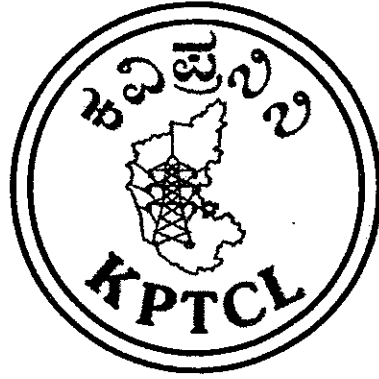


# 15<sup>th</sup> Annual Report 2013-14



**Karnataka Power Transmission Corporation Limited**





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## BOARD OF DIRECTORS

List of Directors (As on the date of AGM)

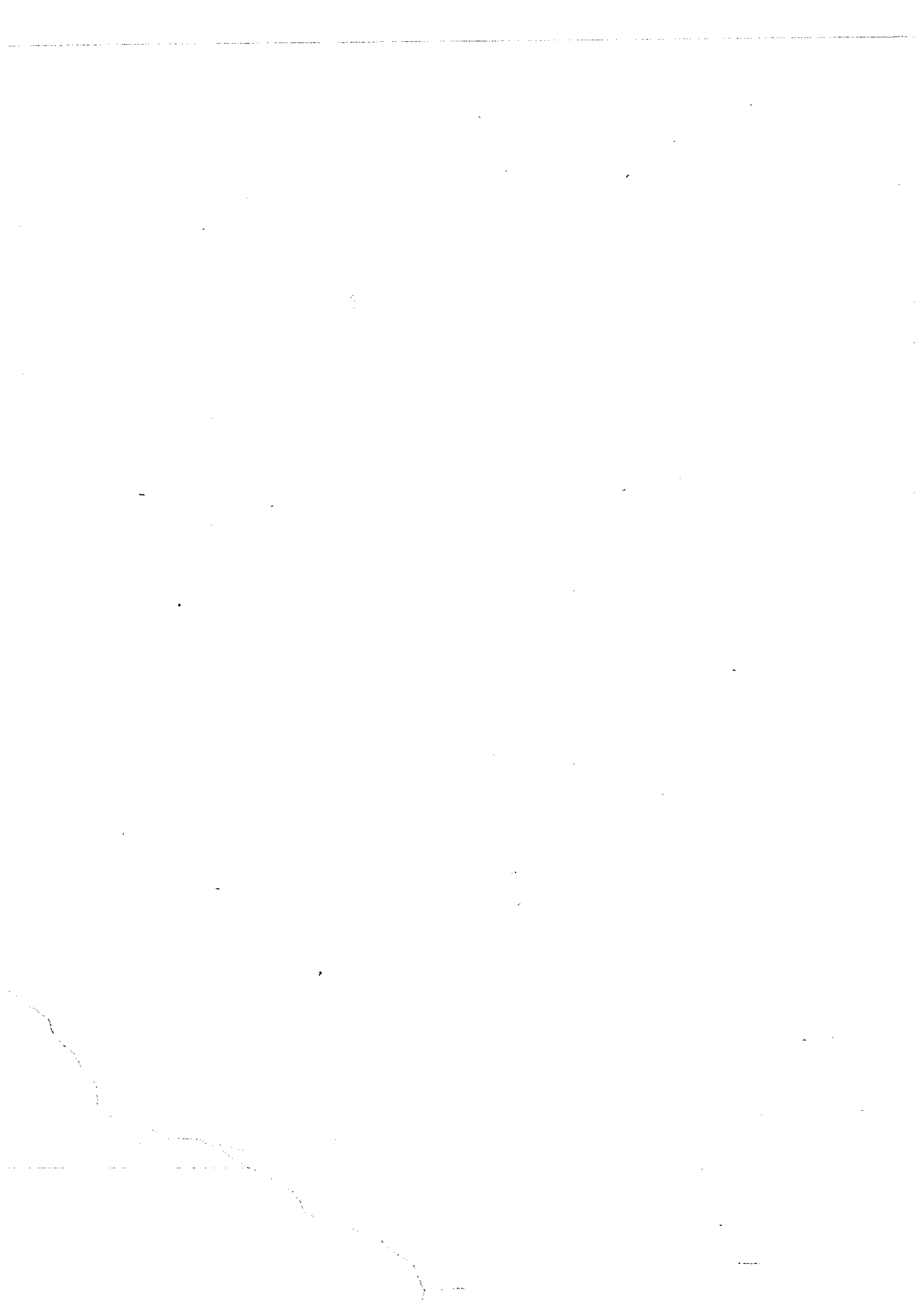
Sl. No.	Name	Particulars
1.	D.K. Shivakumar	Chairman, KPTCL
2.	G. Kumar Naik	Managing Director
3.	D.N. Narasimha Raju	Director
4.	P. Ravi Kumar	Director
5.	Dr. H. Basker	Director
6.	I.S.N. Prasad	Director
7.	Ritesh Kumar Singh	Director
8.	Pankaj Kumar Pandey	Director
9.	Dr. Aditi Raja	Director(Finance)
10.	S. Sumanth	Director(Transmission)
11.	R. Sridhara	Director (Regulatory Affairs) & Company Secretary
12.	M. Ramakrishna	Director(Admn. & HR)
13.	Venkatasiva Reddy	Director
14.	M. Nagaraju	Director

## STATUTORY AUDITORS

**M/s. MANIAN & RAO**  
Chartered Accountants, Bangalore

## COST AUDITORS

**M/s. GNV & ASSOCIATES**  
Cost Accountants, Bangalore



## DIRECTORS' REPORT

Dear Members,

Board of Directors of Karnataka Power Transmission Corporation Limited (KPTCL) have immense pleasure in presenting the 15<sup>th</sup> Annual Report for the year 2013-14 and the Audited financial statements of the Company for the year ended 31<sup>st</sup> March 2014.

### FINANCIAL POSITION :

The Financial position of the Company for the three years ending 31<sup>st</sup> March 2014 is as follows:

(Rs. in Lakhs)				
Sl. No.	Particulars	2011-12	2012-13	2013-14
	<b>Liabilities</b>			
a)	Paid-up capital (including Share deposit)	167532.25	192532.25	200000.00
b)	Reserves & Surplus	49952.05	59414.00	35128.80
c)	Borrowings			
	Government of Karnataka	594.07	534.66	475.26
	Public Bonds			
	Private Bonds			
	Financial Institutions & Banks	523350.49	510440.26	451095.47
	Cash Credit from Banks			
	Other Funds			
d)	Other long term, Other Current Liabilities Short term, Long term Provisions & other liabilities (Including interest accrued & due)	463266.56	488707.99	537275.24
	<b>Total</b>	<b>1204695.42</b>	<b>1251629.16</b>	<b>1223974.77</b>
	<b>Assets</b>			
e)	Gross Block	995921.43	1141851.89	1217164.20
f)	Less Depreciation	313094.42	364193.70	418722.81
g)	Net Block	682827.01	777658.19	798441.39
h)	Capital Work in Progress	178953.07	128663.78	133074.83
i)	Other Current, Non-Current Assets, Short term, Long term Loans & Advances, Trade Receivables & Cash equivalents	342915.34	345307.19	292458.55
	<b>Total</b>	<b>1204695.42</b>	<b>1251629.16</b>	<b>1223974.77</b>
	Capital Employed	556389.24	601918.04	647914.10
	Net Worth	217484.30	251916.32	235109.44

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 31<sup>st</sup> March are as follows:

(Rs. in Lakhs)

Sl. No.	Particulars	2011-12	2012-13	2013-14
i)	Profit (+) / Loss (-) for the year	1376.97	12357.00	6428.28
ii)	Prior Period Adjustments	-506.38	-6820.78	-2811.28
iii)	Profit (+) / Loss (-) before Tax	870.59	5536.22	3617.00
iv)	Tax Provision	104.00	1148.56	758.14
v)	Profit (+) / Loss (-) after Tax	766.59	4387.66	2858.86
vi)	Percentage of Profit before tax to			
a)	Sales	0.52	2.72	1.56
b)	Gross Fixed Assets	0.09	0.48	0.30
c)	Capital Employed	0.16	0.92	0.56
vii)	Percentage of Profit after tax to			
a)	Net worth	0.35	1.74	1.22
b)	Equity Capital	0.46	2.28	1.43
c)	Capital Employed	0.14	0.73	0.44

### ADDITION/CHANGES TO THE EXISTING SIGNIFICANT ACCOUNTING POLICIES:

Following are the addition/modification to the existing Accounting Policies :

#### a) Adopted from 2013-14 and onwards :

##### 1. Depreciation on Assets constructed on Leasehold Land

Existing Policy	Modified Policy
Depreciation on structures and other assets put up on leasehold properties are depreciated in such a manner that the assets are depreciated 100% over the life period of the structures and other assets or period of lease of the land whichever is earlier.	(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 to be depreciated 100% over the life period of Assets or lease period whichever is earlier.

##### 2. Consumer Contribution towards cost of Capital Assets

Existing Policy	Modified Policy
Works executed/assets created out of contributions received from the third parties vest in the Corporation under Regulation for Condition of Supply of Electricity by the KERC, and they are incorporated as assets in the books at the full value without reducing the contribution from the cost of the asset. Such Contributions received from third parties towards works/assets are treated as capital reserve.	Works executed/assets created out of contributions received from the third parties vest in the Corporation under Regulation for Condition of Supply of Electricity by the KERC, and they are incorporated as assets in the books at the full value without reducing the contribution from the cost of the asset. Consumer contribution towards cost of Capital Asset are initially treated as Deferred Income grouped under Current Liabilities and subsequently adjusted as income in the same proportion as the depreciation charged on the assets acquired out of the Consumer contribution and Self Execution Works in accordance with provision of AS-12





### 3. Impairment of Assets

Existing Policy	Modified Policy
<p>a) Carrying amount of assets is reviewed at each balance sheet date to determine whether there is any impairment.</p> <p>b) An impairment loss is recognized, whenever the carrying amount of such assets exceed the recoverable amount. Reversal of impairment loss is recognized as income in the profit and loss account.</p>	<p>a) Carrying amount of assets is reviewed at each balance sheet date to determine whether there is any impairment.</p> <p>b) An impairment loss is recognized, whenever the carrying amount of such assets exceed the recoverable amount. Reversal of impairment loss is recognized as income in the profit and loss account.</p> <p>c) Sub-Stations and Transmission lines are identified as CGUs</p>

### 4. Contribution towards Pension and Gratuity

Existing Policy	Modified Policy
<p>Expenditure towards defined benefit scheme Gratuity and Pension which covers employees who have joined service up to 31.03.2006 is provided on the basis of Actuarial valuation using Projected Unit Credit Method (PUCM) in conformity with Accounting Standard - 15. Actuarial gains or losses are recognized in the Profit and Loss Account.</p>	<p>Expenditure towards defined benefit scheme Gratuity and Pension which covers employees who have joined service up to 31.03.2006 is provided on the basis of rates / amount and method as intimated by KPTCL &amp; ESCOMs Pension &amp; Gratuity Trust (KEPGT) based on Actuarial Valuation as per AS-15 got done by KEPGT from time to time.</p>

### b) To be adopted from 2014-15 and onwards :

#### 1. Inventory-Valuation of Inventories-AS-2

Existing Policy	Modified Policy
<p>Fast moving Stores and spares are valued at standard rates determined by the Corporation from time to time, in respect of items for which standard rates are fixed or at purchased rate at the time of procurement, if Standard rates are not available. Other items are valued at lower of cost, determined on weighted average method, or net realizable value. The difference between actual cost and the Standard rate is debited or credited to Material Cost Variance Account, as the case may be. The balance under this account is transferred to Material Cost Variance Reserve. The debit balance under Material Cost Variance Reserve is debited to P&amp;L Account.</p>	<p>Materials are valued at lower of cost or Net realisable value. Cost is determined on weighted average basis.</p>

### PERFORMANCE DURING LAST THREE YEARS :

Year	2011-12	2012-13	2013-14
Energy handled in MUs	53980.012	57476.336	59024.316
Maximum Energy recorded/ Day in MUs	186.021	180.700	204.113
Maximum Peak recorded in MWs	8549	8761	9223



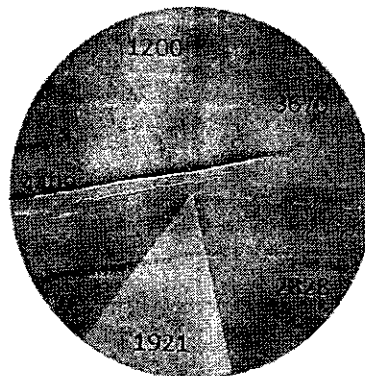
**EQUITY:**

Rs. in crores

Particulars	As at 31.03.2013	As at 31.03.2014
Equity Share Capital	1575.32	1575.32
Debt	5586.85	5098.04
Debt Equity Ratio	3.55:1	3.24:1

**SOURCE WISE INSTALLED GENERATION CAPACITY AS ON 31-03-2014 :**

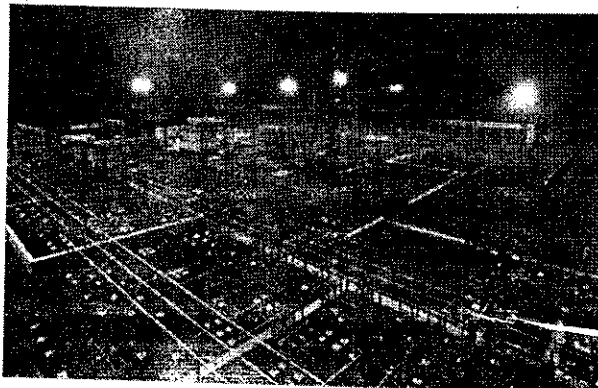
Source	Installed Generation Capacity in MW
Hydro	3670
Thermal	2828
CGS	1921
NCE	4409
UPCL	1200
<b>Total</b>	<b>14028</b>



- Hydro
- Thermal
- CGS
- NCE
- UPCL

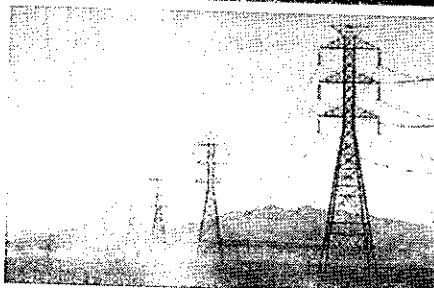
**KPTCL STATIONS & TRANSMISSION LINES AS ON 31.03.2014 :**

Voltage Class	Number of Stations	Length of Transmission Line in Ckms
400 kV	4+(*)	2650.00
220 kV	93	10052.89
110 kV	359	9702.67
66 kV	570	10065.77
<b>Total</b>	<b>1026</b>	<b>32471.335</b>



\* 8 Nos. of 400 KV S/s are maintained by PGCIL.

**Transmission Loss : 3.88% (FY13-14)**  
(From KPTCL boundary point to IF point of ESCOMs i.e., excluding SR loss)



**ESCOM WISE INSTALLED TRANSMISSION CAPACITY - 2013-14 (220KV SUB-STATIONS)**

Company	Number of Sub-Stations	Transformers Capacity in MVA	Transmission Capacity in MWs
BESCOM	39	9545	8113
MESCOM	7	1600	1360
CESC	11	2450	2083
GESCOM	14	2500	2125
HESCOM	22	4660	3961
<b>TOTAL</b>	<b>93</b>	<b>20755</b>	<b>17642</b>



**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**

Energy and Demand Forecast as per 18<sup>th</sup> EPS for the State of Karnataka is as follows:

Year	Energy in MUs	Demand in MWs
2012-13	57947	9317
2013-14	62980	10198
2014-15	68208	11123
2015-16	73278	12036
2016-17	78637	13010
2017-18	83917	13964
2018-19	89285	14945
2019-20	95059	16005
2020-21	101309	17159
2021-22	108012	18403

As per the PRDCL study report the projected energy requirement and the peak demand for ten years is summarized as follows:

Year	Energy Requirement in MU	Peak Demand in MW
FY 14	60898	10695
FY 15	65299	11468
FY 16	70048	12302
FY 17	75238	13214
FY 18	80903	14208
FY 19	87040	15286
FY 20	93685	16453
FY 21	100941	17728
FY 22	108833	19114

**DETAILS OF NEW STATIONS AND TRANSMISSION LINES COMMISSIONED AND AUGMENTATION WORKS CARRIED OUT DURING 2013-14:**

KPTCL, being the State Transmission Utility has been planning to put in place the best System. KPTCL has planned construction of several new stations and augmenting the existing sub-stations during the next couple of years. Year on year, in addition to augmentation, several new stations and lines are commissioned. Following list gives details for the current year on this count.



**A. Zone-wise details of New Substations Commissioned during the year :**

Sl. No.	District	Nature of Work	Name of the Station	Capacity added	Total MVA added	Voltage Class	Date of Commissioning
<b>Bangalore Transmission Zone</b>							
1	Bangalore Urban	Est. 2x31.5 MVA, 66/11 KV GIS S/s	Jayanagar (GIS)	2 X 31.5	63.00	66/11 KV	13/11/2013
2	Bangalore Urban	Est. 2X31.5 MVA, 66/11 KV Gas insulated S/s	Kanteerava Stadium (GIS)	2 X 31.5	63.00	66/11 KV	10/01/2014
3	Bangalore Urban	Est. 2 X 150 MVA 220/66 KV GIS S/s	EPIP_White-Field_220KV (GIS)	2X150	300	220/66KV	10/01/2014
4	Ramanagar	Est 2X12.5 MVA, 66/11KV S/s	Hejjala	1 X 12.5	12.50	66/11 KV	26/03/2014 1*Transformer Commissioned
5	Kolar	Est 2x8 MVA 66/11KV S/s	N.G.Hulkur	2 X 8	16.00	66/11 KV	28/03/2014
6	Bangalore Urban	Est 2x20 MVA 66/11KV S/s	Kachamaranahalli (Varthur Road)	2 X 20	40.00	66/11 KV	29/03/2014

**Bagalkot Transmission Zone**

7	Belgaum	Upgradation of 2x5 MVA 33/11 KV to 2x10 MVA 110/11 KV S/s	Nanadi	2 X 10	20.00	110/11 KV	28/06/2013
8	Bagalkot	Est 1X10 MVA, 110/ KV S/S	Jambagi KD	1 X 10	10.00	110/11 KV	10/07/2013
9	Bijapur	Establishing of 2X10MVA, 110/11KV S/s	Bijapur City (AI-College)_Torvi	1X 10	10.00	110/11 KV	19/08/2013 1 <sup>st</sup> Transformer Commissioned
10	Belgaum	Est 2x10 MVA 110/11 KV S/S	Daddi	2X 10	20.00	110/11 KV	31/01/2014
11	Dharwad	Upgradation of existing 2X5MVA 33/11 KV S/S to 2X10 MVA, 110/ KV S/S	UAS Dharwad	2X 10	20.00	110/11 KV	20/03/2014
12	Bijapur	Establishing of 1x10 MVA, 110/11 KV S/s	Devangaon	1X 10	10.00	110/11 KV	21/03/2014
13	Bijapur	Est- 2X10 MVA, 110/11 KV S/S	Malaghan	1X 10	10.00	110/11 KV	29/03/2014 1* Transformer Commissioned



### Gulbarga Transmission Zone

14	Bellary	Est 1x10 MVA, 110/11 KV S/s	Kudithini	1 X 10	10.00	110/11 KV	14/08/2013
15	Raichur	Up-gradation of existing 1x5MVA, 33/11kV Sub-Station to 1x10MVA, 110/33-11kV and 1x10MVA, 110/11kV S/s	Turvihai	1 X 10	20.00	110/33/11 KV	20/08/2013
				1 X 10		110/11 KV	
16	Gulbarga	Up-gradation of existing 1x5MVA, 33/11kV Sub-Station to 1x10MVA, 110/33-11kV and 1x10MVA, 110/11kV S/s	Yedrami	1 X 10	20.00	110/33/11 KV	22/10/2013
				1 X 10		110/11KV	
17	Bellary	Establishing 1x8MVA, 66/11kV S/s	Magala	1 X 8	8.00	66/11 KV	26/02/2014
18	Gulbarga	Establishing 1x10 MVA, 110/11 kV and 1x20 MVA, 110/33 kV S/s	Kadaganchi	1X 10	10.00	110/11 KV	29/03/2014. 10 MVA Transformer commissioned
19	Bidar	Establishing 1x10 MVA, 110/11 kV and 1x20 MVA, 110/33 kV S/s	Kamalanagar	1X 10	10.00	110/11 KV	29/03/2014. 10 MVA Transformer commissioned

### Mysore Transmission Zone

20	Chamarajanagar	Est 1x8 MVA, 66/11 KV S/S	Kabbali	1 X 8	8.00	66/11 KV	29/11/2013
21	Mysore	Est 1x8 MVA, 66/11 KV S/S	Chidravalli	1 X 8	8.00	66/11 KV	16/12/2013
22	Mysore	Est 2x12.5 MVA, 66/11 KV S/S	Thandya	2 X 12.5	25.00	66/11 KV	30/12/2013
23	Mysore	Est 1x8 MVA, 66/11 KV S/S	Gavadagere	1 X 8	8.00	66/11 KV	01/03/2014

### Hassan Transmission Zone

24	Shimoga	Est. 1 X 10 MVA 110/11KV S/s	Gajanoor	1 X 10	10.00	110/11 KV	29/11/2013
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### Tumkur Transmission Zone

25	Tumkur	Est. 1X 10 MVA 110/11KV S/s	Bidare	1 X 10	10.00	110/11 KV	3/03/2014
26	Tumkur	Est. 1 x 10 MVA 110/11 kV S/s	Somalapura	1 X 10	10.00	110/11 KV	28/03/2014
27	Tumkur	Establishment of 1 x 8 MVA 66/11 kV S/s	Yadavani	1 X 8	8.00	66/11 KV	29/03/2014
				<b>Total MVA</b>	<b>759.5</b>		



**A.1: 2<sup>nd</sup> Transformer commissioned during the current year in respect of the Stations already commissioned during previous financial year**

Sl. No.	District	Nature of Work	Name of the Station	Capacity added	Total MVA added	Voltage Class	Date of Commissioning
<b>Bangalore Transmission Zone</b>							
1	Bangalore Rural	Establishment of 2x20MVA, 66/11kV S/s	Apparel Park	1X20	20.00	66/11 KV	17/10/2013
					20.00		

**B : Zone-wise details of Transmission Lines Commissioned during the year**

Sl. No.	District	Particulars	Voltage Class	Length of line in CKMs.	Date of Commissioning
<b>Bangalore Transmission Zone</b>					
1	Bangalore Rural	Providing 66 kV LILO arrangement to existing 66/11kV Soladevanahalli S/s from existing 66kV Peenya-DG Plant No.2 line.	66KV	0.5	01/09/2013
2	Ramanagara	220kV DC line from proposed 400/220 kV PGCIL GIS to existing 220 kV Bidadi S/s (3.358 kms) c) 2 nos TBs at Bidadi.	220KV	6.72	16/10/2013
3	Bangalore Urban	Providing 66kV LILO of one of the circuits of 66 kV Peenya- Gokula - Hebbal DC line to 66/11kV Raj Mahal Vilas (RMV) S/s with TB at RMV S/s.	66KV	0.1	21/10/2013
4	Bangalore Urban	66 kV 1000 Sqmm UG cable from Proposed Nimhans Sub station to Jayanagar 2.2 Kms (as per actuals - 2.37kms).	66KV	2.37	13/11/2013
5	Bangalore Urban	66 kV SC 1000 Sq mm UG Cable from 220 kV R/s Anand Rao Circle to Kanteerva stadium (2.97 kms).	66KV	2.97	10/01/2014
6	Bangalore Urban	LILO of Hoody - Somanahalli Line 2 to proposed 220kV EPIP GIS S/s for a length of 0.04 Kms) (as per actuals 0.4 kms).	220KV	0.8	10/01/2014
7	Ramanagar	66kV DC Drake ACSR line from 220 kV Bidadi to Kumbalagodu upto hejjala tap point (from Loc No. 102 to 64) along with construction of 02 No. of 66kV TBs at Kumbalagodu for a distance of 5.244 Kms.	66KV	10.488	26/03/2014
8	Ramanagar	66 kV LILO line with Drake line partially on DC and narrow based towers 5.625 kms from bidadi - kumbalagodu DC line (as per actuals 5.885 km) to Hejjala S/s.	66KV	11.77	26/03/2014 SC line is drawn
9	Kolar	Construction of 66kV SC line on DC towers from existing 66/11kV Tayalur S/s to the proposed 66/11 kV N.G. Hulkur S/s along with TB at 66kV Tayalur S/s(6.5 kms).	66KV	6.500	28/03/2014
10	Bangalore Urban	66 kV LILO from existing 66kV Hoody-Chandapura SC line to the proposed S/s at Kachamaranahalli, Varthur road (0.391 kms).	66KV	0.782	29/03/2014



Bagalkot Transmission Zone					
11	Belgaum	110 kV SC line on DC towers from 220 kV Chikkodi S/s to the proposed Nanadi s/s with TB at 220 kV Chikkodi (9.934 kms).	110KV	9.934	28/06/2013
12	Bagalkot	110 kV line to Jambagi KD (LILO from Mahalingapura - Mudhol_ Lokapura_ Karataki) - 4.662 kms.	110KV	9.324	10/07/2013
13	Bijapur	110 kV LILO line from 110 kV KIADB Bijapur - Tikota SC line (3.572 kms) to Bijapur City Sub station.	110KV	7.144	19/8/2013
14	Belgaum	Construction of 220 kV DC line from proposed 220kV Ghataprabha S/s to 220 kV Chikkodi S/s for a distance of 36.317 Kms (As per the DWA line length is 36.317. But actual line length is 37.34).	220KV	74.68	07/09/2013
15	Uttara Kannada	Const of 110 KV MC LILO line from Sirsi-Hubli 110 kV DC line to 220 kV Switching Station Sirsi for a distance of 5.7 Kms (as per actuals 5.4 kms).	110KV	21.6	31/12/2013
16	Bagalkot	Construction of 110kV SC line on DC towers for a distance of 21.257 Kms with TB's at both ends. (Actual line length is 21.146 kms) from Badami to Hirehal Substation.	110KV	21.146	17/01/2014
17	Belgaum	110 kV LILO line from 110kV Belgaum-Hattaragi line (2.525 kms) (actual line length - 2.42 kms) to Doddi Sub station.	110KV	4.84	31/01/2014
18	Belgaum	Construction of 110 kV Mahalingapur-Raibag line (2 <sup>nd</sup> circuit) for a distance of 38.5 Kms on existing 110 kV DC towers along with 110 kV TBs at 220 kV Mahalingapur and 110 kV Raibag S/s.	110KV	38.5	10/03/2014
19	Dharwad	Construction of 110 kV LILO line from 110 kV Narendra - Mruthyunjanagar line (2 <sup>nd</sup> ckt) to the proposed 110/11kV S/s at UAS, Dharwad for a distance of 1.6 kms.	110KV	3.2	20/03/2014
20	Bijapur	Construction of 110 KV LILO line from 110 KV Abjhalpur - Moratagi line to the proposed Devanagaon for a distance of 8.77Kms.	110KV	17.54	21/03/2014
21	Bijapur	Construction of 110 kV SC line on DC towers from 110kV Moratagi S/S to proposed 110kV Malaghan - 14.32 kms and Construction of 110kV TB at 110/11 kV Moratagi S/s.	110KV	14.32	29/03/2014



Gulbarga Transmission Zone					
22	Raichur	Const of 220 KV additional SC line on DC towers from RTPS to 220 KV R/S in Raichur (17.09 Kms) by rearranging of existing 220 kV Raichur-Lingasugur-II line by tapping between tower No.4 & 5.	220KV	17.09	01/04/2013
23	Gulbarga	Const. of 110kV SC line on DC towers with Lynx ACSR conductor from 220 kV Station at Sedam to proposed Gurmitkal S/s for a distance of 37.189 Kms with TB at Sedam.	110KV	37.189	04/09/2013
24	Bellary	Const of 110 KV LILO Line from existing Munirabad-Bellary S/C line to the proposed 110 kV S/s at Kudithini for a distance of 3.96 Kms.	110KV	7.92	14/08/2013
25	Raichur	Const of 110 kV SC line from Sindhanur S/s to the proposed Turvihal station for a distance of 17.46 kms along with TB at Sindhanoor.	110KV	17.46	20/08/2013
26	Raichur	Const of 110KVSC line on DC towers in the same coridor of 110kV Sindhanur-Hatti line from existing Hatti station for a distance of 50.25 Kms (as per actuals 50.161 kms).	110KV	50.161	12/09/2013
27	Gulbarga	Const. of 110 kV SC tap line from 110 kV Shahabad-Bagewadi 2 <sup>nd</sup> circuit to the proposed 110 kV Yedrami S/s for a distance of 16.87 Kms.	110KV	16.87	22/10/2013
28	Bellary	Const. of 66 kV SC line on DC towers with coyote ACSR conductor from existing 66kV Hirehadagali station to the proposed 66 kV station at Magala for a distance of 7.52 Kms along with TB at existing Hirehadagali S/s (as per actuals 7.792kms).	66KV	7.792	26/02/2014
29	Gulbarga	110 kV SC line on DC towers tapping from 110 kV Mahagaon - Alland line to Kadaganchi Station for a distance of 7.63 km ( as per actuals-17.91 kms).	110KV	17.91	29/03/2014
30	Bidar	Const. of 110 kV SC line on DC towers for a distance of 14.542 Kms from 110 kV Dongargaon S/s to the proposed 110 kV Kamalanagar S/s along with construction of TB at Dongargaon S/s.	110KV	14.542	29/03/2014





Mysore Transmission Zone					
31	Kodagu	(i) Const. of 66 kV DC line from 220 kV Kushalanagar to 66 kV Periyapatna (26.164 kms) (ii) Rerouting of 66 kV lines from existing 66/33/11kV S/s to proposed 220/66 kV S/s at Kushalanagara. (iii) Const. of 2 nos. of 66 kV TBs at 66/11 kV S/s at Periyapatna.	66KV	52.33	22/05/2013
32	Chamarajanagar	Const. of 66 kV SC tap line on DC towers from 66 kV Chamarajanagar - Gundlupet DC line for a distance of 5.8 kms to Kabballi Substation.	66KV	5.8	29/11/2013
33	Mysore	Construction of 66 kV SC line on DC towers from 66 kV SFC - FTS line for a distance of 3 kms. (as per actuals 3.005 Kms) to Chidravalli Substation.	66KV	3.005	16/12/2013
34	Mysore	66 kV LILO line from the existing 66 kV Kadakola-Nanjanagud DC line for a distance of 0.6Kms to the proposed S/s at Thandya.	66KV	1.2	30/12/2013
35	Mysore	Const of 66 kV SC line on DC towers tapping from 66kV Hootagalli-Periyapatna line - II circuit to the proposed 66/11 kV Gavadagere S/s for a distance of 4.6 Kms.	66KV	4.6	01/03/2014

#### Hassan Transmission Zone

36	Shimoga	Const of 110 kV LILO line from Shimoga-SK V3 line to the proposed 110 /11kV S/S at Gajanur (0.285kms).	110KV	0.57	29/11/2013
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#### Tumkur Transmission Zone

37	Tumkur	Const of 110kV SC line on DC towers from KB cross Sub-station to Turuvekere tap point 26.62 kms with TB at KB Cross and a deviation of 0.5 km of gubbi-turuvekere line.	110KV	26.62	17/08/2013
38	Davangere	(i) 66 kV MC line from Neelagunda S/s to link the existing Davanagere_Harapanahaali SC line (towards Telagi-Punabghhatta - Halavagilu) - (0.03 Kms + 0.166 kms + 0.694 Kms) (03 circuits). (ii) 66 kV DC line from Neelagunda S/s to link the existing Davanagere_Harapanahaali SC line (towards Harapanahalli) - 0.62 Kms.			



		(iii) 66 kv SC line on DC towers from Neelagunda S/s to 66 kV Punabha-ghatta S/s - 24.36 Kms (as per actuals 25.058 kms).  (iv) 66 kv SC line on DC towers from Neelagunda S/s to link the existing 66 kV SC Halavagilu line (near G Daddapura Limits) - 3.966 Kms (as per actuals 4.66 Kms).	66KV	31.848	26/11/2013
39	Tumkur	Const. of 110 kV SC line on DC towers to tap the existing 110 kV Nittur-Gubbi SC line to the proposed S/s at Bidare for a distance of 9.5kms.	110KV	9.51	03/03/2014
40	Tumkur	Const of 110 kV SC line from 220/110 /11 kV Nittur S/s to proposed 110/11 kV Somlapura S/s for 5.67kms with TB at 220 kV Nittur S/s.	110KV	5.67	28/03/2014
41	Tumkur	Const. of 66 kV SC line on DC towers for a route length of 15.22 Kms to tap the 66 kV SC Anchepalya - Amruthur line to the proposed Yadavani S/s.	66KV	15.22	29/03/2014
<b>Total Length of Line in CKMs</b>				<b>608.535</b>	

**B.1 : Zone-wise details of Reconductoring and Strengthening of Transmission Lines during the year**

**Mysore Transmission Zone**

Sl. No.	District	Particulars	Voltage Class	Length of line in CKMs.	Date of Commissioning
1	Mysore	Reconstruction of 66 kV SC FTS-Doddakere Maidan line - 4.592 km.	66KV	0.000	12/07/2013
<b>Total Works in No</b>			<b>1</b>		

**C. Zone-wise details of Augmentation of Sub Stations during the year**

**Bangalore Transmission Zone**

Sl. No.	District	Name of the Station	Name of the Work	Capacity added	Total MVA added	Voltage Class	Date of Commissioning
1	Bangalore Urban	Amarjyothi	Replacing 2x20 MVA by 2x 31.5 MVA Transformer.	11.5	66/11 KV	Replacement	01/04/2013 1 <sup>st</sup> 31.5 MVA Transformer commissioned
2	Kolar	Bangarpet	Replacing 1x12.5 MVA by 1x 20 MVA Transformer.	7.5	66/11 KV	Replacement	02/04/2013
3	C B Pura	Talagawara	Replacing 1x12.5 MVA by 1x20 MVA Transformer.	7.5	66/11 KV	Replacement	08/04/2013



4	Bangalore Urban	LR bande	Replacing 1x20 MVA by 1x31.5 MVA Transformer.	11.5	66/11 KV	Replacement	22/04/2013
5	Kolar	Narasapura	Replacement of 2x8 MVA by 2x31.5 MVA.	47.00	66/11 KV	Replacement	29/4/2013
6	Kolar	Yeldur	Replacing 1x6.3 MVA by 1x12.5 MVA Transformer.	6.20	66/11 KV	Replacement	04/5/2013
7	Bangalore Urban	Pottery road	Replacing 1x20 MVA by 1x31.5 MVA Transformer.	11.50	66/11 KV	Replacement	1/08/2013
8	Bangalore Urban	Byadarahalli	Replacement of 1x20MVA, 66/11kV Tr. by 1x31.5MVA, Transformer.	11.50	66/11 KV	Replacement	1/09/2013
9	Bangalore Urban	Somanahalli	Replacing 1x100 MVA by 1x150 MVA Transformer.	50.00	220/66/11KV	Replacement	20/10/2013
10	Kolar	Mudiyanur	Additional 1x6.3 MVA 66/11 KV Transformer.	6.30	66/11 KV	Additional	12/12/2013
11	Bangalore Rural	T.Begur	Replacing 1x8+ 1x12.5MVA by 2x20 MVA Transformer.	7.5 12.00	66/11 KV	Replacement	1 <sup>st</sup> Transformer commissioned on 18/12/2013 & 2 <sup>nd</sup> Transformer commissioned on 18/01/2014
12	Kolar	Kamasamudra	Providing additional 1x12.5 MVA 66/11kV Transformer.	12.50	66/11 KV	Additional	10/02/2014
13	C B Pura	G Kothur	Additional 1x8 MVA 66/11 KV Transformer.	8.00	66/11 KV	Additional	19/02/2014
14	Bangalore Rural	Budigere	Replacing 1x8 MVA by 1x 20 MVA Transformer.	12.00	66/11 KV	Replacement	25/03/2014

#### Bagalkot Transmission Zone

15	Gadag	Gadag	Additional 1x100 MVA, 220/110 KV Transformer.	100.00	220/110 KV	Additional	01/4/2013
16	Haveri	Guttal	Providing additional 1x20 MVA.	20.00	110/33 KV	Additional	03/5/2013



17	Uttara Kannada	Karwar	Additional 100 MVA, 220/110 KV Transformer.	100.00	220/110 KV	Additional	02/8/2013
18	Dharwad	Bidhal	Additional 1x100 MVA, 220/110 KV Transformer.	100.00	220/110 KV	Additional	14/8/2013
19	Haveri	Savanur	Replacing 1x10 MVA, 110/33 kV Tr by 1x20 MVA, Transformer.	10.00	110/33/11KV	Replacement	16/8/2013
20	Belgaum	Yaragatti	Replacing 1x10 MVA by 1x20 MVA, Transformer.	10.00	110/33/11 KV	Replacement	24/8/2013
21	Dharwad	Belur (TATA Motors)	Additional 1x20 MVA, 110/33-11 kV Transformer.	20.00	110/11 KV	Additional	19/9/2013
22	Bijapur	Bhutnal	Creating 33 kV reference by installing 20 MVA 110/33 kV Transformer.	20.00	110/33 KV	Creating 33KV reference	13/12/2013
23	Belgaum	Kanabargi	Additional 1x20 MVA, Transformer	20.00	110/33/11KV	Additional	31/01/2014
24	Belgaum	Uchagaon	Additional 1x10 MVA, Transformer.	10.00	110/11 KV	Additional	17/02/2014
25	Belgaum	Udyambag	Additional 1x10MVA, Transformer.	10.00	110/11 KV	Additional	17/02/2014
26	Gadag	Hirehal	Creating 33 kV reference by installing 10 MVA 110/33 kV Transformer.	10.00	110/33/11KV	Creating 33KV reference	06/03/2014

#### Gulbarga Transmission Zone

27	Koppal	Karatagi	Replacement of 1x10MVA, by 1x20MVA, 110/11KV Transformer.	10.00	110/11 KV	Replacement	18/4/2013
28	Bellary	Kurugod	Swapping 1x10 MVA, 110/33/11 kV Transformer with the existing 1x20 MVA, 110/33 kV Transformer.	0.00	110/11 KV	-	15/06/2013
29	Bellary	Bellary South	Replacement of 1x 10 MVA by 1x 20 MVA Transformer.	10.00	110/11 KV	Replacement	04/7/2013



30	Raichur	Deodurga	Providing Addl 1x20 MVA 110/33 KV Transformer.	20.00	110/33/11KV	Additional	27/7/2013
31	Bellary	Ujjini	Additional 6.3 MVA 66/11 KV Transformer.	6.3	66/11 KV	Additional	29/8/2013
32	Raichur	APMC yard	Replacing 1x10 MVA by 1x20MVA 110/33kV & 1x10 MVA 110/11kV by 1x20 MVA 110/11kV Transformers.	20.00	110/33KV	Replacement	26/10/2013
33	Raichur	Deodurga	Replacement of 5 MVA by 10 MVA, Transformer.	5.00	110/11 KV	Replacement	01/11/2013
34	Bellary	Giriyapura	Providing additional 1x8MVA, transformer (Allotted 6.3 MVA tr).	6.3	66/11KV	Additional	07/03/2014
35	Raichur	Mukunda	Providing additional 1x10MVA, Transformer.	10.00	110/11 KV	Additional	11/03/2014
36	Gulbarga	Kapnoor Gulbarga	Providing additional 1x10MVA, Transformer.	10.00	110/11 KV	Additional	31/03/2014

### Mysore Transmission Zone

37	Mandya	Maddur_II	Repl 2nd 1x12.5 MVA by 1x20 MVA Transformer.	7.5	66/11 KV	Replacement	20/5/2013
38	Kodagu	Virajpet	Replacement of 1x8 MVA by 1x12.5 MVA Transformer.	4.50	66/11 KV	Replacement	25/5/2013
39	Chamarajanagar	Doddainduvadi	Replacement of 1x5 MVA Transformer by 1x8 MVA Transformer.	3.00	66/11 KV	Replacement	20/06/2013
40	Mandya	Hampapura	Replacement 1x6.3 MVA & 1x8 MVA, Transformer by 2x12.5 MVA Transformer.	10.7	66/11 KV	Replacement	07/10/2013
41	Mandya	Malavalli_II	Replacement 2nd 1x12.5 MVA Transformer by 1x20 MVA Transformer.	7.5	66/11 KV	Replacement	21/10/2013
42	Mandya	Mahadeshvarapura	Providing additional 1x8 MVA, Transformer.	8.0	66/11 KV	Additional	05/11/2013



43	Mandya	Maddur	Replacement of 1x12.5 MVA by 1x20 MVA Transformer	7.5	66/11 KV	Replacement	16/12/2013
44	Chamarajanagar	Attigullipura	Providing additional 1x8 MVA, Transformer.	8	66/11 KV	Additional	21/12/2013
45	Mandya	Malavalli	Replacement of 12.5 MVA by 20 MVA Transformer.	7.5	66/11 KV	Replacement	23/12/2013
46	Mysore	Kadakola	Replacement of 2x8 MVA, 66/11 KV Power Transformer by 2x12.5 MVA, Transformer.	4.5	66/11 KV	Replacement	4/01/2014 1 <sup>st</sup> 12.5 MVA Transformer commissioned
47	Kodagu	Ponnampet	Replacement of 1x6.3 MVA by 1x12.5 MVA Power Transformer.	6.2	66/11 KV	Replacement	02/03/2014
48	Mysore	Madhuvanahalli	Providing additional 1x8 MVA, Transformer.	8	66/11 KV	Additional	15/03/2014

#### Hassan Transmission Zone

49	Chikkamagalur	Lingadahalli	Providing additional 1x6.3 MVA 66/11 kV Transformer.	6.3	66/11 KV	Additional	3/04/13
50	Udupi	Nittur	Replacement of 1x10 MVA by 1x 20 MVA transformer.	10.00	110/11 KV	Replacement	3/04/13
51	Dakshina Kannada	Khemar	Repl 1x10 MVA 110/11 kV 1x20 MVA 110/11 kV Transformer.	10.00	110/11 KV	Replacement	27/04/2013
52	Dakshina Kannada	Konaje	Replacing 1x10MVA, 110/11kV by 1x20MVA, 110/11kV transformer.	10.00	110/11 KV	Replacement	17/05/2013
53	Shimoga	Thyavarachettanahalli	Additional 1x12.5 MVA, 66/11 kV transformer.	12.5	66/11KV	Additional	14/06/2013
54	Shimoga	Bhadravathi	Replacement of 1x10 MVA by 1x20 MVA transformer.	10.0	110/33/11KV	Replacement	17/06/2013
55	Udupi	Netlamandur	Creating 33kV reference by installing 1x20MVA, 110/33-11 kV Trs.	20.00	110/33/11KV	Creating 33KV reference	17/06/2013
56	Chickmagalur	Neralekere	Providing additional 1x10 MVA, Transformer.	10.00	110/11KV	Additional	03/8/2013
57	Dakshina Kannada	Gurupura	Providing addnl 1x10 MVA Transformer.	10.00	110/11KV	Additional	27/03/2014



### Tumkur Transmission Zone

58	Davanagere	Yaragunta	Replacement of 2nd 12.5 MVA by 20 MVA Transformer.	7.50	66/11 KV	Replacement	01/4/2013
59	Chitradurga	Hindusghatta	Replacement of existing 1x6.3 MVA by 1x12.5 MVA Transformer.	6.20	66/11 KV	Replacement	16/5/2013
60	Tumkur	Ungra	Providing addl. 1x10 MVA, Transformer.	10.00	110/11 KV	Additional	26/7/2013
61	Tumkur	Hosakere	Replacement of 1X12.5 MVA by 1X20 MVA Transformer.	7.50	66 KV	Replacement	24/08/2013
62	Tumkur	Hunaseghatta	Providing addl. 1x10 MVA, Transformer.	10.00	110/11 KV	Additional	19/9/2013
63	Davanagere	Sasuvehalli	Additional 8 MVA transformer (Allotted 6.3 MVA Tr.).	6.30	66/11 KV	Additional	27/9/2013 6.3 MVA, 66/11 KV Transformer allotted and commissioned instead of 8 MVA, 66/11 KV transformer
64	Tumkur	Mayasandra	Replacement of 1x10MVA, by 1x20 MVA, Transformer.	10.00	110/11KV	Replacement	4/10/2013
65	Davanagere	Bhanuvalli	Additional 1x8 MVA 66/11 KV transformer (Allotted 6.3 MVA Tr.).	6.30	66/11 KV	Additional	05/10/2013 6.3 MVA, 66/11 KV Transformer allotted and commissioned instead of 8 MVA, 66/11 KV transformer
66	Tumkur	Midigeshi	Replacement of 1 X6.3 MVA 1X12.5 MVA Transformer.	6.2	66/11 KV	Replacement	21/10/2013
67	Davanagere	Kukkawada	Replacing 2x6.3 MVA by 2x12.5 MVA Transformer (1 <sup>st</sup> 12.5 mva Transformer commissioned).	6.2	66/11 KV	Replacement	28/01/2014 1 <sup>st</sup> 12.5 MVA Transformer commissioned.
68	Chitradurga	Sirigere	Replacement of 1x8MVA, by 1x 12.5MVA, Transformer.	4.5	66/11 KV	Replacement	14/2/2014
69	Tumkur	Honnudike	Replacement of 1 X8 MVA 1X12.5 MVA Transformer.	4.50	66/11 KV	Replacement	13/3/2014



70	Tumkur	Hirehalli	Replacement of 1X8 MVA 1X12.5 MVA Transformer.	4.5	66/11 KV	Replacement	22/03/2014
71	Tumkur	Kallambella	Replacement of 2nd 1x12.5MVA, by 1x 20MVA, Transformer.	7.50	66/11 KV	Replacement	24/03/2014
72	Tumkur	Yediyur	Replacement of 1X6.3 MVA 1X12.5 MVA Transformer.	6.20	66/11 KV	Replacement	27/3/2014
73	Davanagere	Honnali	Replacing 1x5MVA, 66/11kV by 1x8MVA, Transformer.	3.0	66/11 KV	Replacement	29/3/2014
74	Tumkur	Mangalwada	Replacement of 2 <sup>nd</sup> 1 X6.3 MVA by 1X12.5 MVA Transformer.	6.2	66/11 KV	Replacement	29/3/2014
<b>Total</b>				<b>1044.4</b>			

**C.1. 2<sup>nd</sup> Transformer augmented during the year of the work already considered during previous financial year**

**Mysore Transmission Zone**

Sl. No.	District	Name of the Station	Name of the Work	Total MVA added	Voltage Class	Nature of Work	Date of Commissioning
1	Mysore	Periyapatna	Replacement of 2 X 6.3 MVA by 2X12.5 MVA 66/11 kv Tr.	6.2	66/11 KV	Replacement	07/12/2013 (2 <sup>nd</sup> 12.5 MVA Transformer Commissioned on 07.12.2013.  MVA added during 2013-14 to be considered as 1 <sup>st</sup> 12.5 MVA Transformer commissioned on 31.07.2012.)

**ABSTRACT**

**(a) NEW STATIONS COMMISSIONED**

Sl. No.	Voltage Class	Progress achieved upto the end of March 2014				
		New Stations Commissioned		2 <sup>nd</sup> Transformers Commissioned during the year of Stations already Commissioned during previous Financial Year		Total
		NOs.	MVA	NOs.	MVA	Total MVA
1	400 KV	-	-	-	-	-
2	220 KV	1	300	-	-	300
3	110 KV	15	200	-	-	200
4	66 KV	11	259.5	1	20	279.5
<b>TOTAL</b>		<b>27</b>	<b>759.5</b>	<b>1</b>	<b>20</b>	<b>779.5</b>





**(b) TRANSMISSION LINES COMMISSIONED**

Sl. No.	Voltage Class	Progress achieved upto the end of March 2014				
		Progress achieved upto the end of March 2014		Strengthening / Re-Conductoring Progress achieved upto the end of March 2014	Total	
		NOs.	CKMS	NOs.	NOs.	CKMS
1	400 KV	-	-	-	-	-
2	220 KV	4	99.29	-	4	99.29
3	110 KV	21	351.97	-	21	351.97
4	66 KV	16	157.275	1	17	157.275
<b>TOTAL</b>		<b>41</b>	<b>608.535</b>	<b>1</b>	<b>42</b>	<b>608.535</b>

**(c) AUGMENTATION OF STATIONS**

Sl. No.	Voltage Class	Progress achieved upto the end of March 2014						
		Additional & Replacement of Transformers		Swapping of Transformer	2 <sup>nd</sup> Transformers Commissioned during the year of Stations already commissioned during previous Financial Year		Total	
		NOs.	MVA	NOs.	NOs.	MVA	NOs.	MVA
1	400KV	-	-	-	-	-	-	-
2	220KV	4	350	-	-	-	4	350
3	110KV	26	325	1	-	-	27	325
4	66KV	43	369.4	-	-	6.2	43	375.6
<b>Total</b>		<b>73</b>	<b>1044.4</b>	<b>1</b>	<b>-</b>	<b>6.2</b>	<b>74</b>	<b>1050.6</b>

**New Initiatives towards System Strengthening****I. Power Evacuation from Yeramarus, Edlapura and 3<sup>rd</sup> unit of BTPS**

1. Necessary Evacuation scheme has to be put in place for evacuating power from Yeramarus Thermal power station as the construction of the Generating station at Yeramarus is in advance stage.
2. Central Electricity Authority (CEA) has cleared the evacuation scheme for evacuating power from the upcoming Yeramarus (YTPS) and Edlapura (ETPS) Thermal power station of 2x800 MW and 1x800 MW capacities respectively.
3. In the First Phase, Transmission Scheme for Yeramarus (2x800 MW) TPS was proposed by way of establishing 03 no's of 400 KV stations and approximately 700 KM of 400 KV Transmission Lines to be put up at an Estimated Cost of approximately Rs.1900.00 crores.
4. About 300 KM of Transmission Line is to be put up at an Estimated Cost of approximately Rs. 320.00 crores in the Second Phase to facilitate evacuation of power from YTPS, ETPS and 3<sup>rd</sup> unit of BTPS.



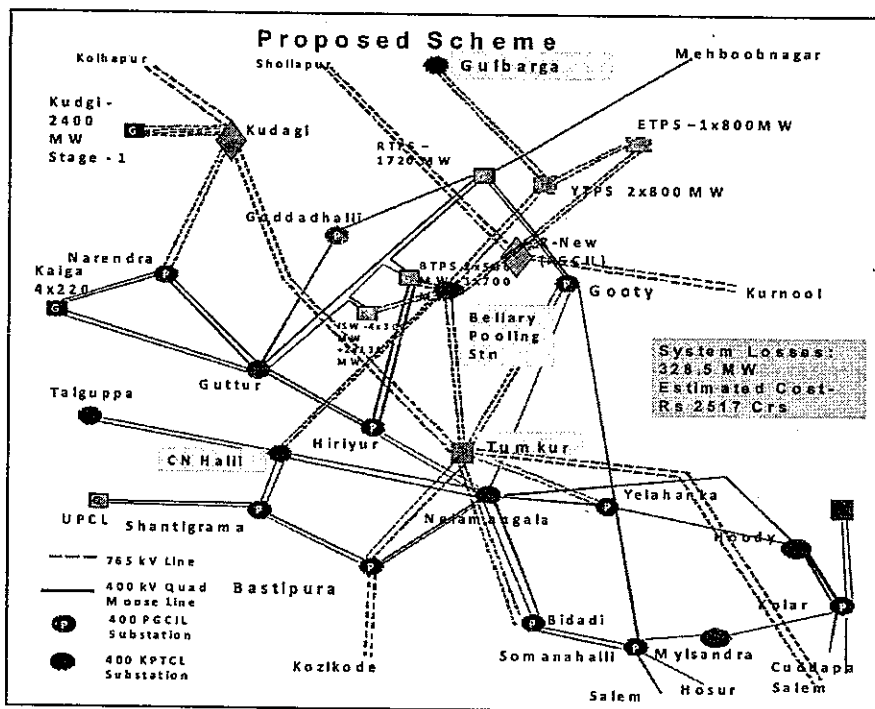
5. About 1000 KM of Transmission Line of 400 KV voltage class was required to be put up which is a gigantic task considering Right of Way (RoW) required for putting up the Transmission Line.
6. Advance action is taken to extend start up power to Yeramarus Generation on 400KV system through 400KV LILO line from RTPS-BTPS line. Tenders already invited.

Transmission System for evacuation of power from the Yeramarus (2 x 800 MW) and Edlapur (1 x 800 MW) Thermal Power Generation Project in the State of Karnataka was discussed in meeting held in CEA with KPTCL and Central Transmission Utilities i.e. Power Grid Corporation of India Ltd. on 14<sup>th</sup> November, 2013.

Based on the studies carried out and discussions held in CEA, it was brought out that the total Transmission System may be implemented in two Stages:

Stage-I : Transmission scheme for evacuation of power from Yeramarus (2x800 MW) TPS, and

Stage-II : Transmission scheme for evacuation of power from Edlapur (1x800 MW) TPS.



Following Transmission System would be implemented by KPTCL for evacuation of Power from Yeramarus TPS (2x800 MW) under Stage-I:

- (i) Bellary 400kV Pooling Station near 'BTPS'.
- (ii) Gulbarga 400/220 kV substation 7x167 MVA (single phase) or 2x 500MVA
- (iii) Yeramarus TPS - Gulbarga 400 kV D/C line with quad moose conductor
- (iv) Establishing 400 KV switching station at Chikkanayakanahalli (C.N Halli) near "Loop in Loop Out" (LILO) point on the Nelamangala – Talaguppa 400kV lines to Hassan.
- (v) LILO of both the circuits of Nelamangala – Talaguppa 400kV lines to the proposed pooling station near CN Halli.
- (vi) Terminate 400kV D/C line feeding 400/220 KV station at Hassan from Nelamangala – Talaguppa line at CN Halli 400kV pooling station.



- (vii) Yermarus TPS - Bellary Pooling Station 400KV D/C line with quad moose conductor.
- (viii) Bellary Pooling Station - C.N.Hally 400KV D/C line with quad moose conductor.
- (ix) Bellary Pooling Station - New Madhugiri (near Tumkur) 765/400kV station, 400kV D/C line with quad moose conductor .
- (x) Bellary TPS – Bellary Pooling Station 400KV D/C line with quad moose conductor.
- (xi) De-link 400kV S/C line running between RTPS-BTPS-JSW-Guttur with 'BTPS' and JSW Bus so as to retain direct connectivity between RTPS and Guttur.
- (xii) JSW TPS – Bellary Pooling Station 400KV D/C line with quad moose conductor.

The following transmission system would be implemented under Stage-II matching with the Edlapur TPS(1x800 MW) generation project:

- (i) Edlapur TPS - Bellary Pooling Station 400KV D/C line with quad moose conductor
- (ii) Edlapur TPS - Yermarus TPS 400KV D/C line with quad moose conductor
- (iii) Tumkur (New Madhugiri) - Bastipura (Mysore) 400KV D/C line with quad moose conductor

The total length of 400KV line is 1030 kms. Approximate estimated cost is Rs 2517 Crs. The above proposal was approved by CEA in Joint meeting of the Standing Committees of Power System planning of SR and WR, held on 26- Dec- 2013.

## II. TRANSMISSION UPGRADATION OF 220KV, 110KV & 66KV NETWORK:

After having the transmission planning of 400KV the transmission system have to be upgraded to address constraints, KPTCL has started study of 220kV, 110kV & 66kV networks across the state.

This is planned in two phases

- a) Upgradation of Bangalore Network
- b) Upgradating the rest of the state

The first phase planning, system studies and proposals for recommending establishing new 220kV & 66kV stations for Banglaore is taken up on priority. It may be noted such an initiative is taken with a view to absorb power getting transmitted towards Southern part of the state with Bangalore being a load centre. At present Bangalore transformation capacities available for Banglaore Metro network is

400/220kV – 4500MVA

220/66KV - 5035MVA

66/11Kv - 5119MVA

The peak load met in Bangalore Metro is around **2800 MW**. In view of system constraints in 66kV network load shedding is taking place in Bangalore. It is decided to augment the 66KV ring i.e., 220kV & 400kV interconnectivities to avoid load shedding. This will also facilitate change over (standby facilities) & provide spare capacities, which will involve additional investment.

Though BCR concept is generally followed while planning project of this nature, more emphasis is placed on reliability to avoid unforeseen load shedding, since Bangalore is a fast developing city. A study in this form has started and will be put in place shortly.



### III. Ex-gratia package to the Land Owners for securing Right of Way (RoW) towards construction of Transmission Lines.

- a) Securing Right of way for laying of Transmission Lines has become a challenging task in the recent years owing to objections by land owners and has turned out to be a hindrance contributing to abnormal delay in completing Transmission line projects.
- b) At present no Compensation is being paid by KPTCL for securing Right of Way for the land used by Tower for its Foot Prints and for the Corridor used by the Transmission Line. However, crop/tree cut compensation to the extent damaged is being paid during execution as per the assessment made by the Agriculture/Horticulture Departments. This has resulted in lot of litigation with the land owners who demand payment of compensation. Further, for every obstruction put up by the land owners for the Right of way, permission to remove such obstruction has to be sought from District Magistrate as per Telegraph Act, 1885. The District Magistrate has to follow procedures laid down under law before ordering for removal of obstruction and this would consume considerable amount of time. There are several instances wherein land owners file petitions before High Court/Local Courts against the orders passed by District Magistrate. The Courts also take considerable amount of time in disposing of Right of Way cases.
- c) There are number of Transmission Line projects which are lingering over the years for Right of Way (RoW) issues either before the District Magistrate or before the Courts all over the state.
- d) Reckoning the legal tangles involved and for expeditious completion of Transmission Projects, Government of Kerala and Government of Maharashtra have ordered for compensation package for smooth implementation of the project for construction of Transmission lines in their States.
- e) Indian Telegraphic Act-1885 enables KPTCL to put up Transmission Lines wherever required **without acquisition of the land**. However, it mandates award of compensation for the damages caused to the property in which Transmission Line is being laid. Due to number of objections from the Land Owners in the recent years for the construction of overhead Transmission lines, the overall Transmission system/network of the state has suffered badly.

Prior to the enactment of Electricity Act 2003 i.e., during the days of Karnataka Electricity Board also, the problem of RoW persisted. In spite of the then enactments viz., Indian Electricity Act 1910 and the Electricity Supply Act, 1948 governing erection of Transmission Lines, the then Electricity Board had to face lot of legal hurdles in resolving RoW issues. Huge Transmission Projects ran into Time Overrun resulting in substantial increase in the Cost of the Project.

Electricity Act 2003 which regulates laws relating to Transmission of Electricity has repealed the Indian Electricity Act, 1910 and Electricity Supply Act, 1948. The said Act has come into force with effect from 10.06.2003. Invoking the powers vested under Section 164 of Electricity Act 2003 Government of Karnataka have issued Notification conferring upon the KPTCL the powers which the Telegraph Authority possesses under Section 10 to 19 & 19(a) of Indian Telegraph Act for placing of Transmission Lines. In accordance with Section 10 of the Indian Telegraph Act 1885, the Telegraph Authority may from time to time, place and maintain a telegraph line under, over, along or across, and posts in or upon, any immovable property, provided:

- (a) The Telegraph Authority shall not exercise the powers conferred by this section except for the purposes of a telegraph established or maintained by the (Central Government), or to be so established or maintained;



- (b) The (Central Government) shall not acquire any right other than that of user only in the property under, over, along, across, in or upon which the telegraph authority places any telegraph line or post; and

However if the exercise of powers under Section-10 in respect of property is resisted or obstructed, District Magistrate may in his discretion order that Telegraphic Authority shall be permitted to exercise the powers conferred under Section-10. As can be seen at Section – 10(B), the power is not to acquire any right other than that of User only in the property under, over, along, across, in or upon which the authority places an line or post.

Electrical lines are required to be drawn over the agricultural land and or other properties belonging to Third Parties. In drawing such lines, the entire land cannot be acquired but in effect there would be diminution of value of property over which the line is drawn. In deciding on the extent of loss to the owner, the value of land is also a relevant factor. The owner of land, in certain given situations, may lose his substantive right to use the property for the purpose for which the same was meant to be used. This normally happens in respect of lands in urban areas over which High Tension lines are drawn. Similarly, in respect of lines with fruit bearing trees the same would depend on the facts and circumstances of each case. Hon'ble Supreme Court in Kerala State Electricity Board V/s. Livisha and others, has taken a stand that compensation may be paid to land owners for the diminution in value of the land. They have also stated that a fixed formula for determining the compensation depending on the facts and circumstances of each case is required to be evolved which should be the guiding factor in arriving at the extent to which the diminution value could be made good.

KPTCL at present is facing severe Right of way (RoW) issues for construction of Transmission lines. Execution of Transmission Projects is delayed, due to which Time overrun and cost overrun of project has occurred. Main cause for delay in execution of project is non-payment of compensation for land used for Tower Foot Print and Corridor of the line. KPTCL has proposed a Policy for addressing RoW issues liberally by way of land compensation. Similar land compensation is proposed for Transmission line by Government of Kerala and Government of Maharashtra by classifying the Land based on its Type and usage and specifying separate compensation for **Tower Location** and **Line Corridor**. Deputy Collectors and Collectors have been authorised therein to decide compensation.

The problem of Right of Way encompasses the entire Nation. Electricity Act mandates all State Transmission Utilities to plan and put in place a robust Transmission System to undertake transmission of electricity through Intra-state. In spite of certain enactments vesting powers with the Transmission Utilities, experience has shown that legal hurdles have significantly contributed to the delay in completion of Transmission Projects. Some of the states like Kerala and Maharashtra have initiated measures in trying to address the issue by way of providing exgratia to substantially offset the diminutive value of land. Lot of works of KPTCL have suffered owing to RoW issues. There are instances where Stations have remained idle owing to incoming Transmission Line not having been constructed due to RoW issues. This has not only resulted in loss of utilisation of Station capacities but also in not having been able to optimally transmit available power. Time overrun on account of RoW delays has resulted in extreme cost overrun. Hence there is a need to evolve a policy whereby the Land Owners are motivated to cooperate in the Transmission Schemes of KPTCL.

The proposed policy broadly tries to categorise the Type of Land under. Going by the ground realities, the Types of Land is classified broadly under two categories viz.,

- a) Non cultivated, Cultivated, Fruit, coffee and rubber bearing agricultural land; and
- b) Non-agricultural land in village/towns/TMC/Corporations/ BBMP limits.



Further RoW, as explained in the proposal, has to be clear of vegetation/ buildings for safe and reliable operation of the Transmission Line. The width that is required to be maintained for a typical RoW in respect of various Voltage Class Lines is as below:

Voltage class in KV	400	220	110	66
Right of Way width in meters	52	35	22	18

Hence there is a need to cover the entire width for purposes of compensation for the Corridor. While there is scope for growing small trees along the Corridor, in respect of foot print of the Towers, the Land Owner is likely to lose substantive Right to Use the property. As such for the Tower Area it is proposed to pay for 100% of the loss of Right of Use.

The proposed Policy Paper aims at an amicable and speedy solution to RoW issues. The Policy envisages payment of 'diminution value' of the Land over which it is presumed that Right to Use is being foregone. It is proposed to consider payment for the same with reference to the Market Value as notified by the Revenue Authorities from time to time. The purpose of prescribing the Notified Value by Government is to avoid any discretion in such fixation. KPTCL is not seeking any financial support from GoK towards the above liability. Depending on the amount of Market Value notified by Government in respect of either of the type of land and considering the different Voltage Class of DC Transmission Line involved, the Estimated Cost of the Project would go up. Such additional burden will have to be borne by KPTCL as a part of its Capital Cost towards System Improvement. Such an additional Capital Cost might perhaps prove economical when compared to the substantial cost overrun of the Project owing to Time overrun on account of RoW issues.

The proposed Policy needs to be expeditiously put in place if the Transmission Projects have to reach their logical end without legal hurdles. Other State Governments like Kerala and Maharashtra have already taken the lead. Karnataka proposes to go in for huge Transmission Projects in the near future. Since the Policy encompasses Legal and Administrative framework of the Government, the following has been forwarded to GoK for approval.

Case	Type of land	Ex - gratia proposed to be paid as a percentage of Guidance value for the foot print (area bounded by tower stubs at the ground level) of the Tower.	Ex-gratia proposed to be paid as a percentage of Guidance value for the corridor area bounded by the span length of the line and corridor width to be maintained for the Line.	Tree / Crop / Property damaged compensation during execution
Case-A	Non Cultivated, Cultivated, Fruit, coffee and rubber bearing Agricultural land	100%	50%	As per existing norms
Case-B	Non-Agricultural land in village/ towns/ TMC / Corporations / BBMP limits.	100%	75%	As per existing norms



### Conditions :

- a) Consent between KPTCL and Land Owner to be entered into by way of a Legal Document with regard to Right of way wherever land compensation is paid.
- b) Concerned Revenue Authorities to recognise the said Document and make an entry in RTC in column No 10 (Any other Rights) of the Land Owner where land compensation is paid stating KPTCL reserves Right of way in the said property for the amount paid. GoK may need to issue suitable Orders directing Revenue Authorities in this regard.
- c) Guidance Value for the purpose of Ex-gratia to be paid shall be the **Market value as notified by Revenue Authority, Government of Karnataka from time to time.**

### State Load Despatch Centre - Performance and Achievements during 2013-14

SLDC is the apex body to ensure integrated operation of the power system in the state as per the relevant provisions of the Electricity Act 2003 section 31 and 32. The following are the major activities being carried out by SLDC.

1. Based on the generation available in the state, CGS and all other sources SLDC will allocate power to all the Distribution Companies as per the allocation fixed by the Government of Karnataka from time to time.
2. Taking all precautionary measures to maintain the Grid as per IEGC norms at all times.
3. Monitoring import and export of both State and Interstate power.
4. As per section 39 of Electricity Act, SLDC shall provide non-discriminatory open access to its Transmission System for the use by any Licensee or Generating Company on payment of transmission charges, operating charges and any other charges fixed by Central / State regulatory commissions.
5. SLDC shall issue directives to all Distribution Companies, IPPs and Captive Power Generators and NCE to follow the directions issued by CERC, KERC and IEGC in order to maintain the Grid in safe and secure manner.

As per section 160 of Electricity Act 2003, Power and Telecommunication Coordination Committee (PTCC) is formed. The PTCC is a statutory body working under CEA. Chief Engineer Electricity, SLDC is the Member (Power) & Co-Chairman SLPTCC of Karnataka State. PTCC committee is a coordinating agency between the Telecom Sector and the Power Sector in Karnataka and mainly deals with all ESCOMs, KPTCL, BSNL, Defense & Railways to protect the Telecom Assets & Personnel working on it due to induction effects of Power Lines.

During 2013-14, 74 PTCC cases have been resolved helping to speed up the KPTCL and ESCOMs new projects and ensure that the projects are completed within the stipulated period.

One of the major achievements of SLDC under ABT (UI) mechanism is by judicious management of the Grid, SLDC was able to draw 63.02 MU at the rate of Rs. 2.25 per unit during high frequency period under UI mechanism at the total cost of Rs. 14.17 crores. If ESCOMs were to purchase this energy from outside, taking the prevailing rates of approximately Rs 6.00 per unit, ESCOMs would have incurred additional cost of Rs 23.63 crores. SLDC has saved this huge amount to ESCOMs.

Any overdrawl of power under UI mechanism is not a source of power. As per the directives of CEA, MOP, CERC, SRLDC and SRPC, the State procured power through competitive e-bidding route for meeting the deficit.



SLDC has given consent to IPPs and CPPs who have opted for open access for selling power outside the state. During the year 2013-14, SLDC has received Rs. 59.966 crores towards transmission, scheduling and processing charges from open access customers; it is a matter of pride.

SLDC has taken all care and precautions and has not drawn any UI power when the frequency was below the IEGC set limits during the year 2013-14 and SLDC has not received a single violation message. The performance of SLDC in maintaining grid discipline has been highly appreciated and recorded in several OCC, TCC and SRPC meetings. Further, Hon'ble KERC has also appreciated the SLDC/KPTCL in the KPTCL Tariff order 2013.

### Quantification of Input Energy to ESCOMs

Transmission Billing Centre is entrusted with Quantification of energy input to all ESCOMs. Quantification is done by obtaining the monthly meter readings of all Interface points from TL&SS divisions and ESCOMs. Monthly meetings are conducted with the Superintending Engineers of TL & SS Circles and representatives of ESCOMs for quantifying the energy input to Escoms & reconciliation of energy of the previous months. The aspects regarding status of meters, energy assessment in case of faulty meters, new substations /IF points commissioned are considered for quantification of energy. There are 2341 Nos of Interface points and 1049 Nos of Auxilliary points as on 31.03.2014.

#### Energy input to ESCOMs for the year 2013-14

BESCOM	:	27518.920
CECSC	:	6063.381
MESCOM	:	4594.910
HESCOM & Hukkeri Society	:	10981.373
GESCOM	:	7344.462

(Energy Input is inclusive of wheeled energy under wheeling and Banking Agreement and Prior period Adjustments during the current year.)

### Wheeling And Banking

SLDC as Nodal Agency (vide schedule 1 of KERC order W & B dtd 11.07.08) issues approval for the IPPs to execute wheeling and Banking Agreement. Wheeling and Banking transactions are carried out in Transmission Billing Centre for 32 Nos of wheeling and Banking Agreements as per corporate office directions. Transmission Billing Centre also maintains the account of total energy generated, Energy wheeled, wheeling charges, Banking charges & Banked energy of all 102 Nos of IPPs under wheeling and Banking Agreement.

### Energy Audit

Energy Audit is being carried out at Transmission Billing Centre. The Provisional transmission loss calculated during 2013-14 without SR Loss is 3.882%.

The provisional voltage level losses for 2013-14 excluding SR loss are as follows;

SI No	Voltage Class	Loss in MUs	% Loss
1	400 KV	194.377	0.329
2	220 KV	1211.003	2.052
3	110 KV	235.288	0.399
4	66 KV	650.745	1.103
	Total	2291.573	3.882





## Renewable energy Certificate

SLDC is the Nodal Agency for Accreditation of RE Generators. TBC has received one Application during 2013-14 and Accreditation has also been issued. Totally 29 Nos of generators have been issued Accreditation as on 31.03.2014.

## Supervision Control & Data Acquisition for Load and Energy Management

KPTCL has commissioned the Supervisory Control and Data Acquisition (SCADA) covering 990 Nos. of major Generating Stations, Sub-stations and Receiving stations of 66 kV, 110 kV, 220 kV and 400 kV. Out of the 259 Nos of 33 kV stations, 254 stations have been covered so far.

The SCADA system was established as a part of the Integrated Extended SCADA project, with Phase I taken up a cost of Rs.186.43 Crores, with Rs.128.01 towards the KPTCL portion of the work and Rs.58.42 towards ESCOMs portion of the work. The project commenced during December 2006 and the Phase I comprising of 588 KPTCL locations, 6 Area Load Despatch Centres, 5 Distribution Control Centres and 254 stations of ESCOMs are completed. The Phase II of the project has already covered 378 stations, comprising of the remaining stations and all new stations which are being completed. The Phase II will cover all new stations and with this every station commissioned in KPTCL, will be SCADA compatible.

The State Load Despatch Centre which operates from the Master Control Centre at Ananda Rao circle, Bangalore has real time visualisation of the entire Generation and Transmission network. The system provides Real time data from the stations covered which helps in Grid Operations and effective Load Management.

The System has been particularly very helpful to monitor the Load Management programme during Power shortage periods by providing information on the 3 Phase, Single Phase and no supply period. The system has helped Load Despatch Centre to effectively manage Inter State drawls and has gained the appreciation of Southern Regional Power Committee for its excellent Grid Management for the past successive four years.

Independent Load Despatch Centre has been set up at all the five ESCOMs, for Scheduling and monitoring the Loads.

The data of ESCOM wise schedule and Actual Loads and consumption on Real time which is acquired and computed by the system by means of real time displays and reports is shared with all the ESCOMs. As such, the first step towards total implementation of Intra State ABT as per KERC requirement is taken and UI bills are generated.

### The System also provides the following functions:

1. Monitoring IPP injections into State Grid
2. Sharing data of all 220 kV stations and Generating Stations with Southern Region Load Despatch Centre as per CERC requirements.
3. Generation of Daily Sub-station reports upto 11 kV levels
4. Intra State ABT functions covering Scheduling, Monitoring and reporting.
5. Real time Monitoring systems for all ESCOMs.
6. Operation of all Circuit breakers from 11 kV to 400 kV.



Area Load Despatch Centres (ALDC) are functioning at all Six Zones viz., Bangalore, Tumkur, Hassan Mysore, Bagalkot and Gulbarga from where the Transmission Network is monitored for stability and Load Management as a continuing march towards automation, for effective Power system Management, trial run of total remote operation of 6 Nos of Sub-stations in Bangalore City by utilizing SCADA is implemented.

The SCADA system is also utilized for Special Protection Schemes in three major generation and line corridors for grid security, as desired by the Southern Region Power Committee and this effectively contributes to the Southern Grid discipline.

The project has put KPTCL in the forefront of Power system automation in the country and is unique with respect to the following:

- KPTCL has the largest SCADA Network in the country with respect to coverage and number of Control centres.
- KPTCL has the largest individually owned VSAIT Network to back the SCADA Network in order to provide high uptime which is a requirement for real time operations.
- KPTCL and ESCOMs are the first in the country among the State Utilities to have Independent Control Centres as per regulatory requirements
- KPTCL is the first State in the country to integrate multiple automation systems of different makes to provide data into one single platform by adopting a common IEC standard protocol.
- KPTCL is the first State Utility to envisage a Disaster Recovery Hub for the SCADA Master Control Centre.

The SCADA system has earned the appreciation from many experts in the country: to name a few, Secretary, Ministry of Power, Government of India, Chairman KERC, Director CEA, , Head Operations Tata Power Mumbai, Former Chairman UPPCL and MD Power Grid, Director General, CPRI, Chief Consultant, SCADA, Reliance Energy and Joint Secretary, Ministry of New and Renewable Energy.

Further, many other utilities have expressed interest in adopting the KPTCL SCADA model. M/s CPRI have requested for KPTCL support for their SCADA consultancy works taken up in other States. M/s Uttar Pradesh Power Transmission Corporation Ltd have requested KPTCL for consultancy to set up their SCADA network for 350 locations in Uttar Pradesh.

SCADA and Telecommunication wing has been a part of CPRI's audit on 'Power Line Carrier Communication' in Delhi, Rajasthan and BBMB (Covering Himachal Pradesh, Haryana and Punjab) and has completed the task successfully on time.

## **TENDERING AND PROCUREMENT**

During the year 2013-14, KPTCL has procured various equipments like, Power Transformers, switchgear, Circuit Breakers, Current Transformers, Isolators, Potential Transformers CVTs, Insulators, Transformer oil required for maintenance & replacement works and augmenting the installed capacities in sub stations.

Further, action has been initiated for procurement of testing and measuring equipments like flash point apparatus, on line DC Earth fault locators, Interface tension meter, transformer winding resistance meter, hotline equipments, numerical relays with df/dt features, retrofitting of relays etc., required for meeting day to day needs of Relay Testing and R&D Wings.



Tender for Construction of 400KV M/C line for a route of 8.4Kms & partly 400KV D/C line for a route length of 2.849Kms with Quad Moose ACSR Conductor was invited for arranging start up power to Yeramarus. The said work has been awarded to M/s KEC International Limited and the work is under process.

Renovation & Modernization works of some old & vital station of KPTCL such as 220kV switching station Lingapura, 220kV SRS Peenya Station, 220kV Hoody Station, 220kV Doddaballapura Station & 220kV Somanahalli, works have been awarded for upgrading these old stations for meeting the present fault level conditions & the works are under progress.

Rate contract was placed on MEI for procurement of 11 KV Switchgear required for new & maintenance works. The power of procurement for these switchgears is delegated to the zonal CEE's. A rate contract has also been placed on M/s MEI for retrofitting of 11KV switchgear of other makes.

KPTCL has awarded many works related to construction of new stations and lines of 66 KV, 110KV & 220 KV & 400KV voltage classes including UG cable lines on total turnkey basis to an extent of Rs. 41278.31Lakhs.

Amongst the works awarded above, the specialized works included are:

- Construction of 400kV Multi-circuit line using 400kV Quad Moose ACSR Conductor for a route length of 8.4Kms for start up power to Yeramarus Power plant. KPTCL is executing a 400kV Multi-Circuit line for the first time. The 400kV M/C Towers designed by M/s PGCIL have been adopted for the above work.
- Under standardization of towers, the 220kV D/C Towers designed as per IS:802 new code of practice have been developed by M/s L&T Ltd., on whom the work of Construction of 93Kms 220kV D/C line from Gadag to Bagalkot have been awarded on Design basis with restricted base width of 5Mtr for 'A' type, 7.5Mtr for 'B' type, 8Mtr for 'C' type and 10Mtr for 'D' type towers. The work is under progress.
- Tender Documents for inviting tender on Design basis for Construction of 400kV D/C line for evacuation of Power from 765/400kV PGCIL Station at Vasanthanarasapura for a route length of 188Kms using Quad Moose ACR have been prepared and the tenders are invited.

Following is an abstract of award of works & Procurement during the financial year 2013-14.

## 1. WORKS

No. of Tenders floated	Amount in Rs. Lakhs	Works involving
110kV and 66kV-46 Nos. (Many works were retendered due to no response)	31896.02	66kV Stations – 22 Nos. 66kV GIS Station – 1 No. 66kV OH Lines-176.623Kms (2Nos). 66kV UG Cable – 13.23 Kms (3 Nos.) 66kV TBs – 4 Nos. 110kV Stations - 8Nos. 110kV OH Lines-172.358Kms (2Nos). 110kV TBs -4 Nos.



No. of Tenders floated, processed/under process.	Amount in Rs. Lakhs	Works involving
220kV & above works 18	98424.71	220kV, 150MVA Additional Transformers - NIL. 220kV, 100MVA Additional Transformers - 3Nos. 220kV Air insulated Stations - 1No. 220kV R&M Works - 3Nos. 400kV O.H Lines - 11.717Kms. 220kV O.H Lines - 455.52Kms. 110kV O.H Lines - NIL. 66kV O.H Lines - 1.072Kms. 400kV TBs - NIL. 220kV TBs - 12Nos. 110kV TBs - NIL. 66kV TBs - 1No. 220kV UG Cable - 13.07Kms.

No. of Tenders awarded	Amount in Rs. Lakhs	Works involving
110kV and 66kV - 27Nos.	11023.73	66kV Stations – 13 Nos. 66kV OH Lines associated with S/s-52.286Kms 66kV UG Cable – Nil. 66kV TBs – 6 Nos. 110kV Stations – 5 Nos. 110kV OH Lines associated with S/s-37.46Kms. 110kV OH lines (exclusive)-16.21Kms (1No). 110kV TBs - 2 Nos.

220kV & above works 10	26693.89	220kV, 150MVA Additional Transformers - 1No. 220kV, 100MVA Additional Transformers -2No. 220kV Air insulated Stations - 1No. 220kV R&M Works - 4Nos. 400kV O.H Lines - NIL. 220kV O.H Lines - 130.567Kms.(*). 110kV O.H Lines - NIL. 66kV O.H Lines - 2.028Kms. 400kV TBs - NIL. 220kV TBs - 10Nos. 110kV TBs - NIL. 66kV TBs - NIL. 220kV UG Cable - NIL.
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(\*).NOTE: 220kV D/C Gadag-Bagalkot line for about 80Kms was called on design basis to be designed as per New Code IS-802. This project was undertaken under standardization of Towers for use in KPTCL for the future works making obsolete the earlier design of 220kV D/C Towers of M/s. Kalpataru Design.



## 2. GOODS AND SERVICES

Procurement of Goods and services for the year 2013-14		
Descriptions	Amount for which P.O's are issued (in Rs. Lakhs)	Works involving
Power Transformers, Current Transformers, Circuit Breakers, Insulators, Battery Set, Battery Charger, 220kV Potential Transformers, Vehicles, Uniform Clothes, Nitrogen Fire Extinguisher System, Lightning Arrestors, Telescopic Aluminium Ladder, DC Earth Fault Locator, High Voltage Insulating Mats EHT Offline locator, RT and R&D testing Equipments, Furnitures, Printers and Services like Canteen, Attender, Data Entry Operators & Security Services.	3560.69	Station capacity augmentation, Replacements and testing etc, and providing services for smooth functioning of Corporate office.

### PLANNING & CO-ORDINATION

During the FY 2013-2014 five Technical Co-ordination Committee Meetings (TCC) were held chaired by Director (Transmission). Technical proposals cleared were with regard to expansion, strengthening and augmentation of the Transmission System.

TCCM	Held on	No of Subjects	Approved	Deferred
54th TCCM	24/06/2013	66	59	7
55th TCCM	23/07/2013	58	52	6
56th TCCM	30/11/2013	115	109	6
57th TCCM	13/02/2014	53	51	2
58th TCCM	07/03/2014	47	37	10

During the FY 2013-2014, 41 applications from Independent Power Producers (IPP) were received seeking Transmission Schemes for evacuation of power from their Generating Plant. 28 applications were cleared and balance 13 applications are under process at different levels.

The details of NCE Generation added during the FY 2013-14 are appended below:

Sl. No.	Type of Generation	Capacity added at the end of 31.03.2014 in MW's
1.	Wind	183.00
2.	Small Hydro	40.65
3.	Co- Generation	76.00
4.	Biomass	12.09
5.	Solar	17.00
	<b>Total</b>	<b>328.74</b>



## RT AND R & D

### 1. Pre-commissioning tests of new stations conducted during the Year 2013-14:

Testing and commissioning works of following stations, new bays in existing stations and new IPP/EHT installations carried out during the year 2013-14

RT Circle	Stations commissioned				New Bays commissioned	New IPP/EHT commissioned
	400kV	220kV	110kV	66kV		
RT Circle, Bangalore	--	1	4	9	33	2/0
RT Circle, Hassan	--	--	1	4	16	7/0
RT Circle, Hubli	--	--	8	--	21	9/1
RT Circle, Gulbarga	--	--	5	--	9	--
<b>Total</b>	<b>--</b>	<b>1</b>	<b>18</b>	<b>13</b>	<b>79</b>	<b>18/1</b>

- 32 numbers of new stations commissioned during the year 2013-14.
- Testing and synchronization of 18 new IPP and 1 new EHT installations were carried out during the year.
- Testing and commissioning works of 79 numbers of new bays of different voltage classes were carried out in existing stations.

### 2. Details of total number of Power Transformers existing as on 31.3.2014:

Sl. No.	Capacity of the Transformer (in MVA)	RT Circle Bangalore	RT Circle Hassan	RT Circle Hubli	RT Circle Gulbarga	Total
1	315	2	3	-	-	5
2	167	14	-	-	-	14 *
3	150	20	-	-	-	20
4	100	62	40	43	25	170
5	75	-	1	-	-	1
6	67.5	1	-	-	-	1
7	60	1	-	-	-	1
8	55	-	-	2	-	2
9	50	1	-	1	-	2
10	31.5	78	-	-	-	78
11	20	199	64	121	81	465
12	15	1	-	-	-	1
13	12.5	172	105	3	11	291
14	10	51	75	320	188	634
15	8	222	152	1	17	392
16	6.3	67	52	-	12	131
17	5	1	23	3	2	29
18	1	-	-	2	-	2
<b>TOTAL</b>		<b>892</b>	<b>515</b>	<b>476</b>	<b>336</b>	<b>2239</b>

\* 14 number of 167MVA single phase Transformers are considered.



### 3. Details of Testing and commissioning works

Name of the RT Circle	Enhancement	Additional Transformers commissioned	Transformers repaired during the year	No. of major Breakdowns attended
Bangalore	21	–	12	313
Hassan	15	8	2	488
Hubli	3	16	8	257
Gulbarga	4	11	2	509
<b>Total</b>	<b>43</b>	<b>35</b>	<b>24</b>	<b>1567</b>

### 4. The details of periodical calibration works carried out by the RT Divisions of various RT circles for the year 2013-14

Periodical calibration of all station equipments such as protection relays(Back up, Distance, Differential), ETV meters connected to panels, feeders and IF points were carried out.

Periodical inspection of station equipments such as CT, PT, Breakers, Battery chargers, Capacitor banks and power transformers were carried out.

Also witnessed the periodical calibration of ETV meters of IPP pooling stations and EHT consumers

RT Circle	Relays	Meters	IPP installations	EHT installations
RT Circle, Bangalore	29341	7034	3	0
RT Circle, Hassan	16927	3981	35	27
RT Circle, Hubli	11771	2701	19	17
RT Circle, Gulbarga	8256	1494	15	13
<b>Total</b>	<b>66295</b>	<b>15210</b>	<b>72</b>	<b>57</b>

### 5. Details of Power Transformers Repaired during the year 2013-14

Faulty power transformers are repaired either departmentally or through external agency.

Sl. No	Power Transformer failed at	Voltage class of Transformer in kV	Capacity in MVA	Make	Repaired by	Remarks
<b>I RT Circle, Bangalore</b>						
1	220/66/11kV Kolar	220/66/11	20	Andrew yule	Andrew yule, Chennai	Alloted to Kolar. Yet to be commissioned.
2	66/11KV Austin Town	66/11	20	BBL	M/s.Vidhyut Transformers, kuch Gujarat	Alloted to Chandrapp circle. Yet to be commissioned.
3	66/11KV Koramangala	66/11	20	T&R	M/s. T&R Ahmedabad	Alloted to Masthi.
4	66/11KV Honnali	66/11	12.5	RIMA	M/s.RIMA Transformer Bangalore	Alloted to H.D.Pura.



5	220/66/11V Hoody	220/66/11	100	CGL	M/s.Tarapur, Transformers Ltd., Mumbai to be commissioned	Repaired and allotted to 220kV Kolar station. Yet
6	66/11KV Electronic city	66/11	20	APEX	M/s.Tarapur, Transformers Ltd., Mumbai	Repaired and allotted to Apperel Park. Commissioned on 28-10-13.

## II. RT Circle, Hassan

1.	110KV Puttur	110/11	20	T&R	ER	Repaired by Easun MR and commissioned on 01.12.2013 at Puttur.
2.	110KV Saletthur	110/11	10	IMP	Departmentally	Transformer repaired by RT staff. Yet to be commissioned at Easur.

## III. RT Circle, Hubli

1	220kV Karwar	220/110/11kV	100MVA	CGL	M/s K.K. Rao Engineering Works, Hyderabad.	Allotted to 220kV KB Cross Tumkur Dist. Yet to be commissioned
2	110kV Savalgi	110/33-11kV	20	Voltamp		110kV Gajendragad on 25.12.13
3	110kV Athani	110/33-11kV	20	Voltamp		Allotted to 110kV Hickal dam. Yet to be commissioned
4	220kV B-Bagewadi	110/33-11kV	20	NGEF		110kV Bellary on 04.07.13
5	110kV Katarki	110/11 kV	20	EMCO	Departmentally repaired by BDM, Hubli	110kV Katarki, 01-01-14
6	110kV H.Hickal	110/11 kV	20	APEX	Departmentally repaired by BDM, Hubli	110kV H.Hickal, 17-10-13
7	110kV Kittur	110/11 kV	10	SPEC		110kV Kittur, 13-01-14
8	110kV Udyambag	110/11 kV	10	SPEC		110kV Udyambag, 20-08-13.

## IV RT Circle, Gulbarga

1	110 kV Gulbarga West	110/11 kV	10MVA	APEX	M/s.Vidhyut Transformers, kuch Gujarat	Repaired good Trf. Shifted to 110 kV Madiyal S/S, yet to be commissioned.
2	220 kV Sedam	110/11 kV	10MVA	APEX	M/s.Tarapur, Transformers Ltd., Mumbai	Commissioned at Sedam on 11.03.2014.





6. Details of CT, PT & ETVMs tested at Laboratory during the year 2013-14

RT Circle	Testing charges collected (in Rs)
RT Circle, Bangalore	48,11,503
RT Circle, Hassan	5,82,185
RT Circle, Hubli	1,94,868
RT Circle, Gulbarga	88,397
<b>Total</b>	<b>56,76,953</b>

7. Details of Special Protection Schemes implemented in KPTCL Grid

Following Special Protection Schemes are implemented in KPTCL Grid, as per SRLDC/SRPC requirements, for preventing cascaded tripping of lines/generators which leads to Grid disturbance. The details of load relief obtained in case of any SPS operation, is being sent to SRLDC/SRPC and is monitored in view of Grid security. The modification/addition of loads identified for the SPS schemes is done as and when the constraint arises.

Sl. No.	Name of the SPS	Description	Date of Implementation	Status
1	Nelamangala-Peenya	To trip 66kV radial load of about 100MW at Peenya if any one 220 kV line trips out of three 220kV lines between Nelamangala-Peenya or any one ICT trips at Nelamangala out of two existing ICTs.	2010	Working
2	Hoody 400kV	To trip 220kV HSR Layout feeder & some 66 kV radial loads at Hoody, if any one ICT out of two ICTs trip	2003, 16-06-2012	Working
3	Nagjhari Power House	To trip one/two units at Nagjhari if any one/two 220kV lines out of six evacuation lines emanating from Nagjhari trips and load on remaining line exceeds 595 Amps. Further the SPS is modified considering the loadings on Bidnal-Harthi and Hubli-Sirsi lines	15-08-2012	Working
4	Signal 1, 2 & 3 @ Kolar HVDC	The SPS for signal-1 & Signal-2 are implemented and KPTCL has given load relief of 350MW for Signal-1 & 450 MW for Signal-2 at Kolar, Hoody and Somanahally 220kV stations.		



Sl. No.	Name of the SPS	Description	Date of Implementation	Status
		For Signal-3 required load relief of 109 MW is given by throwing loads 220kV Anchepalya, 220kV Nittur, and 220kV K.B.Cross stations.	2003 05-06-13 May-2014	Working
5	Varahi	To initiate alarm, to bring the generation to house load, when the current in one of the 2 lines from Varahi - MRS Shimoga exceeds 590A. And to trip all generators when the current in one of the 2 lines from Varahi - MRS Shimoga exceed 625 A.	10-11-2012	Working
6	UPCL	To trip one unit at UPCL when both the 400kV lines trip and the load is more than 650MW.	14-09-2012 & 20-04-2013	Working
7	JSW-Lingapur	To trip 220kV Lingapur 1 & 2 lines at JSW, when the 220kV voltage of above lines drops to 99kV (or 78% of phase voltage) and current exceeds 1000A, with a time delay of 200msec.	17-04-2013	Working
8	Kudankulam SPS / Raichur-Sholapur 765kV line SPS	Multiple SPS schemes are implemented, based on the over loading conditions of lines connected to Raichur & Sholapur 765kV, Raipur, Chattisghar, Wardha & Parli 400kV stations. Load relief of 293MW, at Anchepalya, Nittur, KB Cross, Antharasanahalli, DB Pura & Gouribidanur 220kV stations are connected.	Jan 2014. May 2014.	Working

### III. Research & Development Centre and Hot Line Divisions activities are as follows:

#### 1. Special Study and Activities of R & D :

- A. **Oil replacement:** The New/Unused oil for Transformers to be commissioned, is tested as per IS 335 and IS 1866 and as per IEC 60296-2012 and it is ensured that only good quality oil is utilized. Thus the required lengthy life of the Transformers is ensured.
- B. **G.I.S Drawing approvals:** Along with the Conventional Earthmat Design, Design for conventional earthmat for G.I.S sub-stations are also furnished by R&D. In addition, detailed study of Comprehensive Earthing system including building for GIS stations is also made. The working drawings of GIS Sub-stations submitted by Turnkey Agencies, regarding comprehensive earthing scheme including earthmat, GIS building / module earthing systems and lightning protection, have been discussed with the concerned agencies. The necessary



modifications as per KPTCL practices in accordance with CBIP 309 & IEEE 80:2000 guidelines have been included and drawings are approved.

- C. **Revenue Collection:** An amount of Rs 29.83 lakhs has been collected as consultancy / testing charges for providing services to ESCOMS / Private Agencies. This is in addition to regular duties.
- D. **Sodium Bentonite Clay Testing:** Testing of Sodium Bentonite clay which is used as a back fill for ground electrodes (in order to obtain a satisfactory rod/soil contact) used for chemical treatment of soil for achieving low resistance.
- E. **Monitoring of around 2300 Transformers:** R & D Centre is maintaining computerized historical data for oil test results for Transformers in KPTCL Grid. This helps in analysis of recent test results in light of the trend of previous results.
- Dissolved Gas analysis has been carried out on 392 Nos of oil samples during the year 2013-14.

2. The Activities of R&D Centre are as detailed below :

1. Soil Resistivity Measurements conducted for the following stations :

Sl. No.	Details	Nos.
a)	400 KV station	-
b)	220 KV station	02
c)	110 KV Station	22
d)	66 KV Station	22
e)	33 KV Station	08
<b>Total</b>		<b>54</b>

2. Earthmat Design furnished (proposed /revised /Additional Earthmats) for the following stations :

Sl. No.	Details	Nos.
a)	400 KV station	01
b)	220 KV station	15
c)	110 KV Station	19
d)	66 KV Station	22
e)	33 KV Station	10
<b>Total</b>		<b>67</b>

3. Earthing Investigations carried out for the following stations and remedial measures suggested wherever necessary :

Sl. No.	Details	Nos.
a)	400 KV station	06
b)	220 KV station	57
c)	110 KV Station	20
d)	66 KV Station	60
e)	33 KV Station	05
<b>Total</b>		<b>148</b>



4. Tan Delta and Capacitance tests conducted on Transformer windings and bushings for the following Power Transformers.

Sl. No.	Details	Nos.
a)	315 MVA	05
b)	167 MVA	02
c)	150MVA	07
d)	100MVA	98
e)	67.5/31.5/50MVA Reactor	03
f)	ICTs	01
	<b>Total</b>	<b>116</b>

5. Tan Delta and Capacitance Test conducted only on bushings. 02 Nos;  
 CTS- 15 Nos.
6. Sodium Bentonite Clay tests 23 Nos samples.
7. 400/220KV Station earthing drawing approval 07 Nos
8. Oil samples 2603
9. Dissolved Gas Analysis 392.
10. Furan Analysis 200

**The activities of Hot Line Division for the period 2013-14 are as shown below:**

- 1) **Conducted testing of insulators strings for identifying faulty insulators on following lines:**
  - a. 220KV lines-1548 insulator strings
  - b. 110 KV lines-274 insulators strings
  - c. 66 KV lines-818 insulators strings
- 2) **Conducted testing of insulators strings for identifying faulty insulators on following stations:**
  - a. 220/66kV stations-1771 insulators strings
  - b. 66/11kV stations-325 insulators strings
- 3) **Replaced faulty insulator strings on following Lines:**
  - a. 220KV lines-9 insulator strings
  - b. 110 KV lines-23 insulator strings
- 4) **Conducted thermovision scanning of stations, line jumpers and insulators for identifying hot spots, since hot spots can cause breakdown of power supply during peak load hours:**
  - a. 400 KV Stations-08 Nos
  - b. 220 KV Stations-71 Nos
  - c. 66 KV Stations -142 Nos



(These numbers include repeated inspection of Stations)

- a. 400 KV jumpers-750 Nos
  - b. 220 KV jumpers-3894 Nos
  - c. 66 KV jumpers-2122 Nos
- 5) **Provided by pass jumpers at EHV sub-stations during peak load hours to avoid total break-down of power supply:**
- a. Total 44 nos of jumpers have been provided on Lines and Stations.
  - b. 7 No of jumpers have been released after attending the problem.
- 6) **Conducted preventive maintenance of ODS of EHV sub-stations by tightening all loose connections. Loose connection is responsible for hot spot and consequent break-down:**
- a. 400 KV Stations -3 Nos
  - b. 220 KV Stations -125 Nos
  - c. 110 KV Stations -181 Nos
  - c. 66 KV Stations – 464 Nos

(These numbers include repeated inspection of Stations)

- 7) **Preventive maintenance work on Transmission lines by tightening loose jumper connections, setting-right of loose and slant arcing horns:**
- a. 220kV Total 1624 defective jumper connections were attended.
  - b. 66kV Total 5 defective jumper connections were attended.
- 8) **Carried out emergency works on lines and stations during emergencies.**
- Total number of emergency works attended= 105 Nos
- 9) **Assistance in measurement of clearance beneath the EHT lines and buildings and ground clearances.**

Total number of measured locations – 437.

All these works are carried out by Live Line Maintenance Technique using hot stick method without availing line clear, thus avoiding power interruptions, public inconvenience and consequential revenue loss.

If a 220 KV line carrying a load of 100 MW is shut down for a period of 1hour for maintenance by cold line method by availing line clear without any other alternative line, there will be a loss of revenue to the Corporation for not transmitting 1,00,000 units of power to the consumer due to interruption. This amounts to Rs.4 to 5 Lakhs per hour approximately.

### **I.T. SECTION :**

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 2013-14, the following I.T. activities were carried out:



1. In-house development of software for:
  - ❖ Creation of KPTCL and ESCOMs employees database which is required for implementing the reservation in appointment and promotion for Hyderabad Karnataka region.
  - ❖ Indexing and cataloguing of records under RTI act 2005 and updation of PIO details.
  - ❖ Implementation of file tracking system.
2. Arranged 10 Mbps OFC lease line from BSNL for providing internet connection to all offices in Kaveri Bhavan.
3. Purchased 166 desktop computers, 5 laptops and 74 printers for corporate office, KPTCL KaveriBhavan.
4. Maintenance of database related to the information provided from KPTCL, corporate office and other Public Information Officers under Right to Information Act. During the year 2013-14, the number of applications received and disposed off under RTI Act is given below.

Total No. of PIOs under the Public Authority	No. of applications received	No. of applications Disposed off during 2013-14
104	2189	2170

#### **Achievements of Management Information System section :**

**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, Public 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.

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 2013-14, five legislative session were held which are as follows :

Sl No	Duration	Days	Session
1.	29-05-2013 to 12-06-2013	11 Days	Belgaum session
2.	12-07-2013 to 31-07-2013	16 Days	Monsoon session
3.	25-11-2013 to 06-12-2013	11 Days	Belgaum session
4.	22-01-2014 to 30.01-2014	08 Days	Winter session
5.	14-02-2014 to 26-02-2014	09 Days	Budget session

Totally, replies to 225 Assembly questions, 108 Council questions and 54 Nos of other issues under various rules including call attention motions and matters discussed during Zero hour connected to KPTCL and ESCOMs were furnished to the Government of Karnataka.

MIS cell is also responsible for furnishing replies to Lokasabha and Rajyasabha questions. During 2013-14, replies were furnished to 12 Nos. of parliamentary questions.



Replies to the issues that arise in the petition committee, Assurance Committee and Other Committees of legislature were also sent from this section.

#### **FOREST WING:**

The Forestry Wing of Kamataka Power Transmission Corporation Limited consists of an Additional Principal Chief Conservator of Forest and an Assistant Conservator of Forest stationed at the Corporate Office.

#### **Objectives :**

1. To expedite the diversion of forest lands that are absolutely essential for implementing KPTCL projects.
2. To advise Kamataka Power Transmission Company Limited and other related organizations on the afforestation activities to be undertaken and connected physical and financial issues.
3. Evaluation of Environmental Impact Assessments.

Obtaining approval of the Central Government for diversion of forest land for non-forestry purposes is a statutory requirement under Forest (Conservation) Act 1980. It involves, processing, examining, evaluating and approving the proposal at various levels of the Kamataka Forest Department, State Forest Secretariat and Ministry of Environment and Forests, Government of India. The approval is accorded by the Ministry of Environment and Forests of Government of India in two stages i.e., Stage I and Stage II. After examining the proposal on its merit, weighing the pros and cons of the project, Stage I approval is accorded by the Government of India, stipulating the conditions of compensatory afore station and payment of Net Present Value as any other specific conditions. After fulfilling these conditions by KPTCL and on receiving compliance report in this regard from the State Government, the Final Approval i.e., Stage II approval is accorded by the Ministry of Environment and Forest, Government of India. The State Government then issues its order enabling the User agency i.e., KPTCL to take over the forest area duly entering into an agreement with the local Forest authorities.

In addition to this, prior approval of the Hon'ble Supreme Court of India is also necessary in cases where the area sought for, is a part of National Parks, Wild Life Sanctuaries and such other protected areas. The Forestry Wing of KPTCL is therefore involved in timely intervention, effective co-ordination and fruitful liasoning with Forest Officers at all levels of the State and Central Governments, to expedite diversion of forest land in favour of KPTCL. While doing so, care is being taken to see that the barest minimum forest area is diverted, which is absolutely essential for improving the projects. This not only saves the cost to KPTCL but also conserves the natural resources.

During the year 2013-14 State Government Order was issued for handing over the corridor in forest area for Madavu Sub-station land. During the year MOEF issued Stage-I approval for Gunjurpalya line (Vikas Tech Park) and State Government issued permission for maintaince of Davanagere - Sokke line. Regarding transmission line from Virajpet to Madikeri, the Principal Chief Conservator of Forest (HOFF), indicated in his letter, it is difficult to consider the proposal because this line falls in Wildlife area and Western Ghat heritage area.

The diversion proposal of other Transmission Lines seeking forest land is at various stages of processing by the State and Central Governments. Following cases are being monitored constantly and pursued effectively by this Wing for expeditious approval under Forest (Conservation) Act 1980.

1. Kodihally to Hunsanally Line
2. Madavu to Sulya
3. Hulical to Varahi
4. Guruvayanakere to Netlamadanur



5. Hassan to Melagodul Line
6. Konandur Line
7. Mulibetta to Siddakatte
8. Lingadahally to Hemmedoddy
9. Sub-station at Kansur Village
10. 110/11 KV Sub-station at Bilakanda Village
11. 110 KV Sub-station at Hatargi
12. Gunkur Palya Line
13. Temporary Diversion of 0.837 HA in Belur SF (Hassan-Nandikur Line)
14. Diversion of 7.62 HA in Kundapura Forest Division
15. Chandragutti to Banavasi Line
16. Murudeswara to Belalkanda Line (Bhatkal)
17. Hiriyur – Gowribidanur Line
18. Sub-station at Bandy (Thirthahalli Taluk).

#### **TARIFF:**

1. **Transmission Tariff:** KERC issued Transmission Tariff Order on 06.05.2013 allowing a Transmission Tariff of Rs. 95,442/- / MW / Month for the FY-2014.
2. In the said order KERC allowed incentive of Rs.14.39 Cr to KPTCL for achieving better system availability of 99.81% against normative 98% percent.
3. **Annual Performance Review:** KPTCL filed its Annual Performance Review application for FY 2012-13 on 29.11.2013 based on Audited Annual Accounts.
4. In the Annual Performance Review, an ARR of Rs. 2287.62 Cr was filed against a Revenue of Rs.2038.08 Cr for FY 13.

#### **HUMAN RESOURCES AND DEVELOPMENT :**

HRD Centre has been shifted from A R Circle to newly constructed building at whitefield Road, Hoody, Bangalore, and is now functioning at Hoody from Sept 2013.

The total building/complex cost invested is about Rs 12.00 Crores for conducting regular residential training programmes to make it a national level training centre for the personnel in power sector with a vision to meet the needs of the power sector in future and also as per the requirement of national training policy needs issued by the Ministry of Power, Govt of India.

At present the regular non residential training programmes are being conducted every month. About 100 – 120 employees are being trained every day.

Based on the National and state training policy, HRD centre has developed a concept paper on training policy.

The HRD Centre complex at Hoody consists of 3 blocks namely Administrative and training block, Hostel block and sports block spread over on area of above 7 acres of land.

The new training programmes proposed for 2014-15 are as follows:

1. Construction of sub-stations and Transmission Lines
2. Maintenance of substations and equipment's for Shift Engineers





3. Technical Training for RT Engineers
4. Mandatory Pre- employment training for Asst/ Junior Asst/ Linemen/ Overseer/ Junior Engineers/ Daftaries.
5. Safety & prevention of Accidents.
6. Personality Development training for EEs/AEes/AEs/JEs.
7. Personality Development training for DCAs/AOs/AOs/Sr Asst.
8. Technical Training for Need base training for the Engineers working in the respective field
8. Training to Civil Engineers.
9. Refresher training to all Station Attendant/ Station Mechanic/ TLM Section.
10. One day Workshop on Pre-Retirement Counseling for the Officers/ Employees working in KPTCL and ESCOMs.
11. One day Workshop for Women Officers/ Employees on Women Safety.
12. Orientation Training Programme for newly promoted AEEs/AOs.
13. Induction Training for newly recruited AEs/ JEs.
14. Deputation of employees officers to external training Programmes.
15. Training on first aid and fire fighting.
16. Apart from all the above training we are imparting the subjects in PDP like Vision of Organization, Gender sensitization, Moral Ethics in work life, Relationship in Professional and Personal Life, Leadership Skill, Time Management, Team Building, Positive Attitude Etc.

**Staff Pattern of Officers/Employees in KPTCL is as follows:**

Group	Sanctioned	Working	Vacant
A	1186	1110	076
B	1425	764	661
C	6020	3830	2190
D	6010	3326	2684
<b>Total</b>	<b>14641</b>	<b>9030</b>	<b>5611</b>

**Important Administrative orders issued during 2013-14 are as follows:**

1. Pursuant to the Orders of the Hon'ble Supreme Court of India and Hon'ble High Court of Karnataka, weightage of 17.5% on basic pension in respect of employees/ officers who retired from service or died while in service between 01.04.2003 and 30.06.2005 was sanctioned in Order No: KPTCL/B16/3002/2007-08(II) dated: 10.04.2013.
2. Insertion was made in Regulation 411(A) of KEBESR with regard to availing of Leave Travel Concession once in block period of 15 years after completion of 10 years of service and another during the block period from 16<sup>th</sup> year to the date of retirement vide No: KPTCL/B16/4678/2006-07 dated: 30.05.2013 and giving effect to the same w.e.f. 01.08.2012.



3. Order No: KPTCL/B16/4681/2006-07 dated: 01.07.2013 was issued enhancing the monthly remuneration payable to Assistant Engineer(Ele) and Junior Engineer(Ele) working on contract basis in KPTCL & ESCOMs from the existing Rs.8000/- to Rs.12000/- and from Rs.5000/- to Rs.8000/- respectively w.e.f 01.06.2013.
4. Order No: KPTCL/B16/4682/2006-07(A) dated: 08.07.2013 was issued enhancing the monthly remuneration payable to Physically Challenged Revenue Assistants with degree qualification from the existing Rs.4500/- to Rs.8000/- and to those with SSLC qualification from the existing Rs.3500/- to Rs.6000/- w.e.f. 01.06.2013.
5. Order No: KPTCL/B16/39381/2013-14 dated: 18.09.2013 was issued wherein the Superintending Engineer of O&M Circles ESCOMs are to process the recruitment under 10% In-service quota for Group 'C' posts after obtaining approval from the concerned Corporate Office of ESCOMs.
6. Order No: KPTCL/B16/3442/08-09 dated: 06.11.2013 was issued wherein the rates of House Rent Allowance are revised and the Cities/Towns and other places are re-categorized into 'A', 'B' and 'C' based on the population duly adopting the Government Order dated: 02.09.2013 issued in this regard.
7. Circular instructions was issued for processing of Compassionate Ground Appointment duly prescribing the income ceiling limit for applications submitted from 01.01.2013 to 01.07.2013 vide No: KPTCL/B5c/721/80-81 dated: 11.11.2013.
8. Order No: KPTCL/B5C/IR/SA-7/2219/80-81 dated: 18.11.2013 was issued wherein the Notification dated: 18.11.2013 issued with regard to the amendment made to the relevant provisions of KEB Employees Recruitment (Appointment on Compassionate Ground) Regulations 1997 for providing appointment to dependant of Board Employee who retires on medical grounds due to bodily or mental infirmity due to incapacitation while on duty is withdrawn.
9. Notification was issued amending the method of recruitment and minimum qualification prescribed for the post of Assistant Lineman in Sl.No. 7 under Group-II (Transmission Lines, Operation & Maintenance) of Chapter-IX of KEB R&P Regulations vide No: KPTCL/B16/7962/09-10 dated: 13.12.2013.
10. Twenty (20) Probationary Mazdoors working in KPTCL/ESCOMs were converted as Junior Lineman after completion of 3 years of continuous service as Probationary Mazdoor during the year 2013-14.

#### **INTERNAL AUDIT :**

The audit is being carried out as per the workload norms and Audit Manual and circulars issued by the Corporation from time to time, under the supervision of Financial Adviser (Internal Audit).

The audit enquiries/notes issued during the course of audit and the excess payments /irregular expenditure pointed out is being finalized after discussions with the concerned head of the office.

The monthly progress reports received from each offices of the internal audit is being consolidated in the office of the Financial Adviser (Internal Audit) Corporate Office. Progress of Internal Audit performance report is submitted to the Managing Director periodically.

#### **IMPORTANT OBSERVATIONS/ DISCREPANCIES NOTICED BY INTERNAL AUDIT WING DURING FY-2013-14.**

- ❖ Internal Audit has observed the Non recovery of unscheduled Inter change charges and backup power supply charges from Five Independent Power producers (IPPs) amounting to Rs. 27,72,07,036/-. Further, the above dues from the open access customers have not been demanded either in the books of Accounts of SLDC or in the books of concerned ESCOMs. The same has been brought to the



knowledge of FA(A&R) vide note No. KCO-42/52368/2013-14 dated: 27.12.2013 for taking further course of action.

- ❖ Construction of 220 KV & 400 KV line TBs at 400 KV Station Hassan (DCW Works) work was entrusted to M/s. PGCIL by depositing amount of Rs. 17,88,84,000/-. Subsequently the work was completed and commissioned on 21.08.2012. The actual cost of the work was Rs. 12,22,02,300/-. But, concerned Major Works Division had categorized the entire amount instead of recovering balance amount of Rs. 5,66,81,700/- paid in excess to M/s. PGCIL. Audit observed this anomaly and now action has been taken by the Division for recovering the amount from M/s. PGCIL.
- ❖ Audit has pointed out of Rs. 24.84 Crores due from Building and other Construction Workers Welfare Board being the payment made in excess of 1% on supply portion of the Turnkey Contracts. In this regard suitable Audit note has given to get the refund from the Welfare Board.
- ❖ As per the Corporation Order No. DGM(T) KPTCL/ B28(a)/32543/12-13 dated: 17.08.2012 one time non-refundable charges and annual O&M expenses from IPPs/Generating Stations/HT/EHT Consumers is to be collected from Financial year-2012-13. While verifying the records, Audit has observed that, no action has been initiated to collect the same at Zonal level. In this regard letter is also addressed to CEE of Zones to collect the same accordingly.
- ❖ In Munirabad TL&SS Division Stores one of the item called "Equipment for Restoration of Power Supply" amounting of Rs. 9.30 Crores was wrongly accounted under two head of Accounts i.e., IUA 31 & 32. The same has been noticed by the audit and necessary action taken to reduce the closing stock to the extent of Rs. 9.30 Crores.
- ❖ The Transformers released due to failure or at the time of installation of higher capacity, the released transformer are not being returned to the stores and accounted properly as per prescribed procedure. It amounts to serious lapse and adverse impact on Companies fixed assets as well as accounting of depreciation.

Further, Audit has also observed that, in respect of repairing of Power Transformers failed within Guarantee period, are not repaired within stipulated period. It amounts to unnecessary lockup of Corporation funds. Letter addressed to the concerned Chief Engineer (Ele), to take suitable action in the matter.

#### IV. STATEMENT SHOWING THE DETAILS OF EXCESS / PAYMENTS / IRREGULAR EXPENDITURE AND AUDIT PARAS ISSUED DURING THE YEAR 2013-14.

(April-2013 to March-2014)

(Amount Rs. in lakhs)

Particulars	Opening Balance	Pointed Out	Total	Recovery / Regularized	Closing Balance
Excess Payments	16.46	524.08	540.54	483.79	56.75
Irregular expenditure	49.05	458.99	508.04	498.9	9.14
Audit Reports (in Nos.)	452	1983	2435	2094	341



## 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 31<sup>st</sup> March 2014, the Board of Directors comprised of 15 members. All the Directors take active part in the proceedings of Board and Sub-Committee meetings which add value to the decision making process.

### 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 2013-14, Board meetings were held on the dates as mentioned below:

Sl.No.	Meeting No.	Held on
1	86 <sup>th</sup> Meeting	28.06.2013
2	87 <sup>th</sup> Meeting	23.12.2013
3	88 <sup>th</sup> Meeting	14.02.2014

### 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	Designation
1	Managing Director, KPTCL	Chairman
2	Director (Finance) , KPTCL	Member
3	Director(Transmission), KPTCL	Member
	Director (RA) & Company Secretary, KPTCL	Convener

The concerned Zonal Chief Engineer will be the Co-ordinating Officer.



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

Sl. No.	Meeting No.	Held on
1	a) 132 <sup>nd</sup> Tendering & Procurement	20.05.2013
2.	a) 133 <sup>rd</sup> Tendering & Procurement	25.06.2013
3.	a) 134 <sup>th</sup> Tendering & Procurement b) 108 <sup>th</sup> Transmission Zone, Bangalore c) 39 <sup>th</sup> Transmission Zone, Hassan d) 51 <sup>st</sup> Transmission Zone, Gulbarga e) 43 <sup>rd</sup> Transmission Zone, Tumkur f) 71 <sup>st</sup> Transmission Zone, Mysore g) 66 <sup>th</sup> Transmission Zone, Bagalkote	22.07.2013
4.	a) 135 <sup>th</sup> Tendering & Procurement b) 109 <sup>th</sup> Transmission Zone, Bangalore c) 67 <sup>th</sup> Transmission Zone, Bagalkote d) 44 <sup>th</sup> Transmission Zone, Tumkur	23.10.2013 & adjourned to 28.10.2013
5.	a) 136 <sup>th</sup> Tendering & Procurement b) 110 <sup>th</sup> Transmission Zone, Bangalore c) 45 <sup>th</sup> Transmission Zone, Tumkur	20.12.2013
6.	a) 137 <sup>th</sup> Tendering & Procurement b) 111 <sup>th</sup> Transmission Zone, Bangalore	31.12.2013
7.	a) 138 <sup>th</sup> Tendering & Procurement b) 112 <sup>th</sup> Transmission Zone, Bangalore c) 68 <sup>th</sup> Transmission Zone, Bagalkote d) 72 <sup>nd</sup> Transmission Zone, Mysore	25.01.2014 & adjourned to 30.01.2014
8.	a) 113 <sup>th</sup> Transmission Zone, Bangalore b) 69 <sup>th</sup> Transmission Zone, Bagalkote c) 52 <sup>nd</sup> Transmission Zone, Gulbarga d) 40 <sup>th</sup> Transmission Zone, Hassan e) 139 <sup>th</sup> Tendering & Procurement f) 73 <sup>rd</sup> Transmission Zone, Mysore	18.03.2014 & adjourned to 21.03.2014
9.	a) 114 <sup>th</sup> Transmission Zone, Bangalore b) 41 <sup>st</sup> Transmission Zone, Hassan c) 74 <sup>th</sup> Transmission Zone, Mysore d) 53 <sup>rd</sup> Transmission Zone, Gulbarga	26.03.2014



## 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.

The Sub-Committee consists of the following members:

1. Additional Chief Secretary to GoK., Energy Department, GoK,
2. Principal Secretary to Govt, Finance Department
3. Managing Director, KPTCL
4. Director (Finance), KPTCL

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

Sl. No.	For Availing Finance from	Amount Rs. in Crores	Held on
1	M/s Canara Bank	300.00	24.05.2013
2	M/s Vijaya Bank	55.00	
3	M/s Bank of India	200.00	
4	M/s Canara Bank	485.04	27.06.2013
5	M/s Corporation Bank	300.00	30.08.2013
6	M/s Vijaya Bank	60.00	28.03.2014
7	M/s State Bank of Mysore	300.00	

## 3. Audit Committee:

In accordance with the Section 292(A) of Companies Act, 1956, KPTCL has constituted an Audit Committee in the interest of good Corporate Governance.

The composition of the Audit Committee is as follows:

Sl. No.	Members	Designation
1	Additional Chief Secretary, GoK, Energy Dept (By name)	Chairman
2	Principal Secretary, GoK, Finance Dept. (By name)	Member
3	Managing Director, BESCO (By name)	Member
4	Director (Transmission), KPTCL. (By name)	Member
5	Director (RA) & Company Secretary, KPTCL	Convener

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

Sl.No.	Meeting No.	Held on
1	17 <sup>th</sup> Meeting	19.11.2013



The following Terms of Reference are prescribed to Audit Committee to play an effective role:

1. Discussions with the Auditors periodically about Internal Control System and the scope of audit including observations of the auditors.
2. Review of the half-yearly and Annual Financial statements before submission to the Board.
3. Ensure compliance of Internal Control Systems.
4. Financial and Risk Management Policies and Fraud and Fraudulent Risks
5. Any other matters as may be referred to by the Board.

Audit Committee considers and recommends the financial results to the Board. Statutory Auditors & Cost Auditors are invited to attend the meeting. The Committee also invites Director (Finance), Financial Adviser (Accounts & Resources) and Financial Adviser (Internal Audit) to be present at the meeting.

### SPORTS :

Achievements of KPTCL Sports Organisation Players for the year 2013-14.

Our Teams participated in the AIESCB Tournaments in the following events:

Body building, Power Lifting, Kabaddi, Shuttle Badminton (Men & women) Foot Ball, Basket Ball

KPTCL Teams have participated in AIESCB tournaments for 2013-14 & secured **2<sup>nd</sup> Place** in OVER ALL CHAMPIONSHIP and made our organization proud.

KPTCL Sports Organisation has conducted Inter Company Sports activities for the year 2013-14 by conducting the events at Surathkal (Mangalore), Bidar, Hubli and Bengaluru.

<b>BODYBUILDING</b>	<p><b>International Level</b></p> <p>Sri Roshan Ferrao, MESCOM represented India in the Natural Mr.Olympia -2013 Body Building Championship held at San Diago (California)</p> <p><b>National Level</b></p> <p>KPTCL Body Building &amp; Power Lifting Teams participated in the 39<sup>th</sup> AIESCB Championship held at Patiala (Punjab) during January-2014.</p> <p>Sri Roshan Ferrao &amp; Sri A.G. Kittoor secured 2<sup>nd</sup> place in Body Building, Sri Kishore secured 1<sup>st</sup> place in Power Lifting, Sri Palani and Sri G.R.Govindgowda secured 2<sup>nd</sup> place, Sri Roshan Ferrao, K.Srinath, Chandrahasa, secured 3<sup>rd</sup> place in Power Lifting.</p> <p>KPTCL Body Building Team and Power Lifting Team secured 3<sup>rd</sup> place in the Team Championship</p>
<b>POWERLIFTING</b>	<p><b>National Level</b></p> <p>Sri G.R.Govindgowda, and T.Revanna, BESCO, Davangere have represented the Karnataka State team in the National Master Power Lifting Championship held at Rite(H.P.) during January-2014.</p>
<b>KABADDI</b>	<p><b>National Level</b></p> <p>KPTCL Kabaddi Team has participated in the 39<sup>th</sup> AIESCB Kabaddi Tournament held at Patiala (Punjab) during January-2014 and secured 1<sup>st</sup> Place .</p>



	<p><b>State Level</b> KPTCL Kabaddi Team has participated &amp; reached Quarter Final &amp; Semi Finals in many State Level Tournaments held in various places during the year 2013-14</p>
<b>CRICKET</b>	<p><b>State Level</b> KPTCL Cricket Team has participated and performed well in the KSCA Group II-Division-II League Tournament during the month of July 2013.</p>
<b>BALL BADMINTON</b>	<p><b>State Level</b> KPTCL Ball Badminton Team has secured <b>1<sup>st</sup> Place</b> in the State Level Ball Badminton Tournament held at Mysore during the month of April 2013.</p> <p>KPTCL Ball Badminton Team has secured <b>1<sup>st</sup> Place</b> in the State Level Ball Badminton Tournament held at Challakere during the month of June 2013.</p>
<b>BILLIARDS</b>	<p><b>International Level</b> Sri D. Rajkumar, KPTCL represented India in the World Billiards Championship held at Leeds (England) during October-2013 and secured Top 16 in the World.</p> <p><b>National Level</b> Sri D Rajkumar KPTCL represented Karnataka State Team in the National Billiards Championship held at Lucknow during February-2014</p>
<b>FOOTBALL</b>	<p><b>National Level</b> KPTCL Foot Ball Team have participated in the 39<sup>th</sup> AIESCB held at Coimbatore (T.N) during February-2014.</p>
<b>SHUTTLE BADMINTON</b>	<p><b>National Level</b> Smt Nandini &amp; Smt Kokila have secured 1<sup>st</sup> Place in Shuttle Badminton (Doubles), Smt Kokila secured 1<sup>st</sup> place, Smt Nandini secured 2<sup>nd</sup> Place in Shuttle Badminton Singles and KPTCL Team have secured 1<sup>st</sup> place in the Team Championship in the 39<sup>th</sup> AIESCB Shuttle Badminton Tournament held at Raipur (Chattisgarh) during January-2014.</p>
<b>BASKET BALL</b>	<p><b>National Level</b> KPTCL Team has participated in the 39<sup>th</sup> AIESCB Basket Ball Tournament held at Tiruvananthapuram (Kerala) during the month of March-2014.</p>

In the tournaments of this year young players of our Organisation have participated in huge numbers. As such the events were more competitive. The Managements of KPTCL, ESCOMS and the Members of Company Sports Committees' have encouraged our players to achieve more in National and Inter-National level Competitions.

KPTCL Sports Organisation has given opportunity for all employees and officers of KPTCL and ESCOMs to participate in 21 events. KPTCL Sports Organisation has always been in the forefront & secured 2<sup>nd</sup> place in the AIESCB Overall Championship for the year 2013-14 by participating in the most number of Tournaments and Championships organized by different Electricity utilities of the Country. KPTCL Sports Organisation is taking keen interest in improving performance of our employees in day to day office work with Sportive sprit, most efficiently & to maintain good health.

#### STATUTORY AUDITORS :

C & AG of India have appointed M/s. Manian & Rao, Bangalore as Statutory Auditors for auditing the Accounts of KPTCL for the Financial Year 2013-2014.





## **COST AUDITORS :**

Ministry of Corporate Affairs, Govt. of India have approved appointment of M/s GNV & Associates as Cost Auditors for auditing the Cost Accounting Records of KPTCL for the Financial Year 2013-2014.

## **PARTICULARS OF EMPLOYEES UNDER SECTION 217(2A) :**

The information under section 217(2A) of Companies Act, 1956 read with Company (Particulars of Employees) Rules, 1976 may be taken as NIL.

## **DIRECTORS' RESPONSIBILITY STATEMENT :**

Pursuant to requirement under section 217(2A) of the Companies Act, 1956 with respect of Directors' Responsibility Statement, it is hereby confirmed that:

1. In the preparation of the annual accounts, the applicable accounting standards have been followed alongwith proper explanation relating to material departures;
2. Accounting policies have been selected and applied consistently and judgments and estimates are made 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 or loss of the company for that period;
3. Proper and sufficient care has been taken for the 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; and
4. Annual accounts have been prepared on a going concern basis.

## **ACKNOWLEDGEMENT**

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, Power Finance Corporation Ltd., Rural Electrification Corporation, Karnataka Renewable Energy Development Ltd., 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 & on behalf of the Board**

**CHAIRMAN  
KPTCL**



**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 619(4) OF THE COMPANIES ACT, 1956 ON THE ACCOUNTS OF KARNATAKA POWER TRANSMISSION CORPORATION LIMITED, BANGALORE FOR THE YEAR ENDED 31 MARCH 2014.**

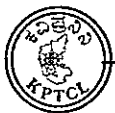
The preparation of financial statements of Karnataka Power Transmission Corporation Limited, Bangalore for the year ended 31 March 2014 in accordance with the financial reporting framework prescribed under companies Act, 1956 is the responsibility of the management of the Company. The statutory auditors appointed by the Comptroller and Auditor General of India under Section 619(2) of the Companies Act, 1956 are responsible for expressing opinion on these financial statements under section 227 of the Companies Act, 1956 based on independent audit in accordance with the auditing and assurance standards prescribed by their professional body, the Institute of Chartered Accountants of India. This is stated to have been done by them vide their Audit Report dated 23<sup>rd</sup> September 2014.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit, under section 619(3)(b) of the Companies Act, 1956, of the financial statements of "Karnataka Power Transmission Corporation Limited" for the year ended 31 March 2014. This 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 personnel and a selective examination of some of the accounting records. In view of the revisions made in the financial statement by the management, as a result of my audit observations highlighted during supplementary audit as indicated in the Note No.36.11.d forming part of Accounts, I have no further comments to offer upon or supplement to the Statutory Auditors' Report under section 619(4) of the Companies Act, 1956.

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

Sd/-  
**(L A C SINGH)**  
PRINCIPAL ACCOUNTANT GENERAL  
(ECONOMIC & REVENUE SECTOR AUDIT)  
KARNATAKA, BANGALORE

BANGALORE  
Dated : 24<sup>th</sup> September 2014.



## INDEPENDENT AUDITORS' REPORT

### To the Members of Karnataka Power Transmission Corporation Limited

We have audited the accompanying financial statements of KARNATAKA POWER TRANSMISSION CORPORATION LIMITED ("the Company") which comprise the Balance Sheet as at 31 March, 2014, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Pursuant to the observations made by the Comptroller & Auditor General of India during their supplementary audit u/s 619 (3) (b) of the Companies Act, 1956, the accounts approved by the Board of Directors of the Company on 6th September, 2014 have undergone a revision. The impact of the revision in the accounts of the Company is stated in Note No. 36.11(d). This revised Report is issued consequent to the revision made in the accounts by the Company and supersedes our earlier Audit Report issued dated 6th September, 2014.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Basis for Qualified Opinion :

1. *Non compliance of the financial statements dealt with by this report with the Accounting Standards referred to in subsection 3C of Section 211 of the Companies Act, 1956 and other provisions of*



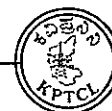
the Companies Act, 1956 or significant accounting policies of the Company observed by us as listed below:

- 1.1) Valuation in respect of certain stores and spares made at standard rate or cost instead of lower of cost or net realizable value and corresponding accounting of material cost variance in the accounts. The same is not in accordance with AS-2 "Valuation of inventories". In the absence of details, the effect of the same on the accounts is not ascertainable.
- 1.2) Company has made a provision of Rs.184.14 lakhs towards long term liability relating to Family Benefit Fund on an adhoc basis and not on the basis of actuarial valuation as on 31.03.2014 which is not in conformity with Accounting Standard (AS) 15 on "Employee Benefits", the effect of which on the accounts could not be ascertained.
- 1.3) Provision for long term employee benefit of leave encashment is made on an adhoc basis as stated in Note 24.2 without ascertaining the liability based on actuarial valuation as on 31.03.2014 which is not in conformity with Accounting Standard (AS) 15 on "Employee Benefits", the effect of which on the accounts could not be ascertained.
- 1.4) Provision for long term employee benefit of pension & gratuity in respect of employees joined on or before 31/03/2006 is made on adhoc basis at contribution rates advised by actuary as on 31.03.2012 as stated in Note 11.2 & 24.4 to the Accounts without ascertaining liability based on actuarial valuation as on 31.03.2014 which is not in conformity with Accounting Standard (AS) 15 on "Employee Benefits", the effect of which could not be ascertained.
- 1.5) Additional disclosures required to be made in terms of Accounting Standard AS-15 has also not been made in respect of long term employee benefits.
- 1.6) Note 5.1 regarding Deferred Tax Liability provided in earlier years considered as sufficient, the correctness of which could not be ascertained in the absence of necessary details of working for the position as on 31-03-2014 which is not in conformity with Accounting Standard (AS) 22- "Accounting for taxes on Income" and Accounting Policy Note No.35 10(b & c) of Significant Accounting Policies. The effect of the same on the accounts is not ascertainable.
2. Attention is drawn to Note 10 regarding credit balances of Rs.3975.41 lakhs grouped under 'Other Current Liabilities' & Note 20 regarding debit balances of Rs.94.42 lakhs grouped under 'Other Current Assets' which represents un reconciled / un responded entries in Inter Unit Accounts, and which also includes several old transactions. Consequent impact of the same on the accounts is not readily ascertainable in the absence of details.
3. Attention is drawn to Note 36.6 (b) on the accounts regarding receivables from and Payable to ESCOMs referred (aggregating to Rs.8331.03 lakhs and Rs.6721.16 lakhs respectively) which includes amounts subject to reconciliation and confirmation. Consequential impact of the same on the accounts due to the above is not ascertainable.
4. 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 Rs.186362 lakhs (shown in Note 09 on Accounts) stated to be balance amount payable relating to purchase of power made up to 09.06.2005 (substantial portion of which is outstanding for more than three years).
5. Adjustment pending notification by G.O.K., Rs.4238.43 lakhs shown in Note 6.5 to the Accounts under 'Other Long term Liabilities' which represents adjustments made after notification of final opening balance sheet as on 01.06.2002. As per G.O.K. letter dated 14.06.2012, Government has directed KPTCL to reconcile the above balance with ESCOMs and to send the revised proposal



for approval. As on 31.03.2014 the reconciliation of the above accounts is under progress, pending which the effect on the net worth could not be ascertained.

6. *Other Payables – Sundry Liabilities Rs. 14,449.99 lakhs (Note 10 to accounts) include Rs. 118.20 lakhs being amount recovered from employees in earlier years pending payment to Employees Welfare Trust, which as informed to us was constituted but modalities have not been framed and notified.*
7. *Amounts Recoverable from Employees of Rs. 433.81 lakhs disclosed in Note 15 to the Accounts and Rs. 66.20 lakhs disclosed in Note 20 to the Accounts includes amounts recoverable relating to shortage etc., proposed to be recovered from future salaries/terminal benefits. In the absence of necessary details, amount required to be provided towards irrecoverable balance could not be ascertained.*
8. *Wheeling charges receivable from other States (net of payable) Rs. 1396.03 lakhs disclosed under Note 17 'Trade Receivables' includes Rs. 725.26 lakhs receivable from KSEB and TNEB outstanding for over three years and not realised till date. As informed to us, reconciliation work is under progress to recover the amounts. Consequential amounts required to be written off, if any, is not ascertainable.*
9. *Attention is drawn to Note 12.1, wherein transfer of title deeds in favour of the Company is not available / under process in respect of certain lands and complete documents are not available in respect of certain premises occupied by the Company.*
10. *The Company has been providing for bonus to eligible employees for the year only to the extent of minimum bonus, without ascertaining allocable surplus and set on available, as per Payment of Bonus Act. Consequently additional liability under the said Act could not be ascertained. Attention is also drawn to Note 10.3 on Accounts- Ex-gratia paid is subject to post facto approval/ ratification of the Government of Karnataka.*
11. *In respect of some major works, as per tender terms and internal clarifications, reimbursement of taxes / variation in duties & taxes like Excise duty & CST need to be reimbursed to the Contractors on actual basis based on valid documentary proof. However, we observed that payments have been made based on amounts as per Detailed Work Award (DWA) instead of actual based on documentary evidence resulting in excess payment to the Contractors and overstatement of Capital Work-In-Progress/ Fixed Assets. In the absence of documentary proof / workings, the effect of the same on the accounts could not be ascertained.*
12. *In respect of some capital works, we observed that tendered amounts wrongly included 1% cess under Building & Other Construction Workers Welfare Cess Act on the supply portion. As per internal clarifications, the same need to be recovered/ disallowed from Contractors and passed on to the Company. However, we observed that the same has not been recovered in some of the works resulting in overstatement of Capital Work-In-Progress / Fixed Assets. In the absence of required workings, the effect of the same on the accounts could not be ascertained.*
13. *As per GO FD 59 PRO. CELL 2004 dt: 26.11.2004 applicable for tenders invited before 21.08.2011, Price adjustment clause shall be included in all works contracts whose estimated cost put to tender is Rs. 100 lakhs or more and the period of completion is 12 months or more. However, Board vide in its 47th meeting held on 25th July, 2005 had modified the completion period to 6 months from 12 months. The same is not in accordance of the above G.O. During the year we have observed payment to Contractors towards price variation which is not in compliance with the above G.O. In the absence of workings, we are unable to quantify the amount or its effect in the*



accounts. Ratification should be obtained from GOK for all payments made that is not in accordance with the above G.O.

14. As per G.O. No. FD 3 PCL 2008 dated 21.11.2008, if the period of works execution is more than 6 months but less than or equal to 12 months for works costing more than Rs.50 lakhs, star rates in respect of specified materials (cement, steel & bitumen) only shall be payable to the contractor. However we observed that the PV was paid to works contracts whose completion period was more than 6 months but less than 12 months for items other than cement, steel & bitumen. The same is not in compliance with the G.O. and also Board order dated 05/03/2009 which is based on the G.O. In the absence of workings, we are unable to quantify the amount or its effect in the accounts. Ratification should be obtained from G.O.K. for all payments made in violation of the above G.O.
15. In respect of work awarded for establishing Gas Insulated Switchgear Station at EPIP in Bangalore due to change in the design of GIS hall, the entire activity chart for station work was revised. As per original DWA, the activity of drawings approval, vendors was to start on 09.08.2011 and supply of transformer & other equipments to be completed latest by 09.04.2012, ie., within a period of 8 months. However, as per the revised activity chart, the activity of drawings approval was to start from 22.12.2011 and supply of transformer & other equipments to be completed latest by 09.04.2013, ie., with a timeframe of 1 year, 3 months and 2 weeks. Hence, it is observed that even though the activity has been rescheduled in its entirety, the total activity period for completion of supply has got extended by 7 months & 2 weeks in the revised activity chart when compared with the original activity chart and the basis for the extension of time frame for supply is not on records. Also, it is observed that the revised date of completion of the entire activity was 09.06.2013 and the approval for the revised activity chart was given on 12.06.2013 ie., only after completion of the entire activity. Because of the reasons stated above, we are unable to comment on the correctness of price variation of Rs.2.41 crores paid for this work and its impact on the accounts is not ascertainable.
16. In respect of one of the works executed on self execution basis for conversion of overhead DC line across HAL Airport Road, Bangalore into UG cable , approval was accorded for sparing of requisite cable of about 2.8 km of 630 sq mm available in stock with KPTCL. As per the approval, the rate to be charged should be on the basis of recently awarded rate with positive price variation loaded on it or at the original procurement rate whichever is higher. The recent awarded rate was Rs.70.80 lakhs per km based on DWA dt. 04.11.2011 for another work. However, it is observed that positive price variations have not been loaded on this rate. Had the price variation been considered, the rate per km would work out to Rs.76.90 lakhs. Hence, there is short collection to the extent of Rs.17.09 lakhs. Consequently, the other income and profit for the year is understated by Rs.17.09 lakhs, KVAT of Rs.2.48 lakhs under current liabilities is understated and receivable from Contractors under current assets is understated by Rs.19.57 lakhs.
17. The consequential effect of the above comments to the extent ascertainable is as under:

(Rs. In lakhs)

Particulars	Statement of Profit & Loss	Balance Sheet
Understatement of Profit and understatement of current assets	17.09	19.57
Understatement of current liabilities	2.48	



*The net effect is understatement of profit by Rs.17.09 lakhs, understatement of current liabilities by Rs.2.48 lakhs and understatement of current assets by Rs.19.57 lakhs.*

#### **Qualified Opinion:**

In our opinion and to the best of our information and according to the explanations given to us, except for the effect on the matter described in the Basis for Qualified Opinion paragraph, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (i) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31<sup>st</sup> 2014.
- (ii) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date;

#### **Emphasis of Matter:**

We draw attention to:

- (a) Note 35.1 (b) under "Significant Accounting Policies" wherein the Company has adopted the accounting standards as prescribed under the Companies Act from financial year 2013-14 based on the tariff order of KERC.
- (b) Note 6.3 regarding difference in transmission charges billed and accounted in earlier year amounting to Rs.26,117.65 lakhs disclosed under other long term liabilities and appealed by KERC before Hon'ble Supreme Court of India.
- (c) Note 6.4 & Note 15 regarding accounting of additional fixed cost paid by the Company to TBPCL as regulatory asset and recoverable from ESCOMs to the extent of Rs.54,384 lakhs.
- (d) Note 12.3 regarding Rs. 112.50 lakhs demanded by lessor (including Rs. 59.60 lakhs relating to assets held by ESCOMs) for transfer of title over the assets earlier obtained on lease, not provided for in the accounts, as negotiation to terminate the lease agreement and repossession of assets are stated to be in progress.
- (e) Note 36.6 (a) wherein balance confirmation have been obtained only in respect of borrowings from Banks and financial Institutions and bank balances. Consequently, the balances in respect of receivables / trade payables / loans and advances / other liabilities etc., as disclosed in the accounts are subject to confirmation.

Our opinion is not qualified in respect of the above matters.

#### **Report on Other Legal and Regulatory Requirements**

- a) As required by the Companies (Auditor's Report) Order, 2003 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure statement on the matters specified in paragraphs 4 & 5 of the Order.
- b) As required by Section 227 (3) of the Act, we report that:
  - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;



- (ii) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- (iii) The Balance Sheet, the Statement of Profit & Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
- (iv) Except for the matter described in the Basis for Qualified Opinion paragraph, in our opinion, the Balance Sheet, the Statement of Profit & Loss and the Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956, read with the General Circular 15/2013 dated 13<sup>th</sup> September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 except as stated in para no. 1 of Basis for Qualified Opinion paragraph.
- c) The Company being a Government Company, the provision of Section 274(1) (g) of the Companies Act, 1956 regarding disqualification of Directors does not apply in terms of Notification No.GSR 829(E) dt.21.10.2003.

**For Manian & Rao**  
Chartered Accountants  
Firm Registration No: 001983S

Sd/-  
**(Srikanth. R)**  
Partner  
Membership No: 203138

Place : Bangalore  
Date : 23rd September 2014





## ANNEXURE TO THE AUDITORS' REPORT

(The 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, 2014. We report that:

### 1. In respect of its fixed Assets :

- a) The Company has been maintaining records showing particulars including quantitative details of fixed assets, except for land for which complete records are not available in respect of certain premises. It was informed to us that updating of land records is still in progress. Details of the situation of fixed assets have not been mentioned in all the cases.
- b) (i) According to the information and explanations given to us, the assets/installations put to use in electricity supply and 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.  
(ii) The Company has a system of physical verification of tools and furniture (T&P counting) every year.  
(iii) Asset records at divisions relating to land 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 fixed assets, capital work in progress (including material procured under turnkey contracts), and assets not in use.
- c) The Company has not disposed-off substantial part of fixed assets during the year so as to affect its going concern status.

### 2. In respect of its inventories :

- a) According to the information and explanations given to us, the Company has a system of physical verification of inventories of stores & spares, tools & plants every year and at the time of handing over of charge.
- b) The procedure of physical verification of inventory followed by the management is, in our opinion reasonable and adequate in relation to the size of the Company and nature of its business.
- c) As per the information and explanations furnished to us, the Company is maintaining proper records for Inventories. As explained to us, discrepancies on physical verification of stock as compared to book records have been properly dealt with in the books of accounts.

### 3. Loans & Advances :

- a) According to the information and explanations given to us, the company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of Companies Act of 1956. Accordingly, the provisions of clause 4(iii) (a) to (d) of the Order are not applicable to the Company.
- b) According to the information and explanations given to us, the company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained



under section 301 of Companies Act of 1956. Accordingly, the provisions of clause 4(iii) (e) to (g) of the Order are not applicable to the Company.

**4. Internal Control :**

In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and nature of its business for the purchase of inventory and fixed assets and for service / transmission of power. However, the internal controls with regard to verification and payment of work bills including price variation bills of contractors as per applicable terms and conditions of contracts need to be further strengthened. Also, in respect of 'Advice of Transfer (Inter unit Accounts)', accounting for takeover of assets on short closure, asset categorization, accounting for completed works and review of balances for adjustment / recovery, the procedures, in our opinion, needs to be streamlined and further strengthened.

**5. Transactions covered under section 301 of the Companies Act, 1956 :**

According to information provided by the management, there are no transactions which need to be entered into the register maintained under Section 301 of the Companies Act, 1956 and hence the question of ascertaining whether these transactions have been made at prices which are reasonable having regard to the prevailing market prices does not arise.

6. According to the information and explanations given to us, the Company has not accepted any deposits from the public. Therefore provision of clause 4 (vi) of the Order are not applicable.
7. The Company has an internal audit division. In our opinion, the internal audit system requires further strengthening with regard to the following aspects: 1) Availability of adequate trained manpower for conducting the internal audit (including professionally qualified staff) 2) Scope and extent of coverage of transactions including compliance with Accounting Standards, categorization of assets need to be widened commensurate with the size and nature of its business and 3) Presence of internal audit staff during physical verification of fixed assets and inventory.
8. The maintenance of cost records in respect of electricity / transmission of power has been prescribed by the government under clause (d) of subsection (1) of Section 209 of the Companies Act, 1956. However we are informed that the Company does not keep separate set of registers and books for cost records and cost statements are prepared based on the financial accounting books and records.

**9. In respect of statutory dues:**

- a) Based on our examination of books of accounts and according to the information and explanations given to us, in our opinion, during the year the Company is regular in depositing undisputed statutory dues with the appropriate authorities and there were no arrears of such dues at the year-end which have remained outstanding for a period of more than six months from the date they became payable except provident fund contribution relating to earlier year of Rs. 7.63 lakhs, KVAT to the extent of Rs 33.27 Lakhs and Service tax payable on supervision charges to the extent of Rs.7.73 Lakhs.
- b) According to the information and explanations given and records produced to us, following are the details of the disputed Income Tax and Service Tax that have not been deposited on account of disputes:



### Income Tax Cases

Sl. No.	Assessment Year	Nature of Dues	Forum where the dispute is pending	Amount
1	2007-08	Debt-servicing done by KPTCL on behalf of GoK which was reimbursed by the latter subsequently has been construed as 'income escaping assessment'	Hon'ble ITAT, Bangalore	Rs. 9373 lakhs

### Service Tax Cases

Sl. No.	Period	Nature of Dues	Forum where the dispute is pending	Amount
1	2006-07 to 2010-11	VSAT Charges	CESTAT	24,05,834/-
2	2011-12			1,68,568/-
3	2007-2008 to 2009-2010	Renting of Immovable Property	CESTAT	1,02,03,580/-
4	2010-2011			16,28,588/-
5	2011-2012			37,70,652/-
6	01.04.2012 to 30.06.2012			12,30,928/-
7	17.05.2007 to 2009-10	Technical Inspection & Certification Services	CESTAT	14,63,998/-
8	01.04.2010 to 30.09.2010			3,62,972/-
9	01.04.2011 to 30.09.2011			1,94,104/-
10	01.10.2011 to 31.03.2012			3,75,086/-
11	01.04.2012 to 30.06.2012			1,69,871/-

10. The Company does not have any accumulated losses at the end of the financial year and subject to the effect of qualification in the audit report, has not incurred cash losses in this financial year and in the immediately preceding financial year.
11. Based on our examination of books of account and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions or banks or debenture holders.



12. According to the information and explanations given to us, the Company has not granted any loans & advances on the basis of security by way of pledge of shares, debentures and other securities. As such provisions of clause 4(xii) of the Order are not applicable.
13. The Company is not a Chit fund or a nidhi / mutual benefit fund/ society. Therefore, clause 4(xiii) of the Order is not applicable to the Company.
14. In our opinion and according to the information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures and other investments. Therefore, clause 4(xiv) of the Companies (Auditor's Report) Order 2003 is not applicable to the Company.
15. According to the information and explanation given to us the Company has not given guarantees for loan taken by others from banks or financial institutions.
16. According to the information and explanations given to us, though the loan funds and utilization thereof cannot be matched one to one as the funds are pooled, on an overall basis, the term loans have been applied or in the process of being applied for the purposes for which they were obtained.
17. According to the Cash flow statement and other records examined by us and according to the information and explanation given to us, on an overall basis, funds raised on short term basis have prima facie, not been used during the year for long term investment other than temporary deployment pending receipt of long term loans.
18. During the year, the Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Companies Act, 1956.
19. The Company has not issued any debentures. Accordingly the provisions of clause 4(xix) of the Order are not applicable.
20. The Company has not raised money by public issue; as such provisions of clause 4(xx) of the Order are not applicable.
21. According to the information and explanation given to us and to the best of our knowledge and belief, during the year no fraud on or by the Company has been noticed or reported during the year under audit. In respect of departmental enquiry initiated against a few employees relating to alleged serious irregularities, we are informed that the nature can be determined only on completion of enquiry.

**For Manian & Rao**  
Chartered Accountants  
Firm Registration No: 001983S

Sd/-  
**(Srikanth. R)**  
Partner  
Membership No: 203138

Place : Bangalore  
Date : 23rd September 2014



## ADDENDUM TO DIRECTORS' REPORT

FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2014

FOLLOWING REMARKS ARE OFFERED ON THE OBSERVATION/COMMENTS OF  
THE STATUTORY AUDITOR ON THE ACCOUNTS FOR 2013-14

Sl.No.	Observations of Statutory Auditors	Management Reply
1.	<i>Non compliance of the financial statements dealt with by this report with the Accounting Standards referred to in subsection 3C of Section 211 of the Companies Act, 1956 and other provisions of the Companies Act, 1956 or significant accounting policies of the Company observed by us as listed below:</i>	
1.1	<i>Valuation in respect of certain stores and spares made at standard rate or cost instead of lower of cost or net realizable value and corresponding accounting of material cost variance in the accounts. The same is not in accordance with AS-2 "Valuation of inventories". In the absence of details, the effect of the same on the accounts is not ascertainable.</i>	KPTCL has adopted the modified policy for valuation of Inventory with effect from 01/04/2014.  As such, valuation of inventory in accordance with AS-2 will be followed by KPTCL from 2014-15 and onwards.
1.2	<i>Company has made a provision of Rs.184.14 lakhs towards long term liability relating to Family Benefit Fund on an adhoc basis and not on the basis of actuarial valuation as on 31.03.2014 which is not in conformity with Accounting Standard (AS) 15 on "Employee Benefits", the effect of which on the accounts could not be ascertained.</i>	Provision towards Family Benefit Fund(FBF) is being made based on the previous year's fund value and the incremental fund required towards interest. This procedure is being followed consistently by KPTCL. When compared to payment made to the beneficiaries in respect of FBF contribution by the Corporation, provision made towards FBF is adequate.
1.3	<i>Provision for long term employee benefit of leave encashment is made on an adhoc basis as stated in Note 24.2 without ascertaining the liability based on actuarial valuation as on 31.03.2014 which is not in conformity with Accounting Standard (AS) 15 on "Employee Benefits", the effect of which on the accounts could not be ascertained.</i>	KPTCL & ESCOMs Pension and Gratuity Trust(KEPGT) has appointed the Actuary on behalf of KPTCL & ESCOMs. Actuary is yet to submit the Actuarial Valuation Report. In the absence of Actuarial Valuation Report, provision towards Leave Encashment has been made as per the method adopted in previous year.
1.4	<i>Provision for long term employee benefit of pension &amp; gratuity in respect of employees joined on or before 31/03/2006 is made on adhoc basis at contribution rates advised by actuary as on 31.03.2012 as stated in Note 11.2 &amp; 24.4 to the Accounts without</i>	Provision towards Pension and Gratuity Contribution for 2013-14 has been made based on the prevailing rates intimated by KEPGT.  Actuarial valuation Report as at 31-03-2014 is not yet received by P&G Trust. On receipt



Sl.No.	Observations of Statutory Auditors	Management Reply
	<i>ascertaining liability based on actuarial valuation as on 31.03.2014 which is not in conformity with Accounting Standard (AS) 15 on "Employee Benefits", the effect of which could not be ascertained.</i>	of the same and intimation from the Trust further action if required will be taken.
1.5	<i>Additional disclosures required to be made in terms of Accounting Standard AS-15 has also not been made in respect of long term employee benefits.</i>	Actuarial valuation report as on 31-03-2014 is not been provided by P&G Trust. Hence disclosure in accordance with AS-15 is not made.
1.6	<i>Note 5.1 regarding Deferred Tax Liability provided in earlier years considered as sufficient, the correctness of which could not be ascertained in the absence of necessary details of working for the position as on 31-03-2014 which is not in conformity with Accounting Standard (AS) 22 – "Accounting for taxes on Income" and Accounting Policy Note No.35.10(b &amp; c) of Significant Accounting Policies. The effect of the same on the accounts is not ascertainable.</i>	The Deferred Tax Liability has been worked out and it is found that, Deferred Tax Liability provided in earlier years is considered as adequate.
2	<i>Attention is drawn to Note 10 regarding credit balances of Rs.3975.41 lakhs grouped under 'Other Current Liabilities' &amp; Note 20 regarding debit balances of Rs.94.42 lakhs grouped under 'Other Current Assets' which represents un reconciled / un responded entries in Inter Unit Accounts, and which also includes several old transactions. Consequent impact of the same on the accounts is not readily ascertainable in the absence of details.</i>	Except a few old items, majority of unmatched IUA transactions have been reconciled and paired off. Action will be taken to reconcile the balance under unmatched items during 2014-15.
3	<i>Attention is drawn to Note 36.6 (b) on the accounts regarding receivables from and Payable to ESCOMs referred (aggregating to Rs.8331.03 lakhs and Rs.6721.16 lakhs respectively) which includes amounts subject to reconciliation and confirmation. Consequential impact of the same on the accounts due to the above is not ascertainable.</i>	As disclosed in Note 36.6(b) substantial progress has been achieved during the year in reconciling the balances under Receivable and Payable Accounts with ESCOMs.
4	<i>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 Rs.186362 lakhs (shown in Note 09 on Accounts) stated to be balance</i>	The liability shown in the Sundry creditors for purchase of Power are correct. As the company has to discharge these liabilities the same are being continued under the liability Account.



Sl.No.	Observations of Statutory Auditors	Management Reply
	<i>amount payable relating to purchase of power made up to 09.06.2005 (substantial portion of which is outstanding for more than three years).</i>	
5	<i>Adjustment pending notification by G.O.K, Rs.4238.43 lakhs shown in Note 6.5 to the Accounts under 'Other Long term Liabilities' which represents adjustments made after notification of final opening balance sheet as on 01.06.2002. As per G.O.K. letter dated 14.06.2012, Government has directed KPTCL to reconcile the above balance with ESCOMS and to send the revised proposal for approval. As on 31.03.2014 the reconciliation of the above accounts is under progress, pending which the effect on the net worth could not be ascertained.</i>	Action has been taken to reconcile the items under Adjustment pending notification by GOK with ESCOMs. Corresponding Items under this account are being verified by ESCOMs. On receipt of details from ESCOMs, further action will be taken.
6	<i>Other Payables – Sundry Liabilities Rs.14,445.99 lakhs (Note 10 to accounts) include Rs.118.20 lakhs being amount recovered from employees in earlier years pending payment to Employees Welfare Trust, which as informed to us was constituted but modalities have not been framed and notified.</i>	"KPTCL and ESCOMs Employees Welfare Trust" was formed in 2008. Further course of action is being taken in 2014-15.
7	<i>Amounts Recoverable from Employees of Rs. 433.80 lakhs disclosed in Note 15 to the Accounts and Rs. 66.20 lakhs disclosed in Note 20 to the Accounts includes amounts recoverable relating to shortage etc., proposed to be recovered from future salaries/terminal benefits. In the absence of necessary details, amount required to be provided towards irrecoverable balance could not be ascertained.</i>	In most of the cases, recovery is being effected from the salary of the employees. Since, the amount will be recovered from employees/retired employees out of the monthly salary/Terminal benefits of the employees/retired employees making provision for irrecoverable balance does not arise.
8	<i>Wheeling charges receivable from other States (net of payable) Rs. 1396.03 lakhs disclosed under Note 17 'Trade Receivables' includes Rs. 725.26 lakhs receivable from KSEB and TNEB outstanding for over three years and not realised till date. As informed to us, reconciliation work is under progress to recover the amounts. Consequential amounts required to be written off, if any, is not ascertainable.</i>	Though reconciliation with KSEB has been carried out receivable and payable amounts are yet to be confirmed.  In case of TNEB, reconciliation of balances is under process.



Sl.No.	Observations of Statutory Auditors	Management Reply
9	<i>Attention is drawn to Note 12.1, wherein transfer of title deeds in favour of the Company is under process in respect of certain lands and complete documents are not available in respect of certain premises occupied by the Company.</i>	Transfer of title in favour of KPTCL is under process. Out of 1167 premises complete documents for 706 premises are available and for 287 premises partial documents are available. Action on remaining items will be initiated.
10	<i>The Company has been providing for bonus to eligible employees for the year only to the extent of minimum bonus, without ascertaining allocable surplus and set on available, as per Payment of Bonus Act. Consequently additional liability under the said Act could not be ascertained. Attention is also drawn to Note 10.3 on Accounts- Ex-gratia paid is subject to post facto approval/ ratification of the Government of Karnataka.</i>	Minimum bonus is being paid at a uniform rate over a number of years and has no link with allocable surplus.  Minimum Bonus/Exgratia to an extent of Rs. 3.39 Crore has been accounted in the books.  Action is being taken to refer the matter to GOK for ratification.
11	<i>In respect of some major works, as per tender terms and internal clarifications, reimbursement of taxes / variation in duties &amp; taxes like Excise duty &amp; CST need to be reimbursed to the Contractors on actual basis based on valid documentary proof. However, we observed that payments have been made based on amounts as per Detailed Work Award (DWA) instead of actual based on documentary evidence resulting in excess payment to the Contractors and overstatement of Capital Work-In-Progress/ Fixed Assets. In the absence of documentary proof / workings, the effect of the same on the accounts could not be ascertained.</i>	Instructions have been issued to all Accounting Units to verify the issue and take appropriate action. The issue will be pursued further during 2014-15 and necessary action will be taken
12	<i>In respect of some capital works, we observed that tendered amounts wrongly included 1% cess under Building &amp; Other Construction Workers Welfare Cess Act on the supply portion. As per internal clarifications, the same need to be recovered/ disallowed from Contractors and passed on to the Company. However, we observed that the same has not been recovered in some of the works resulting in overstatement of Capital Work-In-Progress / Fixed Assets. In the absence of required workings, the effect of the same on the accounts could not be ascertained.</i>	Detailed circular instructions to the Accounting Units has been issued for initiating required action with reference to the price sheets to be made available to the Units in 2014-15.





Sl.No.	Observations of Statutory Auditors	Management Reply
13	<p><i>As per G.O. FD 59 PRO. CELL 2004 dt: 26.11.2004 applicable for tenders invited before 21.08.2011, Price adjustment clause shall be included in all works contracts whose estimated cost put to tender is Rs.100 lakhs or more and the period of completion is 12 months or more. However, Board vide in its 47th meeting held on 25th July, 2005 had modified the completion period to 6 months from 12 months. The same is not in accordance of the above G.O. During the year we have observed payment to Contractors towards price variation which is not in compliance with the above G.O. In the absence of workings, we are unable to quantify the amount or its effect in the accounts. Ratification should be obtained from G.O.K for all payments made that is not in accordance with the above G.O.</i></p>	<p>G.o.K. will be addressed to ratify the action taken if required.</p>
14	<p><i>As per G.O No. FD 3 PCL 2008 dated 21.11.2008, if the period of works execution is more than 6 months but less than or equal to 12 months for works costing more than Rs.50 lakhs, star rates in respect of specified materials (cement, steel &amp; bitumen) only shall be payable to the contractor. However we observed that the PV was paid to works contracts whose completion period was more than 6 months but less than 12 months for items other than cement, steel &amp; bitumen. The same is not in compliance with the G.O. and also Board order dated 05/03/2009 which is based on the G.O. In the absence of workings, we are unable to quantify the amount or its effect in the accounts. Ratification should be obtained from G.O.K. for all payments made in violation of the above G.O.</i></p>	<p>The issue will be re-examined and action required if any will be taken during 2014-15</p>
15	<p><i>In respect of work awarded for establishing Gas Insulated Switchgear Station at EPIP in Bangalore due to change in the design of GIS hall, the entire activity chart for station work was revised. As per original DWA, the activity of drawings approval, vendors was to start on 09.08.2011 and supply of transformer &amp; other equipments to be completed latest by 09.04.2012, ie., within a period of 8 months. However, as per the revised activity chart, the</i></p>	<p>Initially Work of establishing Gas Insulated Switchgear station at EPIP, Bangalore was awarded and subsequently due to change in the design of GIS hall, the entire activity Chart for station work was revised up to the period 09/06/2013.</p> <p>For this project the time extension upto 9-6-2013 is approved on 25/7/2012. After getting the same, the revised activity chart was prepared and sent on 21/8/2012.</p>



SI.No.	Observations of Statutory Auditors	Management Reply
	<p>activity of drawings approval was to start from 22.12.2011 and supply of transformer &amp; other equipments to be completed latest by 09.04.2013, ie., with a timeframe of 1 year, 3 months and 2 weeks. Hence, it is observed that even though the activity has been rescheduled in its entirety, the total activity period for completion of supply has got extended by 7 months &amp; 2 weeks in the revised activity chart when compared with the original activity chart and the basis for the extension of time frame for supply is not on records. Also, it is observed that the revised date of completion of the entire activity was 09.06.2013 and the approval for the revised activity chart was given on 12.06.2013 ie., only after completion of the entire activity. Because of the reasons stated above, we are unable to comment on the correctness of price variation of Rs.2.41 crores paid for this work and its impact on the accounts is not ascertainable.</p>	
16	<p>In respect of one of the works executed on self execution basis for conversion of overhead DC line across HAL Airport Road, Bangalore into UG cable, approval was accorded for sparing of requisite cable of about 2.8 km of 630 sq mm available in stock with KPTCL. As per the approval, the rate to be charged should be on the basis of recently awarded rate with positive price variation loaded on it or at the original procurement rate whichever is higher. The recent awarded rate was Rs.70.80 lakhs per km based on DWA dt. 04.11.2011 for another work. However, it is observed that positive price variations have not been loaded on this rate. Had the price variation been considered, the rate per km would work out to Rs.76.90 lakhs. Hence, there is short collection to the extent of Rs.17.09 lakhs. Consequently, the other income and profit for the year is understated by Rs.17.09 lakhs, KVAT of Rs.2.48 lakhs under current liabilities is understated and receivable from Contractors under current assets is understated by Rs.19.57 lakhs.</p>	<p>Approval was accorded for conversion of part of 66 KV DC Overhead HAL-Audugodi line by 66 KV, 630 sq.mm. U.G.cable was available at the store stock of KPTCL.</p> <p>It is informed to collect Rs.70,80,094.22 per km from the concerned to issue U.G.cable and the transaction shall be in accordance with prevailing KPTCL norms.</p> <p>Accordingly, 2,852 mtrs of UG cable was issued to the work and KPTCL has collected Rs.2,01,92,431.00 as sale proceeds. Although the actual cable length required for the work was 2282 mtrs, but 2,852 mtrs of cable was sold, i.e., in 6 full drums. Subsequently contractor has returned 570 mtrs of UG cable worth of Rs. 40,35,654/-. As such, cost per km of cable sold by KPTCL became Rs.88,48,528/-.</p> <p>Further, the said cable was supplied to KPTCL at the rate of Rs.44,90,542.00 per km during 2009 and KPTCL has sold at the rate of Rs.88,48,528.00 per km and the present market rate of the cable is around Rs.70 to 80 lakh per km.</p> <p>Hence, further collection of amount from the concerned is not required.</p>



Sl.No.	Observation of Statutory Auditors	Management Reply									
17.	<p>The consequential effect of the above comments to the extent ascertainable is as under:</p> <p style="text-align: right;">(Rs. in lakhs)</p> <table border="1" data-bbox="245 371 778 748"> <thead> <tr> <th data-bbox="245 371 483 477">Particulars</th> <th data-bbox="483 371 639 477">Statement of Profit &amp; Loss</th> <th data-bbox="639 371 778 477">Balance Sheet</th> </tr> </thead> <tbody> <tr> <td data-bbox="245 477 483 645">Understatement of Profit and understatement of current assets</td> <td data-bbox="483 477 639 645" style="text-align: center;">17.09</td> <td data-bbox="639 477 778 645" style="text-align: center;">19.57</td> </tr> <tr> <td data-bbox="245 645 483 748">Understatement of Current liabilities</td> <td data-bbox="483 645 639 748" style="text-align: center;">2.48</td> <td data-bbox="639 645 778 748"></td> </tr> </tbody> </table> <p>The net effect is understatement of profit by Rs.17.09 lakhs, understatement of current liabilities by Rs.2.48 lakhs and understatement of current assets by Rs.19.57 lakhs.</p>	Particulars	Statement of Profit & Loss	Balance Sheet	Understatement of Profit and understatement of current assets	17.09	19.57	Understatement of Current liabilities	2.48		
Particulars	Statement of Profit & Loss	Balance Sheet									
Understatement of Profit and understatement of current assets	17.09	19.57									
Understatement of Current liabilities	2.48										



**BALANCE SHEET AS AT 31st MARCH 2014** (Amount in Rs.)

Sl. No.	Particulars	Note No.	Account Code	AS AT 31-03-2014		AS AT 31-03-2013	
<b>I</b>	<b>EQUITY AND LIABILITIES</b>						
(1)	<b>Shareholder's Funds</b>						
a)	Share Capital	1	52.301	1575 32 25 000		1575 32 25 000	
b)	Reserves and Surplus	2	55 to 58	351 28 79 955		594 13 99 610	
(2)	<b>Equity Infusion (Shares pending Allotment)</b>	2A	52.302 & 52.303	424 67 75 000		350 00 00 000	
(3)	<b>Contribution &amp; grants towards cost of capital assets</b>	3	55.1	346 11 70 076	2697 40 50 031		2519 46 24 610
(4)	<b>Non-Current Liabilities</b>						
a)	Long-term borrowings	4	51 to 54	4455 70 73 041		4519 74 92 464	
b)	Deferred Tax Liabilities(Net)	5	46.802	274 28 98 876		274 28 98 876	
c)	Other long term liabilities	6	42 to 53	1215 51 65 079		1308 00 50 239	
d)	Long-term Provisions	7	44	176 48 65 409		104 11 25 622	
(5)	<b>Current Liabilities</b>				6122 00 02 405		6206 15 67 201
a)	Short-term borrowings	8	51 to 54	60 00 00 000		590 00 00 000	
b)	Trade payables	9	41	1863 61 87 327		1760 14 37 011	
c)	Other current liabilities	10	42 to 46	1384 05 73 200		1332 91 92 992	
d)	Short-term provisions	11	42,44,46	112 66 64 445	3420 34 24 972	103 46 75 329	3786 53 05 332
	<b>TOTAL</b>				<b>12239 74 77 408</b>		<b>12512 14 97 143</b>
<b>II</b>	<b>ASSETS</b>						
1	<b>Non-Current assets</b>						
a)	Fixed assets						
i)	Tangible Assets	12	10 & 12	7984 22 03 250		7776 58 18 682	
ii)	Intangible assets	12A	18	19 36 440		29 92 680	
iii)	Capital work-in-progress	13	14 & 15	1330 74 82 711		1282 49 59 765	
b)	Long term loans and advances	14	25 to 27 & 28	166 83 17 370		126 60 47 938	
c)	Other non-current assets	15	16,17,26, 28.4 to 28.9 & 31 to 37	2173 23 89 104		2579 41 11 729	
2	<b>Current assets</b>						
a)	Inventories	16	22	95 41 87 627		113 43 34 041	
b)	Trade receivables	17	23 & 28.1	175 27 53 229		184 75 37 066	
c)	Cash and cash equivalents	18	20 & 24	207 88 62 234		298 97 39 323	
d)	Short-term loans and advances	19	25 & 27	5 38 82 213		4 69 39 902	
e)	Other current assets	20	16,28.1 to 28.9	100 54 63 230		144 90 16 017	
				584 51 48 533		746 75 66 349	
				<b>12239 74 77 408</b>		<b>12512 14 97 143</b>	
	<b>TOTAL</b>				<b>12239 74 77 408</b>		<b>12512 14 97 143</b>

Significant Accounting Policies 35

Other Notes on Accounts 36

Sd/-  
**(R. SRIDHARA)**  
Director(RA) &  
Company Secretary

Sd/-  
**(ADITI RAJA)**  
Director (Finance)

Sd/-  
**(G.KUMAR NAIK)**  
Managing Director

Sd/-  
**(S.K.ANANTHA)**  
Financial Adviser (A&R)

Refer our report of even date  
For Manian & Rao  
Chartered Accountants

Sd/-  
**(SRIKANTH .R)**  
Partner FRN 001983S  
Membership No.203138

Place : Bangalore  
Date : 23-09-2014



**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2014** (Amount in Rs.)

Sl. No.	Particulars	Note No.	Account Code	Current Year 2013-14	Previous Year 2012-13
I	Revenue from operations (Transmission of Power)	21	61 & 62	2324 38 52 945	2023 41 66 033
II	Other Income	22	62	59 73 78 403	36 98 50 496
III	<b>Total Revenue (I+II)</b>			<b>2384 12 31 348</b>	<b>2060 40 16 529</b>
IV	<b>Expenses (Net)</b>				
1	Transmission & Wheeling Charges	23	70	71 52 867	21 27 868
2	Employee Costs	24	75	664 71 53 060	627 18 76 360
3	Repairs and Maintenance	25	74	99 91 10 389	93 05 54 009
4	Administrative and Other Expenses	26	76	44 95 32 772	42 65 29 594
5	Finance Costs	27	78	522 03 86 964	538 04 81 857
6	Depreciation & amortization expenses(Net)	28	77	557 07 32 014	520 26 58 357
7	Others	29	77, 79 & 80	114 52 34 863	114 75 95 375
	<b>Total Expenses</b>			<b>2003 93 02 929</b>	<b>1936 18 23 420</b>
V	Add/(Less) : Prior period credits/(charges)	30	65 & 83	-28 11 28 254	-68 20 78 490
VI	<b>PROFIT BEFORE EXCEPTIONAL AND EXTRAORDINARY ITEMS AND TAX</b>			<b>352 08 00 165</b>	<b>56 01 14 619</b>
VII	Exceptional Items	31	62 / 79.571	-315 91 00 000	- 64 92 647
VIII	<b>PROFIT BEFORE EXTRA ORDINARY ITEMS AND TAX</b>			<b>36 17 00 165</b>	<b>55 36 21 972</b>
IX	Extraordinary items	32	63 & 79		
X	<b>PROFIT BEFORE TAX</b>			<b>36 17 00 165</b>	<b>55 36 21 972</b>
XI	<b>TAX EXPENSE</b>				
1	Current Tax	33	81.1	7 58 14 164	11 48 56 336
2	Fringe Benefit Tax		81.101		
3	Deferred Tax	34	81.201		
XII	Profit / (Loss) for the period from continuing operations			<b>28 58 86 001</b>	<b>43 87 65 636</b>
XIII	<b>Earning per equity share</b>	36.10			
	(1) Basic			18.15	29.82
	(2) Diluted			14.24	25.41

Significant Accounting Policies 35  
Other Notes on Accounts 36

Sd/-  
**(R. SRIDHARA)**  
Director(RA) &  
Company Secretary

Sd/-  
**(ADITI RAJA)**  
Director (Finance)

Sd/-  
**(G.KUMAR NAIK)**  
Managing Director

Sd/-  
**(S.K.ANANTHA)**  
Financial Adviser (A&R)

Refer our report of even date  
For Manian & Rao  
Chartered Accountants

Sd/-  
**(SRIKANTH .R)**  
Partner FRN 001983S  
Membership No.203138

Place : Bangalore  
Date : 23-09-2014



**NOTE : 01 SHARE CAPITAL**

(Amount in Rs.)

Sl. No.	Particulars	Account Code	As at 31-03-2014		As at 31-03-2013	
1	<b>Authorised Capital</b> 2,00,00,000 (Previous Year - 2,00,00,000) Equity shares of Rs. 1000/- each		2000 00 00 000		2000 00 00 000	
2	<b>Issued, Subscribed and Paid up</b> 15753225 (Previous Year - 15753225) Shares of Rs1000/- each )	52.301	1575 32 25 000		1575 32 25 000	
<b>TOTAL</b>				<b>1575 32 25 000</b>		<b>1575 32 25 000</b>

1.1. The reconciliation of the number of shares outstanding is set out below :

Particulars	As at 31st March 2014 No. of Shares	As at 31st March 2013 No. of Shares
Equity Shares at the beginning of the year	1 57 53 225	1 12 32 625
Add : Shares issued	-	45 20 600
Equity Shares at the end of the year	1 57 53 225	1 57 53 225

1.2. Details of share holders holding more than 5% shares

Name of the Share holder	As at 31st March 2014		As at 31st March 2013	
	No. of Shares	% held	No. of Shares	% held
Hon'ble Governor, State of Karnataka	1 57 53 225	100	1 57 53 225	100



## NOTE : 2 RESERVES AND SURPLUS

(Amount in Rs.)

Sl. No.	Particulars	Account Code	As at 31-03-2014		As at 31-03-2013	
<b>I</b>	<b>Capital Reserve</b>					
1	Capital Reserve	56.2	7 45 46 563		7 45 46 563	
<b>II</b>	<b>Other Reserves</b>					
1	Reserve for Materials Cost Variance	56.610			32 33 996	
2	<u>Contributions, grants and subsidies</u>					
	Towards cost of capital assets	55.1	346 11 70 076			
	Less: Transferred to Contribution and Grants towards Cost of Capital assets(Refer Note 3)	55.1	-346 11 70 076		336 68 51 865	
3	Special Grant received from GOK towards Floods relief works	55.309	10 00 00 000		10 00 00 000	
4	Special Grant towards Capital Works	55.500	13 64 74 999		13 64 74 999	
5	Surplus in Profit and Loss Account	58	320 18 58 393		226 02 92 187	
	<b>TOTAL</b>			<b>351 28 79 955</b>		<b>594 13 99 610</b>

### Note : 2.1 Movement in Reserves & Surplus

(Amount in Rs.)

Sl. No.	Particulars	Account Code	Opening Balance	Additions	Deletions	Balance as at 31-03-2014
	<b>Capital Reserve</b>	56.2	7 45 46 563			7 45 46 563
	<b>Other Reserves</b>					
	Reserve for Materials Cost Variance	56.610	32 33 996		32 33 996	
	Contribution towards cost of capital assets	55.1	336 68 51 865		336 68 51 865	
	Special Grant received from GOK towards Floods relief works	55.309	10 00 00 000			10 00 00 000
	Special Grant Towards Capital works	55.500	13 64 74 999			13 64 74 999
	Surplus in Profit and Loss Account	58	226 02 92 187	94 15 66 206		320 18 58 393
	<b>TOTAL</b>		<b>594 13 99 610</b>	<b>94 15 66 206</b>	<b>337 00 85 861</b>	<b>351 28 79 955</b>

Note : 2.1 - Additions of Rs.94,15,66,204/- includes Rs.65,56,80,202/- being adjustment towards proportionate depreciation up to 2012-13 on Assets created out of Consumer Contribution/Grants and transferred to 'Surplus in P&L Account'

### Note 2A: EQUITY INFUSION (Shares pending allotment)

(Amount in Rs.)

Sl. No.	Particulars	Account Code	As at 31-03-2014		As at 31-03-2013	
1.	From Government of Karnataka	52.302&52.303	424 67 75 000		350 00 00 000	
	<b>TOTAL</b>			<b>424 67 75 000</b>		<b>350 00 00 000</b>

Note : 2A.1 The amount received from Government of Karnataka towards Equity Capital for 2013-14 is Rs.150 Cr. Out of Rs. 500 Cr as on 31-03-2014 pending allotment, the balance shown under this Head is Rs.424.67 Cr and the amount of Rs.75.3225 Cr which is in excess of the Authorised Share capital is disclosed under Current Liabilities (Ref Note 10).



**NOTE : 3 CONTRIBUTION & GRANTS TOWARDS COST OF CAPITAL ASSETS**

(Amount in Rs.)

Sl. No.	Particulars	Account Code	As at 31-03-2014		As at 31-03-2013	
1	Contribution towards cost of capital assets	55.1	346 11 70 076	346 11 70 076		
<b>TOTAL</b>			<b>346 11 70 076</b>			

**Note 3.1 Movement in 55.1-Consumer contribution towards Capital Assets**

Opening Balance	Added during the year	Transferred to Reserve Account	Transferred to Income Account (to the extent of depreciation charged)	Closing Balance
336 68 51 865	99 36 00 977	65 56 80 202	24 36 02 564	346 11 70 076

Note : 3.2 -During the year Accounting Policy No.35.5(a) has been changed to comply with treatment as specified under AS-12 "Accounting for Govt. Grants". Accordingly, Capital grants & Consumer Contribution towards cost of capital assets which were earlier accounted under "Reserves & Surplus" are now treated as "Deferred Income" under the Head "Contribution & Grants towards cost of Capital Asset" and amount proportionate to the depreciation charged on such assets created out of contribution/grants is subsequently adjusted as income and reduced from this account. In the absence of specific transition provision under AS-12, proportionate depreciation of Rs. 65.56 Cr up to FY 2012-13 on assets created out of consumer contribution/grants have been transferred to "Surplus in P&L Account". Because of the change in accounting policy, income for the year is more by Rs.24.36 Cr. Also Surplus in P&L Account is more by Rs. 65.56 Cr being the adjustment towards proportionate depreciation on assets created out of Consumer Contribution/Grants up to FY 2012-2013.

3.3 : Contribution towards cost of capital Assets Rs 346,11,70,076/- includes amount collected towards Net work Augmentation charges of Rs.118,33,79,113/- collected prior to 30/11/2012. In respect of amounts collected after 30-11-2012, the same has been disclosed under Current Liabilities to be refundable to captive generators as per KERC Order No. N/64/11 dated 30-11-2012

**NOTE : 04 LONG-TERM BORROWINGS**

(Amount in Rs.)

Sl. No.	Particulars	Account Code	As at 31-03-2014		As at 31-03-2013	
<b>I</b>	<b><u>SECURED LOANS</u></b>					
	<b>Term Loans</b>					
1	From Banks	53 & 54	4032 00 27 335		3675 08 75 584	
2	Other Financial Institutions		416 49 86 976		833 64 84 481	
	<b>SUB-TOTAL</b>			4448 50 14 311		4508 73 60 065
<b>II</b>	<b><u>UNSECURED LOANS</u></b>					
1	From Banks	53 & 54				
2	From Others		7 20 58 730		11 01 32 399	
	<b>SUB-TOTAL</b>			7 20 58 730		11 01 32 399
<b>TOTAL</b>				<b>4455 70 73 041</b>		<b>4519 74 92 464</b>





**Note : 4.1 Particulars of terms of Repayment and Nature of Security**

(Amount in Rs.)

Sl. No.	Name of the Bank	Term	Security	Balance Outstanding	
				Current Year 2013-14	Previous Year 2012-13
1	Loans obtained from UCO Bank	10 Years	Hypothecation of Plant & Machinery		431 16 00 000
2	Loans obtained from Vijaya Bank	13 Years	Hypothecation of Plant & Machinery	1138 81 05 003	1211 27 47 003
3	Loan drawn from Punjab National Bank	13 Years	Guaranteed by default Escrow and Hypothecation of Assets	86 25 00 000	120 75 00 000
4	Loan drawn from Oriental Bank of Commerce	13 Years	Hypothecation of Assets	27 50 00 000	37 50 00 000
5	Loan drawn from Corporation Bank	7 Years (12.5 Cr), 13 Years (200 Cr)	Hypothecation of Assets	408 76 31 158	195 00 00 000
6	Loan drawn from Bank of Maharashtra	7 Years (25 Cr), 10 Years (100 Cr)	Hypothecation of Assets	123 37 71 435	159 90 28 575
7	Loan from Bank Of India	7 Years (66.56 Cr), 13 Years (300 Cr)	Hypothecation of Assets	419 34 53 065	277 50 00 000
8	Loans drawn from Bank of Baroda	8.5 Years	Hypothecation of Assets	16 66 66 674	50 00 00 006
9	Loan drawn from Indian Bank	13 Years	Hypothecation of Assets	230 00 00 000	260 00 00 000
10	Loan drawn from Punjab & Sindh Bank	13 Years	Hypothecation of Assets	471 27 00 000	432 00 00 000
11	Loan drawn from Canara Bank	13 Years	Hypothecation of Assets	1110 02 00 000	500 00 00 000
<b>Secured Loans from Others</b>					
1	Loans from REC	13 Years	Guaranteed by State Govt. and Escrow	9 44 66 346	11 02 10 746
2	Loans drawn from Power Finance Corporation Ltd.,	10 Years	Guaranteed by GOK and Mortgage of assets Term-10 Years	407 05 20 630	822 62 73 735
<b>UNSECURED LOANS Others</b>					
1	Loans from REC - Rationalised REC-Loans		Guaranteed by GOK	2 887	12 79 714
2	APDRP - REC Loan Account	13 Years		2 19 43 171	3 29 14 760
3	State Govt. loans	20 Years		4 75 25 773	5 34 66 495
4	Loans of KPTCL parked with GOK(Ref Note 4.4)	13 Years		25 86 899	2 24 71 430
<b>TOTAL</b>				<b>4455 70 73 041</b>	<b>4519 74 92 464</b>

Note : 4.2 There is no continuing default in repayment of any of the above loans or payment of interest as on 31-03.2014

Note : 4.3 Loans guaranteed by GOK

Secured Term Loans from Financial Institutions

4164986976 8336484481

Unsecured Term loans from others

2887 1279714

Note : 4.4 Balance loans taken over by GOK and agreed to be serviced by GOK vide Notification dated DE 8 PSR 2002 dt 31/05/2002



## NOTE : 5 DEFERRED TAX LIABILITY

(Amount in Rs.)

Sl. No.	Particulars	Account Code	As at 31-03-2014		As at 31-03-2013	
	Deferred Tax Liability	46.802	274 28 98 876		274 28 98 876	
<b>TOTAL</b>				<b>274 28 98 876</b>		<b>274 28 98 876</b>

### Note 5.1

Company has already provided Deferred Tax Liability to an extent of Rs.274,28,98,876/- upto previous year 2007-08. The Company is of the view that the DTL provided is sufficient and hence not provided during the current year.



## NOTE 06 : OTHER LONG TERM LIABILITIES

(Amount in Rs.)

Sl. No.	Particulars	Account Code	As at 31-03-2014		As at 31-03-2013	
	<b>EMPLOYEE BENEFITS</b>					
1	Family Benefit Fund	44.140 to 44.143	48 93 33 999		45 61 87 260	
	<b>OTHERS</b>					
2	Transmission charges collected pending Refixation of Tariff-Hukkeri	46.989	1 26 18 427		1 26 18 427	
3	Transmission charges collected pending Refixation of Tariff-ESCOMS (See Note 6.3)	46.984 to 46.988	261 17 65 715		261 17 65 715	
4	Payables - ESCOMS	42 & 46	1 008		16 53 414	
5	Security Deposits in cash from Suppliers / Contractors	46.101	9 08 11 789		10 43 26 484	
6	KPTCL Pensioners / Family Pensioners Family Benefit / Security Fund	46.103	7 94 03 238		6 34 87 857	
7	Retention Money-Bill amount retained as per terms of P.O / Turnkey Contract	46.104	204 38 59 222		276 99 57 504	
8	Penalty recovered pending decision for refund (See Note 6.2)	46.109	93 55 87 282		111 73 88 548	
9	Liability for Expenses	46.4	2 94 96 478		7 13 38 910	
10	Security Deposit from Employees	46.920	44 897		49 030	
11	Additional Fixed cost of TBPCL recoverable from ESCOMS pending adjustment to subsidy (Refer Note 6.4)	46.983	543 84 00 000		543 84 00 000	
12	Adjustments pending re-notification by GOK (Refer Note 6.5)	52.304 to 52.309	42 38 43 024		43 28 77 090	
	<b>Sub-Total</b>			<b>1215 51 65 079</b>		<b>1308 00 50 239</b>
	<b>TOTAL</b>			<b>1215 51 65 079</b>		<b>1308 00 50 239</b>

Note 6.1 : Family Benefit Fund represents amount collected from employees and is net of disbursement made on retirement / death

Note 6.2 : Recoveries from Suppliers / Contractors, including amounts recovered for delay in supply / execution of work is retained in "Penalty Recovered pending decision for Refund". Upon resolution of the dispute, the amount in excess of the Refund made to the Suppliers / Contractors, if any, is suitably adjusted.

Note 6.3 : Rs.261,17,65,715/- is the difference between Transmission charges approved by KERC(19.42 paise per unit) & Transmission charges already billed by KPTCL(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 decision of the APEX Court would have an impact on the Profit reported, the extent of which is not determinable.

Note : 6.4 : 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 Rs. 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" and the same is pending.

Note : 6.5 : 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 this amount is accounted as "Adjustment pending re-notification by G.O.K.



**NOTE 07 : LONG TERM PROVISIONS**

(Amount in Rs.)

Sl. No.	Particulars	Account Code	As at 31-03-2014		As at 31-03-2013	
	<b>Provision for Employee Benefits</b>					
	Provision for Leave encashment	44.130, 44.131	176 48 65 409		104 11 25 622	
	<b>TOTAL</b>		<b>176 48 65 409</b>		<b>104 11 25 622</b>	

**Note 7.1 : Movement in Provision**

Movement in provision				
Opening Balance	Provision made during the year	Received from the Units	Payment made during the year*	Closing Balance
104 11 25 622	106 18 22 595	50 19 115	33 58 72 911	177 20 94 421

\* Refer Note 24.3 for details

**NOTE : 08 SHORT-TERM BORROWINGS**

(Amount in Rs.)

Sl. No.	Particulars	Account Code	As at 31-03-2014		As at 31-03-2013	
	<b>Borrowings for working capital :</b>					
	<b>UNSECURED LOANS</b>					
	Short term Loans from Banks	53.324	60 00 00 000		590 00 00 000	
	From Other Parties					
	<b>Principal &amp; Interest Accrued and Due</b>	51.1 & 51.2				
	<b>TOTAL</b>		<b>60 00 00 000</b>		<b>590 00 00 000</b>	

**Note 8.1**

There is no continuing default in repayment of any of the above loans or payment of interest as on 31-03.2014



**NOTE 09 : TRADE PAYABLES**

(Amount in Rs.)

Sl. No.	Particulars	Account Code	As at 31-03-2014		As at 31-03-2013	
I	<b>LIABILITIES</b>					
	<b>Sundry Creditors for purchase of power</b>					
	Tamilnadu Electricity Board	41.101	26 33 96 728		26 44 50 757	
	Andhra Pradesh Transmission Corp.	41.104	4 04 47 221		3 85 04 127	
	Karnataka Power Corporation Ltd.	41.108	1790 84 24 102		1687 45 62 851	
	KPCL(WNL)	41.109	27 28 35 035		27 28 35 035	
	JTPCL	41.125	9 97 40 936		9 97 40 936	
	Royalaseema Alkalies	41.129	2 23 50 948		2 23 50 948	
	Tata Company Ltd.	41.131	1 90 96 055		1 90 96 055	
	Chathisghar State Electricity Board	41.156	73 72 176		73 72 176	
	GEB	41.157	9 40 320		9 40 320	
	Provision for Liability for Purchase of Power	41.500	15 83 806		15 83 806	
				1863 61 87 327		1760 14 37 011
	<b>TOTAL</b>			<b>1863 61 87 327</b>		<b>1760 14 37 011</b>



**NOTE 10 : OTHER CURRENT LIABILITIES**

(Amount in Rs.)

Sl. No.	Particulars	Account Code	As at 31-03-2014		As at 31-03-2013	
	<b>Current Maturities of Long Term Debts</b>					
	From Banks		497 42 11 700		332 54 32 472	
	From Others		84 90 68 679		151 22 67 823	
	<b>Sub-Total</b>			582 32 80 379		483 77 00 295
	Interest accrued but not due on borrowings	46.710	13 26 51 862	13 26 51 862	23 22 46 586	23 22 46 586
	<b>Other Payables</b>					
	Sundry Liabilities	46.9	144 49 98 990		138 88 86 798	
	Miscellaneous Deposit	46.966	13 09 88 660		15 84 82 323	
	UI charges collected from short term open access customers and payable / adjustable to ESCOMS	46.937	12 58 97 809		17 15 99 392	
	<b>Sub-Total</b>			170 18 85 459		171 89 68 513
	Security Deposits in cash from Suppliers / Contractors	46.101	4 87 78 789		8 07 38 098	
	Retention Money - Bill amount retained as per terms of P.O / Turnkey Contract	46.104	164 71 11 754		137 06 10 207	
	Penalty recovered pending decision for refund	46.109	61 81 29 811		79 83 66 901	
	Deposit Contribution works	47.3	87 53 84 767		65 79 74 128	
	Liability for Suppliers/Works	42	43 18 07 796		76 80 00 738	
	Payables - BESCO	42	41 99 26 704		79 41 05 389	
	Payables - MESCOM	42	10 07 07 230		10 06 91 591	
	Payables - HESCO	42	12 02 04 764		12 01 38 448	
	Payables - GESCOM	42	6 39 072		6 05 055	
	Payables - CESCO	42	3 06 38 237		3 04 50 832	
	<b>Sub-Total</b>			429 33 28 924		472 16 81 387
	<b>Staff Related Liabilities</b>					
	Pension & Leave contribution remitted by other Department payable to P&G Trust	44.275	37 65 032		6 62 79 470	



Sl. No.	Particulars	Account Code	As at 31-03-2014		As at 31-03-2013	
	Provision for KPTCL Contribution to Pension Scheme with effect from 01/4/2006	44.150	1 40 00 495		1 18 46 452	
	Salary payable	44.310 & 44.311	77 42 473		11 21 684	
	Unpaid Salaries	44.210	17 528		17 312	
	Unpaid Bonus	44.220	2 624		66 117	
	Bonus payable	44.320	11 81 253		18 67 658	
	Ex-gratia payable	44.330	3 24 72 587		3 24 32 049	
	<b>Sub-Total</b>			5 91 81 992		11 36 30 742
	Funds received from Resources Section, KPTCL to SLDC	46.108			20 74 33 348	
	Liability for Expenses	46.410 to 46.470	55 16 09 743		52 66 03 101	
	Electricity Tax and Other levies payable to Government	46.300	8 26 476			
	Receivable from GOK towards payment of Principal, Int & Gurantee commission on loans parked with GOK	28.859	1 82 56 313		1 81 35 211	
	Amount recoverable in cash from BESCO Units in respect of other transaction	28.926	10 87 85 300		10 88 59 118	
	IUA- Materials	31	17 12 60 745		43 62 41 685	
	IUA - Released Assets/Moveable Assets and other equipments- Acceptance not received	32	22 64 91 604		40 39 20 431	
	IUA - Personnel	36	- 2 10 597		37 72 575	
	EQUITY INFUSION (Shares pending allotment) (Refer Note 2A)	52.302 & 52.303	75 32 25 000			
	<b>Sub-Total</b>			183 02 44 584		170 49 65 469
	<b>TOTAL</b>			<b>1384 05 73 200</b>		<b>1332 91 92 992</b>



**NOTE 10.1 : Details of Current maturities of long term debts**

(Amount in Rs.)

Sl. No.	Particulars	Current Year 2013-14	Previous Year 2012-13
1	Loans obtained from UCO Bank (Hypothication of Plant and machinery) Term-10 Years		71 84 00 000
2	Loans obtained from Vijaya Bank(Hypothication of assets) Term-13 Years	127 46 42 000	69 26 42 000
3	Loans obtained from Punjab National Bank	34 50 00 000	34 50 00 000
4	Loan drawn from Punjab and Sindh Bank (Guaranteed by default Escrow and Hypothication of Assets) Term-13 Years	10 00 00 000	
5	Loan drawn from Oriental Bank of Commerce (Hypothication of assets) Term-13 Years	10 00 00 000	10 00 00 000
6	Loan drawn from Corporation Bank(Hypothication of assets) Term-7 Years(12.5 Cr), 13 Years(200 Cr)	64 15 79 228	7 50 00 000
7	Loan drawn from Bank of Maharastra (Hypothication of assets) Term-7 Years(25 Cr), 10 Years(100 Cr)	36 52 57 140	41 52 57 140
8	Loan from Bank Of India(Hypothication of assets) Term-7 Years(66.56 Cr), 13 Years(300 Cr)	30 00 00 000	44 58 00 000
9	Loans drawn from Bank of Baroda(Hypothication of Assets) Term-8.5 Years	33 33 33 332	33 33 33 332
10	Loan drawn from Indian Bank (Hypothication of assets) Term-13 Years	30 00 00 000	20 00 00 000
11	Loan drawn from Canara Bank(Hypothication of assets) Term-13 Years	121 44 00 000	
<b>Sub-Total</b>		<b>497 42 11 700</b>	<b>332 54 32 472</b>
<b>From Others</b>			
1	Loans from REC (Guaranteed by State Govt. and Escrow) Term-13 years	1 57 44 400	1 84 94 040
2	Loans drawn from Power Finance Corporation Ltd., (Guaranteed by GOK and Mortgage of assets) Term-10 Years	79 52 50 564	143 15 02 533
<b>UNSECURED LOANS</b>			
<b>Others</b>			
1	Loans from REC - Rationalised REC-Loans (Guaranteed by GOK)	12 77 483	11 76 106
2	APDRP - REC Loan Account (Term-13 years)	1 09 71 588	1 09 71 588
3	State Govt. loans (Term-20 Years)	59 40 722	59 40 722
4	Loans of KPTCL parked with GOK (Ref Note 4.4)	1 98 83 922	4 41 82 834
<b>Sub-Total</b>		<b>84 90 68 679</b>	<b>151 22 67 823</b>
<b>Grand Total</b>		<b>582 32 80 379</b>	<b>483 77 00 295</b>

Note 10.2 :As per information available with the Company, there are no dues to Micro, Small and Medium Enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006

Note 10.3 :Exgratia paid to employees in lieu of Bonus for the years 2000-01 to 2012-13 is subject to post facto approval/ratification of the Government of Karnataka.

Note 10.4 :There is no continuing default in repayment of any one of the above loan or payment of interest as on the date of 31-03-2014

Note 10.5-Inter Unit Account - Rs.39,75,41,752/- represents net credit balance under reconciliation.





## NOTE 11 : SHORT TERM PROVISIONS

(Amount in Rs.)

Sl. No.	Particulars	Account Code	As at 31-03-2014		As at 31-03-2013	
	<b><u>Provision for Employee Benefits</u></b>					
	Provision for Pension and Gratuity payable to P&G Trust	44.122	35 92 70 891		22 30 52 743	
	Pension & Leave Contribution collected from employees for counting their past services in other Depts. & Payable to P&G Trust	44.274			2 97 934	
	Provision for Leave encashment	44.130	72 29 012			
	<b><u>Other Provisions</u></b>					
	Provision for Income-Tax	46.800	53 20 30 653		45 62 16 489	
	Adhoc Provision for work completed in the field but bills not received	42.601	19 84 33 889		32 54 08 163	
	Provision for loss or write off of shortages found on physical verification of stock	46.964	2 97 00 000		2 97 00 000	
	<b>TOTAL</b>			112 66 64 445		103 46 75 329

Note 11.1 : 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, based on Actuarial valuation.

Note : 11.2 : Pending Receipt of report of actuarial valuation as on 31/03/2014, monthly Pension/Gratuity contribution for the year is accounted as per rates furnished by Actuary.

	2013-14	2012-13	Remarks
Pension	35.00%	35.00%	Percentage of Basic+ Dearness Pay+DA
Gratuity	6.01%	6.01%	Percentage of Basic+Dearness Pay

Note : 11.3 Movement in Provision for Pension & Gratuity

Movement in provision			
Opening Balance	Provision made during the year	Payment made during the year	Closing Balance
22 30 52 743	101 61 71 289	87 99 53 141	35 92 70 891





**NOTE-12 FIXED ASSETS AND ACCUMULATED DEPRECIATION - TANGIBLE ASSETS**

Asset Group	A/c Code	Gross Block				Depreciation				Net Block		
		As at 01/04/2013	Additions	Deductions/ Adjustments	As at 31/03/2014	A/c Code	As at 01/04/2013	Additions	Deductions/ Adjustments	As at 31/03/2014	As at 01/04/2013	As at 31/03/2014
Land & Rights	10.1	157 51 92 192	2 99 27 446	4 73 31 782	165 24 51 420	12.1					157 51 92 192	165 24 51 420
Land held under Lease	10.102 & 10.103	10 77 14 561	92 01 603	-4 15 97 361	7 53 18 803						10 77 14 561	7 53 18 803
Buildings	10.2	421 34 05 247	39 89 06 762	-2 44 30 905	458 78 81 104	12.2	1 06 21 73 567	14 42 93 390	- 3 62 995	1 20 61 03 962	315 12 31 680	338 17 77 142
Hydraulic Works	10.3	47 62 52 837	5 84 41 225	10 59 606	53 57 53 668	12.3	9 74 86 528	2 66 75 220	- 72 577	12 40 89 171	37 87 66 309	41 16 64 497
Other Civil Works	10.4	37 32 17 302	2 93 75 802	- 7 46 627	40 18 46 477	12.4	7 02 51 867	1 36 25 537	- 1 43 299	8 37 34 105	30 29 65 435	31 81 12 372
Plant & Machinery	10.5	6088 70 61 241	468 34 30 996	-81 37 84 147	6475 67 08 090	12.5	21 20 51 16 593	304 20 42 034	-28 79 11 347	23 95 92 47 280	3968 19 44 648	4079 74 60 810
Lines Cable Networks	10.6	4630 41 95 756	343 14 40 806	-29 36 32 667	4944 20 03 695	12.6	13 85 98 59 121	255 45 87 594	-4 81 95 786	16 36 62 50 929	3244 43 36 635	3307 57 52 766
Vehicles	10.7	7 46 99 709	72 34 908	-44 67 934	7 74 66 683	12.7	5 03 73 656	31 46 835	- 38 73 770	4 96 46 721	2 43 26 053	2 78 19 962
Furniture & Fixtures	10.8	13 67 66 970	75 91 336	7 44 682	14 51 02 388	12.8	5 56 75 424	76 66 953	58 164	6 34 00 541	8 10 91 546	8 17 01 847
Office Equipments	10.9	3 66 83 327	41 73 137	- 24 88 315	3 83 68 149	12.9	1 84 33 704	15 51 107	- 17 60 293	1 82 24 518	1 82 49 623	2 01 43 631
<b>Total</b>		<b>11418 51 89 142</b>	<b>865 97 24 021</b>	<b>-113 20 12 686</b>	<b>12171 29 00 477</b>		<b>3641 93 70 460</b>	<b>576 22 61 903</b>	<b>-34 22 61 903</b>	<b>4187 06 97 227</b>	<b>7776 58 18 682</b>	<b>7984 22 03 250</b>
Previous Year figures		<b>9859 21 43 073</b>	<b>1560 60 68 871</b>	<b>-101 30 22 802</b>	<b>11418 51 89 142</b>		<b>3130 94 41 926</b>	<b>537 02 17 347</b>	<b>-26 02 88 813</b>	<b>3641 93 70 460</b>	<b>6828 27 01 147</b>	<b>7776 58 18 682</b>

**Fixed Assets**

**Note 12.1- Land and Title Deeds**

a) Corporation is in possession of lands aggregating 7078 Acres 2 Guntas of 1167 premises (includes 70 A 18 G of land gifted to KPTCL), 181 A 14 G of Forest land under lease, 504 A.26G of Government land under lease and 41 A 16.84G of Private lands under lease. Further, process of updating the land records including title is in progress.

Out of 1167 premises complete documents are available for 706 premises. Corporation is pursuing with the respective Revenue Authorities to complete the documentation in favour of the Corporation.

b) Land Rs. 165,24,51,420/- includes Rs.59,81,198/- given on lease to various entities. (Refer Note 21.1)

c) Land Rs. 165,24,51,420/- includes possession of land at I/EI Lay out and at Mandur on which KPTCL has constructed 66/11 KV stations but yet to be got registered in the name of KPTCL.

d) Land includes land allotted by KIADB on lease cum sale agreement dated 13th Oct 2011 for Rs.6.67 Cr. The land will be registered in the name of KPTCL at the end of lease period as per the terms and conditions of lease.

**Note 12.2-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 in favor of the Corporation are pending.

**Note 12.3-Plant & Machinery**

Plant & Machinery does not include cost of assets obtained on lease from IDBI retained by the Corporation after expiry of the Primary lease period pending agreement on the price. The lessor has demanded

Rs. 1,12,50,000 (including Rs.59,60,000 of assets held by ESCOMs) which is not accepted by the Corporation. 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.

**NOTE 12A : INTANGIBLE ASSETS**

(Amount in Rs.)

Sl. No.	Particulars	Account Code	As at 31-03-2014		As at 31-03-2013	
	Custom built Application software for internal use	18	35 20 800		1 19 86 272	
	Less : Depreciation to date		15 84 360		89 93 592	
	<b>Sub Total</b>			19 36 440		29 92 680
	<b>TOTAL</b>			<b>19 36 440</b>		<b>29 92 680</b>

**NOTE : 13 CAPITAL WORKS IN PROGRESS**

(Amount in Rs.)

Sl. No.	Particulars	Account Code	As at 31-03-2014		As at 31-03-2013	
	Capital Work in Progress	14	1335 47 04 094		1286 63 78 990	
	<b>Sub Total</b>			1335 47 04 094		1286 63 78 990
	Less : Encashment of Bank Gaurantee pending decision for adjustment to Capital works	56.202	-4 72 21 383	-4 72 21 383	-4 14 19 225	-4 14 19 225
	<b>TOTAL</b>			<b>1330 74 82 711</b>		<b>1282 49 59 765</b>

Note : Capital work in Progress includes consturction of 2 X 10 MVA, 110/11 KV stations at Bejai and Bramhavara in MESCOM land taken on lease by KPTCL.



## NOTE 14 : LONG TERM LOANS AND ADVANCES

(Amount in Rs.)

Sl. No.	Particulars	Account Code	As at 31-03-2014		As at 31-03-2013	
1	<b>Capital Advance</b>					
	<b>Unsecured (Considered Good)</b>					
	Advances to Contractors	28.411	0.00		0.00	
2	<b>Security Deposits</b>					
	<b>Unsecured (Considered Good)</b>					
	Security Deposit made with ESCOMS for obtaining power supply to KPTCL Installations	28.936, 28.937	3 72 775	3 72 775	3 70 515	3 70 515
3	<b>Other Loans and Advances Secured (Considered Good)</b>					
	Advances to Staff - Interest Bearing	27.101 to 27.106	4 86 487	4 86 487	9 95 127	9 95 127
	<b>Unsecured (Considered Good)</b>					
	Deposits with Others (Ref Note 14.3 & 14.4)	28.935	56 66 46 867		51 54 78 011	
	Advance to Suppliers and Contractors (Ref Note No. 14.1)	25 & 26	5 62 07 911		27 62 13 587	
	Advance Income Tax and Tax deducted at source, Other tax payment (Net of Provision) (Refer Note No. 14.2)	27.4 & 28.821	104 46 03 330		47 29 90 698	
	<b>TOTAL</b>			<b>166 83 17 370</b>		<b>126 60 47 938</b>

Note 14.1 : Advance to suppliers and contractors includes Rs.3,54,60,167/- to be regularised with counterpart Units.

Note 14.2 : Rs.104.46 Cr includes Rs.33 Cr paid to Income Tax department against the demand Notice for AY 2007-08. I.T department has treated reimbursement of Rs.240 Cr from GoK towards debt servicing of GoK loans by KPTCL as Income. The case is pending hearing in ITAT and Rs.4,54,06,442 withheld by department against demand disputed by the Company referred to in Note No.36.1

Note 14.3 : Rs.56,66,46,867/- includes an amount of Rs.14.06 lakh deposited with Asst Commissioner, Bailahongal as advance towards aquisition of 3 acres of land in the possession of KPTCL at Katkol on which 110 kv station has been constructed but the land is yet to be registered in the name of KPTCL.

Note 14.4 : Rs.56,66,46,867/- includes Rs. 17.34 lakh paid to Safal Market complex towards cost of land on lease basis for thirty years for construction of substation at Kondasapura. The lease agreement for the same is yet to be entered.



## NOTE 15 : OTHER NON CURRENT ASSETS

(Amount in Rs.)

Sl. No.	Particulars	Account Code	As at 31-03-2014		As at 31-03-2013	
	<b>ASSETS NOT IN USE</b>					
	WDV of Faulty / Dismantled Assets	16.2	7 68 18 059		4 07 97 881	
	Transformers issued to Contractors / Suppliers for repairs	26.604	21 58 63 996		14 75 67 964	
	<b>Deferred Costs</b>					
	Preliminary expenditure on survey / feasibility studies of projects not yet sanctioned	17.301	3 93 12 642		3 82 94 051	
	Turnkey Contractors Control Account	26.605	500 53 56 569		605 19 30 651	
	Amounts Recoverable from Employees	28.401	4 33 80 703		3 17 08 358	
	Subsidy / Grants receivable from GOK	28.620	1082 51 11 876		1398 42 11 876	
	Claims for Loss / Damage to Capital Assets	28.74	3 00 848		3 00 848	
	Other Receivables	28.8 & 28.9	8 52 57 512		3 77 13 812	
	Regulatory Asset-Receiveable towards additional fixed cost of TBPCL from ESCOMS	28.968 to 28.973	543 84 00 000		543 84 00 000	
	Electricity Tax and Other levies payable to Government	46.300	-		7 14 858	
	Pooled Loan Account (Refer Note 4.4)	53.999	25 86 899		2 24 71 430	
	<b>TOTAL</b>			<b>2173 23 89 104</b>		<b>2579 41 11 729</b>

Note 15.1- WDV of Faulty/ Dismantled Asset aggregating Rs 7,68,18,059/- which are reusable is net of depreciation which has been charged at normal rates on WDV as on date of dismantling.

Note 15.2 - Transformers with book value of Rs 21,58,63,996/- sent for repairs is net of depreciation charged on such assets during the period of repair on WDV as on date of dismantling.



## NOTE 16 : INVENTORIES

(Amount in Rs.)

Sl. No.	Particulars	Account Code	As at 31-03-2014		As at 31-03-2013	
I	<b><u>Stores &amp; Spares</u></b>					
	Materials Stock Account	22.610	95 66 10 609		113 54 43 968	
	Materials in Transit Account.	22.680				
	<b>Sub-Total</b>			95 66 10 609		113 54 43 968
II	<b><u>Materials stock Excess / Shortage Pending Investigation.</u></b>					
	Stock Excess pending Investigation.	22.810	- 24 22 982		- 11 09 927	
	Stock Shortage pending investigation.	22.820	21 78 804		11 07 965	
	Less: Provision towards Stock Shortage		- 21 78 804		- 11 07 965	
	<b>Sub-Total</b>			- 24 22 982		- 11 09 927
	<b>TOTAL</b>			<b>95 41 87 627</b>		<b>113 43 34 041</b>

Note 16.1 : Material stock includes Rs.18,09,098/- value of items identified as obsolete and valued at 10 % of actual cost

16.2 : Material stock includes slow / non-moving materials for more than 3 years to the extent of Rs. 14,14,79,546/-.



## NOTE : 17 TRADE RECEIVABLES

(Amount in Rs.)

Sl. No.	Particulars	Account Code	As at 31-03-2014		As at 31-03-2013	
1	<b>(Un-secured and considered good)</b>					
1	<b>Sundry Debtors for Transmission Charges</b>					
	BESCOM	23.101	16 35 690		19 32 98 752	
	MESCOM	23.102	19 21 60 095		17 78 75 077	
	HESCOM	23.103	67 94 24 282		67 95 05 429	
	GESCOM	23.104	21 87 67 021		24 51 50 870	
	CESCO	23.107	49 68 90 140		41 34 13 879	
	Sundry Debtors for Transmission Charges and System Operating Charges in respect of MTOA	23.146	2 29 45 495		3 49 88 029	
3	<b>Sundry Debtors for sale of Power – Inter State</b>	23.6	13 27 208		13 27 208	
	<b>Sub-Total</b>			161 31 49 931		174 55 59 244
	Sundry debtors - Wheeling charges - Other states	28.120	13 96 03 298	13 96 03 298	10 19 77 822	10 19 77 822
	<b>Sub-Total</b>			175 27 53 229		184 75 37 066
	Provision for Doubtful Debts	23.8				
	<b>TOTAL</b>			<b>175 27 53 229</b>		<b>184 75 37 066</b>

### Note 17.1- Sundry Debtors

Particulars	This Year	Previous Year
Outstanding Over 6 months	10 11 67 768	9 50 33 887
Others	165 15 85 461	175 25 03 179

Note 17.2 : The proposal for setting off the receivables with liability payable by KPTCL is under due consideration.



**NOTE 18 : CASH AND BANK BALANCES**

(Amount in Rs.)

Sl. No.	Particulars	Account Code	As at 31-03-2014		As at 31-03-2013	
a)	<b>Cash and Cash Equivalents</b>					
i)	Cash on Hand	24.110	11 87 351		200 01 75 326	
ii)	Imprest Balance	24.210	27 68 500		25 76 500	
iii)	<b>Balance with Banks</b>					
	In Current Accounts (Refer Note 18.1 and 18.2)	20 & 24	133 35 07 110		82 64 82 516	
iv)	<b>Others</b>					
	Govt. Treasury	24.850	81 976		81 976	
	Postage stamps on hand	24.120	1 60 794		95 760	
	Funds in Transit	24.5, 24.6	18 36 71 523		10 52 27 245	
b)	<b>Other Bank Balances</b> (Deposits with maturity period more than 3 months) (Refer Note : 18.3)		55 74 84 980		5 51 00 000	
<b>TOTAL</b>			<b>207 88 62 234</b>		<b>298 97 39 323</b>	

Note : 18.1 : One Bank Account with Book Balance of Rs.2,16,323/- is under attachment of the PF Authorities

Note : 18.2 : The Book Balance in ESCROW Bank Accounts - Rs. 52,38,36,611/-

Note : 18.3 : Includes Deposit held in respect of KEB Pensioners' Security Fund and Employees Family Benefit Fund.

**NOTE 19 : SHORT TERM LOANS AND ADVANCES**

(Amount in Rs.)

Sl. No.	Particulars	Account Code	As at 31-03-2014		As at 31-03-2013	
	<b>Advances Recoverable in cash or in kind or for value to be received</b>					
	<b>Secured Considered good</b>					
	Advances to Staff - Interest Bearing	27.101 to 27.106	4 18 820		6 18 380	
	<b>Unsecured Considered good</b>					
	Advances to Staff - Interest Free	27.201 to 27.210	4 00 61 014		4 01 56 486	
	Amount Recoverable from Suppliers and Contractors towards TDS remitted by KPTCL on their behalf	25.502	1 34 02 379		61 65 036	
<b>TOTAL</b>			<b>5 38 82 213</b>		<b>4 69 39 902</b>	





## NOTE 20 : OTHER CURRENT ASSETS

(Amount in Rs.)

Sl. No.	Particulars	Account Code	As at 31-03-2014		As at 31-03-2013	
	<b>ASSETS NOT IN USE</b>					
	WDV of Obsolete / Scrapped Assets	16.1	19 69 32 362		15 71 25 971	
	Less : Provision for obsolescence		15 75 45 890	3 93 86 472	12 62 78 157	3 08 47 814
	Income Accrued but not Due	28.3	22 65 663		19 34 715	
	Amounts Recoverable from Employees	28.4	66 20 046		90 44 601	
	Other Receivables - BESCO	28.8 & 28.9, 28.125	18 10 51 483		8 81 52 553	
	Other Receivables - MESCOM	28.8 & 28.9, 28.126	14 54 10 505		12 01 78 248	
	Other Receivables - HESCO	28.8 & 28.9, 28.127	17 00 25 091		14 71 23 095	
	Other Receivables - GESCOM	28.8 & 28.9, 28.128	26 43 72 183		26 50 36 133	
	Other Receivables - CESCO	28.9	7 22 43 801		5 94 80 000	
	Pooled Loan Account (Refer Note 4.4)	53.999	1 98 83 922		4 41 82 834	
	Receivables - P & G Trust-Advance Paid	28.907	4 23 72 922		3 62 70 615	
	Prepaid Expenses	28.820	3 90 24 442		2 88 84 672	
	Sundry Debtors - Others	28.101 to 28.109, 28.111 to 28.124, 28.810, 28.917	1 33 64 426		21 83 14 688	
	IUA- Other transactions / adjustments	37	94 42 274	96 60 76 758	39 95 66 049	141 81 68 203
	<b>TOTAL</b>			<b>100 54 63 230</b>		<b>144 90 16 017</b>

Note 20.1-Inter Unit Account - Rs.94,42,274/- represents net debit balance under reconciliation.

Note 20.2-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.



## NOTE: 21 REVENUE FROM OPERATIONS

(Amount in Rs.)

Sl. No.	Particulars	Account Code	Current year 2013-14		Previous year 2012-13	
	<b>Transmission Charges :</b>					
	BESCOM.	61.211	1045 32 03 942		943 62 44 324	
	MESCOM.	61.212	182 87 37 018		158 89 13 382	
	HESCOM.	61.213	435 04 76 514		348 35 04 024	
	GESCOM.	61.214	262 14 24 426		252 89 26 392	
	CESCO	61.217	235 65 45 234		202 58 42 834	
	Open Access Customers	61.218	56 62 25 629		55 12 01 829	
	Transmission Charges and System					
	Operating Charges in respect of MTOA	61.220	1 34 21 308		1 43 43 658	
	<b>Sub - total</b>			<b>2219 00 34 071</b>		<b>1962 89 76 443</b>
	<b>Other Operating Income</b>					
	Other Miscellaneous receipts	62.360	16 18 086		22 90 405	
	Reactive Energy Charges demanded on IPPs	62.361	3 20 738		1 77 426	
	Revenue from IPPs for excess drawal of Energy from KPTCL's Grid	62.362	1 35 853		87 273	
	Open access Processing fee	62.363	1 59 31 401		86 30 000	
	Excess found on physical verification of Materials Stock.	62.905	30 19 947		48 26 514	
	Supervision Charges	62.907	8 38 21 785		7 96 04 502	
	Other Receipts	62.908	47 84 995		72 96 224	
	Miscellaneous Recoveries.	62.917	87 09 34 121		53 09 47 965	
	Incentives received	62.918			9 585	
	Wheeling charges recoveries	6i.8	12 78 36 059		3 17 25 434	
	<b>Sub - total</b>			<b>110 84 02 985</b>		<b>66 55 95 328</b>
	Less:Refunds/ withdrawal of miscellaneous income accounted in the previous Year	83.830, 83.834	-5 45 84 111	-5 45 84 111	-6 04 05 738	-6 04 05 738
	<b>TOTAL</b>			<b>2324 38 52 945</b>		<b>2023 41 66 033</b>

Note 21.1 : Miscellaneous recoveries Rs.87,09,34,121/- includes :

(i) Disclosure in respect of lease rents

Place	Area	Amount	Period	Amount taken to Income during the year (A/c code 62.917)
110/11 KV SS Gajanur (TLSS Shimoga)	4195.8 Sq ft	3 54 472	30 Years	11 816
110KV SS Nagara Munnoli (TLSS Chikodi)	7210 Sq ft	11 12 663	30 Years	37 088
110KV SS Ainapur (TLSS Chikodi)	511.5 Sq ft	6 40 339	30 Years	21 344
110KV Bhoj(TLSS Chikodi)	21 X 88 mtrs	12 12 000	30 Years	40 400
110KV Savadatti(TLSS Belgaum)	1231 Sq ft	2 39 200	30 Years	7 973
110/33KV SS Byadagi in Haveri Dist(MWD Hubli)	4477.82 Sq ft	14 69 285	30 Years	48976
220KV Station, Bidadi (MWD South)	7.5X42.75 mtrs	3 16 900	30 Years	10563
110KV SS Gorgunta (TLSS Lingasagur)	43 X 26 mtrs	3 35 000	30 Years	
110KV Station Sindhanur (TLSS Lingasagur)	387.3 Sq Mtrs	3 01 339	30 Years	
<b>TOTAL</b>		<b>59 81 198</b>		<b>1 78 160</b>

- (i) Penalties, liquidated damages recovered and not refunded for more than three years.  
(ii) Unclaimed credit balance under Deposit Account - 46.101 taken to Income.



## NOTE : 22 OTHER INCOME

(Amount in Rs.)

Sl. No.	Particulars	Account Code	Current year 2013-14		Previous year 2012-13	
<b>1</b>	<b>Interest</b>					
1	Interest on Staff Loans and Advances.	62.210 to 62.214	65 38 094		33 14 800	
2	Interest on Bank Fixed Deposits	62.222	4 41 39 729		1 80 71 081	
3	Interest on other Investments.	62.224			12 87 486	
4	Interest on Advances to Suppliers / Contractors	62.260	69 342		69 220	
5	Interest from Banks.	62.270	1 18 844		1 20 718	
	<b>Sub-Total</b>			<b>5 08 66 009</b>		<b>2 28 63 305</b>
1	Profit on sale of stores	62.330	2 22 31 274		3 39 27 272	
2	Sale of scrap	62.340	4 43 06 758		11 27 62 020	
3	Rental from Staff Quarters	62.901	12 53 38 163		11 61 09 781	
4	Rental from others	62.902	77 37 457		11 76 172	
5	Rental from BESCOM	62.925	4 95 28 680		4 75 14 649	
6	Rental from MESCOM	62.926	1 17 18 728		1 17 49 143	
7	Rental from HESCOM	62.927	70 02 706		43 28 022	
8	Rental from GESCOM	62.928	56 45 693		47 73 058	
9	Rental from CESC	62.929	86 43 931		81 53 634	
10	Excess provision in earlier years no longer required	62.923	1 32 06 893		57 27 823	
11	Depreciation withdrawn on Assets created out of Consumer contribution	62.924	24 36 02 564		-	
12	Gain on Sale of Assets	62.400	75 49 547		7 65 617	
	<b>Sub-Total</b>			<b>54 65 12 394</b>		<b>34 69 87 191</b>
<b>GRAND TOTAL</b>				<b>59 73 78 403</b>		<b>36 98 50 496</b>



**NOTE : 23 TRANSMISSION AND WHEELING CHARGES**

(Amount in Rs.)

Sl. No.	Particulars	Account Code	Current year 2013-14		Previous year 2012-13	
	Transmission charges to Power Grid Corporation of India Ltd.,	70.113			4 79 257	
	<b>Wheeling Charges</b>	70.400	71 52 867		26 08 708	
	<b>Sub Total</b>			<b>71 52 867</b>		<b>30 87 965</b>
	<b>Less : Excess provision made towards Power purchase expenditure in previous years crystallised and withdrawn during the year</b>	62.999			- 9 60 097	
<b>TOTAL</b>				<b>71 52 867</b>		<b>21 27 868</b>



## NOTE : 24 EMPLOYEE COST

(Amount in Rs.)

Sl. No.	Particulars	Account Code	Current year 2013-14		Previous year 2012-13	
	<b>Salaries and Wages</b>					
	Salaries	75.1	198 58 72 915		200 72 82 051	
	Dearness Pay	75.180 to 75.185	149 98 55 322		149 68 95 695	
	Over Time	75.2	6 74 19 070		7 74 64 406	
	Dearness Allowance	75.3	52 18 01 398		14 99 21 405	
	Other Allowances	75.4	67 44 34 311		60 21 24 454	
	Bonus & Exgratia	75.5	3 38 61 495		3 49 14 299	
	Earned leave encashment	75.617, 75.618	106 16 17 873		101 99 70 393	
	Payment under workmens compensation Act	75.629	7 97 600			
	Payment to helpers/employees of Monsoon gang	75.630	19 63 458		1 16 95 009	
	<b>Sub-Total</b>			<b>584 76 23 442</b>		<b>540 02 67 712</b>
	<b>Contribution to Pension &amp; Other Funds</b>					
	KPTCL Contribution to P&G Trust (Refer Note 24.4)	75.830, 75.831& 75.840	116 09 75 066		119 58 36 634	
	<b>Sub-Total</b>			<b>116 09 75 066</b>		<b>119 58 36 634</b>
	<b>Staff Welfare</b>					
	Medical Expenses reimbursement	75.611	5 66 39 695		4 96 55 128	
	Leave travel assistance	75.612				
	Staff Welfare expenses (Refer Note 24.5)	75.7	1 61 41 643		1 43 37 370	
	Terminal Benefits - Others	75.8	40 36 600		7 12 752	
	Terminal Benefits - FBF Contribution (Refer Note 24.6)	75.860	2 82 18 734		2 71 90 955	
	<b>Sub-Total</b>			<b>10 50 36 672</b>		<b>9 18 96 205</b>
	Less : Expenses shared by ESCOMS	75.910	-13 32 89 559		-12 60 95 815	
	Expenses Capitalised	75.9	-33 31 92 561	-46 64 82 120	-29 00 28 376	-41 61 24 191
	<b>TOTAL</b>			<b>664 71 53 060</b>		<b>627 18 76 360</b>



Note 24.1 : Salaries and Wages includes following in respect of employees covered under New Defined Contributory Pension Scheme (NDCPS)

Salaries	75,117,75,189	71 28 03 188
Dearness Pay	75,187	54 71 76 743
Dearness Allowance	75,317	18 80 15 708
		<b>144 79 95 639</b>

Note 24.2 : Provision for Leave Encashment for the year has been made considering Actuarial valuation as on 31.03.2012. However, pending receipt of Actuarial valuation as on 31.03.2014, an adhoc provision of 1/12th of gross salary for 2013-14 in addition to liability ascertained based on Actuarial valuation as on 31/3/2012 has been provided for the year 2013-14.

Note 24.3 : Earned Leave(EL) encashment disbursed during the year.

75.616-EL encashment employees covered under NDCPS	7 77 24 526
75.617-EL encashment	12 93 54 857
75.618-EL encashment - Retired / Deceased employees	12 87 93 528

Note 24.4 : 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 Actuarial valuation. Contribution to employees covered under NDCPS applicable to employees who have joined after 1-4-2006 is Rs. 14,48,03,777/-

Note 24.5 : Staff Welfare Expenses includes :

Contribution to Labour Welfare Fund	97,915
EPF contribution in respect of Contract Employees	31,59,187
Pension, Leave Contribution of employees of other department deputed to KPTCL	7,00,685

Note 24.6 : Terminal Benefits - FBF represents amount borne by the Company in terms of the Scheme on employee's death while in service.

## NOTE : 25 REPAIRS AND MAINTENANCE

(Amount in Rs.)

Sl. No.	Particulars	Account Code	Current year 2013-14	Previous year 2012-13
1	Plant and Machinery	74.1	79 64 36 025	69 07 60 273
2	Buildings	74.2	10 60 50 570	12 44 45 133
3	Civil Works	74.3	3 68 41 404	5 21 54 164
4	Lines, Cable Net Work Etc.	74.5	10 62 54 124	9 02 49 291
5	Vehicles	74.6	49 39 178	44 14 711
6	Furniture and Fixtures	74.7	90 330	3 09 708
7	Office Equipments.	74.8	25 88 709	26 95 135
	<b>Sub Total</b>		<b>105 32 00 340</b>	<b>96 50 28 415</b>
9	Less : Expenses shared by ESCOMS	74.910	-5 12 08 581	-3 30 28 970
10	Expenses Capitalised	74.900	- 28 81 370	- 14 45 436
<b>TOTAL</b>			<b>99 91 10 389</b>	<b>93 05 54 009</b>



## NOTE : 26 ADMINISTRATION AND GENERAL EXPENSES

(Amount in Rs.)

Sl. No.	Particulars	Account Code	Current year 2013-14		Previous year 2012-13	
	<b>Administration Expenses</b>					
1	Rent	76.101	55 39 758		50 06 861	
2	Rates & Taxes	76.102	2 39 70 711		4 66 75 265	
3	Expenses incurred towards security arrangements	76.103	3 21 81 370		2 65 04 412	
4	Insurance	76.104 + 76.105 + 76.106	10 767			
5	Service line charges paid to ESCOMS for obtaining power supply to KPTCL installations	76.107	39 452			
6	Pagers cellular phones E-mail, Telephone, Trunk call, Telegrams and Telex Charges	76.111 + 76.112	2 15 41 369		1 98 29 268	
7	Postage	76.113, 76.114	1 60 92 437		1 56 42 545	
8	Air net, Internet & Broadband Charges	76.116	3 22 88 522		4 63 34 190	
9	Legal Charges	76.121	1 03 83 812		91 42 359	
10	Audit Fees	76.122	18 87 760		9 88 880	
11	Consultancy charges	76.123	70 45 162		14 46 759	
12	Technical Fees	76.124	32 544		1 16 050	
13	Other Professional Charges	76.125 + 76.126 + 76.127 + 76.128 + 76.129	5 97 20 779		5 19 55 432	
14	Conveyance & Travel expenses	76.131 To 76.135 & 76.137 to 76.139	18 60 57 135		16 11 74 031	
15	Vehicle running expenses	76.136	3 06 60 333		2 76 61 274	
	<b>Sub - Total</b>			<b>42 74 51 911</b>		<b>41 24 77 326</b>
	<b>OTHER EXPENSES</b>					
16	Fees & Subscriptions	76.151	1 22 19 765		1 20 74 885	
17	Books, periodicals and dairies	76.152	4 02 325		6 46 471	
18	Printing & Stationery	76.153	1 43 78 844		1 33 48 908	



(Amount in Rs.)

Sl. No.	Particulars	Account Code	Current year 2013-14		Previous year 2012-13	
19	Advertisement Expenses	76.155	2 18 11 295		1 61 27 621	
20	Computer stationary & floppies	76.156	31 75 468		33 77 110	
21	Contributions	76.157	45 57 683		41 75 000	
22	Electricity Charges	76.158	3 26 85 714		3 86 94 843	
23	Water Charges	76.160	75 53 785		52 05 561	
24	Entertainment	76.162	75 979		1 30 342	
25	Miscellaneous expenses	76.190 + 76.191+ 76.192	1 31 35 385		2 16 01 811	
26	Freight & other material related expenses	76.201 To 76.282	51 45 599		29 46 704	
	<b>Sub - Total</b>			<b>11 51 41 842</b>		<b>11 83 29 256</b>
	Less : Expenses shared by ESCOMS	76.910	-4 42 15 002		-5 93 58 712	
	Expenses Capitalised	76.900	-4 88 45 979		-4 49 18 276	
	<b>TOTAL</b>			<b>44 95 32 772</b>		<b>42 65 29 594</b>

**Note 26.1 :**

a) Miscellaneous Expenses includes Sitting fees paid to Directors

2013-14	2012-13
24 000	36 000

**Note 26.2 : Break-up of Audit Fees**

	Particulars	2013-14	2012-13
(a)	Statutory Auditor		
	Statutory Audit Fee	10 25 000	6 75 000
	Tax Audit Fee	1 75 000	1 25 000
	Arrears	4 00 000	5 730
(b)	Cost Audit Fee	75 000	75 000
	Service Tax	2 07 030	1 08 150
	Arrears	5 730	
	<b>TOTAL</b>	<b>18 87 760</b>	<b>9 88 880</b>

**Note 26.3 :** Vehicle running expenses includes insurance on vehicles. Other Assets of the Corporation are not insured.



# NOTE : 27 FINANCE COSTS

(Amount in Rs.)

Sl. No.	Particulars	Account Code	Current year 2013-14		Previous year 2012-13	
<b>I</b>	<b>Interest</b>					
1	Loan from REC	78.540	1 69 99 439		1 92 54 870	
2	Rationalised REC Loans	78.541	1 60 246		2 61 351	
3	APDP works	78.544	64 30 636		70 73 699	
4	Short term Loan obtained from Commercial Banks/Financial institutions	78.563	19 94 66 810		65 93 54 680	
5	Loans from UCO Bank	78.564	13 60 83 315		58 64 06 003	
6	Loans from Vijaya Bank	78.569	137 65 00 176		133 81 01 426	
7	Loans drawn from PNB	78.574	14 74 34 524		18 45 15 218	
8	Loans drawn from OBC	78.575	4 63 68 904		5 89 66 662	
9	Loans drawn from Corporation Bank	78.576	34 37 91 385		18 86 74 646	
10	Loans drawn from Bank of Maharashtra	78.577	18 52 98 760		15 97 24 086	
11	Loans drawn from Bank of India	78.578	38 77 99 915		37 69 86 023	
12	Loan from Bank of Baroda	78.579	7 14 38 659		10 31 09 027	
13	Loan from HDFC	78.582			26 074	
14	Loan from PFC	78.584	86 33 12 085		111 20 86 867	
15	Loan from Indian Bank	78.591	29 26 01 373		32 77 81 582	
16	Loan from Punjab and Sindh Bank	78.593	48 93 92 100		30 58 12 428	
17	Loan from Canara Bank	78.594	107 27 63 865		54 79 19 961	
				563 58 42 192		597 60 54 603
<b>II</b>	<b>Other Borrowing Costs</b>					
	Guarantee Commission		3 69 064		8 43 854	
	<b>Sub-Total</b>		<b>563 62 11 256</b>	<b>563 62 11 256</b>	<b>597 68 98 457</b>	<b>597 68 98 457</b>
	Less : Interest and finance charges capitalised	78.9	-41 58 24 292	-41 58 24 292	-59 64 16 600	-59 64 16 600
	<b>TOTAL</b>			<b>522 03 86 964</b>		<b>538 04 81 857</b>



## NOTE : 28 DEPRECIATION AND AMORTIZATION

(Amount in Rs.)

Sl. No.	Particulars	Account Code	Current year 2013-14		Previous year 2012-13	
1	Amortisation of Lease Hold Assets	77.110	30 87 131	30 87 131	1 71 01 802	1 71 01 802
2	Depreciation on Buildings	77.120	14 20 94 018		13 16 13 986	
3	Depreciation on Hydraulic Works	77.130	2 63 64 324		2 39 17 554	
4	Depreciation on Civil Works	77.140	1 29 27 477		1 20 30 804	
5	Depreciation on Plant and Machinery	77.150	296 83 56 757		284 84 86 175	
6	Depreciation on lines, cable, network etc.,	77.160	239 41 87 636		214 78 54 834	
7	Depreciation on Vehicles	77.170	31 47 768		28 03 837	
8	Depreciation on furniture, fixtures	77.180	75 48 857		72 39 805	
9	Depreciation on Office equipments	77.190	15 52 879		14 79 803	
	<b>Sub-total</b>			<b>555 61 79 716</b>		<b>517 54 26 798</b>
10	Depreciation on Intangible Assets	77.801	10 56 240	10 56 240	5 28 120	5 28 120
11	Depreciation on Released Assets and Released Assets issued to Repairs	77.151, 77.161, 77.171, 77.181, 77.191	1 23 62 012	1 23 62 012	1 17 12 004	1 17 12 004
	<b>Sub-Total</b>			<b>557 26 85 099</b>		<b>520 47 68 724</b>
12	Less : Depreciation Capitalised	77.900	- 19 53 085		- 21 10 367	
<b>GRAND TOTAL</b>				<b>557 07 32 014</b>		<b>520 26 58 357</b>



**NOTE : 29 OTHERS**

(Amount in Rs.)

Sl. No.	Particulars	Account Code	Current year 2013-14		Previous year 2012-13	
	Asset Decommissioning Costs	77.5	86 99 491		24 85 825	
	Small & Low value items Written off	77.600	13 35 366		1 88 606	
	Computer software	77.611	12 52 152		10 21 877	
	Losses relating to Fixed Assets	77.7	2 17 898		19 05 216	
	Interest on delayed compensation	78.101	3 15 32 899		1 45 10 594	
	Interest on Pensioners / Family Pensioners benefit / Security Fund	78.854	55		-	
	Interest on belated payment for power purchase	80.108	103 38 61 251		102 08 85 806	
	Other Bank Charges	78.8	5 75 846		5 88 668	
	Research & Development Expenses	79.2	2 07 332		1 47 860	
	Bad & Doubtful Debts Written off / provided for	79.4	89 60 067			
	Miscellaneous losses and Write offs	79.5 & 79.7	5 85 92 506		10 58 60 923	
<b>TOTAL</b>				<b>114 52 34 863</b>		<b>114 75 95 375</b>

Note 29.1: Miscellaneous losses and Write offs includes :

1. Provision for Loss on obsolescence of Stores etc., in Stock	5 09 28 847	3 28 16 830
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**NOTE : 30 PRIOR PERIOD (CREDITS) / CHARGES**

(Amount in Rs.)

Sl. No.	Particulars	Account Code	Current year 2013-14		Previous year 2012-13	
A)	<b>Income relating to previous years :</b>					
	Excess provision for Depreciation in prior periods	65.600	5 68 67 392		4 37 29 861	
	Other Excess provision in prior periods	65.800	24 936		5 83 820	
	Other Income relating to prior periods	65.900	3 89 98 374		2 47 24 970	
	<b>Sub - Total</b>			<b>9 58 90 702</b>		<b>6 90 38 651</b>
B)	<b>Prior Period Expenses / losses :</b>					
	Employee costs relating to previous years	83.500	8 58 313		28 79 13 544	
	Depreciation under provided in previous years.	83.600	29 42 76 347		23 85 20 410	
	Administrative Expenses - previous years.	83.820, 83.821			1 43 51 422	
	Other Expenses relating to prior periods	83.850	-8 18 84 296		-21 03 31 765	
	<b>Sub - Total</b>			<b>37 70 18 956</b>		<b>75 11 17 141</b>
<b>Net Prior Period credits/(charges) (A-B)</b>				<b>-28 11 28 254</b>		<b>-68 20 78 490</b>

**NOTE : 31 EXCEPTIONAL ITEMS**

(Amount in Rs.)

Sl. No.	Particulars	Account Code	Current year 2013-14		Previous year 2012-13	
	Sundry Debit Balance written off	79.571	315 91 00 000		64 92 647	
<b>TOTAL</b>				<b>-315 91 00 000</b>		<b>- 64 92 647</b>

NOTE-31.1-Sundry Debit balance written off\*\*

315 91 00 000

6492647

\*\*Being the RE Subsidy amount accounted during FY 2005-06 withdrawn in accordance with Energy Department. GOK letter No. EN29 PSR 2014 Dated 23/05/2014)



**NOTE : 32 EXTRAORDINARY ITEMS**

(Amount in Rs.)

Sl. No.	Particulars	Account Code	Current year 2013-14		Previous year 2012-13	
1	Extraordinary Credits (including subsidies against loss on account of flood, fire, cyclone, etc.,)	63.200	NIL		NIL	
	<b>TOTAL</b>		NIL		NIL	
2	Less: Extraordinary debits (Losses on account of flood, cyclone, fire etc.)	79.8	NIL		NIL	
	<b>TOTAL</b>		NIL		NIL	
<b>Net extraordinary items</b>						

**NOTE : 33 CURRENT TAX**

(Amount in Rs.)

Sl. No.	Particulars	Account Code	Current year 2013-14		Previous year 2012-13	
1	Income Tax - Current year	81.100	7 58 14 164	7 58 14 164	11 68 09 602	11 68 09 602
2	Excess Provision for Income Tax - Previous Year	65.500			- 19 53 266	- 19 53 266
<b>TOTAL</b>				<b>7 58 14 164</b>		<b>11 48 56 336</b>

**NOTE : 34 DEFERRED TAX**

(Amount in Rs.)

Sl. No.	Particulars	Account Code	Current year 2013-14		Previous year 2012-13	
1	Deferred Tax	81.201	NIL		NIL	
<b>TOTAL</b>						



# Karnataka Power Transmission Corporation Limited

## 2013-14

### Note – 35 - Significant Accounting Policies

#### 35.1 Basis of preparation

- a) Financial statements have been prepared under historical cost convention on a going concern and accrual basis except for accounting on cash basis for Grants and Subsidies from the Government and comply materially with the mandatory Accounting Standards notified under Section 211 3(c) of Companies Act, 1956 and relevant provisions thereof which continue to be applicable in respect of Sec 133 of Companies Act, 2013 in terms of general circular 15/2013 dated 13th Sept 2013 issued by Ministry of Corporate Affairs; Generally Accepted Accounting Principles(GAAP); Provisions of the Electricity Act, 2003 and in respect of inventories, Electricity(Supply) Annual Accounts Rules(ESAAR), 1985.
- b) Until financial year 2012-13, the Company was following the provisions of the Electricity(Supply) Annual Accounts Rules, 1985(ESAAR) and the relevant Provisions of Companies Act, 1956 to the extent they are not inconsistent with the Provisions of ESAAR. However, with effect from financial year 2013-14, based on the tariff order of KERC dated 6th May 2013 the accounts are being prepared to comply with the Accounting Standards as per the Provisions of the Companies Act.
- c) The Assets are classified as Current Assets and Non-Current Assets and Liabilities are classified as Current Liabilities and Non-Current Liabilities assuming the operating cycle of the Corporation as duration of 12 months.

#### 35.2 Revenue Recognition

- a) Revenue from Transmission is recognized on accrual basis at the tariff as notified by Karnataka Electricity Regulatory Commission (KERC) from time to time in its Multi Year Tariff (MYT) which is arrived on the basis of estimated Return on Equity and relevant aspects.
- b) Revenue from Inter State Wheeling Charges is recognized on accrual basis based on Regional Energy Account (REA) published by Southern Region Power Committee (SRPC).
- c) Revenue from Other Sources is also accounted on accrual basis.

#### 35.3 Fixed Assets

- a) Fixed assets are stated at cost including expenses related to acquisition, construction and installation less accumulated depreciation and impairment loss.
- b) Establishment and other administration expenditure of Works Circles and Major Works Divisions are allocated to the capital works handled by the respective Divisions and form part of the cost of assets.
- c) Assets put up by third parties, which vest in the Corporation under Regulation for Condition of Supply of Electricity issued by the KERC, are incorporated in the books at the cost estimate approved by the Corporation in the absence of actual cost.
- d) Land cost includes acquisition cost, including enhanced compensation paid as awarded by the Courts, Compensation paid for afforestation and social forestry for the project affected local people/families.
- e) Expenditure on replacement of assets/part of asset with independent existence are capitalised irrespective of the cost. The Original Cost and Accumulated Depreciation thereon in respect of replaced assets are removed from Accounts.



### 35.4 Depreciation

- a) Depreciation is calculated on straight line method:
  - i At the rates notified by CERC and adopted by KERC from time to time;
  - ii In respect of assets for which rates are not specified in the Electricity Supply Act, 2003, at the rates specified under Schedule XIV of the Companies Act, 1956.
- 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) Where the carrying amount of any fixed asset has undergone a change in accordance with the policy for foreign currency transactions, depreciation on the unamortized depreciable asset is spread over the useful life of the asset.
- g) (1) 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.  
(2) Civil Structures to be depreciated 100% over the life period of Assets or lease period whichever is earlier.
- h) Depreciation on released assets(Assets not in use) and released assets issued for repairs has been charged at normal rates on Written Down Value of Assets.
- i) Depreciation on deposit contribution, consumer built and grant assets are charged to revenue and not set off against capital reserve.

### 35.5 Accounting for Grants

- a) Capital grants/grants related to specific assets and Consumer contribution towards cost of Capital Asset are not reduced from the cost of the asset but treated as deferred Income grouped under "Contribution & Grants towards Cost of Capital Assets" and subsequently adjusted as Income in the same proportion as the depreciation charged on the assets acquired out of the Contribution/Grant.
- b) Revenue and untied grants are treated as income.
- c) Works executed/assets created out of contributions received from the third parties vest in the Corporation under Regulation for Condition of Supply of Electricity by the KERC, and they are incorporated as assets in the books at the full value without reducing the contribution from the cost of the asset.

### 35.6 Investments

- a) Long term investments are carried at cost. Provision is made for diminution, other than temporary, in the value of such investments.
- b) Current investments are valued at lower of cost and fair market value.



### 35.7 Valuation of Inventories

- a) Fast moving Stores and spares are valued at standard rates determined by the Corporation from time to time, in respect of items for which standard rates are fixed or at purchased rate at the time of procurement, if Standard rates are not available. Other items are valued at lower of cost, determined on weighted average method, or net realizable value.

The difference between actual cost and the Standard rate is debited or credited to Material Cost Variance Account, as the case may be. The balance under this account is transferred to Material Cost Variance Reserve. The debit balance under Material Cost Variance Reserve is debited to P&L Account.

- b) The value of materials which are identified as scrap/obsolete by the Scrap approval committee are accounted at scrap rates if available in 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.

### 35.8 Borrowing Costs

- a) Borrowing costs attributable to the construction/acquisition of qualifying assets are capitalized as a part of the cost of such assets. A qualifying asset is one that necessarily takes substantial time to get ready for intended use.
- b) Nonspecific borrowing costs for acquisition of qualifying assets are apportioned to individual assets in the ratio of expenditure on assets to such borrowing costs, quantum of borrowing costs being determined on the basis of weighted average cost of the borrowings outstanding during the period. Other borrowing costs are recognized in the period in which they are incurred.

### 35.9 Employee Benefits

- a) Expenditure towards defined benefit 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 KPTCL & ESCOMs Pension & Gratuity Trust(KEPGT) based on Actuarial Valuation as per AS-15 got done by KEPGT from time to time.
- b) 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.
- c) 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 as required by Accounting Standard – 15. Actuarial gains or losses are recognized in the Profit and Loss Account.

### 35.10 Accounting for Taxes on Income

- a) Provision for Current Tax is made in accordance with the provisions of the Income Tax Act, 1961.
- b) Deferred tax on account of timing difference between taxable and accounting income is provided using the tax rates and tax laws enacted or substantially enacted by the Balance Sheet date.
- c) Deferred Tax is recognized, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets are recognized, if there is virtual certainty of realization of such assets.





### **35.11 Foreign Currency Transactions**

- a) Foreign currency transactions are initially recorded at the exchange rate prevailing on the date of the transaction.
- b) Foreign Currency monetary assets and liabilities are translated at the year end exchange rates. Exchange differences related to liabilities for acquisition of fixed assets from outside India are adjusted in the carrying cost of assets. Exchange differences arising on other transactions are recognized as income or expenditure in the year in which it arises.

### **35.12 Impairment of Assets**

- a) Carrying amount of assets is reviewed at each balance sheet date to determine whether there is any impairment.
- b) An impairment loss is recognized, whenever the carrying amount of such assets exceed the recoverable amount. Reversal of impairment loss is recognized as income in the profit and loss account.
- c) Sub-Stations and Transmission lines are identified as Cash Generating Units

### **35.13 Amortisation of Intangible Assets**

- a) Cost of acquisition of Custom built application software is recognized as an intangible asset and amortised on straight line method over a period of three years, commencing from the year of purchase.

### **35.14 Amortisation of lease assets**

- a) Lease payments made upfront in respect of leased assets are amortized in equal installments over the lease period of the asset.
- b) Annual lease rent payments are charged to revenue.
- c) Cost of improvements made to leased assets is amortized in equal installments over remaining lease period of the asset.



## Karnataka Power Transmission Corporation Limited

### Note – 36 - Notes on Accounts

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

(Rs. In Crores)

Sl. No.	Particulars	Current Year	Previous Year
<b>(i)</b>	<b>Contingent Liabilities</b>		
	Claims against the company not acknowledged as debts:		
	Claims in respect of Land Acquisition Cases	22.06	3.20
	Income Tax related disputes in respect of various Assessment years	93.73	93.73
	Service Tax related disputes in respect of renting of immovable property, VSAT charges and Technical inspection Certificate service	2.20	2.06
	Price Variation Claims from Contractors / Suppliers	6.69	0
	Others	280.72	119.08
<b>(ii)</b>	<b>Commitments</b>		
	Estimated Amount of contracts remaining to be executed on Capital Account and not provided for	5817.00	1856.00

#### 36.2 Value of Imports calculated on CIF basis:

(Rs. In Crores)

Sl. No.	Particulars	Current Year	Previous Year
(i)	Raw materials, spare parts and capital goods	NIL	NIL
(ii)	Capital goods	NIL	NIL

#### 36.3 Expenditure in foreign currency:

Sl. No.	Particulars	Current Year (Rs.)	Previous Year (Rs.)
(i)	Expenditure reimbursed on foreign travel	Nil	Nil

#### 36.4 Value of indigenous and imported stores Spares and components consumed:

Sl. No.	Particulars	Current Year	Previous Year
(i)	Indigenous Materials	Not ascertainable	Not ascertainable
(ii)	Imported Materials	Not ascertainable	Not ascertainable



**36.5 Quantitative details of Transmission and Loss of Energy:**

(In MUs)

Sl. No.	Particulars	Current Year (Provisional)	Previous Year
1	Total Energy handled	59024.316	57476.336
2	Total Energy Transmitted	56732.904	55286.249
3	Transmission Loss in respect of Energy Transmitted	2291.412	2190.087
4	Net Transmission to ESCOMS & Hukkeri society during the year	56732.904	55286.249
5	Total units accounted as Transmitted to ESCOMS & Hukkeri society during the year	56732.904	55286.249
6	Total Transmission loss	2291.412	2190.087
7	Percentage of Transmission Loss on handled Energy (6 / 1 X 100) *	3.882%	3.81%

\*Note-% of loss is excluding Southern Region loss.

**36.6 Confirmation of balances**

- Confirmation 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 31-03-2014 (other than relating to Sundry Debtors for Transmission of Power), as detailed below, are subject to confirmation:

**RESULTS OF RECONCILIATION AS ON 31.03.2014**

(Rs. in Crs.)

ESCOM	Pooled Account		Net Receivable	Net Payable	Reconciled	
	Pooled Account Receivable+ Cash Receivable	Pooled Account Payables+ Cash Payable			Receivable	Payable
1	2	3	(4 = 2-3 > 0)	(5 = 2-3 < 0)	6	7
BESCOM	89.73	113.63		23.90	71.62	97.00
MESCOM	58.35	53.88	4.47		38.83	35.42
CESC	8.13	3.97	4.16		0.00	0.00
HESCOM	87.57	82.58	4.99		68.62	82.09
GESCOM	68.09	41.71	26.38		6.69	7.02
	<b>311.87</b>	<b>295.77</b>	<b>40.00</b>	<b>23.90</b>	<b>185.76</b>	<b>221.53</b>



- c) During 2013-14, Receivable to the extent of Rs.185.76 Cr, out of Rs. 311.87 Cr. outstanding as on 31/03/2014 has been reconciled. Similarly ,Payable to the extent of Rs.221.53 Cr out of Rs. 295.77 Cr. has been reconciled. Required entries to this effect will be passed after completion of Reconciliation exercise in toto and Confirmation from ESCOMs.

### 36.7 Segment Reporting

As the Corporation is engaged only in the business of power transmission within the state of Karnataka, there are no reportable segments as per AS-17 on "Segment Reporting".

### 36.8 Impairment of Assets

The Company has identified Sub-Stations and Transmission Lines as "Cash Generating Unit". Carrying amount has been reviewed as at the balance Sheet date and there is no impairment of Assets.

### 36.9 Related party Disclosures

Related Party Transactions:

Key Managerial Personnel – As per Notification issued by GoK.

Sl.No.	Name	Designation
1	Sri. S. Selvakumar (up to 31/07/2013)	Managing Director
2	Sri. G. Kumar Naik (from 01/08/2013 A/N)	Managing Director
3	Dr. Aditi Raja	Director (Finance)
4	Sri. S. Pratap Kumar (Up to 31/07/2013)	Director (Transmission)
5	Sri. S. Sumanth (From 26/08/2013)	Director (Transmission)
6	Sri. R. Sridhar	Director (Regulatory Affairs) & Company Secretary
7	Sri. Shivakumar D.M(From 02/09/2013)	Director (Admn & H R)

Managerial remuneration paid or payable to Key Managerial Personnel:

(Amount in Rupees)

Sl. No.	Particulars	Current Year	Previous Year
i.	Salary and Allowance	76,65,756	59,21,977
ii	Exgratia	12,559	10,660
iii	Medical Expenses	98,330	18,259
iv	Pension & Leave Contribution remitted to Government	3,10,579	2,95,658
v	Pension & gratuity Contribution payable to P&G Trust	9,86,807	5,00,196
vi	Leave Encashment	16,71,359	70,217
<b>TOTAL</b>		<b>1,07,45,390</b>	<b>68,16,967</b>



### 36.10 Earning Per Share(EPS)

Sl. No.	Particulars	Current Year (2013-14)	Previous Year (2012-13)
i.	Basic		
	A. Net Profit for the year	28,58,86,001	43,87,65,636
	B. Weighted Average Number of Equity Shares outstanding during the Year	1,57,53,225	1,47,12,868
	C. EPS	18.15	29.82
ii	Diluted *		
	A. Net Profit for the year	28,58,86,001	43,87,65,636
	B. Weighted Average Number of Equity Shares outstanding during the Year	2,00,73,088	1,72,68,841
	C. EPS	14.24	25.41

\* After considering Potential Equity Share to be issued against Equity Infusion (Note 2A).

### 36.11 General

- Paisa has been rounded off to the nearest rupee.
- 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 Non- Current and Current as required under Revised Schedule VI effective from 01.04.2011.
- The Accounts approved by the Board on 06.09.2014 were revised based on the observations made by the Comptroller and Auditor General of India u/s 619(4) of the Companies Act 1956. Accordingly, the revision has resulted in :- Decrease in Profit Before Tax by Rs. 12.57 Cr (from Rs. 48.74 Cr to Rs. 36.17 Cr). (b) Increase in Other Reserves by Rs. 1.27 Cr (c) Decrease in Long Term Liabilities by Rs.9.42 Cr (d) Decrease in Other Current Liabilities Rs.1.98 Cr (e) Increase in Short Term Provisions by Rs. 8.49 Cr(includes decrease in Provision for Tax by Rs. 2.64 Cr) (f) Increase in Tangible Assets by Rs. 56.03 Cr (g)Decrease in CWIP by Rs.66.15 Cr (h) Increase in long term loans and advances by Rs. 1.46 Cr .

### Signature to Note 1 to 36

Sd/-  
**(R. SRIDHARA)**  
Director(RA) &  
Company Secretary

Sd/-  
**(ADITI RAJA)**  
Director (Finance)

Sd/-  
**(S.K.ANANTHA)**  
Financial Adviser (A&R)

Sd/-  
**(G.KUMAR NAIK)**  
Managing Director

As per our report of even date  
For Manian & Rao  
Chartered Accountants

Sd/-  
**(SRIKANTH .R)**  
Partner FRN 001983S  
Membership No.203138

Date : 23-09-2014  
Place : Bangalore.



**KARNATAKA POWER TRANSMISSION CORPORATION LIMITED**  
Cash Flow Statement Annexed to the Balance Sheet for the period April 2013 - March 2014

Particulars	Amount in Rs	Amount in Rs
<b>A CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Net Profit before tax as per Profit & Loss Account	36 17 00 165	
Adjustments for :		
Depreciation (net)	557 07 32 014	
Finance and Other Charges	522 03 86 964	
Changes in Material cost variance Reserves	- 32 33 996	
Changes in Net appropriation Account(Depreciation on Assets created out of Consumer contribution for 2002-03 to 2012-13)	65 56 80 202	
Provision for Stock shortage	- 10 70 839	
Sundry Receivables Write off	315 91 00 000	
Contributions, grants & subsidies towards cost of capital assets	9 43 18 211	
Operating Profit before working capital changes	<b>1505 76 12 722</b>	
Adjustments for :		
Changes in Stores & spares	18 12 17 253	
Changes in Sundry Debtors	9 47 83 837	
Changes in Loans & Advances	-54 53 04 195	
Changes in Other Receivables	134 61 75 412	
Changes in Current liabilities & provisions	60 79 35 104	
Cash generated from Operations	1674 24 20 133	
Income Tax(Advance Tax+TDS)	13 60 92 452	
Net cash inflow from Operating Activities		1687 85 12 585
<b>B CASH FLOW FROM INVESTMENT ACTIVITIES :</b>		
Changes in Fixed Assets (Net of Assets sales and losses)*	<b>-764 60 60 340</b>	
Changes in Capital Work in Progress	-48 25 22 947	
Other Income		
Net cash inflow from Investment Activities		-812 85 83 287
<b>C CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Changes in Share Capital/ Equity Infusion	150 00 00 000	
Grant Received	0	
Changes in Secured Loans	-60 23 45 754	
Changes in Unsecured Loans	-533 80 73 669	
Finance and other Charges	-522 03 86 964	
Net Cash used in financing activities		-966 08 06 387
<b>Net Change in Cash and Cash equivalents (A+B+C)</b>		-91 08 77 089
Add: Opening Cash and Cash Equivalents as on 1.4.2013		298 97 39 323
Closing Cash and Cash Equivalents as on 31.3.2014(See Note)		207 88 62 234

Note : Includes Rs. 6.91 Crs. towards deposit held in respect of KEB Pensioners' Security Fund

Sd/-  
**(R. SRIDHARA)**  
Director(RA) &  
Company Secretary

Sd/-  
**(ADITI RAJA)**  
Director (Finance)

Sd/-  
**(G.KUMAR NAIK)**  
Managing Director

Sd/-  
**(S.K.ANANTHA)**  
Financial Adviser (A&R)

Refer our report of even date  
For Manian & Rao  
Chartered Accountants

Sd/-  
**(SRIKANTH .R)**  
Partner FRN 001983S  
Membership No.203138

Date : 23-09-2014  
Place : Bangalore



**STATEMENT SHOWING SECTOR WISE CAPITAL EXPENDITURE FOR 2013-14  
WITH AND WITHOUT RELEASED ASSETS ISSUED TO CAPITAL WORKS**

Account Code	CWIP Brief Description of the Project	(Amount in Rupees)			
		Capital Expenditure Allocation (Sectorwise) (In Crores)	Capital Expenditure during the year 2013-14	Released Assets issued to works during 2013-14	Net Capital Expenditure for the year 2013-14 (deducting Released Assets issued to Works)
<b>TRANSMISSION LINES AND SUB STATIONS WITH ATTACHED CIVIL WORKS</b>					
14.110	Transmission lines (GP)		15 04 70 746		15 04 70 746
14.113	Transmission lines (PFC)		68 53 28 465		68 53 28 465
14.116	Transmission lines (Non-Plan)		22 57 124		22 57 124
14.115	Transmission Lines-Others		216 48 62 885	50 69 579	215 97 93 306
14.201	Transmission Lines-REC		18 21 28 193	3 600	18 21 24 593
14.120	Step Down Station-(GP)		23 93 99 842	1 23 08 194	22 70 91 648
14.123	Step Down Station-(PFC)		13 27 53 537	32 24 842	12 95 28 695
14.124	Step Down Station-(ADB)		17 82 277		17 82 277
14.125	Step Down Station- Others		381 96 62 398	1 38 57 532	380 58 04 866
14.126	Step Down Station-(Non-Plan)		38 19 283		38 19 283
14.202	Step Down Station-REC		29 18 04 558		29 18 04 558
	<b>Sub Total</b>	1151.12	<b>767 42 69 308</b>	<b>3 44 63 747</b>	<b>763 98 05 561</b>
<b>CAPACITOR INSTALLATIONS</b>					
14.165	CWIP- Installation of Capacitors (GP)		6 90 038		6 90 038
	<b>Sub Total</b>		<b>6 90 038</b>		<b>6 90 038</b>
<b>LOAD DESPATCH AND COMMUNICATION</b>					
14.130	Load Despatch & Communication		4 22 52 066	1 69 940	4 20 82 126
	<b>Sub Total</b>	30.00	<b>4 22 52 066</b>	<b>1 69 940</b>	<b>4 20 82 126</b>
<b>EXTENSION AND IMPROVEMENTS</b>					
14.150	Transmission lines+ Transformers etc-Improvements (GP)		14 63 96 920	86 70 247	13 77 26 673
14.152	Transformers- Improvements		98 65 76 459	6 64 14 130	92 01 62 329
14.153	Stations- Improvements		41 48 57 583	5 02 63 196	36 45 94 387
14.156	Transmision Lines- Improvements		3 05 96 987		3 05 96 987
	<b>Sub Total</b>	173.88	<b>157 84 27 949</b>	<b>12 53 47 573</b>	<b>145 30 80 376</b>



Account Code	CWIP Brief Description of the Project	(Amount in Rupees)			
		Capital Expenditure Allocation (Sectorwise) (In Crores)	Capital Expenditure during the year 2013-14	Released Assets issued to works during 2013-14	Net Capital Expenditure for the year 2013-14 (deducting Released Assets issued to Works)
<b>PROVIDING NEW TRANSFORMERS IN PLACE OF FAULTY/FAILED DISTRIBUTION TRANSFORMER</b>					
14.170	Replacement of Distribution transformer with similar capacities				
	<b>Sub Total</b>				
	<b>OTHERS</b>				
14.502	Buildings		18 94 78 007		18 94 78 007
14.607	Vehicles		1 44 32 816		1 44 32 816
14.708	Furniture & Fixtures		47 60 365		47 60 365
14.809 to					
14.811	Office Equipment & Others		7 36 01 819	1 83 742	7 34 18 077
	<b>Sub Total</b>	45.00	28 22 73 007	1 83 742	28 20 89 265
	<b>TOTAL-A</b>	1400.00	957 79 12 367	16 01 65 002	941 77 47 365
	<b>Less: Capital Expenditure transferred among KPTCL Units through IUA</b>		54 20 15 373		54 20 15 373
	<b>TOTAL-B</b>	1400.00	54 20 15 373		54 20 15 373
	<b>NET CAPITAL EXPENDITURE</b>		903 58 96 994	16 01 65 002	887 57 31 992





**Statement showing the details of Borrowings for the Financial year 2013-14**

A/c Code	Name of the Institution	OB as on 01/04/2013	Receipts	Repayments	CB as on 31/03/2014
53.300	REC	12 87 04 786		1 84 94 040	11 02 10 746
53.324	Short term loans	590 00 00 000	120 00 00 000	650 00 00 000	60 00 00 000
53.325	UCO Bank	503 00 00 000		503 00 00 000	0
53.330	Vijaya Bank	1280 53 89 003	55 00 00 000	69 26 42 000	12662747003
53.336	REC-APDRP	4 38 86 348		1 09 71 589	3 29 14 759
53.900	HDFC	0			0
53.960	PFC	965 77 76 268		479 20 05 074	486 57 71 194
53.302	REC-Rationalised loans	24 55 820		11 75 450	12 80 370
53.348	Punjab National Bank	155 25 00 000		34 50 00 000	120 75 00 000
53.347	Oriental Bank of Commerce	47 50 00 000		10 00 00 000	37 50 00 000
53.353	Corporation Bank	202 50 00 000	300 00 00 000	29 57 89 614	472 92 10 386
53.354	Bank of Maharashtra	201 42 85 715		41 52 57 140	159 90 28 575
53.355	Bank of India	322 08 00 000	171 84 53 065	44 58 00 000	449 34 53 065
53.356	Bank of Baroda	83 33 33 338		33 33 33 332	50 00 00 006
53.357	Indian Bank	280 00 00 000		20 00 00 000	260 00 00 000
53.358	Bank of Rajasthan	0			0
53.359	Punjab & Sindh Bank	432 00 00 000	49 27 00 000		481 27 00 000
53.360	Canara Bank	500 00 00 000	785 04 00 000	53 58 00 000	1231 46 00 000
54.200	State Government Loans	5 94 07 218		59 40 721	5 34 66 497
<b>TOTAL</b>		<b>5586 85 38 496</b>	<b>1481 15 53 065</b>	<b>1972 22 08 960</b>	<b>5095 78 82 601</b>



## DCB STATEMENT FOR THE YEAR 2013-14

(Energy supplied in Mus & Amount in Rupees)

ESCOM	Energy Supplied (in Mus)	OB	Transmission charges (Current year Demand)	Grand Total, (OB+Current year)	Collection	Closing Balance
<b>BESCOM</b>	26 831.907	19 32 98 752	1045 32 03 942	1064 65 02 694	1064 48 67 004	16 35 690
<b>MESCOM</b>	4 558.673	17 78 75 077	182 87 37 018	200 66 12 095	181 44 52 000	19 21 60 095
<b>HESCOM</b>	10 958.496	67 95 05 429	435 04 76 514	502 99 81 943	435 05 57 661	67 94 24 282
<b>GESCOM</b>	7 318.799	245150870	2621424426	286 65 75 296	264 78 08 275	21 87 67 021
<b>CESCO</b>	5 986.763	41 34 13 879	235 65 45 234	276 99 59 113	227 30 68 973	49 68 90 140
<b>Hukkeri</b>						
<b>INTER STATE</b>						
<b>Grand Total</b>	<b>55 654.638</b>	<b>170 92 44 007</b>	<b>2161 03 87 134</b>	<b>2331 96 31 141</b>	<b>2173 07 53 913</b>	<b>158 88 77 228</b>

