	13 years Term Loan secured by hypothecation of stations & lines, repayable in last 40 quarterly instalments of INR 5,00,00,000/- each.	125 00 00 000	145 00 00 000	3/6/2013	3/6/2026	13	6 Years 2 Months
18	Vijaya Bank	55 00 00 000	13 years Term Loan secured by hypothecation of stations & lines, repayable in last 40 quarterly instalments of INR 1,37,50,000/- each.	34 37 50 000	39 87 50 000	1/6/2013	1/6/2026	13	6 Years 2 Months
19	Punjab & Sind Bank	300 00 00 000	13 years Term Loan secured by hypothecation of stations & lines, repayable in last 40 quarterly instalments of INR 7,50,00,000/- each.	180 00 00 000	210 00 00 000	18/3/2013	18/3/2026	13	6 Years
20	Vijaya Bank	150 00 00 000	13 years Term Loan secured by hypothecation of stations & lines, repayable in last 40 quarterly instalments of INR 3,75,00,000/- each.	82 50 00 000	97 50 00 000	11/9/2012	11/9/2025	13	5 Years 6 Months
21	Punjab & Sind Bank	200 00 00 000	13 years Term Loan secured by hypothecation of 4 TL&SS Stations, repayable in last 40 quarterly instalments of INR 5,00,00,000/- each.	100 00 00 000	120 00 00 000	8/2/2012	8/2/2025	13	4 Years 10 Months
22	Vijaya Bank	300 00 00 000	13 years Term Loan secured by hypothecation of stations & lines, repayable in last 40 quarterly instalments of INR 7,50,00,000/- each.	120 00 00 000	150 00 00 000	1/3/2011	1/3/2024	13	3 Years 11 Months

23	Canara Bank A/c.No. 04137730 00079	500 00 00 000	13 years Term Loan secured by hypothecation of stations & lines, repayable in last 40 quarterly instalments of INR 12,50,00,000/- each.	200 00 00 000	250 00 00 000	2/2/2011	2/2/2024	13	3 Years 10 Months
24	Punjab & Sind Bank	100 00 00 000	13 years Term Loan secured by hypothecation of 5 TL&SS Stations, repayable in last 40 quarterly instalments of INR 2,50,00,000/- each.	40 00 00 000	50 00 00 000	6/1/2011	6/1/2024	13	3 Years 9 Months
25	Corporation Bank	200 00 00 000	13 years Term Loan secured by hypothecation of 3 TL&SS Stations, repayable in last 40 quarterly instalments of INR 5,00,00,000/- each.	75 00 00 000	95 00 00 000	8/11/2010	8/11/2023	13	3 Years 8 Months
26	Vijaya Bank	64 77 52 150	8 & 1/2 years Term Loan secured by hypothecation of stations & lines, repayable in 18 quarterly instalments of INR 2,38,41,000/-, Next 9 Quarterly instalments of Rs.1,88,30,500/-, Next 6 Quarterly instalments of Rs.70,20,000/- and last 1 Quarterly installment of Rs.70,19,650/-	18 09 53 150	26 62 96 150	18/2/2015	15/7/2023	8 ½	3 Years 6 Months
27	Indian Bank	200 00 00 000	13 years Term Loan secured by hypothecation of 4 TL&SS Stations, repayable in last 40 quarterly instalments of INR 5,00,00,000/- each.	70 00 00 000	90 00 00 000	29/9/2010	29/9/2023	13	3 Years 6 Months
28	Vijaya Bank	564 00 00 000	13 years Term Loan secured by hypothecation of 7 TL&SS Divisions, repayable in last 40 quarterly instalments of INR 14,10,00,000/- each.	197 40 00 000	253 80 00 000	29/9/2010	29/9/2023	13	3 Years 6 Months
29	Bank of India	300 00 00 000	13 years Term Loan secured by hypothecation of 5 TL & SS Stations, repayable in last 40 quarterly instalments of INR 7,50,00,000/- each.	97 50 00 000	127 50 00 000	30/6/2010	30/6/2023	13	3 Years 3 Months
30	Canara Bank	300 00 00 000	13 years Term Loan secured by hypothecation of stations & lines, repayable in last 40 quarterly instalments of INR 7,50,00,000/- each.	77 50 00 000	107 50 00 000	3/6/2013	3/12/2022	13	2 Years 9 Months



31	State Bank of Mysore	241 08 42 282	7 years Term Loan secured by hypothecation of stations & lines, repayable in 26 quarterly instalments of INR 8,92,90,455/- and last 1 Quarterly installment of Rs. 8,92,90,452/-	53 57 42 727	89 29 04 547	28/11/2014	28/11/2021	7	1 Year 8 Months
32	Indian Bank	100 00 00 000	13 years Term Loan secured by hypothecation of assets of 4 works, repayable in last 40 quarterly instalments of INR 2,50,00,000/- each.	10 00 00 000	20 00 00 000	28/3/2008	28/3/2021	13	1 Year
33	Corporation Bank	300 00 00 000	7 & 1/2 years Term Loan secured by hypothecation of assets created out of PFC term loan, repayable in First 25 quarterly instalments of INR 11,03,94,807/-, 26th quarterly installment of Rs.8,36,07,066/-, 27th quarterly installment of Rs. 7,62,70,497/- 28th quarterly installment of Rs.6,15,71,624/- and Last 29th & 30th quarterly instalments of Rs.93,40,319/-	15 65 22 759	57 13 14 246	30/9/2013	30/3/2021	7 ½	1 Year
34	Canara Bank	485 04 00 000	7 years Term Loan secured by hypothecation of 8 TL&SS Stations, repayable in 27 quarterly instalments of INR 17,86,00,000/- & last 28th quarterly instalment of INR 2,82,00,000/-	2 82 00 000	74 26 00 000	28/6/2013	28/6/2020	7	28.06.2020
35	Vijaya Bank	165 00 00 000	13 years Term Loan secured by hypothecation of assets of 17 works, repayable in last 40 quarterly instalments of INR 4,12,50,000/- each.	0.00	15 00 00 000	14/1/2008	14/1/2020	13	NA
	Total			6698 99 18 636	5989 36 14 943				
	Less: Current maturities of Long term debts (Refer Note No. 22)			689 42 06 579	732 36 96 307				
	Total Secured Loans from Banks (A)			6009 57 12 057	5256 99 18 636				
	Secured Loans from Others:								
36	Loan from REC (Pre Closed on 12/07/2019)		13 years Term Loan amounting to INR 17,36,30,000/- Guaranteed by State Government and assets are mortgaged. The Rate of Interest ranges from 11.25% to 12.25% p.a. (Pre Closed)	0	0	10/4/2007	10/4/2020	13	NA

37	Loan from PFC	10 years Term Loan guaranteed by State Government and mortgage of assets.	0	0	-	-	-	NA
Total			0	0				
Less: Current maturities of Long term debts (Refer Note No. 21)			0	0				
Total Secured Loans from Others (B)			0	0				
Unsecured Loans from Others:								
38	State Government Loan	20 years Loan at the rate of 11.50% p.a.	1 78 22 163	2 38 03 607	1/3/2003	1/3/2023	20	3 Years 11 Months
39	Loan from APDRP-REC	13 years Term Loan			1/3/2003	1/3/2016	13	NA
40	Loan of KPTCL parked with GOK	Balance Loan taken over by GOK and to be serviced by GOK vide notification dated "DE 8 PSR 2002 dt 31/05/2002"			-	-	-	NA
Total			1 78 22 163	2 38 03 607				
Less: Current maturities of Long term debts (Refer Note No. 21)			59 40 721	59 40 721				
Total Unsecured Loans from Others (C)			1 18 81 442	1 78 62 886				
Total Long Term Borrowings (A+B+C)			6010 75 93 499	5258 77 81 522				

Note: 15.2 - There is no default in repayment of any of the above loans or payment of interest as on 31/03/2020

Note: 15.3 - Interest for Term loans from Bank are floating in nature ranging between 8.00% to 8.90% during the FY 2019-20

NOTE 15A : OTHER NON CURRENT - FINANCIAL LIABILITIES

(Amount in INR)

SL. NO	PARTICULARS	ACCOUNT CODE	AS AT 31ST MARCH, 2020		AS AT 31ST MARCH, 2019		AS AT 1ST APRIL, 2018	
I	EMPLOYEE BENEFITS							
1	Family Benefit Fund (Refer Note No. 15A.1)	44.140 to 44.143		826,625,217		765,898,608		713,773,838
II	OTHERS							
1	Security Deposits in cash from Suppliers / Contractors	46.101	110,699,424		74,097,464		195,760,090	
2	KPTCL Pensioners / Family Pensioners Family Benefit / Security Fund	46.103	244,541,815		202,988,802		155,384,221	
3	Retention Money - Bill amount retained as per terms of P.O / Turnkey Contract	46.104 + 46.205 to 46.208	5,137,058,327		1,358,321,799		3,431,296,023	
4	Security Deposit received from open Access Customer	46.105	107,794		107,794		10,065,600	
5	Security Deposit - Generating Companies	46.11	111,148,822		105,154,167		74,836,487	
6	Liability for Expenses (Refer Note No. 15A.2)	46.435	29,496,478		29,496,478		29,496,478	
7	Security Deposit from Employees	46.920	41,532	5,633,094,195	44,082	1,770,210,586	45,182	3,896,884,081
8	Other Payable to GoK (Refer Note No. 15A.3)	46.909	16,570,700,000	16,570,700,000				
				23,030,419,413		2,536,109,194		4,610,657,919

Note No. 15A.1 : Family Benefit Fund represents amount collected from employees and is net of disbursement made on retirement / death.

Note No. 15A.2 : INR 2,94,96,478/- pertains to amount payable to TBHES (Tungha Bhadra Hydro-Electric Scheme) towards 20% share of Revenue Expenditure.

Note No. 15A.3 :KERC did not allowed the additional fixed cost of INR 545,87,00,000/- in Bulk supply Tariff as well as in retail Tariff in the respective years. KPTCL created the liability and paid the amount to TBPCL. The revenue gap on this account was indirectly met by GoK in the form of Revenue subsidy. In other words, GoK has borne the additional expenditure not passed on to consumers by KERC. KERC vide order dated 19th October 2020 has directed KPTCL to create Regulatory Asset for amount of INR 1657,07,00,000/- (INR 545,87,00,000/- towards additional power purchase cost of TBPCL and the carrying cost of INR 1,111,20,00,000/-) and amortise the same over a period of next 5 years for recovery from the consumers in the retail supply Tariff. GoK is of the view that any expenditure of previous years, which is now considered for passing on to consumers has to be refunded to GoK along with carrying cost. GoK vide order No FD 316/expenses-1/2020-EN 438 PSR 2020 dated 21/11/2020 has directed KPTCL to refund the said amounts to GoK. Hence INR 1657,07,00,000/- is accounted as payable to GoK. Government Order No. Energy 438 PSR 2020 Bangalore dated 30/11/2020 has been issued in this regard according approval to account an amount of INR.1657,07,00,000/- excluding INR 543,84,00,000/- which is already accounted as receivable from ESCOMs and payable to Government.

NOTE 16 : PROVISIONS - NON CURRENT LIABILITY

(Amount in INR)

SL. NO	PARTICULARS	ACCOUNT CODE	AS AT 31ST MARCH, 2020		AS AT 31ST MARCH, 2019		AS AT 1ST APRIL, 2018	
I	Provision for Employee Benefits							
1	Provision for Leave encashment	44.130 44.131		243 16 62 387		226 67 84 131		173 14 76 182
2	Provision for Half Pay Leave	44.133		50 81 94 603				
	TOTAL			293 98 56 990		226 67 84 131		173 14 76 182

NOTE 16.1 :

Movement in provision (including short term provisions)

Particulars	Opening Balance	Provision made during the year	Received from the Units	Payment made during the year	Closing Balance
Earned Leave	276 98 22 782	76 22 18 039	1 22 01 756	67 48 08 801	286 94 33 776
Half Pay Leave		71 41 16 440		13 24 26 581	58 16 89 859
- Non - Current - Earned Leave					243 16 62 387
- Current - Earned Leave (Refer Note No.23)					43 77 71 389
- Non - Current - Half Pay Leave					50 81 94 603
- Current - Half Pay Leave (Refer Note No.23)					7 34 95 256



NOTE 17 : DEFERRED TAX LIABILITY

(Amount in INR)

SL. NO	PARTICULARS	ACCOUNT CODE	AS AT 31ST MARCH, 2020		AS AT 31ST MARCH, 2019		AS AT 1ST APRIL, 2018	
1	Deferred Tax Liability (Net) (Refer Note No. 17.1)	46.802	1159 34 29 139		950 84 29 826		898 22 89 128	
	TOTAL			1159 34 29 139		950 84 29 826		898 22 89 128

Note 17.1 : Calculation of Deferred Tax Liability/Asset

Particulars	FY 2019-20	FY 2018-19	FY 2017-18
I Deferred Tax Liability			
WDV of Assets as per Accounts (excluding land)	12825 01 39 650	11247 31 04 820	10265 18 03 214
WDV of Assets as per Income Tax Rules (excluding land)	7654 59 86 007	6734 41 03 646	6215 91 34 345
Timing Difference from Deferred Tax Liabilities	5170 41 53 643	4512 90 01 174	4049 26 68 869
Deferred Tax Liabilities @ 34.944% * (A)	1806 74 99 449	1576 98 78 170	1414 97 58 210
II Deferred Tax Assets			
Leave encashment & HPL Provision u/s 43B	345 11 23 635	276 98 22 782	210 79 71 218
Bonus and Ex-Gratia	7 24 81 685	7 41 31 673	7 29 36 909
Employers Contribution to Gratuity	644 43 85 307	732 25 87 667	620 58 57 219
Timing Difference from Deferred Tax Assets	996 79 90 627	1016 65 42 122	838 67 65 346
Deferred Tax Assets @ 34.944% *	348 32 14 645	355 25 96 479	293 06 71 282
Add: MAT Credit Entitlement	299 08 55 666	270 88 51 865	223 67 97 799
Total Deferred Tax Assets (B)	647 40 70 311	626 14 48 344	516 74 69 081
Net Deferred Tax Liability as on 31.03.2020 (A - B)	1159 34 29 138	950 84 29 825	898 22 89 128
Total Deferred Tax Expenses for the year 2019-20	208 49 99 313	52 61 40 698	414 49 91 380

* Effective Tax Rate has been arrived at 34.944% i.e., 30% of Corporate Tax, 12% of Surcharge, 2% of Education Cess and 1% of Secondary and Higher Education Cess and 1% Health and Education Cess.

NOTE 18 : OTHER CURRENT - LIABILITIES

(Amount in INR)

SL. NO	PARTICULARS	ACCOUNT CODE	AS AT 31ST MARCH, 2020		AS AT 31ST MARCH, 2019		AS AT 1ST April, 2018	
1	Transmission charges collected pending Refixation of Tariff-Hukkeri (Refer Note No. 18.2)	46.989	1 26 18 427		1 26 18 427		1 26 18 427	
2	Transmission charges collected pending Refixation of Tariff-ESCOMS (Refer Note No. 18.2)	46.984 to 46.988	261 17 65 715		261 17 65 715		261 17 65 715	
3	Penalty recovered pending decision for refund (Refer Note No. 18.1)	46.109	102 91 08 224		55 27 99 588		61 38 30 777	
4	Additional Fixed cost of TBPCL recoverable from ESCOMS pending adjustment to subsidy (Refer Note No. 18.9 & 4A.7)	46.983			543 84 00 000		543 84 00 000	
5	Adjustments pending re-notification by GOK (Refer Note No. 18.3)	52.304 to 52.309	42 39 09 918		42 38 53 594		42 38 53 594	
6	Contribution towards cost of capital assets (Refer Note No. 18.4 to 18.6)	55.1	914 06 04 676		805 63 86 282		709 45 38 527	
7	Special Grant towards Capital Works (Refer Note No. 18.8)	55.310, 55.320, 55.500	227 21 32 629		222 61 05 939		121 47 52 502	
	TOTAL			1549 01 39 589		1932 19 29 545		1740 97 59 542

Note 18.1 : Recoveries from Suppliers / Contractors, including amounts recovered for delay in supply / execution of work is retained in "Penalty Recovered pending decision for Refund".

Note 18.2 : INR 261,17,65,715/- & INR 1,26,18,427/- was the difference between Transmission charges approved by KERC(19.42 paise per unit) & Transmission charges already billed by KPTCL during 2006-07 (26.23 paise per Unit). The Transmission Tariff as determined by KERC in its order dated 31.12.2007 was appealed by KPTCL before the Appellate Tribunal for Electricity (ATE), New Delhi. The Hon'ble ATE passed an Interim Order staying the operation of the KERC Order and directed the Company to collect Transmission Charges @ 19.42 Ps./Unit, which rate has been reckoned for Accounting Revenue for the year. Subsequently, the ATE in its Order Dated 09.05.2008 allowing the Appeal of the Company has passed Orders requiring KERC to carry out certain modifications in the Transmission Tariff. The KERC has preferred an Appeal against the Order of the ATE to the Hon'ble Supreme Court. The Hon'ble Supreme Court vide order dated 11/04/2018 has dismissed the Appeal. Consequent on disposal of the appeal by the Hon'ble Supreme court , the Hon'ble ATE, in its Order dated 05.10.2020 has upheld the Truing up of ARR of KPTCL for FY06-07 as approved by the Commission as per its order dated 16.01.2020. The same is implemented by KERC vide Tariff order 2020 dated 04th Nov 2020 and allowed INR 72,90,00,000/- as revenue deficit for FY 2006-07. INR 72,90,00,000/- is shown as contingent asset in Note 37.8.



Note 18.3 : At the time of Notification of Opening Balance Sheet of KPTCL and ESCOMs, in the G.O. Dated DE 48 PSR 2003 Bangalore dated 31/05/2003, Energy Department is authorised to accept and notify the Final Opening Balance sheet of KPTCL and four ESCOMs as on 01-06-2002 after audit. Further corrections if any in future to Capital Structure of KPTCL and four ESCOMs, shall be got approved by Principal Secretary to Government, Energy Department as instructed vide G.O. no. DE 48 PSR 2003 Bangalore Dated 07/10/2004. Accordingly INR 42,39,09,918/- (Previous Year INR 42,38,53,594/-) is accounted as 'Adjustment pending re-notification by GOK'.

Note 18.4 : Movement in 55.1-Consumer contribution towards Capital Assets

(Amount in INR)

Opening Balance	Added during the year	Transferred to Reserve Account	Transferred to Income Account @ 5.28% (to the extent of depreciation charged)	Closing Balance
805 63 86 282	206 99 38 727		98 57 20 333	914 06 04 676

Note : 18.5 -Contribution towards cost of capital Assets INR 914,06,04,676/- (Previous Year INR 766,51,46,550/-) includes amount collected towards Network Augmentation charges of INR 118,11,29,113/- (Previous Year: INR 118,11,29,113/-) collected prior to 30/11/2012.

Note : 18.6 -As per Accounting Policy No. 1.12(d), Consumer Contribution towards cost of capital assets is treated as "Deferred Income" under "Contribution & Grants towards cost of capital assets" and amount proportionate to the depreciation charged on such assets created out of contribution is subsequently adjusted as income and reduced from Contribution & Grants towards cost of capital assets.

Note 18.7 : The MNRE in its letter No.1/7/2015-EFM, GoI, MNRE, Dated: 31.03.2017 has conveyed sanction of NCEF grants of INR 76,81,00,000/- to KPTCL being 70% of the eligible grant (i.e., 40% of project cost or Award of Contract whichever is less) in respect of the two awarded works (Package 1 & Package 3). Balance 30% of the grant will be released by MNRE after successful commissioning of the project as per the DPR and performance testing of the project. INR 171,19,10,000/- (Previous Year INR 103,33,33,000/-) has been released to KPTCL upto 2019-20.

Cost Estimate of INR 77,46,10,000/- (Previous Year : INR 77,46,10,000/-) was proposed by KPTCL towards Renovation & Up-gradation of protection systems in 220kV & 400kV substations of KPTCL in the State of Karnataka. Of the above, Cost Estimate of INR 67,13,46,000/- (Previous Year : INR 67,13,46,000/-) has been accepted for grant under PSDF and amount of grant recommended from PSDF is INR 60,42,46,000/- being 90% of sanctioned Cost Estimate. Expenditure beyond the sanctioned grant i.e., remaining 10% of Cost Estimate sanctioned i.e., INR 6,71,00,000/- to be borne by KPTCL. INR 54,37,85,000/- has been released to KPTCL upto 2019-20.

Note 18.8 : KPTCL has received a grant of INR 12,67,00,000/- on 02.04.2019 from NLDC (PSDF) towards Implementation of OPGW based reliable communication at 132Kv and above sub-stations with a condition to utilize the grant within one year from the date of release. Due to non-participation of the bidders within the stipulated time, the grant could not be utilized. KPTCL has sought for time extension from NLDC vide letter dated 29.08.2020

Note 18.9 : The payment of additional fixed cost to M/s.Tannirbavi Power Corporation Limited (TBPCL) was disputed and the issue was referred to Arbitral Tribunal. It was held by the Arbitral Tribunal that, TBPCL is entitled for payment of Fixed charges. Accordingly, TBPCL invoked ESCROW and realised the full Fixed Cost from KPTCL. KERC disallowed this cost in the Bulk Supply Tariff and Retail Tariff which was contested by KPTCL before the Appellate Tribunal for Electricity, New Delhi. ATE allowed the Appeal of KPTCL. Based on the ATE Order a Regulatory Asset to an extent of INR 543.84 Cr(for the period from 2001-02 to 2005-06) i.e. "Additional Fixed Cost of TBPCL recoverable from ESCOMs pending adjustment to Subsidy" has been created and accounted in the books of Accounts by corresponding credit to Liability "Additional Fixed Cost of TBPCL recoverable from ESCOMs pending adjustment to Subsidy". The Order of ATE has been contested by FKCCI & KERC before the Hon'ble Supreme Court of India .The Hon'ble Supreme Court vide order dated 11/04/2018 has dismissed the Appeal.

NOTE 19 : BORROWINGS - CURRENT FINANCIAL LIABILITY

(Amount in INR)

SL NO	BANK NAME	ACCOUNT CODE	AMOUNT SANCTIONED AND DISBURSED	SECURITY & TERMS OF REPAYMENT	AS AT 31ST MARCH, 2020	AS AT 31ST MARCH, 2019
	Unsecured:					
1	From Banks					
1	Bank of Baroda	53.324	100 00 00 000	1 Year Short Term Loan at the Rate of 8.30% p.a.		50 00 20 000
2	Bank of Baroda	53.324	200 00 00 000	1 Year Short Term Loan at the Rate of 8.65% p.a.		100 00 00 000
3	Bank of Maharashtra	53.324	200 00 00 000	1 Year Short Term Loan at the Rate of 8.30% p.a.	50 00 00 000	
4	Corporation Bank	53.324	200 00 00 000	1 Year Short Term Loan at the Rate of 8.00% p.a.	50 00 00 000	
5	Oriental Bank of Commerce	53.324	300 00 00 000	1 Year Short Term Loan at the Rate of 7.90% p.a.	225 00 00 000	
6	Bank of Maharashtra	53.324	300 00 00 000	1 Year Short Term Loan at the Rate of 7.75% p.a.	275 00 00 000	
7	Bank of Baroda	53.324	200 00 00 000	1 Year Short Term Loan at the Rate of 7.55% p.a.	200 00 00 000	
	Total				800 00 00 000	150 00 20 000

NOTE 20 : TRADE PAYABLES - CURRENT - FINANCIAL LIABILITY

(Amount in INR)

SL. NO	PARTICULARS	ACCOUNT CODE	AS AT 31ST MARCH, 2020	AS AT 31ST MARCH, 2019	AS AT 1ST APRIL, 2018
	Sundry Creditors for purchase of power				
1	Tamilnadu Electricity Board	41.101			26 33 96 728
2	Andhra Pradesh Transmission Corp.	41.104	3 85 04 127	3 85 04 127	3 85 04 127
3	Karnataka Power Corporation Ltd. (Refer Note No. 20.1) - Related Party	41.108	368 53 20 368	668 53 20 368	668 53 20 368
4	JTPCL (Ref Note 20.2)	41.125	9 97 40 936	9 97 40 936	9 97 40 936
5	Tata Company Ltd.	41.131	1 90 96 055	1 90 96 055	1 90 96 055
6	Gem sugar Ltd.,	41.160	16 20 392		
	TOTAL		384 42 81 878	684 26 61 486	710 60 58 214

Note 20.1 : Power trading was being done by KPTCL till 09-06-2005 and RE Subsidy was accounted to meet the shortfall to earn the required return. The accumulated Past RE Subsidy till 09-06-2005 has not been released by Government of Karnataka (GoK) in spite of repeated requests by KPTCL. As on 31-03-2016 in the books of KPTCL, there was a balance of INR 986,49,69,309/- of past RE subsidy dues receivable from GoK and past power purchase dues of INR 2024,84,17,853/- (including interest of INR 1136,05,72,393/-) (KPCL INR 1997,55,82,819/- + VVNL INR 27,28,35,035/-) payable to KPCL. KPTCL is not charging any interest on past RE Subsidy receivable from GoK. However KPCL is charging interest on the past power purchase dues. In order to settle this issue, KPTCL has requested Energy Department, GoK to transfer the balances under past RE subsidy dues receivable from GoK as well as past Power purchase dues payable by KPTCL to KPCL to the ESCOMs. In the

meantime, KPCL in its 252nd Board of Directors meeting held on 29-07-2016 has decided to write-off interest receivable from KPTCL to the extent of INR 364,14,00,000/- and not to charge interest on KPTCL from 2015-16 and onwards. KPTCL had provided towards interest on belated payment of power purchase dues amounting to INR 103,38,06,691/- for FY 2015-16 also. Further, in the 105th meeting of Board of Directors held on 04-07-2017, it has been resolved that KPTCL is to request the GoK to issue necessary Orders to KPTCL to transfer past RE Subsidy dues and Power purchase dues of KPCL to ESCOMs. GoK vide Order No. EN 67 PSR 2017 dated 31-07-2017 has accorded approval for transfer of outstanding power purchase cost of INR 888,78,45,460/-, interest of INR 467,52,06,691/- relating to KPCL along with outstanding subsidy of INR 986,49,69,309/- receivable from Government from KPTCL to ESCOMs and to account the net of receivable and payable arising from the above transaction under proposed adjustment to Net Worth account in the books of KPTCL for 2016-17. Accordingly, KPTCL has transferred RE Subsidy dues of INR 986,49,69,309/- and Power Purchase Cost of INR 888,78,45,460/- relating to KPCL to ESCOM's. The interest on Power Purchase Dues written off by KPCL amounting to INR 364,14,00,000/- and INR. 103,38,06,691/- provided during 2015-16 by KPTCL has been accounted as income for FY 2016-17 and remaining interest portion of INR 668,53,20,368/- was shown as power purchase liability towards KPCL in the Books of KPTCL as on 31.03.2019. During FY 2019-20, KPTCL has paid INR.300,00,00,000/- to KPCL.

Note 20.2 : JTPCL had entered into an agreement on 7.11.2000 to sell 100MW Power to KPTCL from its Toranagallu plant for a period of 5 years starting from Aug-2000. As per clause 8.1 of the PPA, the tariff charges for the first tariff period shall be Rs 2.60/ kwh upto 657 Million units in a tariff period with escalation @ 5% every year from the commencement of second Tariff period on then existing rate and Rs 2.20per Kwh. KPTCL had made Payment according to the PPA till June-2002. KERC vide order dated 8.7.2002, reduced the tariff to Rs 2.36 per unit instead of Rs 2.60/unit up to 657 Mus beyond 657 tariff will Rs 1.88/Unit and yearly escalation would be 2.5% and also grid support charges shall be recovered from the JTPCL based on the current Demand charges applicable for the HT industries. The revised rates were paid from July 2002 onwards. Meanwhile, JTPCL had filed a petition in the High Court against the KERC Order in MFA 4795/2002, High court passed the Interim order on 19.11.02 ordered to recovery excess amount paid to JTPCL by KPTCL from Aug 2000 to June 2002 in 10 Installment and fixed the tariff at Rs 2.48 per unit for energy supplied from Nov 2002 with escalation of 5% every year upto 657 Mus. Initially, bills were paid at PPA rate ie up to June 2002, thereafter from July 2002 to Oct-2002 energy was paid as per the KERC order and from Nov 2002 to March-2004 bills were paid as per the interim order of High Court. The amount paid as per PPA for energy supplied from Aug 2000 to June 2002 was recovered in 10 Installments starting from Nov-2002. Subsequently on 8.4.2004, High court of Karnataka passed a Final order on 8.4.2004 in MFA 4795/2002, and directed KPTCL to arrange payment as per PPA terms and conditions. From April 2004 onwards bills were paid as per the PPA and the amount recovered in previous bills as per High court order had not been paid. Total amount withhold as on 31.3.2004 was Rs. 104.92 Cr excluding the interest amount from Aug-2000 to March-2004. KPTCL had filed SLP before Hon'ble Supreme Court against the Hon'ble High Court order. Hon'ble Supreme court of India vide order dated 23.1.2007 was directed to KPTCL to deposit sum of Rs. 50 Cr before 1st of March-2007 and another sum of Rs. 50 Crores by 1st April-2007 to Jindal Thermal Power Co limited and on such deposit Jindal Power Company Limited was to submit Bank Guarantee to KPTCL. Accordingly, KPTCL was deposited the above said amount on 1st March and 1st April of 2007 and JTPCL was furnished the Bank guarantees for such deposited amount. Pending judgment of Hon'ble Supreme Court, the amount paid to JTPCL has been reduced from the payable.



NOTE 21 : OTHER CURRENT FINANCIAL LIABILITIES

(Amount in INR)

SL. NO	PARTICULARS	ACCOUNT CODE	AS AT 31ST MARCH, 2020		AS AT 31ST MARCH, 2019		AS AT 1ST APRIL, 2018	
I	<u>OTHERS</u>							
1	Un-issued Cheques	46.911					16 23 40 203	
1A	Payable to Other departments (Refer Note No. 21.1)	46.940, 46.952, 46.953, 46.954	4 79 22 903		4 72 56 034		3 25 91 273	
2	UI charges collected from short term open access customers and payable / adjustable to ESCOMS , DSM Charges and Power system development fund to be utilised as per the directions of KERC. (Refer Note No. 21.5)	46.937 , 46.471, 46.472	8 05 76 792		4 38 00 810		4 24 28 819	
3	Sundry Liabilities (Refer Note No. 21.2)	46.9	269 84 26 557		241 87 09 258		78 98 72 706	
4	Miscellaneous Deposit	46.966	10 78 78 475		10 36 65 549		9 60 41 363	
5	Security Deposits in cash from Suppliers / Contractors	46.101	10 01 95 773		18 02 28 133		5 11 69 354	
6	Retention Money - Bill amount retained as per terms of P.O / Turnkey Contract	46.104	332 07 11 831		767 32 91 680		478 56 05 610	
7	Liability for Suppliers/ Works	42	262 93 28 390		116 14 34 442		32 98 64 996	
8	Payables - BESCOM - Related Party	42	82 96 20 913		67 20 83 240		77 27 96 473	
9	Payables - MESCOM - Related Party	42	25 88 19 729		23 09 48 513		20 39 09 835	
10	Payables - HESCOM - Related Party	42	61 00 84 204		52 59 77 641		48 22 07 926	
11	Payables - GESCOM - Related Party	42	20 65 51 102		14 20 05 232		12 03 83 264	
12	Payables - CESCO - Related Party	42	30 73 78 317		28 44 17 730		25 14 60 899	
13	Stale Cheques	46.910	37 60 528	1120 12 55 514	50 85 012	1348 89 03 274	22 83 595	812 29 56 317
II	<u>CURRENT MATURITIES OF LONG TERM DEBTS</u>							
1	From Banks (Refer Note No. 15.1)		689 42 06 579		732 36 96 307		584 87 55 048	
2	From Others (Refer Note No. 15.1)		59 40 721	690 01 47 300	59 40 721	732 96 37 028	2 16 85 121	587 04 40 169
III	Interest accrued but not due on borrowings	46.710		4 74 34 010		6 40 48 366		4 37 46 999
	Staff Related Liabilities							
1	Pension & Leave contribution remitted by other Department payable to P&G Trust	44.275	1 03 67 530		44 07 861		36 99 543	
2	Provision for KPTCL Contribution to Pension Scheme with effect from 01/04/2006	44.150, 44.151, 44.152	4 61 89 610		2 72 27 640		1 24 38 417	

3	Salary payable (Refer Note 21.8 & Note 4A.2)	44.310 & 44.311	7 16 04 041		25 10 172		18 55 226	
4	Unpaid Bonus	44.22	13 378		9 338			
5	Bonus payable (Ref Note No. 21.3 and 37.6)	44.32	28 16 592		44 28 543		1 08 68 429	
6	Ex-gratia payable (Ref Note No. 21.3 and 37.8)	44.33	6 96 65 093		6 97 03 130		6 20 68 480	
7	Liability for Expenses	46.410 To 46.470	1 70 09 063		1 28 72 371		1 20 29 715	
	Sub-Total			21 76 65 307		12 11 59 055		10 29 59 810
	Payable to ESCOMs / STOA Generators (Refer Note No. 21.6)	42.214, 42.215, 42.216		67 93 95 154		60 81 76 095		52 37 16 912
	TOTAL			1904 58 97 285		2161 19 23 818		1466 38 20 206

Note 21.1 : Payable to Other Departments includes INR 1,13,99,341/- (Previous Year : INR 1,13,99,341/-) pertaining to amount collected from employees towards Employee Welfare Trust. It will be transferred to the Trust after completing the formalities and modalities.

Note 21.2 : Sundry liabilities includes amount collected after 30-11-2012 in respect of Network Augmentation charges. The same has to be refunded to captive generators as per KERC Order No. N/64/11 dated 30-11-2012 to the extent of INR 12,55,90,246/- (Previous Year : 12,44,97,872/-)

Note 21.3 : Exgratia paid to employees in lieu of Bonus since the year 2013-14, post facto approval/ ratification of the Government of Karnataka has been obtained. However the approval for the subsequent financial periods has not been obtained.

Note 21.4: No intimation / confirmation has been received by the Company from the Vendors with regard to their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence no disclosures is made in respect of (i) Amount due & Outstanding to suppliers as at the end of the accounting year, (ii) Interest paid during the year (iii) Interest due & payable at the end of the accounting year and (iv) Interest accrued and unpaid at the end of the accounting year.

Note-21.5 : Account Code 46.937-(UI Charges collected from Short Term Open Access Customers and Payable/Adjustable to ESCOM's) amounting to INR 4,38,00,809/- (Previous Year : INR4,38,00,809/-) represents credit balance which is under reconciliation with the Bank Account maintained at SLDC amounting to INR 4,52,23,316 /- (Previous Year : INR 7,57,47,477/-) along with the Recoverables/Payables from ESCOM's/STOA in TBC. Account code 46.472 (Power System Development Fund to be utilised for the purpose as specified by the state commission) amounting to INR 2,38,08,666/- is pending to be utilized as specific directions from the state commission yet to be received.

Note 21.6 : INR 67,93,95,154/- (Previous Year : INR 60,81,76,095/-) represents amount Payable to ESCOMs/STOA Generators/IPPs towards UI/ deviation and backup power supply charges of ESCOMs/STOA Generators/IPPs.

Note 21.7 : Miscellaneous deposits includes amount recovered from contractors in respect of EPF contribution in case of New recruitments made from 01.04.2016 to 31.03.2019 for which the Govt of India has borne under PMRJY Scheme amounting to INR 45,46,436/-



Note 21.8 : Salary payable to employees include INR 2,91,29,617/- (Previous Year: INR Nil) pertaining to the recoveries made from retired employees as on 31st March 2020 on account of non-effecting of TDS on EL Encashment Amount paid at the time of their retirement in the FY 2012-13, 2013-14 & 2014-15. Consequent to withdrawal of Appeal by Income Tax Department, the amount has to be collected from IT Department and payable to Retired employees.

NOTE 22 : OTHER CURRENT LIABILITIES

(Amount in INR)

SL. NO	PARTICULARS	ACCOUNT CODE	AS AT 31ST MARCH, 2020		AS AT 31ST MARCH, 2019		AS AT 1ST APRIL, 2018	
I	Other Payables							
1	Statutory dues	46.923, 46.926, 46.927, 46.941, 46.951, 46.921, 46.956, 46.958, 46.960, 46.997, to 46.904	18 25 44 480		20 17 89 919		7 77 73 977	
2	Deferred Income	46.943	6 97 77 315		2 10 25 965		1 03 85 214	
	Sub-Total			25 23 21 795		22 28 15 884		8 81 59 191
3	Penalty recovered pending decision for refund(Ref Note.No.26.7)	46.109		107 12 83 314	82 40 03 648	82 40 03 648		81 49 16 882
4	Deposit Contribution works (Refer Note No. 22.1)	47.3		95 08 78 490	88 51 77 758	88 51 77 758		93 85 04 894
5	Advance received for sale of Stores scrap etc.,	46.922		96 52 875		18 54 906		52 69 766
6	IUA- Materials (Refer Note No. 22.2)	31		15 72 93 913	15 72 48 768		15 72 25 473	
7	IUA - Released Assets/ Moveable Assets and other equipments- Acceptance not received (Refer Note No. 22.2)	32		21 27 51 015	21 27 14 737		23 57 19 487	
	Sub-Total			37 00 44 928	36 99 63 505		39 29 44 956	
	TOTAL			265 41 81 402	230 38 15 701		223 97 95 689	

Note 22.1 : Account Code 47.3 (Deposit Contribution works) includes debit balances amounting to INR 45,66,89,188/- (Previous Year INR12,82,03,860/-) pertaining to PSDF Works and INR 61,19,77,613/- (Previous Year INR 8,90,83,288/-) pertaining to DCW On-going works. The amount includes contribution from PSDF towards R & U Work amounting to INR 45,66,89,188/- (Previous Year : INR 12,82,03,860/-) which is subject to reconciliation with the grants received and utilised.

Note 22.2 : IUA - Materials, Released assets and Personnel represents un reconciled/un responded entries in the Inter Unit Accounts. The management is in the process of reconciliation of the differences. Inter Unit Account - INR 37,00,44,928/- (Previous Year : INR 36,99,63,505/-) represents net credit balance details are given below:

	Debits un-paired	Credits un-paired
31.300- IUA Materials	73,85,432/-	16,46,79,345/
32.300-IUA Rel Assets	19,73,55,551/-	41,01,06,566/-

NOTE 23 : PROVISIONS - CURRENT - LIABILITIES

(Amount in INR)

SL. NO	PARTICULARS	ACCOUNT CODE	AS AT 31ST MARCH, 2020	AS AT 31ST MARCH, 2019	AS AT 1ST APRIL, 2018
I	Provision for Employee Benefits				
1	Provision for Pension and Gratuity payable to P&G Trust (Refer Note No. 23.1, 23.2 & 23.3)	44.122	644 43 85 307	737 62 31 183	620 58 57 219
2	Pension & Leave Contribution collected from employees for counting their past services in other Depts.& Payable to P&G Trust	44.274		3 63 355	91 942
3	Provision for Leave Encashment	44.130	43 77 71 389	50 30 38 651	37 64 95 036
4	Provision for Half Pay Leave	44.133	7 34 95 256		
II	Other Provisions				
1	Adhoc Provision for work completed in the field but bills not received	42.601	84 72 05 558	74 80 34 123	69 32 13 655
2	Provision for outstanding liabilities (Refer Note No.27.6)	46.430	248 34 40 672	239 40 56 511	204 83 98 076
	TOTAL		1028 62 98 182	1102 17 23 823	932 40 55 927

Note 23.1 : Liability for pension and gratuity for service up to 31.5.2002 is met by the Government of Karnataka and liability for the subsequent period arising from 1.6.2002, is met by the Corporation by contribution to the Trust, at percentage intimated by the Trust.

Note 23.2 : Pending Receipt of actuarial valuation report as on 31/03/2019 & 31/03/2020, monthly Pension/Gratuity contribution for the year is accounted as per the rates furnished by KPTCL & ESCOMs Pension and Gratuity Trust on 22/11/2018 & 30/10/2019 respectively. KEPGT will be requested to provide Company-wise Actuarial valuation Report as at the end of each financial year as per the provisions of Ind AS 19 based on actual data such as Present value of funded obligation, Plan Asset, Defined Benefit Obligation, liability to be shown in Balance Sheet etc., specific to KPTCL.

	2019-20	2018-19	Remarks
Pension	57.30%	57.30%	Percentage of Basic+ Dearness Pay+DA
Gratuity	6.08%	6.08%	Percentage of Basic+Dearness Pay

(Amount in INR)

Movement in provision				
Opening Balance	Provision made during the year	Payment made during the year	Prior period adjustments	Closing Balance
737 62 31 183	188 30 51 313	276 12 53 673	5 36 43 516	644 43 85 307

Note 23.3. The Energy Department, GoK vide letter dated 25-02-2016 has informed that against the proposed Pension and Gratuity contribution of INR 996,39,00,000/- for



2016-17 and the arrears of pension contribution of INR 2047,84,00,000/- payable by GoK to 'KPTCL and ESCOMs P&G Trust'. The Finance Department, GoK has agreed to provide INR 550,00,00,000/- for meeting the Pension liability. Further, Pension and Gratuity Trust has been directed to work out the difference between the proposed requirement and the availability and to recover the same through Tariff considering the indicative amount of contribution available from GoK for FY 2016-17.

Accordingly, P&G Trust has worked out KPTCL's portion of contribution to be recovered through Tariff amounting to INR 527,79,00,000/- (Arrears of INR 427,49,00,000/- and INR 100,30,00,000/- for FY 2016-17). Based on this KPTCL has filed Additional Revenue requirement application before KERC. KERC vide Tariff Order 2016 dated 30-03-2016 has rejected the Additional Revenue requirement application of KPTCL stating that Commission is unable to accept application for approval of Additional Revenue requirement towards pension and gratuity as this liability cannot be passed on to the consumers through tariff.

Further, Energy Department, GoK, vide letter No.EN 26 PSR 2016/P3 dated 16/09/2016 has directed KPTCL and ESCOMs to take into cognisance the liability pertaining to their Companies as worked out and intimated by KEPGT, assume and account the same as a special case and one time measure in the Annual Accounts of 2015-16. With a view to honour the directions of GoK, KPTCL has taken the decision to bear the liability. KPTCL is regularly persuing with GoK to release GoK portion of arrears. Further action will be taken as per the directions of GoK.

NOTE 24 : CURRENT INCOME TAX LIABILITIES (NET)

(Amount in INR)

SL. NO	PARTICULARS	ACCOUNT CODE	AS AT 31ST MARCH, 2020	AS AT 31ST MARCH, 2019	AS AT 1ST APRIL, 2018
	<i>Refer Note No. 5 for 31-Mar-2019 & 31-Mar-2020</i>				
1	Provision for Income Tax	46.8			170 02 10 418
	Less: Advance Tax	28.821			122 59 00 000
	Less: Tax Deducted at Source	28.943			3 07 55 062
	TOTAL				44 35 55 356

NOTE 25 : REVENUE FROM OPERATIONS

(Amount in INR)

SL. NO	PARTICULARS	ACCOUNT CODE	CURRENT YEAR 2019-20		PREVIOUS YEAR 2018-19	
I	Transmission Charges :-					
1	BESCOM - Related Party	61.211	1741 80 89 808		1528 65 99 936	
2	MESCOM - Related Party	61.212	259 00 20 720		224 37 38 880	
3	HESCOM - Related Party	61.213	696 01 79 520		555 72 48 000	
4	GESCOM - Related Party	61.214	420 97 86 000		354 27 45 600	
5	CESCO - Related Party	61.217	388 42 29 216		312 87 30 624	
6	Open Access Customers	61.218	21 93 39 344		28 10 66 994	
7	Hukkeri Co-Operative Society (Refer Note.18.2)	61.215				
8	Long term open access customers - South Western Railways	61.221	5 61 30 480		4 86 25 920	
9	Non-ISTS Lines(Refer Note No. 25.3)	61.223	-31 85 48 000		31 85 48 000	
10	Natural ISTS Lines (Refer Note No. 25.2)	61.222	1 42 10 000		32 13 68 818	
	Less : Reversal of Revenue from Natural ISTS Lines (Refer Note No. 25.2)				-151 37 97 955	
	Sub - Total			3503 34 37 088		2921 48 74 817
II	Other Operating Income					
1	Reactive Energy Charges demanded on IPPs	62.361	30 59 566		2 42 40 490	
2	Open access Processing fee	62.363	1 80 90 000		2 03 60 000	
3	Excess found on physical verification of Materials Stock	62.905	46 33 699		59 30 307	
4	Supervision Charges (Refer Note No. 25.5)	62.907 & 62.909	5 54 40 767		15 24 95 843	
5	Grid support charges	61.8	4 30 22 332		4 09 73 649	
6	SLDC charges	61.803, 61.804	5 03 26 275		5 31 92 174	
7	Surcharge on Tr. Charges - ISTS lines	62.930	8 58 305		91 57 191	
	Sub - Total			17 54 30 944		30 63 49 654
	TOTAL			3520 88 68 032		2952 12 24 471

Note 25.1 : The company is mainly engaged in the business of transmission of power. The tariff for transmission of power is determined by the KERC through tariff regulations. The tariff is based on capital cost admitted by KERC and provides for transmission charges recovery of annual fixed cost consisting of Return on equity, Interest on loan capital, Depreciation, interest on working capital and Operation & Maintenance expenses. This form of rate regulation is known as cost-of-service regulations, which provide the Company to recover its costs of providing the goods or services plus a fair return.

Note 25.2: Transmission charges from Interstate transmission lines has been received from PGCIL for the period from 01/04/2014 to 31/03/2019 based on the rates specified in CERC Order for 2011-2014 after entering into an Agreement with PGCIL. KPTCL had filed petition before CERC for determining the rates for the period from 2014-2019.



The CERC Approves Tariff for Natural ISTS lines owned by STUs which carry interstate Power. CERC in its Order dated 28.01.2016 in petition No. 225/TT/2013 determined the tariff for seven lines owned by KPTCL for the years 2011-12, 2012-13 and 2013-14 and the Transmission charges approved was INR 20,74,51,555/- , INR 29,03,97,682 and INR 32,13,55,991/- per year for the years 2011-12, 2012-13 and 2013-14 respectively. For the year 2014-2019 KPTCL filed petition 24/TT/2018 before CERC seeking approval of Transmission charges for seven Lines of KPTCL for the FY 2014-19. The CERC issued the Order on 12th June 2019 approving a total Amount of INR 9,29,82,000/-. However KPTCL has accounted an amount of INR 160,67,79,955/- for the period from 01.04.2014 to 31.03.2019 as income from transmission charges on account of seven Natural ISTS lines. Therefore, Differential Revenue has been reversed to the extent of INR 151,37,97,955/- during financial year 2018-19 pertaining to all the above said years. However, the company has filed a review petition before CERC seeking to modify their order dated 12.06.2019 and restore the proposed tariff rates. Simultaneously, KPTCL has filed an appeal before Appellate Tribunal for Electricity (DFR No.2295 / 2019) requesting for setting aside the CERC order dated 12.06.2019 and to direct CERC to pass necessary orders allowing claims of KPTCL. The impact if any, arising out of these petition/appeal will be accounted in those years wherein the orders are received.

Note 25.3 : KPTCL has filed tariff application before KERC with regard to twelve Non-ISTS lines for 2017-18 and 2018-19 claiming transmission charges INR. 15,59,51,000/- and INR 16,25,97,000/- respectively. KERC is yet to issue Tariff Order in this regard. However, considering the Accounting Policy of Revenue Recognition from Transmissions on accrual basis, the same is accounted as income during 2018-19. Further KPTCL has filed the application before KERC for determination of Tariff for FY 2019-20 for 12 numbers of Non-ISTS Lines claiming transmission charges for INR 23,41,00,000/-. KERC is yet to approve transmission charges for the FY 2017-18 , 2018-19 & 2019-20, pending approval of transmission tariff in respect of Non ISTS Lines, transmission charges accounted on accrual basis during FY 2017-18 & 2018-19 is withdrawn during FY 2019-20 and transmission charges for FY2019-20 is not Accounted in current Financial year. However, transmission income for the entire transmission network of KPTCL including the Non- ISTS lines have already been accounted for the years FY 2017-18, 2018-19 and FY 2019-20 based on approved transmission charges as per the Tariff Orders issued from time to time. Hence there is no impact on Revenue for FY 2019-20.”

Note 25.4 : KPTCL had filed the transmission charges in respect of 110 kV Konaje –Manjeshwar S/C line before CERC in petition No.24/TT/2018 and CERC passed orders on 12/06/2019 allowing ARR of INR 2,68,000/- for FY 18-19. Chikkodi - Kohlapura line is not considered as an ISTS Line and hence the same has not been proposed in Tariff for 2014-19.

Note 25.5 : GoK vide Order dated 24/07/2018 has directed KPTCL to reduce the Supervision charges from 10% to 2.5% on Self execution works carried out by National Highway Authorities of India (NHAI) for shifting of lines. GoK vide said Order has assured to reimburse the difference of Supervision charges through release of subsidy.

NOTE 26 : OTHER INCOME

(Amount in INR)

SL. NO	PARTICULARS	ACCOUNT CODE	CURRENT YEAR 2019-20		PREVIOUS YEAR 2018-19	
I	Interest					
1	Interest on Staff Loans and Advances	62.210 to 62.214	24 360		4 39 640	
2	Interest on Bank Fixed Deposits	62.222	1 59 13 457		4 99 14 387	
3	Interest on BDA loan including penal interest - Related Party	62.271,62.272	1 73 93 649			
4	Interest from Banks	62.270	1 00 918		1 76 356	
	Sub-Total			3 34 32 384		5 05 30 383
1	Profit on sale of stores	62.330	1 59 23 353		91 36 105	
2	Sale of scrap	62.340			16 39 246	
3	Profit on sale of released PPE	62.350	2 22 09 450		6 11 71 251	
4	Other Miscellaneous receipts	62.360	8 59 349		2 24 295	
5	Rental from Staff Quarters	62.901	10 01 23 979		10 10 79 080	
6	Rental from others	62.902	77 10 354		2 50 82 953	
7	Consultancy charges (Refer Note No. 26.5)	62.922	9 95 19 834		8 72 025	
8	Rental from BESCO - Related Party	62.925,62.935	8 71 96 867		11 47 04 051	
9	Rental from MESCOM - Related Party	62.926,62.936	2 21 61 697		2 39 92 307	
10	Rental from HESCO - Related Party	62.927,62.937	2 07 23 344		2 30 34 712	
11	Rental from GESCOM - Related Party	62.928,62.938	74 53 377		87 20 465	
12	Rental from CESC - Related Party	62.929,62.939	1 39 43 320		1 03 03 936	
13	Excess provision in earlier years no longer required	62.923	12 32 69 999		85 60 724	
14	Revenue recognised on Assets created out of Consumer contribution/Government Grants	62.924	98 57 20 333		72 05 43 501	
15	Gain on Sale of Assets	62.400	14 23 040		84 46 935	
16	Miscellaneous Recoveries (Refer Note No.26.1, 26.6, 26.7)	61.907 to 61.924, 62.366, 62.368, 62.914 to 62.917, 62.367, 62.940	72 92 31 129		65 85 32 809	
	Sub-Total			223 74 69 425		177 60 44 395
	Less: Refunds/ withdrawal of miscellaneous income / transmission charges accounted in the previous Year	83.834 & 83.838		-1 02 99 919		-3 89 11 708
	GRAND TOTAL			226 06 01 890		178 76 63 070

Note 26.1 : Miscellaneous recoveries INR 72,92,31,129/- include :

- (i) One time non refundable charges collected from IPPs towards sparing of land.
- (ii) Penalties, liquidated damages recovered and not claimed for more than one year/three years from the date of completion of work amounting to INR 14,07,30,664/- (Previous Year : INR 16,98,13,383/-)
- (iii) Unclaimed credit balance for more than 3 years under EMD/SD (A C 46.101) amounting



- to INR 59,14,721/- (Previous Year : INR 39,16,372) after making correspondences with the respective parties.
- (iv) Pending reconciliation of Income and TDS Receivable with FORM 26AS, an amount of INR 77,64,957/- (Previous Year : INR 67,30,725/-) pertaining to TDS Receivable has been accounted as Miscellaneous Income without identifying the corresponding income.

Note 26.2 : O & M Income from IPP's have been accounted to the extent of IPP's identified INR 10,23,18,052/- (Previous Year : 2,48,80,787/-). Company is in the process of identifying and bringing into the books all the Self Execution Works taken up by IPP's to ensure the completeness of O & M Income.

Note 26.3 : Company has issued suitable guidelines for accounting penalty recovered from short closed works vide order ref No.KCO21/6936/2013-14/Vol.3 dtd:03.02.2020

Note 26.4 : Company will examine and issue suitable guidelines for recovery of Cost of infrastructure spared to applicants of Self Execution Works.

Note 26.5 : KPTCL vide Order No. KPTCL/B19/345/85-86 dated 26/07/2018 accorded approval to collect 15% consultancy charges with applicable statutory charges towards service rendered and time spent in respect of DC works with effect from 27/06/2018.

Note 26.6 : KPTCL vide Circular No. KPTCL/B19/345/85-86 dated 26/07/2018 accorded approval to collect one-time non-refundable charges for the tower foot area and entire corridor inside KPTCL Sub-station premises. The completeness of demand and collection will be assessed in 2020-21 and will be accounted accordingly.

Note 26.7: Penalty recovered from M/s MEI Ltd during the period from FY 2015-16 to FY 2019-20 amounting to INR 8,66,63,185/- has been transferred to income in respective years as the Firm has not filed delay condonation application with KPTCL for claiming the refund. Energy Department, GoK vide letter No. Energy 188 EEB 2020 dated 20/06/2020 has requested KPTCL to refund the Penalty to M/s MEI Ltd. KPTCL is in the process of taking decision regarding the issue.

NOTE 27 : EMPLOYEE COST

(Amount in INR)

SL. NO	PARTICULARS	ACCOUNT CODE	CURRENT YEAR 2019-20		PREVIOUS YEAR 2018-19	
I	Salaries and Wages					
1	Salaries (Refer Note No. 27.5)	75	893 74 62 185		796 62 96 466	
2	Bonus & Exgratia	75.5	7 29 37 105		7 59 38 455	
3	Earned leave encashment (Refer Note No. 27.5)	75.617,75.618	74 65 51 933		114 68 36 139	
4	Payment under Workmens Compensation Act	75.629	3 86 023		19 49 456	
5	Payment to helpers/employees of Monsoon gang	75.630	5 66 582		30 21 770	
6	Terminal Benefits (Refer Note No. 27.3 & 27.5)	75.8	83 20 518		1 56 65 907	
	Sub-Total			976 62 24 346		920 97 08 193
II	Contribution to Pension & Other Funds					
1	KPTCL Contribution to P&G Trust (Refer Note No. 27.4) - Related Party	75.830, 75.840	182 94 07 797		256 20 16 601	
2	Corporation's Contribution to Labour Welfare Fund	75.763	2 92 960		2 74 640	
3	Corporation's portion of EPF contribution in respect of Contract Employees	75.767	42 91 364		28 87 725	
4	Pension and Leave contributions made in respect of employees of other Departments	75.165			1 15 291	
5	Terminal Benefits - NDCPS Employees (Refer Note -27.4A & 27.6)	75.841, 75.831,75.833	72 56 28 463		176 20 96 534	
	Sub-Total			255 96 20 584		432 73 90 791
III	Staff Welfare					
1	Medical Expenses reimbursement	75.611	7 00 00 868		7 00 09 613	
2	Leave travel assistance	75.612	14 811		2 936	
3	Others	75.7	1 82 15 998		1 99 51 013	
	Sub-Total			8 82 31 677		8 99 63 562
	Less: Expenses shared by ESCOMS	75.910	-23 45 30 348		-24 65 34 192	
	Less: KPTCL portion of P&G Trust	75.911	- 9 80 131		- 10 11 849	
	Less: Employee Cost Capitalised	75.9	-63 17 22 856	-86 72 33 335	-54 27 78 997	-79 03 25 038
	TOTAL			1154 68 43 272		1283 67 37 508

Note 27.1 : Salaries and Wages includes following in respect of employees covered under New Defined Contributory Pension Scheme (NDCPS)

Salaries	75.117	280 53 90 782		282 90 03 347	
Dearness Pay	75.187	126 77 58 722		99 33 89 321	
Dearness Allowance	75.317	43 67 03 690		37 55 72 394	
Total			450 98 53 194		419 79 65 062



Note 27.2 : Earned Leave (EL) encashment disbursed during the year

75.616-EL encashment employees covered under NDCPS		24 90 04 307		18 23 65 200
75.617-EL encashment		17 16 87 784		13 69 13 111
75.618-EL encashment - Retired / Deceased employees		25 41 16 710		25 63 75 509
Total Amount disbursed during the year		67 48 08 801		57 56 53 820

Note 27.3 : Terminal Benefits includes amount paid by the Company in terms of the Scheme on employee's death while in service (Both Employees appointed prior to and after 01.04.2006) amounting to INR 76,54,668 /- (Previous Year : INR 1,48,63,841 /-).

Note 27.4 : Liability for pension and gratuity for service up to 31.5.2002 is met by the Government of Karnataka and liability for the subsequent period arising from 1.6.2002, is met by the Corporation by contribution to the Trust, based on the contribution rates provided by P&G Trust.

Note 27.4 A) :KPTCL Contributions to employees covered under NDCPS scheme who have joined after 01/04/2006 is INR 206,76,36,425/- (Previous Year : INR 42,00,88,572/-)

Note 27.5 : Refer Note No. 16.1

Note 27.6 : GoK had issued an Order (GoK Order No : AE 34 PEN 2018, Bangalore dated 23.06.2018) modifying the scheme of NDCPS w.e.f 01.04.2018 by bringing in the entitlement of gratuity for retired employees/in case of death of employees covered under NDCPS up to a maximum of Rs. 20 Lakhs in addition to the existing benefits for employees covered under NDCPS. GoK has also provided an option for dependents of employees in case of death of employees while in service to either to receive the amount available to his account or to receive pension by forfeiting the balance available to his account. The Company is in the process of implementing the GoK Order and pending completion of formalities/modalities, the provision for gratuity is provided based on the provisional valuation furnished by LIC amounting to INR 147,51,22,445/- out of which INR 134,20,07,962/- pertains to prior periods. The total amount of gratuity not paid to employees who have expired/retired post 01.04.2018 till 31.03.2020 will be paid once the GoK order is implemented.

NOTE 28 : REPAIRS AND MAINTENANCE

(Amount in INR)

SL. NO	PARTICULARS	ACCOUNT CODE	CURRENT YEAR 2019-20		PREVIOUS YEAR 2018-19	
1	Plant and Machinery	74.1	256 49 05 017		232 29 97 459	
2	Buildings	74.2	12 10 41 590		9 82 60 549	
3	Civil Works	74.3	7 00 53 402		5 60 12 481	
4	Lines, Cable Net Work Etc.	74.5	32 63 57 461		25 41 99 004	
5	Vehicles	74.6	34 68 571		35 98 819	
6	Furniture and Fixtures	74.7	2 06 998		1 10 395	
7	Office Equipments	74.8	50 15 274		55 23 909	
	Sub Total			309 10 48 313		274 07 02 616
	Less: Expenses shared by ESCOMS (Refer Note No. 28.1)	74.910	-3 45 59 925		-2 48 54 937	
	Less: R & M Expenses Capitalised	74.900	- 1 07 338		- 65 05 309	
	TOTAL			305 63 81 050		270 93 42 370

Note No. 28.1 : Expenses borne by KPTCL in respect of Repairs & Maintenance to Residential Quarters of KPTCL which are occupied by ESCOM Employees has been shared based on arm's length arrangement.

NOTE 29 : ADMINISTRATION AND OTHER EXPENSES

(Amount in INR)

SL. NO	PARTICULARS	ACCOUNT CODE	CURRENT YEAR 2019-20		PREVIOUS YEAR 2018-19	
I	Administration Expenses					
1	Rent	76.101	1 06 49 904		83 80 161	
2	Rates & Taxes (Refer Note No. 29.6)	76.102	9 74 02 427		18 71 23 703	
3	Expenses incurred towards security arrangements	76.103	8 89 32 497		6 75 04 213	
4	Pagers cellular phones E-mail, Telephone, Trunk call, Telegrams and Telex Charges	76.111 + 76.112	1 38 53 346		1 44 79 394	
5	Postage	76.113, 76.114	2 14 47 771		2 18 16 484	
6	Air net, Internet & Broadband Charges	76.116	7 56 71 487		6 85 47 710	
7	Legal Charges	76.121	2 53 53 031		1 65 64 165	
8	Audit Fees (Refer Note No. 29.1)	76.122	26 82 700		22 66 080	
9	Consultancy charges	76.123	15 50 568		33 34 359	
10	Technical Fees	76.124			1 45 203	
11	Other Professional Charges	76.125 + 76.126 + 76.127 + 76.128 + 76.129	19 39 84 218		18 75 03 582	
12	Conveyance & Travel expenses	76.131 To 76.135 & 76.137 to 76.139	34 45 26 491		29 58 84 257	
13	Vehicle running expenses (Refer Note No. 29.3)	76.136	2 44 32 505		2 49 51 396	



	Sub - Total		90 04 86 945		89 85 00 707
II OTHER EXPENSES					
1 Fees & Subscriptions	76.151	1 68 76 961		49 14 253	
2 Books, periodicals and dairies	76.152	5 23 985		5 04 443	
3 Printing & Stationery	76.153	1 96 84 339		1 86 38 291	
4 Advertisement Expenses	76.155	3 73 34 770		3 20 13 735	
5 Computer stationary & floppies	76.156	55 60 899		56 68 746	
6 Contributions	76.157	22 97 937		23 43 000	
7 Electricity Charges	76.158	22 59 73 907		20 09 91 731	
8 Water Charges	76.160	99 09 969		1 92 93 462	
9 Entertainment	76.162	75 263		74 888	
10 Disputed Crop/Tree cut compensation paid after the commissioning of the Asset	76.169	1 14 38 382		45 36 068	
11 Corporate Social Responsibility (Refer Note No. 29.4, 37.6 and 37.10)	76.180	25 01 70 170		13 93 00 000	
12 Miscellaneous expenses (Refer Note No. 29.2)	76.159, 76.168, 76.190, 76.191, 76.192	2 21 63 368		2 17 90 889	
13 Freight & other material related expenses	76.201 To 76.282	42 37 573		32 01 951	
	Sub - Total		60 62 47 523		45 32 71 457
Less: Expenses shared by ESCOMS	76.910	-9 31 07 446		-8 48 44 976	
Less: KPTCL Portion of P&G Trust - Related Party	76.911	- 1 07 326		- 95 812	
Less: Expenses Capitalised	76.900	-9 74 86 999	-19 07 01 771	-10 05 98 242	-18 55 39 030
	TOTAL		131 60 32 697		116 62 33 134

NOTE 29.1 : BREAK UP OF AUDIT FEES

	Particulars	2019-20	2018-19
(a)	To Statutory Auditor		
	Statutory Audit Fee	17 05 000	15 50 000
	Tax Audit Fee	2 75 000	2 50 000
	Arrears	2 09 575	53 580
	GST	3 94 123	3 24 000
	Total	25 83 698	21 77 580
(b)	To Other Auditors		
	Cost Audit Fee	58 900	50 000
	Secretarial Audit	25 000	25 000
	Arrears	-	-
	GST	15 102	13 500
	Total	99 002	88 500
	Grand Total	26 82 700	22 66 080

Note 29.2 : a) Miscellaneous Expenses includes Sitting fees paid to Directors-	2019-20	2018-19
	54,000/-	36,000/-

Note 29.3 : Vehicle running expenses includes insurance on vehicles. Other Assets of the Company are not insured.

Note 29.4 : CSR Committe had approved CSR Expenses to be spent for Financial Year 2019-20 amounting to INR 25,80,96,391/-. Out of which INR 25,01,70,170/- was spent. Balance INR 79,26,221/- is been carried forward for next year to be spent on CSR. The Company is in the process of obtaining utilization certificates for the amounts spent on CSR during the year & previous years.

Note 29.5 : The Govt. of India has introduced a scheme for contribution of PF (Employer portion) in case of new recruitment made after 01/04/2016 to 31.03.2019. Few agencies have claimed PF amount from Govt. of India as well as from KPTCL resulting in excess payment. Excess payment of employers PF contribution to contractors for which the Government of India has borne under PMRJY scheme are recovered from concerned Firms amounting to INR 29,42,108/- during 2019-20

Note 29.6 : Due to non-receipt of demand notice from Revenue authorities towards property tax payable by KPTCL, provision for property tax has been made based on Gazette Notification dated 25/02/2016 in respect of land in the jurisdiction of Panchayath. In other cases, KPTCL is pursuing with Revenue authorities for getting property tax demand notices for payment of Property tax.

NOTE 30 : FINANCE COSTS

(Amount in INR)

SL. NO	PARTICULARS	ACCOUNT CODE	CURRENT YEAR 2019-20		PREVIOUS YEAR 2018-19	
	Interest on Loans:					
1	Loan from REC	78.540			13 36 571	
2	APDP works	78.544	25 72 254		32 00 000	
3	Short term Loan obtained from Commercial Banks/ Financial institutions	78.563	32 32 08 528		7 53 50 541	
4	Loans from UCO Bank	78.564	16 59 26 140		17 00 96 163	
5	Loans from Vijaya Bank	78.569	64 91 55 365		76 45 09 167	
6	Loans drawn from PNB	78.574	33 80 57 048		24 93 58 114	
7	Loans drawn from Corporation Bank	78.576	11 11 55 761		16 55 66 761	
8	Loans drawn from Bank of India	78.578	51 48 33 598		40 01 43 473	
9	Loan from Bank of Baroda	78.579	4,542,623			
10	Loan from Indian Bank	78.591	8 55 24 758		10 70 01 100	
11	Loan from Punjab and Sindh Bank	78.593	30 94 48 088		34 77 57 099	
12	Loan from Canara Bank	78.594	153 78 97 990		88 62 53 005	
13	Loan from SBM	78.595	41 54 07 290		48 02 97 118	
14	Loan from SBI	78.596	71 49 03 095		71 33 29 084	
15	Loan from Jammu and Kashmir Bank	78.597	47 50 58 410		32 87 41 796	
				564 76 90 948		469 29 39 992
	Less : Interest and Finance charges capitalised	78.9		-106 85 84 930		-77 75 01 314
	TOTAL			457 91 06 018		391 54 38 678

NOTE 31 : DEPRECIATION AND AMORTIZATION

(Amount in INR)

SL. NO	PARTICULARS	ACCOUNT CODE	CURRENT YEAR 2019-20		PREVIOUS YEAR 2018-19	
1	Amortisation of Lease Hold Assets	77.110		60 84 351		65 14 569
2	Depreciation on Buildings	77.120	22 08 73 503		20 08 35 382	
3	Depreciation on Hydraulic Works	77.130	5 44 06 624		4 75 89 645	
4	Depreciation on Civil Works	77.140	7 04 60 911		5 22 98 413	
5	Depreciation on Plant and Machinery	77.150	453 14 97 700		409 64 93 294	
6	Depreciation on lines, cable, network etc.,	77.160	459 70 45 079		409 78 04 406	
7	Depreciation on Vehicles	77.170	2 29 83 284		60 46 342	
8	Depreciation on furniture, fixtures	77.180	1 21 87 644		1 23 64 067	

9	Depreciation on Office equipments	77.190	21 23 778	951 15 78 523	19 96 915	851 54 28 464
	Sub-total			951 76 62 874		852 19 43 033
10	Amortization on Intangible Assets	77.801	24 88 496		5 17 733	
11	Depreciation on Released Assets and Released Assets issued to Repairs	77.151, 77.161, 77.171, 77.181, 77.191	2 79 09 293	3 03 97 789	3 06 08 585	3 11 26 318
	Sub-Total			954 80 60 663		855 30 69 351
	Less : Depreciation Capitalised	77.900	-1 08 21 291	-1 08 21 291	- 55 78 829	- 55 78 829
	GRAND TOTAL			953 72 39 372		854 74 90 522

Note 31.1 : Company has identified the Fiber Optic Cables that has been included under PPE (Depreciated at 5.28%) for which depreciation at SLM Rate is fixed at 6.33% as per the Amendment to KERC Regulations.

Note 31.2 : CERC has issued Regulations for 2019 and indicated depreciation rates to be adopted for 2019-2024. KERC is yet to adopt the Depreciation Rates Approved by CERC, pending adoption of depreciation rates by KERC, KPTCL has adopted depreciation rates approved by CERC vide Tariff Regulations 2019. However there is no difference in depreciation rates adopted by KERC in 2014 and depreciation rates approved by CERC vide Regulations 2019.

NOTE 32 : OTHER EXPENSES

(Amount in INR)

SL. NO	PARTICULARS	ACCOUNT CODE	CURRENT YEAR 2019-20		PREVIOUS YEAR 2018-19	
1	Asset Decommissioning Costs	77.5	1 33 18 417		1 18 13 398	
2	Small & Low value items Written off	77.610	3 82 147		4 71 547	
3	Computer software	77.611	12 98 040		22 840	
4	Losses relating to Fixed Assets	77.7	26 58 054		82 99 995	
5	Other interest	78.102	14 05 661		1 43 96 825	
6	Interest on delayed compensation	78.101			2 64 80 347	
7	Interest on belated payment for power purchase	80.160	18 00 436			
8	Bank Charges	78.8	21 31 665		18 40 344	
9	Rebate allowed on transmission charges	79.111	2 59 804		23 36 479	
10	Bad & Doubtful Debts Written off / provided for (Refer Note No. 32.1)	79.4	34 13 178			
11	Miscellaneous losses and Write offs	79.5 & 79.7	1 86 87 778		3 19 29 556	
	TOTAL			4 53 55 180		9 75 91 331

Note 32.1 : Bad & Doubtful Debts provided is INR 34,13,178/- (Previous Year : INR Nil/-) towards bad and doubtful debts - provided for others.



NOTE 33 : PRIOR PERIOD (CREDITS) / CHARGES

(Amount in INR)

SL. NO	PARTICULARS	ACCOUNT CODE	CURRENT YEAR 2019-20		PREVIOUS YEAR 2018-19	
I	Income relating to previous years :					
1	Interest income for prior periods	65.400			25 035	
2	Excess provision for Depreciation in prior periods	65.600	6 93 81 317		2 65 69 236	
3	Other Excess provision in prior periods	65.800	9 35 367		32 65 368	
4	Other Income relating to prior periods	65.900	5 61 79 775		17 02 40 887	
	Sub - Total (A)			12 64 96 459		20 01 00 526
II	Prior Period Expenses /losses :					
1	Operating Expenses of previous years	83.300	- 1 853			
2	Employee costs relating to previous years	83.500	-139 58 15 837		- 9 00 819	
3	Depreciation under provided in previous years	83.600	-26 44 36 950		-20 54 41 416	
4	Administrative Expenses - previous years	83.820, 83.821			- 69 02 563	
5	Other Expenses relating to prior periods	83.850	-2 62 07 441		- 77 01 896	
	Sub - Total (B)			-168 64 62 081		-22 09 46 694
	Net Prior Period credits/(charges) (A-B)			-155 99 65 622		-2 08 46 168

Note 33.1 : The balances pertaining to FY 2018-19 have been adjusted with the Retained Earnings in Statement of Changes in Equity.

Note 33.2 : The balances pertaining to FY 2019-20 have been restated. Please refer Note 37.37

NOTE 34 : EXCEPTIONAL ITEMS

(Amount in INR)

SL. NO	PARTICULARS	ACCOUNT CODE	CURRENT YEAR 2019-20		PREVIOUS YEAR 2018-19	
1	Income Tax - Current year		NIL	NIL	NIL	NIL
	TOTAL		NIL	NIL	NIL	NIL

NOTE 35 : CURRENT TAX

(Amount in INR)

SL. NO	PARTICULARS	ACCOUNT CODE	CURRENT YEAR 2019-20		PREVIOUS YEAR 2018-19	
1	Income Tax - Current year	81.100		131 41 78 637		73 30 30 291
	TOTAL			131 41 78 637		73 30 30 291

NOTE : 36 DEFERRED TAX

(Amount in INR)

SL. NO	PARTICULARS	ACCOUNT CODE	CURRENT YEAR 2019-20		PREVIOUS YEAR 2018-19	
1	Deferred Tax (Refer Note No. 17)	81.201		208 49 99 313		52 61 40 698
	TOTAL			208 49 99 313		52 61 40 698

NOTE - 37-OTHER NOTES TO ACCOUNTS

37.1 The financial statements of the Company for the year ended 31st March, 2020 have been prepared in accordance with IND-AS.

37.2 Events after reporting date

The material subsequent events for the year ended 31 March 2020 have been appropriately disclosed/presented/recognized in the financial statements. During the year 2020-21, KERC has issued Tariff Order 2020 on 4th November 2020 and Order has been passed by APTEL on 5th October 2020 with respect to Transmission charges, truing up and power purchase cost paid to TanirBhavi Power Company Ltd. which has been disclosed in Note No.4A.6,15A,18& 37.8. The directors are not aware of any other matter or circumstances since the financial year end and the date of this report, not otherwise dealt with in the financial statements, which significantly affects the financial position of the Company and the results of its operations.

37.3 Related Party DisclosuresRelated Parties Transactions:

(i) Key Managerial Personnel

Sl.No.	Name	Designation
1	Dr. S. Selva Kumar, IAS	Managing Director (From 06.08.2018 to 05.08.2019)
2	Dr. N. Manjula, IAS	Managing Director (From 20.08.2019)
3	Sri. R Nagaraja	Director (Finance) (Additional Charge) (From 30.03.2019 to 03.06.2019) and (From 30.08.2019)
4	Sri. Ashwin D. Gowda, IRS	Director (Finance) (From 03.06.2019 to 30.08.2019)
5	Dr. H.N. Gopalakrishna, IAS	Director (A&HR) (From 22.06.2018 to 20.08.2019)
6	Sri. Praveen Kumar L.Goudru, KAS	Director (A& H R) (From 20.08.2019 to 01.10.2019)
7	Sri. G.M. GangadharaSwamy, IAS	Director (A& H R) (From 15.10.2019)
8	Sri. K. V. Shivakumar	Director (Transmission) (From 16.03.2018 to 30.11.2019)
9	Sri. K. Siddaraju	Director (Transmission) (From 06.12.2019)
10	Smt. Ramya K, FCS	Company Secretary (From 16.01.2019)

Related Party Transactions:

Managerial remuneration paid or payable to Key Managerial Personnel:

(Amounts in INR)

Sl. No.	Particulars	2019-20	2018-19
(i)	Salary and Allowance	75,82,780	90,18,554
(ii)	Exgratia	8,500	28,000



(iii)	Medical Expenses	74,470	51,641
(iv)	Pension & Leave Contribution remitted to Government	-	1,15,291
(v)	Pension & gratuity Contribution payable to P&G Trust	12,26,981	9,84,005
(vi)	Leave Encashment	26,31,149	2,13,073
	TOTAL	1,15,23,880	1,04,10,564

(ii) Government and Government related transactions:

100% beneficial interest in the shares of the company lies with the Honorable Governor, Government of Karnataka and other nominees. In light of the same, the company is a 'government-related entity' (with regards to the Government of Karnataka) as defined by "Ind AS 24 (Related Party Disclosures)" i.e., an entity that is controlled, jointly controlled or significantly influenced by a government.

Name of Controlling Government and Government Related Entities:

Disclosure on related party transactions is limited to transactions occurred among ESCOMS, Power Company of Karnataka Ltd,(PCKL) Karnataka Power Corporation Ltd (KPCL)& KPTCL & ESCOMS Pension and Gratuity Trust (KEPGT) as they are also owned by Gok and having significant bearing on KPTCL.

a. Controlling Government – Government of Karnataka

b. Government-related Entities:

1. BESCOM
2. MESCOM
3. CESC
4. HESCOM
5. GESCOM
6. PCKL
7. KPCL
8. KEPGT
9. BDA

The below table presents the transaction between GOK and KPTCL :

(Amount in INR)

Sl. No.	Particulars	2018-19	Addition	Deletion	2019-20
(i)	Share Capital	2182 32 25 000	0	0	2182 32 25 000
(ii)	Loans –Gok	2 38 03 607	0	59 81 444	1 78 22 163
(iii)	Payable others-Gok	-	1657 07 00 000	-	1657 07 00 000

The below table presents the transactions with Government Related Entities:

(Amount in INR)

Sl. No.	Particulars	Transmission charges		Rental Income	
		2019-20	2018-19	2019-20	2018-19
1	BESCOM	1741 80 89 808	1528 65 99 936	8 71 96 867	11 47 04 051
2	MESCOM	259 00 20 720	224 37 38 880	2 21 61 697	2 39 92 307
3	HESCOM	696 01 79 520	555 72 48 000	2 07 23 344	2 30 34 712
4	GESCOM	420 97 86 000	354 27 45 600	74 53 377	87 20 465
5	CESC	388 42 29 216	312 87 30 624	1 39 43 320	1 03 03 936
6	PCKL			20 46 610	-

Interest and penal interest from loan given to BDA INR 173 93 649/- (Previous year Nil)

The below table presents the balances of Government related Entities as on 31.03.2020:

(Amount in INR)

Sl. No.	Particulars	Trade Receivables	Other Receivables	Other payables
1	BESCOM	432 95 79 956 <i>(148 10 00 181)</i>	62 12 20 230 <i>(57 73 88 513)</i>	82 96 20 913 <i>(67 20 83 240)</i>
2	MESCOM	50 58 41 962 <i>(26 25 63 746)</i>	20 21 74 604 <i>(17 81 22 816)</i>	25 88 19 729 <i>(23 09 48 513)</i>
3	HESCOM	359 35 07 541 <i>(296 20 79 283)</i>	35 23 65 703 <i>(40 15 34 383)</i>	61 00 84 204 <i>(52 59 77 641)</i>
4	GESCOM	105 71 01 745 <i>(102 75 73 706)</i>	43 24 71 369 <i>(43 31 32 091)</i>	20 65 51 102 <i>(14 20 05 232)</i>
5	CESC	105 71 03 101 <i>(57 62 48 894)</i>	21 79 42 399 <i>(19 94 09 286)</i>	30 73 78 317 <i>(28 44 17 730)</i>
6	PCKL	NIL <i>(NIL)</i>	24 15 000 <i>(NIL)</i>	NIL <i>(NIL)</i>
7	KPCL	NIL <i>(NIL)</i>	NIL <i>(NIL)</i>	3685320368 <i>(6685320368)</i>

* Previous Year amounts are shown in italic

8. Loan given to BDA INR 87 57 38 190/- (Previous year Nil)

(iii) The following are the trust made for the purpose of employee benefit

a) Name of Trust: KPTCL & ESCOMS PENSION AND GRATUITY TRUST

b) The following are the transaction with the trust:

Particulars	2019-20	2018-19
Contribution made to the Trust during the year (Refer Note 23)	188 30 51 313	257 40 94 699
Pension and Gratuity payable to P&G Trust (Refer Note No. 23.1, 23.2 & 23.3)	644 43 85 307	737 62 31 183
Pension & Leave Contribution collected from employees for counting their past services in other Depts. & Payable to P&G Trust (Refer Note 23)	-	3 63 355



Pension & Leave contribution remitted by other Department payable to P&G Trust(Refer Note 21)	1 03 67 530	44 07 861
Receivables - P & G Trust-Advance Paid(Refer Note 11)	15 98 51 259	7 94 63 137

37.4 Earnings Per Share (EPS)

Sl. No.	Particulars	2019-20	2018-19
(i)	Basic		
	A. Net Profit for the year (INR)	398 93 34 383	77 68 83 009
	B. Weighted Average Number of Equity Shares outstanding during the Year	2 18 23 225	2 18 23 225
	C. EPS (INR)	182.80	35.60
(ii)	Diluted		
	A. Net Profit for the year (INR)	398 93 34 383	77 68 83 009
	B. Weighted Average Number of Equity Shares outstanding during the Year	2 18 23 225	2 18 23 225
	C.EPS (INR)	182.80	35.60

37.5 Impairment of Assets

The Company is in the business of transmission of power and work under regulatory regime and the revenue of the Company is being decided by the regulator (KERC). The Company has identified Sub-Stations and Transmission Lines as "Cash Generating Unit". There are no indicators of impairment identified during the year. Also, carrying amount has been reviewed as at the balance Sheet date and there is no impairment of Assets for the year (Previous Year: Nil).

37.6 Movement of Provisions

(Amounts in INR)

Particulars	Bonus & Ex-Gratia (Refer Note :21&27)	CSR (Ref Note : 29)
Carrying amount (01.04.2019)	7,41,31,673/-	NIL
Add: Additional provisions during the year	7,29,37,105/-	25,01,70,170/-
Less: Amounts paid/adjusted during the year	7,45,87,093/-	25,01,70,170/-
Carrying amount (31.03.2020)	7,24,81,685/-	NIL

37.7 Contingent Liabilities and Commitments (to the extent not provided for):

(Amounts in INR)

Sl. No.	Particulars	2019-20	2018-19
(i)	Contingent Liabilities		
	Claims against the company not acknowledged as debts	NIL	NIL
	Claims in respect of Land Acquisition Cases	102,91,32,943	40,81,62,541
	Income Tax related disputes in respect of various Assessment years	6,59,19,151	240,37,352
	Service Tax and GST Related disputes	19,10,15,259	19,03,36,811

	Price Variation Claims from Contractors / Suppliers	NIL	NIL
	Others	1040,39,23,890	285,86,34,024
(ii)	Commitments Estimated Amount of contracts remaining to be executed on Capital Account and not provided for	7790,23,11,880	8652,37,72,708

37.8 Contingent Assets:

(Amounts in INR)

Sl. No.	Particulars	2019-20	2018-19
(i)	TDS paid (including interest) to Income Tax Department - (Refer Note No. 4.2)	Nil	3,64,48,286/-
(ii)	Incentive in respect of increase in the efficiency of transmission system availability and transmission loss reduction	29,06,12,812/-	24,46,02,745/-
(iii)	Transmission charges collected pending re-fixation of tariff (Refer Note No. 18.2)	Nil/-	262,43,84,142/-
(iv)	Transmission Charges from Non-ISTS Lines for FY 2017-18, FY 2018-19 and FY 2019-20 (Refer Note No. 25.3)	55,26,48,000/-	Nil
(v)	Carry forward of deficit for FY 19 approved in Tariff Order 2020	436,71,00,000/-	Nil
(vi)	Revenue deficit for FY06-07 found out during truing up approved in Tariff Order 2020	72,90,00,000/-	Nil

* Bank Guarantee held by KPTCL as on 31.03.2020 amounts to INR 952,39,88,977/-

37.9 Confirmation of balances:

- Confirmations of balances have been obtained only for borrowings from Banks, Financial Institutions and Bank balances.
- Balance with ESCOMS:
Reconciliation of Receivables and Payables with ESCOMS as on 31st March, 2020 are subject to confirmation. Necessary entries will be incorporated after completion of Reconciliation exercise in total and Confirmation from ESCOMS.

37.10 Corporate Social Responsibility (CSR):

- The gross amount spent by the Company during the year on CSR activities is INR 25,01,70,170/- (Previous Year: INR 13,93,00,000/-) for which Utilization certificate is yet to be received.
- The details of amount spent during the year on CSR activities are as follows:

(Amounts in INR)

Sl. No.	Particulars	In Cash	Yet to be paid in Cash	Total
	2019-20			
(i)	Construction/acquisition of any asset	Nil	Nil	Nil
(ii)	On purposes other than (i) above	25,01,70,170/-	79,26,221/-	25,80,96,391/-
	Total	25,01,70,170/-	79,26,221/-	25,80,96,391/-



	2018-19			
(i)	Construction/acquisition of any asset	4,00,00,000/-	Nil	4,00,00,000/-
(ii)	On purposes other than (i) above	11,58,00,000/-	4,02,85,198/-	15,60,85,198/-
	Total	15,58,00,000/-	4,02,85,198/-	19,60,85,198/-

37.11 Value of Imports calculated on CIF basis:

(Amounts in INR)

Sl. No.	Particulars	2019-20	2018-19
(i)	Raw materials, spare parts and capital goods	NIL	NIL
(ii)	Capital goods	NIL	NIL

37.12 Expenditure in foreign currency:

(Amounts in INR)

Sl. No.	Particulars	2019-20	2018-19
(i)	Expenditure reimbursed on foreign travel	NIL	NIL

37.13 Value of indigenous and imported stores Spares and components consumed:

(Amounts in INR)

Sl. No.	Particulars	2019-20	2018-19
(i)	Indigenous Materials	Not ascertainable	Not ascertainable
(ii)	Imported Materials	Not ascertainable	Not ascertainable

37.14 Quantitative details of Transmission and Loss of Energy:

(In MUs)

Sl. No.	Particulars	2019-20 (Provisional)	2018-19 (Provisional)
(i)	Total Energy handled (in MUs)	75128.910	76145.497
(ii)	Total Energy Transmitted (in MUs)	72777.872	73738.691
(iii)	Transmission Loss in respect of Energy Transmitted (in MUs)	2351.037	2406.805
(iv)	Net Transmission to ESCOMS & Hukkeri society during the year (in MUs)	72777.872	73738.691
(v)	Total units accounted as Transmitted to ESCOMS & Hukkeri society during the year (in MUs)	72777.872	73738.691
(vi)	Total Transmission loss (in MUs)	2351.037	2406.805
(vii)	Percentage of Transmission Loss on handled Energy (6 / 1 X 100)	3.129	3.161

37.15 Disclosure of material impact of COVID-19 pandemic

The Company is mainly engaged in the business of transmission of electricity and the tariffs for the transmission services are regulated in terms of the KERC/CERC Tariff Regulations which

provide for recovery of the annual transmission charges. Due to the COVID pandemic, lockdown was announced by the Government of India. As per the Government guidelines, transmission units and services were exempted from the lockdown. Due to the various steps taken by the Company, there has been no significant impact due to the pandemic on the availability of the transmission system of the Company. In the above backdrop, Company has considered various internal and external information available up to the date of approval of the Ind AS Financial Statements in assessing the impact of COVID-19 pandemic for the year ended March 31, 2020. There has been no material impact on the operations or profitability of the company during the financial year due to the pandemic and hence management is of the view that there is no material adjustments required in the Ind AS Financial Statements.

37.16 Change in Accounting Policy

During the year, the Company has changed the Accounting Policy with respect to Supervision charges to adhere to IND AS 115 (Revenue from contractors with customers) and has changed the estimates on provisioning for obsolescence. The impact due to change in Accounting Policy is as follows:

<u>Treatment of Supervision charges as per new Accounting Policy</u>	<u>Treatment of Supervision charges as per old Accounting Policy</u>	<u>Impact on Statement of P & L [Reduction / (Increase) in Income]</u>
INR 5,64,79,167/-	INR 33,98,23,644/-	INR 28,33,44,477/-
<u>Withdrawal of Provision for obsolescence as per new Accounting Policy</u>	<u>Treatment as per old Accounting Policy</u>	<u>Impact on Statement of P & L [Reduction / (Increase) in Income]</u>
INR 8,91,36,434/-	INR 8,91,36,434/-	INR (8,91,36,434/-)

The following additional amendments have been performed during the year in accounting policies:-

New/Change in policy	Note No.	Financial impact
Materiality limit for the restatement of period errors in accordance with Ind AS 8.	1.6	Refer Note No.37.37(C)
Determination of operating segment and Chief Operating Decision Maker	1.7	Nil
Treatment of bank guarantee	1.9 (j)	Nil
Determination and measurement of Investment properties	1.10	Company is in the process of analyzing its impact on financial statements
Assets taken on Lease as per Ind AS 116	1.13	Company is in the process of analyzing its impact on financial statements
Non- Monetary Grant from Govt	1.14	Nil

37.17 Critical Estimates and Judgments

The preparation of financial statements requires the use of accounting estimates which may significantly vary from the actual results. Management also needs to exercise judgment while applying the company's accounting policies. This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

The areas involving critical estimates or judgments are:

- Estimation of defined benefit obligation**
Estimation of defined benefit obligation involves certain significant actuarial assumptions. Estimates and judgments are periodically 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.
- Useful life of property, plant and equipment**
The estimated useful life of property, plant and equipment is based on regulations of KERC.
- Provisions and contingencies**
The assessments undertaken in recognizing provisions and contingencies have been made in accordance with Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets". The evaluation of the likelihood of the contingent events has required best judgment by management regarding the probability of exposure to potential loss. Should circumstances change following unforeseeable developments, this likelihood could alter.

37.18 Disclosures in respect of Ind AS 107 - Financial Instruments Financial Instruments by Categories

The carrying value of financial instruments by categories were as follows: **(Amount in INR)**

(i)	Particulars	Financial assets/ liabilities at FVTPL as at March 31, 2020	Financial assets/ liabilities at fair value through OCI as at March 31, 2020	Amortized cost as at March 31, 2020
	Financial Assets:			
	Trade receivables		-	1063 17 25 651
	Loans		-	140 19 23 529
	Cash and cash equivalents		-	73 60 71 717
	Other bank balances		-	131 61 59 093
	Other financial assets		-	2072 39 47 906
	Total Financial Assets			3480 98 27 896
	Financial Liabilities:			
	Borrowings		-	7500 77 40 799
	Trade Payables		-	384 42 81 878
	Other financial liabilities		-	3517 61 69 398
	Total Financial Liabilities			11402 81 92 075

The carrying value of financial instruments by categories were as follows: **(Amount in INR)**

(ii)	Particulars	Financial assets/ liabilities at FVTPL as at March 31, 2019	Financial assets/ liabilities at fair value through OCI as at March 31, 2019	Amortized cost as at March 31, 2019
	Financial Assets:			
	Investments	-	-	
	Trade receivables	-	-	676 96 36 611
	Loans	-	-	21 49 66 364
	Cash and cash equivalents	-	-	52 74 59 151
	Other bank balances	-	-	106 95 97 056
	Other financial assets	-	-	886 38 71 818
	Total Financial Assets	-	-	1744 55 30 999
	Financial Liabilities:			
	Borrowings	-	-	6141 74 38 550
	Trade Payables	-	-	684 26 61 486
	Other financial liabilities	-	-	1681 83 95 984
	Total Financial Liabilities	-	-	8507 84 96 020

37.19 Fair Value Hierarchy

- Level 1 - Level 1 hierarchy includes financial instruments measured using quoted prices (unadjusted) in active markets.
- Level 2 - Level 2 hierarchy includes financial instruments measured using 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 - Level 3 hierarchy includes financial instruments measured using inputs that are not based on observable market data (unobservable inputs).

The following table present fair value hierarchy of assets and liabilities measured at fair value:-

(i)	Particulars	Level 1	Level 2	Level 3
	As at March 31, 2020			
	Financial liabilities measured at amortised cost:	Nil		
	Total			
	As at March 31, 2019			
	Financial liabilities measured at amortised cost:	Nil		
	Total			



37.20 Fair value of financial assets and financial liabilities measured at amortized cost
(Amount in INR)

Particulars	As at March 31, 2020		As at March 31, 2019	
	Carrying Amount (without Ind AS Adjustment)	Fair value	Carrying Amount (without Ind AS Adjustment)	Fair value
Financial Assets at amortised cost				
Trade receivables	1063 17 25 651	1063 17 25 651	676 96 36 611	676 96 36 611
Loans	140 19 23 529	140 19 23 529	21 49 66 364	21 49 66 364
Cash and cash equivalents	73 60 71 717	73 60 71 717	52 74 59 151	52 74 59 151
Other bank balances	131 61 59 093	131 61 59 093	106 95 97 056	106 95 97 056
Other financial assets	2072 39 47 906	2072 39 47 906	886 38 71 818	886 38 71 818
Total Financial Assets	3480 98 27 896	3480 98 27 896	1744 55 30 999	1744 55 30 999
Financial Liabilities at amortised cost				
Borrowings	7500 77 40 799	7500 77 40 799	6141 74 38 550	6141 74 38 550
Trade Payables	384 42 81 878	384 42 81 878	684 26 61 486	684 26 61 486
Other financial liabilities	3517 61 69 398	3517 61 69 398	1681 83 95 984	1681 83 95 984
Total Financial Liabilities	11402 81 92 075	11402 81 92 075	8507 84 96 020	8507 84 96 020

37.21 (i) The amortised cost of financial instruments is considered as same as their carrying value in absence of the material impact on financial statements. In case of long term security deposits, discounting is not performed due to no material impact on financial statements.

(ii) No borrowings of the company are substantially below market rate of interest

37.22 Financial risk management

Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

Risk	Exposure arising from	Measurement	Management
Market risk- Interest rate	Long-term borrowings at variable rates	Sensitivity analysis	Company has taken all the borrowings at competitive market rate of interest. No derivative have been taken by the company for hedging purposes.

Credit risk	Cash and cash equivalents and trade receivables.	Ageing analysis	Diversification of bank deposits in public sector bank. Company has primarily receivables from public sector undertaking i.e. group entities (Distribution Co.) which are considered as good credit quality
Liquidity risk	Borrowings and other liabilities	Rolling cash low forecasts	Maintain adequate cash and cash equivalents.

a) Market Risk

(i) Interest rate risk

The company has obtained borrowings at variable rate of interest. Hence company is exposed to change in interest rate. Companies borrowings are denominated in INR currency during the March 31, 2019 and 2020

(Amount in INR)

Particulars	As at March 31, 2020	As at March 31, 2019
Variable rate borrowings	7500 18 00 078	6141 14 97 829
Fixed rate borrowings	1 78 22 163	2 38 03 607
Total borrowings	7501 96 22 241	6143 53 01 436

(ii) Sensitivity

Pro fit or loss is sensitive to higher lower expense from borrowings as a result of change in interest rates. The table summarizes the impact of increase decrease in interest rates on Pro fit or loss.

(Amount in INR)

Particulars	Impact on pro fit before tax	
	As at March 31, 2020	As at March 31, 2019
Interest rates- increase by 50 Bsc Pts	-32 14 25 007	-26 53 45 367
Interest rates- decrease by 50 Bsc Pts	32 14 25 007	26 53 45 367

b) Credit Risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables. Accordingly, credit risk from trade receivables has been separately evaluated from all other financial assets in the following paragraphs.

(i) Credit Risk on trade receivables

Trade receivables are typically unsecured and are derived from revenue earned from customers. Major trade receivables are mainly derived from transmission of power to distribution. These are considered good based on the recovery analysis performed by the company.



Company uses expected credit loss model to assess the impairment loss or gain. The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experienced and adjusted for forward- looking information. The expected credit loss allowance is based on ageing of the days the receivables are due.

Company has customers Central/state government utilities with capacity to meet the obligations and therefore the risk of default is negligible. Further, management believes that the unimpaired amounts that are 30 days past due date are still collectible in full, based on the payment security mechanism in place and historical payment behavior. Considering the above factors and the prevalent regulations, the trade receivables continue to have a negligible credit risk on initial recognition and thereafter on each reporting date.

(ii) Credit Risk on other financial assets

The company considers that all the financial assets that are not impaired and past due for each reporting dates under review are of good credit quality. The company does not hold any collateral or other enhancements to cover its credit risks associated with its financial assets.

Further, cash and cash equivalents are held with public sector banks and high rated private sector banks and do not have any significant credit risk.

c) Liquidity Risk

The company's principal sources of liquidity are cash and cash equivalents generated from operations. Company manage our liquidity needs by continuously monitoring cash inflows and by maintaining adequate cash and cash equivalents. Net cash requirements are compared to available cash in order to determine any shortfalls. Short term liquidity requirements consists mainly of trade payable, current maturities of long term borrowings, liabilities of O & M expenses, capital liabilities etc. arising during the normal course of business as at each reporting date. Company maintain a sufficient balance in cash and cash equivalents to meet our short term liquidity requirements. Company assess long term liquidity requirements on a periodical basis and manage them through internal accruals.

The table below provides details regarding the contractual maturities of non-derivative financial liabilities. The amount disclosed in the table is the contractual undiscounted cash flows of long term borrowings of the company.

Particulars	As at March 31, 2020	As at March 31, 2019
Less than 6 months	343 32 84 031	368 77 52 524
6 months to 1 year	346 68 63 269	364 18 84 504
1-5 years	3549 10 30 499	3622 81 77 799
More than 5 years	2461 65 63 000	1635 96 03 723
Total	6700 77 40 799	5991 74 18 550

37.23 Capital Management

The companies objective when managing capital are to safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders and maintain an appropriate capital structure of debt and equity. The Board of Directors (BOD) has the primary responsibility to maintain strong capital base and reduce the cost of capital through prudent management in deployment of funds and sourcing by leveraging opportunities in financial markets so as to maintain investors, creditors & markets confidence and to sustain future development of the business. The Company's policy is to maintain a strong capital structure with a focus to mitigate all existing and potential risks to the Company, maintain shareholder, vendor and market confidence and sustain continuous growth and development of the Company. The Company's focus is on keeping a strong total equity base to ensure independence, security, as well as high financial flexibility without impacting the risk profile of the Company. In order, to maintain or adjust the capital structure, the Company will take appropriate steps as may be necessary.

The company has monitor the long term debt equity ratio which is as follows:

Particulars	As at March 31, 2020	As at March 31, 2019
Long term debt (including current maturities of long term debts)	6700 77 40 799	5991 74 18 550
Equity (including capital reserve)	4731 13 22 642	4332 19 88 259
Long term Debt to Equity Ratio	1.42	1.38

37.24 Disclosure in respect of Indian Accounting Standard (Ind AS)-23 "Borrowing Costs" (Amount in INR)

Particulars	As at March 31, 2020	As at March 31, 2019
Borrowing cost capitalised	106 85 84 930	77 75 01 314
capitalisation rate	8.62%	8.44%

37.25 Disclosure in respect of Indian Accounting standard (Ind AS)-108: "Operating Segments"

In accordance with Ind AS 108, The board of Directors is collectively the company's 'Chief Operating Decision Maker' or 'CODM' within the meaning of Ind AS 108. The Company is primarily in a single line of business of transmission of power. Hence, there is no operating segments. In the absence of any operating segments following entity wise disclosures are required to be disclosed as per Ind AS 108.

37.26 Entity-Wide Disclosures

a. Information about revenue from major customers (contribute more than 10% of entity revenue)

(Amount in INR)

Customer Name	"Year ended March 31, 2020"	"Year ended March 31, 2019"
BESCOM	1741 80 89 808	1528 65 99 936
HESCOM	696 01 79 520	555 72 48 000



GESCOM	420 97 86 000	354 27 45 600
CESCO	388 42 29 216	312 87 30 624

b. Geographical Information

Revenue from external customers by location of operations and information about its non current assets by location of assets are as follow

(Amount in INR)

Revenue from external customers		Non current Assets*	
As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
3520 88 68 032	2952 12 24 471	16858 49 97 834	15457 83 55 575
3520 88 68 032	2952 12 24 471	16858 49 97 834	15457 83 55 575

* consist PPE, CWIP and other non- financial non current assets

C. Revenue from major products

Revenue from external customers for each product and service are as follow:-

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Transmission of Power	3503 34 37 088	2921 48 74 817
Reactive Energy Charges demanded on IPPs	30 59 566	2 42 40 490
Open access Processing fee	1 80 90 000	2 03 60 000
Supervision Charges	5 54 40 767	15 24 95 843
Grid support charges	4 30 22 332	4 09 73 649
SLDC charges	5 03 26 275	5 31 92 174
Surcharge on Tr. Charges - ISTS lines	8 58 305	91 57 191
Others	46 33 699	59 30 307

37.27 Assets hypothecated as security

The carrying amount of assets pledged as security for current & non current borrowings are:
(Amount in INR)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Pledge amount as per DPR/DWA	14084 87 16 000	12468 98 71 000

37.28 Disclosure in respect of Indian Accounting standard (Ind AS) 12 “Deferred Tax”

(a) Movement of Deferred Tax				(Amount in INR)
Particulars	As at March 31, 2019	Recognised in profit or loss	Recognised in OCI	As at March 31, 2020
Deferred Tax Liabilities				
Depreciation	1576 98 78 170	229 76 21 279		1806 74 99 449
Total (A)	1576 98 78 170	229 76 21 279		1806 74 99 449
Deferred Tax Assets				
Leave encashment Provision u/s 43B	96 78 86 873	23 80 73 770		120 59 60 643
Bonus and Ex-Gratia	2 59 04 572	- 5 76 572		2 53 28 000
Employers Contribution to Gratuity	255 88 05 034	-30 68 79 032		225 19 26 002
Total (B)	355 25 96 479	-6 93 81 834		348 32 14 645
Add: MAT Credit Entitlement	270 88 51 865	28 20 03 801		299 08 55 666
Net Deferred Tax Liability (A-B)	950 84 29 826	208 49 99 311		1159 34 29 138
(b)				(Amount in INR)
Particulars	As at March 31, 2018	Recognised in profit or loss	Recognised in OCI	As at March 31, 2019
Deferred Tax Liabilities				
Depreciation	1414 97 58 210	162 01 19 960		1576 98 78 170
Total (A)				
Deferred Tax Assets				
Leave encashment Provision u/s 43B	73 66 09 462	23 12 77 411		96 78 86 873
Bonus and Ex-Gratia	2 54 87 073	4 17 499		2 59 04 572
Employers Contribution to Gratuity	216 85 74 747	39 02 30 287		255 88 05 034
Total (B)	293 06 71 282	62 19 25 197		355 25 96 479
Add: MAT Credit Entitlement	223 67 97 799	47 20 54 066		270 88 51 865
Net Deferred Tax Liability (A-B)	898 22 89 129	52 61 40 697		950 84 29 826

(c) Reconciliation of effective tax rates

Particulars	For the year Ended March 31, 2020	For the year Ended March 31, 2019
Profit before tax	738 85 12 333	340 17 22 096
Enacted tax Rate	34.944%	34.944%
Computed Expected Tax Expenses	258 18 41 750	118 86 97 769
Tax Effect of :		
Depreciation as per books for the year disallowed	333 26 92 926	298 68 35 088
Expenses disallowed U/s 37	9 98 76 388	13 39 04 525
Expenses incurred in pervious year but not paid before filing return of income as per TAR - 26(i)(B)(b) disallowed U/s 43B	119 96 13 919	77 32 95 659
Other Expenses disallowed	11 92 701	- 43 301
Depreciation allowed as per Income Tax	-436 93 53 954	-392 11 48 868
Expenses disallowed in earlier years and paid during this year admisable U/s43B	-24 75 06 293	-20 11 56 471
Other expenses allowed this year	-137 18 71 583	-28 44 69 479
Effect of MAT Credit	8 76 92 784	5 71 15 367
Income Tax Expense (A)	131 41 78 637	73 30 30 291

37.29 Disclosure as per Indian Accounting Standard (Ind AS) 116 - “Leases”

(a) The company has applied Ind AS 116 with the date of initial application of 1st April, 2019. The company has applied Ind AS 116 using the modified retrospective approach, under which the cumulative effect of initial application is recognized in retained earnings at 1st April, 2019. The company has applied the above mentioned approached to all of its lease arrangement enforable as on 1st April 2019.

(b) As a Lessee

(i) Description of Leases

The Company entered into the following significant lease arrangement :-

- (a) Land taken on leases from various entites for construction of station/lines and other assets
- (b) Buildings and other properties taken from ESCOM’s and other parties for residential and non-residential use which are usually cancellable in terms. Company have disclosed the details of land taken on lease in Note no. 2

(ii) The company has recognised lease payments on short-term leases and leases of low value assets as expense in the statement of profit and loss on a straight-line basis over the lease term.

(iii) Company are in process of identifying the leases that requires recognition of right to use assets and lease liability on which short term lease exemption is not applied.

(iv) As per Para C11 of Ind AS 116, for leases that were classified as finance leases applying Ind AS 17, the carrying amount of the right-of-use asset and the lease liability at the date of initial application shall be the carrying amount of the lease asset and lease liability immediately before that date measured applying Ind AS 17. Hence, the carrying amount of lease asset in case of lease of land



on one time payment, we have carried forward the same amount as right to use asset as per Ind AS 116.

(C) As a Lessor

(i) Description of Leases

The Company entered into the following significant lease arrangement :-

- (a) Company have given the land on lease to private parties
- (b) Buildings and other properties given to ESCOM's, employees, employees association and other parties for residential and non-residential use which are usually cancellable in terms.

(ii) All the lease are operating in nature and cancellable

37.30 Disclosure as per Indian Accounting Standard (Ind AS) 115 - "Revenue from Contracts with Customers"

37.31 Ind AS 115 has become effective from 1st April 2018. The core principle of this Standard is that an entity shall recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

37.32 Company undertakes all the functions of intra-state transmission of electricity, state transmission utility and state load dispatch centre. Company is earning revenue from contracts of transmission charges from discom's, open access customer etc.

37.33 Trade Receivables and Contract Balances

The following table provides the information about receivables and contract liabilities from contracts with customers :-

(Amount in INR)

Particulars	As at March 31, 2020	As at March 31, 2019
Contract Assets		
Trade Receivables		
Opening Balance	676 96 36 611	661 95 30 785
Revenue recognised during the year	3520 88 68 032	2952 12 24 471
Collection and other adjustments	-3134 67 78 992	-2937 11 18 645
Closing balance	1063 17 25 651	676 96 36 611

37.34 Company has major revenue agreements with discoms for the period of 25 years and transmission of the electricity is the ongoing process. Hence, disclosure of revenue from unsatisfied period of contract is impracticable.

37.35 Set out below is the disaggregation of the Company's revenue from contracts with customers:

(A) Disaggregation of revenue on the basis of nature of products

Disaggregation of revenue on the basis of nature of products is disclosed in note no. 25 "Revenue from operations"



(B) Revenue from contracts with customers disaggregated based on geography

All the revenue are generated within the India

(C) Timing of revenue recognition

All the revenue are recognised over the time

(e) Reconciliation of Contracted Price vis-a-vis revenue recognized in profit or loss statement is as follows:-

(Amount in INR)

Particulars	As at March 31, 2020	As at March 31, 2019
Contracted price	3520 82 69 531	2951 44 03 759
Adjustment for:		
Rebate	- 2 59 804	- 23 36 479
Other adjustment - Surcharge	8 58 305	91 57 191
Revenue Recognised during the year	3520 88 68 032	2952 12 24 471

37.36 Changes in Presentation due to re-grouping of Previous Years' Figures

Particulars	Note number	Balance as per previous Audited Financial Statement of FY 2018-19	Reclassified comparatives	Differences	Reasons
ASSETS -					
Non-Current Assets					
(a) Property, Plant and Equipment	2	11609 58 79 870	12049 21 42 355	-439 62 62 485	Transformers / Meters etc. issued for repairs to the Corporation personnel- Reclassified to comply the observations of AG Audit during 2018-19 and Restatement of prior period items
(b) Capital Work-in-progress	3	3625 25 38 940	3213 89 20 475	411 36 18 465	Restatement of prior period items
(c) Other Intangible Assets	3A	1 08 69 755	1 08 69 755		
(d) Goodwill					
(c) Financial Assets					

	(i)Loans	4		20 30 70 414	-20 30 70 414	Deposits with Others, Advances to Staff, Regulatory asset and Security Deposit made with ESCOMS for obtaining power supply to KPTCL Installations is reclassified in accordance with Ind AS 32
	(ii) Others	4A	114 11 42 938	629 81 65 098	-515 70 22 160	
(d)	Other Non-Current Assets	5	726 11 66 741	193 64 22 990	532 47 43 751	Regulatory assets shifted to Note 4A- Non current Asset Others.
Current assets						
(a)	Inventories	6	72 93 06 821	72 93 06 821		
(b)	Financial Assets					
(i)	Investments					
(ii)	Trade Receivables	7	676 96 36 611	676 96 36 611		
(iii)	Cash and Cash Equivalents	8	52 74 59 151	52 74 59 151		
(iv)	Other Bank Balances	9	106 95 97 056	106 95 97 056		
(v)	Loans	10	9 78 61 258	1 18 95 950	8 59 65 308	Advances to Staff is reclassified in accordance with Ind AS 32
(vi)	Other Financial Assets	11	251 17 72 777	256 57 06 720	-5 39 33 943	Amount Recoverable from Suppliers and Contractors towards TDS remitted by KPTCL on their behalf is reclassified in accordance with Ind AS 32
(c)	Other Current Assets	12	6 99 73 910	6 99 73 910		
Total Assets Without Regulatory Deferral Balance			17253 72 05 829	17282 31 67 306	-28 59 61 478	
Regulatory Deferral Account Debit Balances			-			
TOTAL ASSETS			17253 72 05 829	17282 31 67 306	-28 59 61 478	
EQUITY AND LIABILITIES						
Equity						
(a)	Equity Share Capital	13	2182 32 25 000	2182 32 25 000		
(b)	Other Equity	14	2305 87 28 881	2149 87 63 259	155 99 65 622	Restatement of Prior period items as per Ind AS provisions

TOTAL EQUITY						
Non-Current Liabilities						
(a)	Financial Liabilities					
	(i) Borrowings	15	5258 77 81 522	5258 77 81 522		
	(ii) Other financial liabilities	15A	253 61 09 195	253 61 09 195		
(b)	Provisions	16	226 67 84 131	226 67 84 131		
(c)	Deferred Tax Liabilities (Net)	17	950 84 29 826	950 84 29 826		
(d)	Other Non-Current Liabilities	18	1893 06 89 813	1932 19 29 545	-39 12 39 732	
Current liabilities						
(a)	Financial Liabilities					
	(i) Borrowings	19	150 00 20 000	150 00 20 000		
	(ii) Trade Payables	20	684 26 61 486	684 26 61 486		
	(iii) Other Financial Liabilities	21	2095 99 46 913	2161 19 23 818	-65 19 76 905	Payable to ESCOMs / STOA Generators and UI charges collected from short term open access customers and payable / adjustable to ESCOMs is classified as financial liability is accordance with Ind AS 32
(b)	Other Current Liabilities	22	295 57 92 606	230 38 15 701	65 19 76 905	
(c)	Provisions	23	956 70 36 456	1102 17 23 823	-145 46 87 367	Restatement of Prior period items as per Ind AS provisions
(d)	Current Income Tax Liabilities (Net)	24				
Total Equity And Liability Without Regulatory Deferral Balance			17253 72 05 829	17282 31 67 306	-28 59 61 478	
Regulatory Deferral Account Credit Balances			-			
TOTAL EQUITY AND LIABILITIES			17253 72 05 829	17282 31 67 306	-28 59 61 478	

					(Amount in INR)	
Particulars		Note number	Balance as per previous Audited Financial Statement of FY 2017-18	Reclassified comparatives	Differences	Reasons
ASSETS -						
Non-Current Assets						
(a)	Property, Plant and Equipment	2	10624 47 99 799	11381 36 81 615	-756 88 81 816	Restatement of Prior period depreciation as per Ind AS provisions
(b)	Capital Work-in-progress	3	3032 91 76 338	2371 65 40 512	661 26 35 825	Restatement of Prior period items as per Ind AS provisions
(c)	Other Intangible Assets	3A				
(d)	Goodwill					
(c)	Financial Assets					
	(i)Loans	4	632 82 42 183	19 29 07 546	613 53 34 637	Deposits with Others, Advances to Staff and Security Deposit made with ESCOMS for obtaining power supply to KPTCL Installations is reclassified in accordance with Ind AS 32
	(ii) Others	4A		616 59 16 797	-616 59 16 797	
(d)	Other Non-Current Assets	5	1,119,344,574	110 29 97 763	1 63 46 811	
Current assets						
(a)	Inventories	6	60 81 41 198	60 81 41 201		
(b)	Financial Assets					
(i)	Investments					
(ii)	Trade Receivables	7	661 95 30 785	661 95 30 785		
(iii)	Cash and Cash Equivalent	8	130 31 40 350	130 31 40 350		
(iv)	Other Bank Balances	9	90 30 80 779	90 30 80 779		
(v)	Loans	10	3 31 84 657	88 93 434	2 42 91 223	Advances to Staff is reclassified in accordance with Ind AS 32

(vi)	Other Financial Assets	11	236 75 91 848	236 48 02 808	27 89 040	Amount Recoverable from Suppliers and Contractors towards TDS remitted by KPTCL on their behalf is reclassified in accordance with Ind AS 32
(c)	Other Current Assets	12	1 21 20 160	3 91 39 723	-2 70 19 562	Reallocation of balances as per Ind AS provisions
Total Assets Without Regulatory Deferral Balance			15586 83 52 671	15683 87 73 312	-97 04 20 641	
Regulatory Deferral Account Debit Balances			-			
TOTAL ASSETS			15586 83 52 671	15683 87 73 312	-97 04 20 641	
<u>EQUITY AND LIABILITIES</u>						
Equity						
(a)	Equity Share Capital	13	2182 32 25 000	2182 32 25 000		
(b)	Other Equity	14	2093 70 23 942	2072 18 80 250	21 51 43 692	Restatement of Prior period items as per Ind AS provisions
TOTAL EQUITY						
Non-Current Liabilities						
(a)	Financial Liabilities					
	(i) Borrowings	15	4619 88 66 775	4619 88 66 775		
	(ii) Trade Payables					
	(ii) Other financial liabilities	15A		461 06 57 919	-461 06 57 919	Reallocation of balances as per Ind AS provisions
(b)	Provisions	16	173 14 76 182	173 14 76 182		
(c)	Deferred Tax Liabilities (Net)	17	898 22 89 128	898 22 89 128		
(d)	Other Non-Current Liabilities	18	2131 70 87 585	1740 97 59 542	390 73 28 042	Retention amount reclassified as per provision of Ind AS 32
Current liabilities						
(a)	Financial Liabilities					
	(i) Borrowings	19	158 33 33 123	158 33 33 123		

	(ii) Trade Payables	20	710 60 58 214	710 60 58 214		
	(iii) Other Financial Liabilities	21	611 66 72 005	1466 38 20 206	-854 71 48 201	Payable to ESCOMS / STOA Generators and UI charges collected from short term open access customers and payable / adjustable to ESCOMS is classified as financial liability in accordance with Ind AS 32
(b)	Other Current Liabilities	22	1028 34 74 723	223 97 95 688	804 36 79 035	
(c)	Provisions	23	934 52 90 638	932 40 55 927	2 12 34 711	Restatement of Prior period items as per Ind AS provisions
(d)	Current Income Tax Liabilities (Net)	24	44 35 55 356	44 35 55 356		
Total Equity And Liability Without Regulatory Deferral Balance			15586 83 52 671	15683 87 73 312	-97 04 20 641	
Regulatory Deferral Account Credit Balances			-			
TOTAL EQUITY AND LIABILITIES			15586 83 52 671	15683 87 73 312	-97 04 20 641	

37.37 Disclosures in respect of Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors

(A) As per Ind AS 8, Company has corrected Material prior period(s) errors retrospectively by restating the comparative amounts for the prior periods to the extent practicable along with change in basic and diluted earnings per share. However, if the error relates to a period prior to the comparative period, balances of the assets, liabilities and equity of the comparative period presented are restated.

(B) Details of Prior period Expenses/Income are mentioned in note no. 33

(C) Impact of Prior period restatement as below:

(i) Impact on Balance Sheet

(Amount in INR)

Sl No.	Line Item affected	March 31, 2019 Ind AS Figures	March 31, 2019 Ind AS Figures before Prior Period Errors Adjustment*	Impact
	Receivable - Others	65 46 49 385	62 24 70 180	3 21 79 205
	Property Plant equipments	12049 21 42 355	11609 58 79 870	439 62 62 485
	Capital Work in Progress	2026 69 68 480	2392 12 47 825	-365 42 79 345
	Turnkey Contractors Control Account in respect of Capital Works	1100 98 58 152	1146 91 97 272	-45 93 39 120



	Total Impact on assets	15242 36 18 372	15210 87 95 147	31 48 23 225
	Provision for outstanding liabilities (Refer Note No.23)	239 40 56 511	104 98 52 722	134 42 03 789
	Provision for Pension and Gratuity payable to P&G Trust (Refer Note No. 23.1)	737 62 31 183	732 25 87 667	5 36 43 516
	Contribution towards cost of capital assets (Refer Note No. 18)	805 63 86 282	766 51 46 550	39 12 39 733
	Total Impact on Liability	1782 66 73 976	1603 75 86 939	178 90 87 038
	Net Impact			-147 42 63 813
				Amount in INR
Sl No.	Line Item affected	March 31, 2018 Ind AS Figures	March 31, 2018 Ind AS Figures before Prior Period Errors Adjustment*	Impact
	Receivable - Others	59 25 85 798	57 84 11 144	1 41 74 654
	Property Plant equipments	11381 36 81 615	10624 47 99 800	756 88 81 815
	Capital Work in Progress	1585 20 03 960	2236 51 67 442	-651 31 63 482
	Turnkey Contractors Control Account in respect of Capital Works	779 77 51 940	840 06 93 454	-60 29 41 514
	Total Impact on assets	13805 60 23 314	13758 90 71 840	46 69 51 474
	Provision for outstanding liabilities (Refer Note No.23)	204 83 98 076	218 90 08 368	-14 06 10 292
	Contribution towards cost of capital assets (Refer Note No. 18)	709 45 38 527	639 12 08 651	70 33 29 876
	Total Impact on Liability	914 29 36 603	858 02 17 019	56 27 19 584
	Net Impact of Prior period			-9 57 68 110
	Impact of Prior period for FY 2018-19			2 08 46 168
	Impact of Prior period for FY 2019-20 (depreciation)			19 42 97 524
	Total			21 51 43 692

(ii) Impact on Profit & Loss and EPS			Amount in INR	
Sl no.	Line Item affected	March 31, 2019 Ind AS Figures	March 31, 2019 Ind AS Figures before Prior Period Errors Adjustment*	Impact
1	Other Bank Charges	18 40 344	18 40 869	- 525
2	Other Interest	1 43 96 825		1 43 96 825
3	Electricity Charges - Tax on Auxillary Consumption of KPTCL Stations	20 09 91 731	19 22 94 172	86 97 559
4	Miscellaneous expenses	2 17 90 889	2 19 61 911	- 1 71 022
5	Postage	2 18 16 484	2 18 36 199	- 19 715
6	R & M Plant & Machinery - Others.	232 29 97 459	232 39 71 905	- 9 74 446
7	Repair & Maintenance Expenses allocable to ESCOMs (Credit Accounts),	-2 48 54 937	-1 08 51 901	-1 40 03 036
8	Earned leave encashment (Refer Note No. 27.5)	114 68 36 139	114 73 40 532	- 5 04 393
9	Salaries (Refer Note No. 27.5)	796 62 96 466	796 71 63 630	- 8 67 164
10	Terminal Benefits (Refer Note No. 27.3 & 27.5)	1 56 65 907	1 56 55 407	10 500
11	Terminal Benefits (P&G Trust & NDCPS)	432 41 13 135	292 84 61 657	139 56 51 478
	Total Impact on Expenses			140 22 16 061
1	Profit on sale of released Assets (Profit after deducting WDV from the sale proceeds)	6 11 71 251	5 85 12 783	26 58 468
2	Rental from others	2 50 82 953	51 40 364	1 99 42 589
3	Miscellaneous Recoveries (Refer Note No.26.1, 26.6, 26.7)	65 85 32 809	64 45 85 903	1 39 46 906
	Total Impact on Income			3 65 47 963
	Total Impact on Net profit			136 56 68 098
	Net Profit	77 68 83 009	214 25 51 107	-136 56 68 098
	Outstanding number of shares	2 18 23 225	2 18 23 225	
	Earning per Share	35. 6	98. 18	62.58

37.38 General

- All amounts disclosed in the Ind AS Financial Statements and notes have been rounded off to the nearest rupee except as otherwise stated.
- Previous year figures have been regrouped/recast wherever necessary for purposes of Comparability.
- Current Year's Figures of Assets and liabilities have been grouped as Financial and Non-Financial Assets under Current and Non-Current as required under Schedule III (Division II) effective from 01.04.2016.



- d) There is no material impact due to the amendments in Ind AS 12, Ind AS 19 & Ind AS 23 which are applicable from 01.04.2019.
- e) The Accounts approved by the Board on 30/11/2020 were revised based on the observations made by Comptroller and Auditor General of India u/s 143(6) of the Companies Act 2013. Accordingly, the revision has resulted in :-

Sl.No.	Particulars	Amount in INR
I	Balance Sheet	
1	Increase in Provisions-Current Liabilities	31,82,000
2	Increase in Other Non-Current Liabilities	72,90,00,000
3	Increase in Other Non-Current Assets	8,54,90,670
4	Decrease in CWIP	8,54,90,670
5	Decrease in Regulatory Deferral Asset	436,71,00,000
6	Decrease in Provision for Tax	89,03,90,591
7	Decrease in Deferred Tax liability	175,01,77,359
II	Profit & Loss Account	
1	Decrease in Regulatory Income	436,71,00,000
2	Decrease in Transmission Charges	72,90,00,000
3	Decrease in Provision for Income tax for the year	89,03,90,591
4	Decrease in Provision for Deferred Tax	175,01,77,359
III	EPS	
1	Increase in EPS(Basic and Diluted)	87.59
2	Decrease in EPS (Basic and Diluted) (including Regulatory Deferral Balances)	295.32
IV	Contingent Assets	
	Increase in Contingent Asset	507,42,11,893

- f) The financial statements of the company for the year ended March 31, 2020 were approved for issue by the Board of Directors on 22-03-2021.

As per our report of even date

For B.P.Rao & Co.

Chartered Accountants
FRN No: 003116S

Sd/-
B. SATISH RAO
Partner
Mambership No: 024559

Sd/-
(Dr. N MANJULA)
Managing Director

Sd/-
(SIDLINGAPPA TELI)
Director (Finance)

Place: Bengaluru
Date: 22-03-2021

Sd/-
(RUTH.G.MIRAJKAR)
Financial Adviser (A&R)

Sd/-
(RAMYA KANNAN)
Company Secretary

**STATEMENT SHOWING SECTOR WISE CAPITAL EXPENDITURE FOR 2019-20
WITH AND WITHOUT RELEASED ASSETS ISSUED TO CAPITAL WORKS**

Account code	CWIP	Rs in INR			
	Brief Description of the Project	Capital Budget Allocation (Sectorwise in Crores)	Capital Expenditure during the year 2019-20 (in INR)	Released Assets issued to works during 2019-20 (in INR)	Net Capital Expenditure for the year 2019-20 (in INR)
TRANSMISSION LINES AND SUB STATIONS WITH ATTACHED CIVIL WORKS					
14.110	Transmission lines (GP)	2,539.66	68 30 232		68 30 232
14.113	Transmission lines-PFC		22 99 75 114		22 99 75 114
14.115	Transmission lines-others		636 29 45 362	3 82 22 793	632 47 22 570
14.120	Step Down Station-(GP)		12 14 17 009	76 96 160	11 37 20 849
14.123	Step Down Station-PFC				
14.125	Step Down Station-others		1111 76 66 990	3 09 35 868	1108 67 31 121
14.128	CWIP- Sub Stations – PSDF		14 43 81 611		14 43 81 611
14.129	CWIP- Sub Stations – NCEF		85 98 81 150	4 54 17 156	81 44 63 994
14.165	CAPACITOR INSTALLATIONS CWIP-Installation of Capacitors (GP)		2 12 070		2 12 070
	Sub Total		2,539.66	1884 33 09 538	12 22 71 977
14.130	LOAD DESPATCH AND COMMUNICATION Load DESPATCHED & Communication	117.78	15 98 37 710		15 98 37 710
	Sub Total	117.78	15 98 37 710		15 98 37 710
EXTENTION AND IMPROVEMENTS					
14.150	Transmission lines + Transformers etc-Improvements (GP)		30 09 72 331	3 90 21 543	26 19 50 789
14.152	Transmission- Improvments	348.84	181 17 81 512	14 57 63 158	166 60 18 354
14.153	Station-Improvements		72 84 64 781	2 45 44 491	70 39 20 291
14.156	Transmission Lines-Improvements		1 23 89 303		1 23 89 303
	Sub Total	348.84	285 36 07 927	20 93 29 191	264 42 78 736
PROVIDING NEW TRANSFORMERS IN PLACE OF FAULTY/FAILED TRANSFORMER					
14.170	Replacement of Distribution Transformer with similar capacities	19.42	2 26 58 545		2 26 58 545
	Sub Total	19.42	2 26 58 545		2 26 58 545
OTHERS					
14.502	Buildings		81 15 46 654		81 15 46 654
14.607	Vehicles		60 82 287		60 82 287
14.708	Furniture & Fixtures	283.55	50 80 360		50 80 360
14.809 to 14.811	Office Equipment & Others		17 01 79 410	2 90 510	16 98 88 900
	Sub Total	283.55	99 28 88 711	2 90 510	99 25 98 201
	TOTAL-A	3,309.26	2287 23 02 430	33 18 91 679	2254 04 10 752
	Less: Capital Expenditure transferred among KPTCL Units through IUA		22 40 71 665		22 40 71 665
	TOTAL-B		22 40 71 665		22 40 71 665
	NET CAPITAL EXPENDITURE	3,309.26	2264 82 30 766	33 18 91 679	2231 63 39 087



Statement showing the details of Borrowings for the Financial Year 2019-20

Sl. No.	Name of the Bank / Financial Institution	Opening Balance 01.04.2019	Receipts	Principal Payment	Closing balance as on 31.03.2020
I	Short Term Borrowings				
1	Bank of Baroda	1500020000	3000000000	2500020000	2000000000
2	Bank of Maharashtra		5000000000	1750000000	3250000000
3	Corporation Bank		2000000000	1500000000	500000000
4	Oriental Bank of Commerce		3000000000	750000000	2250000000
	Total - I	1500020000	13000000000	6500020000	8000000000
II	Long Term Borrowings				
1	PNB	3000000000	4000000000	3000000000	6700000000
2	BOI	6225000000	0	500000000	5725000000
3	Vijaya Bank	8126796150	0	1559343000	6567453150
4	Indian Bank	1100000000	0	300000000	800000000
5	Corporation Bank	1521314246	0	614791487	906522759
6	Punjab and Sind Bank	3800000000	0	600000000	3200000000
7	Canara Bank	14497600000	5820000000	1514400000	18803200000
8	SBM	5342904547	0	857161820	4485742727
9	UCO Bank	2000000000	0	200000000	1800000000
10	SBI	8780000000	2100000000	878000000	10002000000
11	J&K Bank	5500000000	0	0	5500000000
12	BOB	0	2500000000	0	2500000000
13	Loans GOK	23803607	0	5981444	17822163
	Total - II	59917418550	14420000000	7329677751	67007740799
	Long Term Total I & II	61417438550	27420000000	13829697751	75007740799

DCB STATEMENT FOR THE YEAR 2019-20

(Energy supplied in Mus & Amount in Rupees)

ESCOM	Energy Supplied (in Mus)	Opening Balance	Transmission charges (Current Year Demand)	Grand Total (OB+Current Year)	Collection	Closing Balance
BESCOM	35867.02756	1481000182	17418089808	18899089990	14569510033	4329579957
MESCOM	6250.073325	262563746.4	2590020720	2852584466	2346742507	505841959.5
HESCOM	13269.02645	2962079283	6960179520	9922258803	6328751262	3593507541
GESCOM	8647.087724	1027573706	4209786000	5237359706	4180257961	1057101745
CESC	7847.179477	576248894	3884229216	4460478110	3403375009	1057103101
Grand Total	71880.39453	6309465811	35062305264	41371771075	30828636772	10543134303