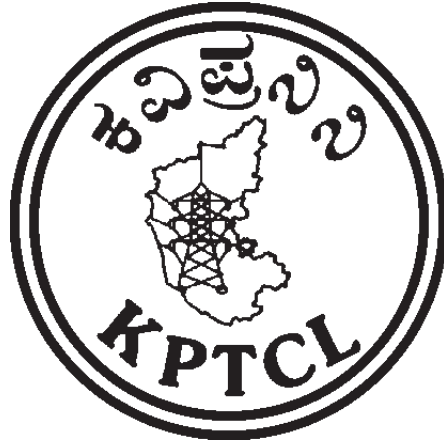


16th Annual Report 2014-15



Karnataka Power Transmission Corporation Limited

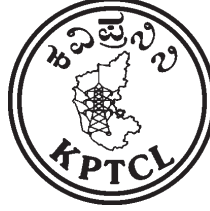


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BOARD OF DIRECTORS

List of Directors (As on the date of AGM)

Sl. No.	Name	Particulars
1.	D.K.Shivakumar	Chairman, KPTCL
2.	Jawaid Akhtar	Managing Director
3.	D.N.Narasimha Raju	Independent Director
4.	P.Ravi Kumar	Independent Director
5.	I.S.N.Prasad	Independent Director
6.	M.Maheshwar Rao	Independent Director
7.	Pankaj Kumar Pandey	Independent Director
8.	Dr.Aditi Raja	Director (Finance)
9.	S.Sumanth	Director (Transmission)
10.	R.Sridhara	Director & Company Secretary
11.	M.Ramakrishna	Director (Admn. & HR)
12.	A.N. Jayaraj	Director
13.	M.Nagaraju	Director

STATUTORY AUDITORS

M/s. MANIAN & RAO,
Chartered Accountants, Bengaluru

COST AUDITORS

M/s. GNV & Associates
Cost Accountants, Bengaluru

SECRETARIAL AUDITORS

M/s. K. Narayana Swamy & Co.,
Company Secretaries, Bengaluru



DIRECTORS' REPORT

Dear Members,

Board of Directors of Karnataka Power Transmission Corporation Limited (KPTCL) have immense pleasure in presenting the 16th Annual Report for the year 2014-15 and the Audited Financial Statements of the Company for the year ended 31st March 2015.

FINANCIAL POSITION

The Financial position of the Company for the three years ending 31st March 2015 is as follows:

(Rs. in Lakhs)

Sl. No.	Particulars	2012-13	2013-14	2014-15
	Liabilities			
a)	Paid-up capital (including Share deposit)	192532.25	200000.00	209532.25
b)	Reserves & Surplus	59414.00	35128.80	42045.48
c)	Borrowings			
	Government of Karnataka	534.66	475.26	415.85
	Public Bonds	0	0	0
	Private Bonds	0	0	0
	Financial Institutions & Banks	510440.26	451095.47	440136.63
	Cash Credit from Banks			
	Other Funds			
d)	Other long term, Other Current Liabilities, Short term, Long term Provisions & other liabilities (Including interest accrued & due)	488707.99	537275.24	557735.72
	Total	1251629.16	1223974.77	1249865.93
	Assets			
e)	Gross Block	1141851.89	1217164.20	1312273.92
f)	Less: Depreciation	364193.70	418722.81	475966.79
g)	Net Block	777658.19	798441.39	836307.13
h)	Capital Work in Progress	128663.78	133074.83	114905.32
i)	Other Current, Non-Current Assets, Short term, Long term Loans & Advances, Trade Receivables & Cash equivalents	345307.19	292458.55	298653.48
j)	Miscellaneous Expenditure			
	Total	1251629.16	1223974.77	1249865.93
	Capital Employed	601918.04	647914.10	667858.06
	Net Worth	251916.32	235109.44	251568.93

Note:

- 1) Capital Employed represents net fixed assets including capital work-in-progress plus working capital
- 2) Net worth represents paid up capital plus reserves & surplus less intangible assets



WORKING RESULTS

The working results of the Company for the three years ending 31st March 2015 are as follows:

(Rs. in Lakhs)

Sl. No.	Particulars	2012-13	2013-14	2014-15
i)	Profit (+) / Loss (-) for the year	12357.00	6428.28	15603.36
ii)	Prior Period Adjustments	-6820.78	-2811.28	-5500.43
iii)	Profit (+) / Loss (-) before Tax	5536.22	3617.00	10102.93
iv)	Tax Provision	1148.56	758.14	2186.26
v)	Profit (+) / Loss (-) after Tax	4387.66	2858.86	7916.68
vi)	Percentage of Profit before tax to:			
a)	Sales	2.72	1.56	4.34
b)	Gross Fixed Assets	0.48	0.30	0.77
c)	Capital Employed	0.92	0.56	1.51
vii)	Percentage of Profit after tax to:			
a)	Net worth	1.74	1.22	3.15
b)	Equity Capital	2.28	1.43	3.78
c)	Capital Employed	0.73	0.44	1.15

PERFORMANCE DURING LAST THREE YEARS

Year	2012-13	2013-14	2014-15
Energy handled in MUs	57476.336	59024.316	62034.730
Maximum Energy recorded / Day in MUs	180.700	204.113	211.790
Maximum Peak recorded in MWs	8761	9223	9549

EQUITY :

Rs. in crores

Particulars	As at 31.03.2014	As at 31.03.2015
Equity Share Capital	1575.32	2075.32
Debt	5098.04	4968.78
Debt Equity Ratio	3.24:1	2.39:1

ADDITION/CHANGES TO THE EXISTING SIGNIFICANT ACCOUNTING POLICIES

Following are the Additions/Modifications to the Existing Accounting Policy:

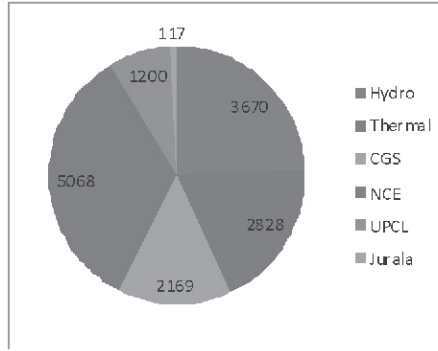
Accounting for Grants:

Existing Policy	Modified Policy
Depreciation on deposit contribution, consumer built and grant assets are charged to revenue and not set off against capital reserve.	Depreciation on assets created out of deposit contribution, consumer built and grant assets are subsequently adjusted as Income in the same proportion as the depreciation charged on the assets acquired out of Contribution/ Grant.



SOURCE WISE INSTALLED GENERATION CAPACITY AS ON 31-03-2015

Source	Installed Generation Capacity in MW
Hydro	3670
Thermal	2828
CGS	2169
NCE	5068
UPCL	1200
Jurala	117
Total	15052



KPTCL STATIONS & TRANSMISSION LINES AS ON 31.03.2015

Voltage Class	Number of Stations	Length of Transmission Line/UG Cable in Ckms
400 kV	4+(8*)	2650.00
220 kV	94	10298.37
110kV	375	10021.09
66kV	585	10234.77
Total	1058	33204.23



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

Transmission Loss– 3.667% (FY 14-15) (From KPTCL boundary point to IF point of ESCOMs i.e., excluding SR loss)



ESCOM-WISE INSTALLED TRANSMISSION CAPACITY- 2014-15 (220KV SUB-STATIONS)

Company	Number of Sub-Stations	Transformers Capacity in MVA	Transmission Capacity in MWs
BESCOM	39	9545	8113
MESCOM	8	1900	1615
CESC	11	2450	2083
GESCOM	14	2500	2125
HESCOM	22	4705	4000
TOTAL	94	21100	17936

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 18th 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 seven years is summarized as follows:

Year	Energy Requirement in MU	Peak Demand in MW
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 2014-15

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
Bagalkote Transmission Zone							
1	Belgaum	Establishing 2x10MVA, 110/11KV Sub-Station at Yellammanawadi	Yellammanawadi	2x10	20	110/11KV	21/10/2014
2	Bagalkot	Establishing 1x10MVA, 110/11KV Sub-Station	Bisnal	1x10	10	110/11KV	30/12/2014
3	Belgaum	Up-gradation of 2x5MVA, 33/11KV MUSS to 2x10MVA, 110/11KV Sub-Station at Sultanpur	Sultanpur	1x10	10	110/11KV	31/12/2014 1 st Transformer. Commissioned
4	Bijapur	Establishing 2X10 MVA, 110/11 KV S/S	Chandakavate	2x10	20	110/11KV	18/03/2015

Bengaluru Transmission Zone

5	Ramanagara	Establishing 1x6.3 MVA, 66/11KV S/S with associated line.	Doddalahalli	1x6.3	6.3	66/11KV	6/08/2014
6	Bengaluru Rural	Establishing 2x8 MVA, 66/11KV Sub Station with associated line.	Kodigehalli	2x8	16	66/11KV	17/01/2015
7	Bengaluru Urban	Establishing of 2x31.5 MVA, 66/11 KV (GIS) S/s with 3 nos. Terminal Bays at 66/11KV BMTC, Victoria & Padmanabhanagar	National College (GIS)	2x31.5	63	66/11KV	28/01/2015

Gulbarga Transmission Zone

8	Raichur	Up-gradation of existing 2x5MVA, 33/11KV MUSS to 2x10MVA, 110/11 KV Sub-Station	Matamari	2x10	20	110/11KV	3/07/2014
9	Bellary	Establishing 1x10 MVA, 110/11 KV sub-station	Halakundi (Mundaragi Industrial Area)	1x10	10	110/11KV	13/08/2014



Gulbarga Transmission Zone

10	Gulbarga	Up-gradation of existing 2x5MVA, 33/11KV MUSS to 1x20MVA, 110/33-11KV and 2x10MVA, 110/11 KV Sub-Station at Kerehalli	Kerehalli	1x20 2x10	40	110/11KV	26/09/2014
11	Bellary	Establishing 1x8 MVA, 66/11KV Sub-Station	Holagundi	1x8	8	66/11KV	22/01/2015
12	Gulbarga	Up-gradation of 33/11KV MUSS to 1x10MVA, 110/11 KV and 1x20MVA, 110/33KV Sub-Station	Chowdapura	1x10	30	110/11KV	21/02/2015
				1x20		110/11KV	
13	Gulbarga	Establishing 1x10 MVA, 110/11KV Sub-Station	Mallapura	1x10	10	110/11KV	26/02/2015

Hassan Transmission Zone

14	Dakshina Kannada	Establishing 2x10MVA, 110/11KV Sub-Station	Karaya	2x10	20	110/11KV	16/04/2014
15	Shimoga	Establishing 1x10MVA, 110/11KV Sub-Station	Kammaradi	1x10	10	110/11KV	14/08/2014
16	Chikkamagalur	Establishing 1x10 MVA, 110/11KV Sub-Station	Shivapura	1x10	10	110/11KV	3/09/2014
17	Dakshina Kannada	Establishing 2x100 MVA, 220/110KV and 2x20MVA, 110/11KV Station at MSEZ near Bajpe in Mangalore taluk along with associated lines	Mangalore SEZ	2x100	240	220/11KV	30/12/2014
				2x20		110/11KV	
18	Dakshina Kannada	Establishing 2x20 MVA, 110/33KV Sub-Station at Bejai	Bejai	2x20	40	110/11KV	11/02/2015
19	Shimoga	Establishing 2x10 MVA, 110/11KV Sub Station at Sanda Industrial Area	Sanda	2x10	20	110/11KV	20/02/2015



Mysore Transmission Zone

20	Ch.Nagara	Establishing 1x8 MVA, 66/11KV Sub-Station with associated LILO line	Kunthur	1x8	8	66/11KV	23/05/2014
21	Ch.Nagara	Establishing 1x8 MVA, 66/11KV Sub-Station with associated line	Bandalli	1x8	8	66/11KV	31/05/2014
22	Mandya	Establishing 1x8 MVA, 66/11KV Sub-Station with associated line	Bommanahalli (G.Malligeri)	1x8	8	66/11KV	27/08/2014
23	Kodagu	Establishing 1x8 MVA, 66/11KV Sub-Station with associated line	Alur Siddapura	1x8	8	66/11KV	19/12/2014
24	Mysore	Establishing 1x8 MVA, 66/11KV Sub-Station with associated line	Antharasanthe	1x8	8	66/11KV	31/12/2014
25	Mysore	Establishing 1x8 MVA, 66/11KV Sub-Station with associated line	B.Matakere	1x8	8	66/11KV	28/01/2015

Tumakuru Transmission Zone

26	Tumkur	Establishing 1x10 MVA 110/11KV S/S	Gunguramale	1x10	10	110/11KV	30/06/2014
27	Tumkur	Establishing 1x10 MVA 110/11 KV S/S	Kathrikehal	1x10	10	110/11KV	31/07/2014
28	Chitradurga	Establishment of 1x8 MVA 66/11KV Sub Station at P.D.Kote	P.D.Kote	1x8	8	66/11KV	13/08/2014
29	Chitradurga	Establishment of 2x8 MVA 66/11 KV Sub Station at V.V.Pura	Vanivilasapura	2x8	16	66/11KV	13/10/2014
30	Chitradurga	Establishment of 2x8 MVA 66/11 KV Sub Station at Chitrahalli	Chitrahalli (Echagatta)	2x8	16	66/11KV	29/12/2014
31	Davanagere	Establishing 2x8 MVA, 66/11KV S/S with associated lines	Kerebilachi (Hosur)	2x8	16	66/11KV	09/02/2015
32	Davanagere	Establishing 2x8 MVA, 66/11KV Sub-Station	Bilichodu	2x8	8	66/11KV	30/03/2015
				Total MVA	735.3		



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
Bangalore Transmission Zone					
1	Bengaluru Urban	Running 2 Ckts of 220KV 1000 Sqmm UG cable 1.35 kms from Cable termination tower to HSR Layout 220KV Station (as per actuals 1.46 km instead of 1.35 km)	220	2.92	30/04/2014
2	Bengaluru Urban	Running of 66 KV 1000 sq.mm UG cable for a route length of 2.76 Kms from the proposed National College station to the existing 66/11 KV BMTC S/s (as per actuals 2.9 km)	66	2.9	5/07/2014
3	Bengaluru Urban	Running 66KV 630 sqmm UG cable from Vikas Technical Park 220KV S/s to 66 KV Shobha Developers S/s 3.5 Kms (as per actuals 4.82 km)	66	4.82	11/07/2014
4	Ramanagara	Construction of 66KV tap line from Kanakapura-Honniganahalli line to Doddalahalli S/s (8 Kms)	66	8	6/08/2014
5	Bengaluru Urban	Running 66 KV SC single core 1000 sqmm,XLPE,Copper, UG Cable from 220/66/11KV NRS station to 66/11KV IISC S/s (4.826 km) (as per actuals 4.976 Kms)	66	4.976	11/09/2014
6	Bengaluru Urban	Running of 66KV 1000sqmm XLPE Copper UG cable from 220/66KV 'A' station to 66/11KV Victoria Hospital S/s for a route length of 3.037 km.	66	3.037	7/11/2014
7	Bengaluru Urban	Construction of 66KV LILO line from existing 66KV Byadarahalli-Tavarekere SC line to proposed 66/11KV S/s at Kodigehalli for a distance of 0.641 Kms. (as per actuals 0.55 Km)	66	1.1	12/11/2014
8	Bengaluru Urban	Providing 66KV 1000 sq.mm XLPE UG cables from 220/66 Vrushabhavathi valley to proposed Sir .M.V. Layout	66	5.6	5/12/2014
9	Bengaluru Urban	(i) 66KV 1000 sq. mm SC UG cable line from the proposed 220 KV Vikas Tech Park S/s to Devarabeesanahalli for a route length of 3.5 ckt. Kms	66	3.5	22/12/2014



10	Bengaluru Urban	Running of 66 KV SC 1000 Sq.mm, XLPE, UG Cable for a route length of 3.045 km from 220 KV Vikas Tech Park Stn to Primal Projects Stn (as per actuals: 3.1 km).	66	3.1	31/01/2015
11	Bengaluru Urban	220KV DC line on NBTs to LILO the existing 220KV Peenya-Subramanyapura SC line near Avalahalli limits to the proposed 220 KV Khoday's glass factory (line length 0.162 km)	220	0.324	2/02/2015
12	Kolar	Construction of 66KV DC line with NBTs from existing 66KV Kolar - Taylur SC line to existing 66KV Tamaka S/s (0.618 kms)	66	1.236	4/02/2015

Bagalkot Transmission Zone

13	Bagalkot	110 KV tap line to Bisnal for a distance of 15.839 kms	110	15.839	27/09/2014
14	Belgaum	Const. of 110 KV LILO line from 110 KV Aigali-Savalagi line to the proposed Yellammanawadi S/s for a route length of 5.01 Kms (as per actuals 5.5 Kms)	110	11	21/10/2014
15	Belgaum	Construction of a) 110 KV DC line from 220 KV Soundatti Station to 110 KV Ramadurga Station for a distance of 44.17 KMs b) 110 KV TBs at Ramdurga and Soundatti	110	88.34	16/06/2014
16	Belgaum	Construction of 110KV LILO line from under construction 110KV Mahalingapur - Raibhag 2 nd circuit line to the proposed 110/11KV Sultanpur S/S (0.7Kms)	110	1.4	31/12/2014
17	Haveri	Construction of a) 110 KV SC line on DC towers from proposed 220 KV Shiralkoppa S/s (tower No 10) to hirekerur S/s, 19.52 kms (as per actuals 15 Kms) b) TB at Hirekerur S/s	110	15	18/03/2015
18	Bijapur	Construction of 110 KV LILO line from 110KV Sindagi-Almel SC line to Chandakavate for a distance of 8.93kms (as per actuals 9.02 Kms)	110	18.04	18/03/2015



Gulbarga Transmission Zone

19	Raichur	110 KV SC line on DC towers from 220 KV Raichur to the proposed S/s Matamari for a distance of 23.15 Kms along with TB	110	23.15	3/07/2014
20	Bidar	Construction of 110KV SC line on DC towers from existing 110KV Ladha S/s to existing 110 KV Sastapur(30.995 kms) S/s along with TBs at Ladha and Sasthapura	110	30.995	5/08/2014
21	Bellary	Const. of 110 KV LILO line for a distance of 3.23 Kms from the existing 110 KV Bellary(South)-BSAL SC line to the proposed 110 KV S/s at Halakundi DC.	110	6.46	13/08/2014
22	Gulbarga	Construction of 110 KV SC tap line from 110 KV Munirabad-Sindhanur DC line to proposed 110/33/11 KV S/s Kerehalli for a distance of 6.402 Kms	110	6.402	26/09/2014
23	Bellary	Const. of 66 KV SC line on DC towers for a distance of 5.82 Kms for tapping of existing 66 KV Ittagi-Huvinahadagali SC line to the proposed S/s at Holagundi	66	5.82	22/01/2015
24	Gulbarga	(i) 110 KV SC line on DC towers from existing 110 KV S/s at Madiyal to 110 KV S/s at Chowdapura (16.215 Kms) (ii) 2nd circuit on existing 110KV DC towers of Kapanoor -Madiyal 110 KV SC Line (4.385 kms) (iii)2nd circuit on 110KV DC towers of ongoing Afzalpur-Chowdapur 110KV SC line (3.435 Kms) (2) TB at Chowdapura (3) TB at Madiyal	110	24.035	27/01/2015
25	Koppal	Const. of 110 KV LILO line from existing 110 KV Sindhanur-Munirabad Ckt-II line to the proposed 110 KV S/s at Mallapur DC. (as per actuals 0.68km)	110	1.36	26/02/2015
26	Bidar	Const. of 110 KV SC line on DC towers for a distance of 21.17 Kms from existing 110 KV Janawad S/s to the existing 110 KV Santhapur S/s with TBs at Janawad and Santhapur S/s	110	21.17	18/03/2015



Mysore Transmission Zone

27	Ch.Nagara	Construction of 66 KV LILO line from 66KV Chamarajanagar-Kollegal SC line to proposed 66KV Kunthur S/s for a distance of 0.48 Kms	66	0.96	23/05/2014
28	Ch.Nagara	Construction of 66KV SC tap line on DC towers from 66KV Hanur-Chowdally SC line to the proposed 66KV S/s at Bandalli for a distance of 9.585 kms	66	9.585	31/05/2014
29	Mandya	Construction of 66KV SC tap line on DC towers from 66KV Jakkanahalli-Guddehalli SC line to proposed 66KV S/s at G.Malligere(Bommasandra) for a distance of 1.999Kms.(as per actuals 1.341 Kms)	66	1.341	27/08/2014
30	Kodagu	Construction of 66KV SC line on DC towers from existing 66/11KV S/s at Chikkabommanahalli to proposed 66/11KV S/s at Alur Siddapura for a distance of 6.611 kms along with 1 No. of TB at Chikkabommanahalli S/s (as per actuals 6.586 Km)	66	6.586	19/12/2014
31	Mysore	66 KV SC tap line from existing 66KV H.D.Kote-Tharaka line to proposed Antharasanthe S/s for a route length of 1.625 Kms (as per actuals 1.635 Km)	66	1.635	31/12/2014
32	Mysore	Construction of 66KV SC line on DC towers from 66KV Santhesaragur S/s to proposed 66KV S/s at B.Matakere for a distance of 12.688 kms along with TB at 66KV Santhesaragur S/s (as per actuals 14.504 Kms)	66	14.504	28/01/2015

Hassan Transmission Zone

33	Dakshina Kannada	Construction of 110KV SC line on DC towers from VIT College limits Puttur to proposed Karaya S/S for a distance of 14.9 Kms and 110KV TB	110	14.9	16/04/2014
34	Shimoga	Constn of 110 KV SC line from Shimoga -Varahi line to proposed station at Kammardi, 11.04 kms	110	11.04	8/08/2014
35	Chikkamagalur	110KV LILO line from Shimoga-Bangalore line(SBT-2) 0.03 km (Shivapuram)	110	0.06	3/09/2014



Hassan Transmission Zone

36	Hassan	Const. of (A) 66 KV DC line from Hassan Industrial Growth Centre to H.N Pura S/s for a distance of 29.84 Kms (B)Const. of 66KV DC line from Hassan-Hootagalli in the existing corridor of 110 KV Mysore Bhadra Transmission line for a distance of 71.20 Kms (Commissioned on 31.03.2010)	66	59.68	21/10/2014
37	Dakshina Kannada	Construction of 220 LILO KV line (0.23 kms) (as per actuals 0.118 Km)	220	0.236	30/12/2014
38	Dakshina Kannada	Running of 630Sqmm XLPE Copper UG cable SC line from SRS, Kavoor to Bejai -5.85kms and Construction of 110KV TB at Kavoor	110	5.85	13/02/2015
39	Shimoga	Construction of 110KV LILO line from 110KV Shiralakoppa - Shikaripura SC line to proposed 110KV S/s at Sanda Industrial Area for a distance of 0.811 kms	110	1.622	20/02/2015

Tumakuru Transmission Zone

40	Tumkur	110 KV tap line from K.B cross Nonavinakere SC line to proposed Gunguramale S/s for a distance of 8.6 Kms	110	8.6	30/06/2014
41	Tumkur	Construction of 110 KV SC line on DC towers from existing Thimmanahalli S/s to the proposed Kathrikehal S/s for a distance of 13.16 Kms along with TB at Thimmanahalli S/s	110	13.16	31/07/2014
42	Chitradurga	construction of 66KV SC line on DC towers from 66/11KV sub station at Hariyabbe to proposed 66/11KV sub station P.D.Kote for a distance of 12.195 Kms along with construction of 66KV Terminal bay at 66/11KV sub station at Hariyabbe (as per actuals 12.354 Km)	66	12.354	13/08/2014
43	Chitradurga	Construction of 66 KV DC line for a route length of 3.72 Kms to LILO one of the circuits of the 66 KV Hiriyur-Mathod DC line to the proposed 66/11 KV Bharamagiri S/s (V.V.Puram)	66	7.44	13/10/2014



Tumakuru Transmission Zone

44	Chitradurga	Construction of 66 KV DC line on DC towers for a route length of 0.22 Kms to LILO the 66 KV SC Pandrahalli-Holalkere SC line to the proposed 66 KV S/s at Chitrahalli	66	0.44	29/12/2014
45	Tumkur	(1) Construction. of 01 no. 66 KV TB at 66 KV Hebbur S/s (2) Construction of 66 KV LILO line from one circuit of 66 KV Anchepalya-Melekote DC line to 66 KV S/s at Hebbur for a distance of 0.055 Km	66	0.11	3/01/2015
46	Davanagere	Construction of 66 KV LILO line from 66 KV Davanagere-Thyavanagi-Santhebennur SC line to proposed 66 KV S/s at Kerebilachi(Hosur) for a distance of 0.32 Kms	66	0.64	9/02/2015
47	Tumkur	220KV DC line from 400KV Hiriyyur S/S to Gowribidnur (route length: 121 KM) along with 220 KV Terminal bays at Gouribidanur station.	220	242.00	4/03/2015
48	Davanagere	Construction of 66KV DC line to LILO the 66KV SC Davanagere -sokke line to the proposed 66/11KV S/s at Bilichodu(4.703 kms)- (as per actuals 4.82 Kms)	66	9.64	30/03/2015
TOTAL LENGTH OF LINE IN CKMs				732.907	

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

Sl. No.	District	Particulars	Voltage Class	Length of line in CKMs.	Date of Commissioning
Bangalore Transmission Zone					
1	Bengaluru Urban	Replacement of existing Lynx conductor by High Temperature Low Sag (HTLS) conductor suitable for coyote in existing 66 KV Peenya-Brindavan SC line (3.0 kms).	66	0.00	3/03/2015
Tumakuru Transmission Zone					
2	Davanagere	Replacing of Copper conductor by Coyote ACSR conductor of Shimoga_Davanagere SC line No.1 upto Harihar-Hospet S/s for a distance of 76.51 kms	66	0.00	22/09/2014
TOTAL WORKS IN No			2		



C. Zone-wise details of AUGMENTATION OF SUB STATIONS during the year

Sl. No.	District	Name of the Station	Nature of Work	MVA added	Voltage Class in	Nature of Work	Date of Commissioning
Bangalore Transmission Zone							
1	Bangalore Rural	Nelamangala 400 KV_aug	Providing additional 3 rd 500 MVA,400/220 KV Auto Transformer	500	400/220 KV	Additional	9/04/2014
2	Bangalore	Vidhurashwatha	Replacing 1x8MVA, 66/11KV by 1x20MVA, 66/11KV transformer at Vidhurashwatha S/s	12	66/11KV	Replacement	19/04/2014
3	Bengaluru Urban	Chandrappa Circle	Providing additional 1x20MVA, 66/11KV transformer	20	66/11KV	Additional	13/06/2014
4	Kolar	Lakshmipur	Replacing second 1x8MVA, 66/11KV by 1x12.5MVA, 66/11KV transformer	4.5	66/11KV	Replacement	15/09/2014
5	Ramanagara	Maralawada	Replacement of 1x6.3 MVA by 1x12.5 MVA 66/11 KV transformer	6.2	66/11KV	Replacement	27/09/2014
6	Bangalore Urban	Hoody	Providing 3 rd 500 MVA, 400/220/33 KV Auto Transformer (3 Nos of 167 MVA, 1 ph Tr & 1 No of 167 MVA 1 ph spare transformer) at 400/220 KV Hoody station	500	400/220/33 KV	Additional	16/10/2014

Bagalkot Transmission Zone

7	Bijapur	Mattihal	Providing additional 1x10MVA, 110/11KV Transformer	10	110/11KV	Additional	11/05/2014
8	Haveri	Hirekerur	Replacement of 1x10MVA, 110/11KV by 1x20MVA, 110/11KV transformer	10	110/11KV	Replacement	19/05/2014
9	Haveri	Rattihalli	Additional 1x10 MVA, 110/11 KV Tr	10	110/11KV	Additional	28/07/2014
10	Uttara Kannada	Ambewadi	Replacement of 2x55 MVA,220/110 KV Transformer by 2x100 MVA, 220/110 KV Trs.	45	220/110 KV	Replacement	1 st Transformer commissioned on 12/08/2014
11	Belgaum	Nippani	Replacing 1x10MVA, 110/11KV by 1x20MVA, 110/11KV transformer	10	110/11KV	Replacement	8/08/2014



Bagalkot Transmission Zone

12	Belgaum	Kuligod	Providing Additional 3 rd 10MVA, 110/11KV Tr at 110/33/11KV Kuligod Sub-station	10	110/11KV	Additional	8/09/2014
13	Bagalkot	Rannabelagali	Replacing 1x10MVA by 1x20MVA, 110/11KV transformer	10	110/11KV	Replacement	20/10/2014
14	Bijapur	Mamadapur_ aug	Replacing 1x10MVA, 110/11KV by 1x20MVA, 110/11KV transformer	10	110/11KV	Replacement	14/12/2014
15	Bagalkot	Girisagar_ aug	Providing Additional 10MVA, 110/11KV Tr.	10	110/11KV	Additional	22/12/2014
16	Belgaum	Aigali	Replacing 1x10MVA, 110/11KV by 1x20MVA, 110/11KV transformer	10	110/11KV	Replacement	22/12/2014
17	Bagalkot	Ilkal	Replacing 1x10MVA, 110/11KV by 1x20MVA, 110/11KV transformer	10	110/11KV	Replacement	8/01/2015
18	Belgaum	Taushi	Additional 1x10MVA, 110/11KV Transformer	10	110/11KV	Additional	4/03/2015
19	Bagalkot	Hunagund	Additional 1x10 MVA, 110/11 KV Tr	10	110/11KV	Additional	31/03/2015

Mysore Transmission Zone

20	Ch.Nagara	Gundlupet	Replacing 1x12.5MVA, 66/11KV by 1x20MVA, 66/11KV transformer	7.5	66/11KV	Replacement	21/04/2014
21	Mysore	KM Doddi	Replacing 1x6.3 MVA, 66/11 KV tr by 1x12.5 MVA,66/11 KV transformers	6.2	66/11KV	Replacement	5/05/2014
22	Mysore	Sindhuvalli	Providing additional 1x8 MVA,66/11 KV Tr and one TB for making LILO arrangement for 66KV Nanjangud-Begur line at 66/11KV Sindhuvalli S/s	8	66/11KV	Additional	7/05/2014

Hassan Transmission Zone

23	Hassan	Balehonnur	Repl 1x8 MVA 66/33 KV Transformer by 1x12.5 MVA 66/33 KV Tr.	4.5	66/33KV	Replacement	28/05/2014
24	Shimoga	Anavatti	Replacing 1x10MVA, 110 / 11KV Transformer by 1x20MVA, 110 /11KV transformer	10	110/11KV	Replacement	6/06/2014



Hassan Transmission Zone

25	Udupi	Nandikur	Providing additional 1x10MVA 110 / 11KV Transformer.	10	110/11KV	Additional	9/07/2014
26	Shimoga	Thirthahalli	Providing additional 1x10 MVA, 110/11KV transformer	10	110/11KV	Additional	21/07/2014
27	Shimoga	Sagar	Providing additional 1x10MVA, 110/11KV transformer	10	110/11KV	Additional	23/07/2014
28	Dakshina Kannada	Moodabidri	Replacing 1x10MVA, 110/11KV Transformer by 1x20MVA, 110/11KV transformer	10	110/11KV	Replacement	11/09/2014
29	Shimoga	Essur	Providing additional 1x10MVA, 110/11KV transformer	10	110/11KV	Additional	19/09/2014
30	Udupi	Kemar	Providing additional third 100MVA, 220/110KV Tr and re-orientation of 220KV lines for providing 3 rd 100 MVA at 220KV receiving station at Khemar	100	220/110KV	Additional	20/12/2014
31	Shimoga	Holalur	Replacement of 1x8 MVA 66/11 KV Transformer by 1x12.5 MVA 66/11 KV Tr.	4.5	66/11KV	Replacement	26/02/2015

Tumakuru Transmission Zone

32	Tumkur	Huliyurdurga	Replacement of 1X8 MVA Transformer by 1X12.5 MVA Transformer	4.5	66/11KV	Replacement	4/04/2014
33	Chitradurga	Bharamsagar	Replacement of 1x8 MVA, 66/11KV by 1x 12.5MVA, 66/ 11KV Transformer.	4.5	66/11KV	Replacement	1/05/2014
34	Tumkur	Amrutur	Replacing 2 nd 6.3MVA, 66/11KV by 1x12.5MVA, 66/11KV Tranformer at Amrutur S/s	6.2	66/11KV	Replacement	27/05/2014
35	Tumkur	Kunigal	Replacement of 1x12.5 MVA, 66/11KV by 1x20 MVA, 66/11KV Transformer.	7.5	66/11KV	Replacement	31/05/2014
36	Tumkur	Koratagere	Replacing of 1x12.5 MVA, 66/11KV by 1x 20 MVA, 66/11KV Transformer.	7.5	66/11KV	Replacement	9/06/2014



37	Tumkur	Santhemavathur	Replacing of 1x6.3MVA, 66/11KV by 1x12.5MVA, 66/11KV Transformer.	6.2	66/11KV	Replacement	9/06/2014
38	Tumkur	Kora	Providing additional 1x20 MVA 66/11 KV Power transformer	20	66/11KV	Additional	28/06/2014
39	Tumkur	Anchepalya	Providing additional 1x12.5 MVA 66/11 KV Power transformer.	12.5	66/11KV	Additional	5/07/2014
40	Tumkur	Bukkapatna	Replacement of 1x6.3 MVA, 66/11KV by 1x12.5 MVA, 66/11KV transformer	6.2	66/11KV	Replacement	24/07/2014
41	Tumkur	Brahmasandra	Replacement of 1x8MVA, 66/11KV by 1x12.5MVA, 66/11KV Transformer	4.5	66/11KV	Replacement	4/08/2014
42	Davangere	Bennihalli	Replacement of 1x6.3 MVA, 66/11KV by 1x12.5MVA, 66/11KV Tr.	6.2	66/11KV	Replacement	28/08/2014
43	Tumkur	Kempanahalli	Providing additional 1x8 MVA 66/11 KV Power transformer.	8	66/11KV	Additional	31/03/2015
Total				1492.2			

Note: The following list of 2nd transformers of the augmentation works of previous year which are not yet commissioned in the present year also due to non-availability of Power Transformer is as detailed below

Sl. No.	District	Name of the Station	Nature of Work	MVA added	Voltage Class in KV	Nature of Work	Date of Commissioning
1	Bangalore Urban	Amarjyothi	Replacing 2x20 MVA by 2x 31.5 MVA transformer.	11.5	66/11 KV	Replacement	1 st 31.5 MVA Transformer commissioned on 01/04/2013 & 2 nd 31.5 MVA Transformer is awaited
2	Mysore	Kadakola	Replacement of 2x8 MVA, 66/11 kV Power Transformer by 2x12.5 MVA, Transformer.	4.5	66/11 KV	Replacement	1 st 12.5 MVA Transformer commissioned on 4/01/2014 & 2 nd 12.5 MVA Transformer is awaited
3	Davanagere	Kukkawada	Replacing 2x6.3 MVA by 2x12.5 MVA Transformer	6.2	66/11 KV	Replacement	1 st 12.5 MVA Transformer commissioned on 28/01/2014 & 2 nd 12.5 MVA Transformer is awaited.



ABSTRACT

(a) NEW STATIONS COMMISSIONED

Sl. No.	Voltage Class	Progress achieved upto the end of March 2015		
		New Stations Commissioned		Total
		NOs.	MVA	Total MVA
1	220KV	1	240	240
2	110KV	16	290	290
3	66KV	15	205.3	205.3
	Total	32	735.3	735.3

(b) TRANSMISSION LINES COMMISSIONED

Sl. No.	Voltage Class	Progress achieved upto the end of March 2015					
		Progress achieved upto the end of March 2015		Strengthening / Re-Conditioning Progress achieved upto the end of March 2015	Balance portion of the Line in a combined package commission during this year	Total	
		NOs.	CKMS	NOs.	CKMS	NOs.	CKMS
1	220KV	4	245.48	-	-	4	245.48
2	110KV	20	318.423	-	-	20	318.423
3	66KV	23	109.32	2	59.68	25	169.00
	Total	47	673.227	2	59.68	49	732.907

(c) AUGMENTATION OF STATIONS

Sl. No.	Voltage Class	Progress achieved upto the end of March 2015	
		Additional & Replacement of Transformers	
		NOs.	MVA
1	400KV	2	1000
2	220KV	2	145
3	110KV	18	180
4	66KV	21	167.2
	Total	43	1492.2



STATE LOAD DESPATCH CENTRE

SLDC is the apex body to ensure integrated operation of the power system in the state as per the relevant provisions of the IE Act 2003 section 31 and 32. 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 percentages fixed by the Government of Karnataka from time to time, taking all precautionary measures to maintain the Grid as per IEGC norms at all times.
2. As per section 39 of IE 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.
3. 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.
4. As per section 160(i) of IE 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 ESCOM's, KPTCL, BSNL, Defense & Railways to protect the telecom assets & personnel working on it due to induction effects of Power Lines. PTCC has saved crores of rupees to KPTCL and ESCOM's.

During 2014-15, 75 PTCC cases have been resolved helping to speed up the KPTCL and ESCOMs new projects and ensured that the project have completed within the stipulated period.

5. One of the major achievements of SLDC under ABT (UI) mechanism is by judicious management of the grid, SLDC was able to draw 328.204 MU at the rate of Rs. 2.20 per unit during high frequency period under UI mechanism at the total cost of Rs. 72.279 crores. If ESCOMs were to purchase this energy from outside, taking the prevailing rates of approximately Rs 5.50 per unit, ESCOMs would have to incurred additional cost of Rs 108.233 crores. SLDC has saved this huge amount to ESCOMS.

Any over drawl 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 through competitive e-bidding route for meeting the deficit.

6. SLDC has given consent to IPPs and CPPs who have opted for open access for selling power outside the state. During the year 2014-15, SLDC has received Rs. 56.887 crores towards transmission, scheduling and processing charges from open access customers; it is a matter of pride.
7. 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 2014-15 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.



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 Inter face 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 2458 Nos of Interface points and 1091 Nos of Auxilliary points as on 31.03.2015.

Energy input to ESCOMs for the year 2014-15 :

BESCOM	29486.614 MUs
CESC	6150.438 MUs
MESCOM	4696.225 MUs
HESCOM & Hukkeri Society	11455.600 MUs
GESCOM	7631.471 MUs

(Energy input is inclusive of wheeled energy under wheeling and banking Agreement, Auxilliary Consumption of Sub stations 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 35 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 113 Nos of IPPs under wheeling and Banking Agreement.

Energy Audit

Energy Audit is being carried out at Transmission Billing Centre. The transmission loss calculated during 2014-15 without SR Loss is 3.667%. Transmission billing centre is also calculating the transmission loss at different voltage levels. The voltage level losses for 2014-15 excluding SR loss are as follows;

SI No	Voltage level	Loss in Mus	% Loss
1	400 KV	176.803	0.285
2	220 KV	1205.575	1.943
3	110 KV	258.775	0.417
4	66 KV	633.953	1.022
Total		2275.107	3.667

Renewable energy Certificate

SLDC is the Nodal Agency for Accreditation of RE Generators. 29 Nos of generators have been issued Accreditation as on 31.03.2015. Monthly Energy Injection report are being furnished to NLDC for 15 Nos of Accredited Generators.



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 & also 259 Nos. of 33kV stations are completed so far.

The SCADA system was established as a part of the Integrated Extended SCADA project, with Phase I, taken up at a cost of Rs.186.43 Crore, with Rs.128.01 Crore towards the KPTCL portion of the work and Rs.58.42 Crore towards ESCOMs portion of the work. The project was commenced during December 2006 and the Phase-I comprising of 588 KPTCL locations, 6 Area Load Despatch Centres, 5 Distribution Control Centres and 259 stations of ESCOMs are completed. The Phase-II of the project has already covered 390 stations & out of 28 SAS Stations 22 Stations is 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 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 draws and has gained the appreciation of Southern Regional Power Committee for its excellent Grid Management for the past successive five 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:

- Monitoring IPP injections into State Grid
- Sharing data of all 220 kV stations and Generating Stations with Southern Region Load Despatch Centre as per CERC requirements.
- Generation of Daily Sub-station reports upto 11 kV levels
- Intra State ABT functions covering Scheduling, Monitoring and reporting.
- Real time Monitoring systems for all ESCOMs.
- Operation of all Circuit breakers from 11 kV to 400 kV.
- Contingency load shedding control at 11kV and 66 kV levels.

Area Load Despatch Centers (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.

Special Protection Schemes have been devised and implementation using SCADA, Power Line Carrier & Programmable Logic Controllers to satisfy CERC directives is done at 4 Transmission Corridors. Automatic Load disconnection scheme has also been devised using SCADA, Power Line Carrier & Programmable Logic Controllers to cut off non-priority loads during grid contingencies as per CERC directives. Different makes of Sub-Station Automation System (SAS) have been integrated to KPTCL SCADA System.

As per CERC directives an Automatic Demand Management Scheme (ADMS) is implemented using SCADA, listed 11 kV feeders feeding ESCOMs are tripped automatically during over-drawl conditions depending on the extent of over-drawl by each ESCOM during 2014-15.

Any frequency below 49.7 hz is automatically detected and 11 kV feeders identified by ESCOMs are automatically tripped in round robin sequence. KPTCL is the only Utility in India where ADMS control is carried out at 11 kV feeder level.

Real time data is also uploaded in KPTCLs SLDC Website which helps all concerned to monitor the Grid at all times. Essential historical data is also posted on the Website which helps the concerned in the power sector to understand the status of the Network.

Central Electricity Authority during its discussions on SCADA & communication in power utilities has appreciated the KPTCL model. Central Electricity Authority has requested to share our experience to recommend the Model to other Utilities in India.

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.

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 VSAT 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.



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, by earning revenue of Rs. 19.65 lakhs to the Board. Further orders are expected from M/s. CPRI for Omkareshwar Power Station & Indira Sagar Power Stations in Madhya Pradesh and Uttar Pradesh Power Transmission Corporation Ltd. (UPPTCL) & Punjab State Transmission Corporation Ltd. (PSTCL).

TENDERING AND PROCUREMENT

During the year 2014-15, KPTCL has procured various equipments like, Power Transformers, switchgear, Circuit Breakers, Current Transformers, Isolators, Potential Transformers, CVTs, Station Batteries & Lightning Arrestors required for maintenance & replacement works and for augmenting the installed capacities in sub stations.

Further, action has been initiated for procurement of numerical relays, retrofitting of relays etc., required for meeting day to day needs of Relay Testing and R&D Wings.

Covered Conductor of 66 kV voltage class was introduced for the first time in the country for facilitating alternate power supply to avoid power supply interruption to the consumers during execution of 220 / 66 kV MC Line work in the existing 66 kV corridor between Chikkabettahalli & Yelahanka Station in Bengaluru Zone. This is a special conductor which can reduce corridor width. An MOU is being entered with CPRI to study field strength so that effective corridor width can be archived. After study matter will be taken with Central Electricity Authority(CEA). However now it is used as effective temporary by pass to avoid interruption. It is estimated that 18 – 20 Crores may be saving in revenue loss due to load shedding as against Rs. 2.107 Crores being charged by the firm. Since it is experimental the amount will be paid only after successful commissioning of the work.

Tender for Construction of 400kV D/C line for a route length of 188Kms with Quad Moose ACSR Conductor was invited for evacuation of power from Yeramarus & BTPS Complex. The said work has been awarded to M/s KEC International Limited and the work is under progress.

Further Tender for execution of 44 KMs of MC 400 kV line from Bellary Pooling Station to link Vasanthnarasapura & Kelaginakanive line has been initiated.

The above said 400 kV line tenders were invited on design basis for standardization of 400 kV Tower Designs.

Action has been initiated for up gradation & modernization in 92 Nos of 400 & 220 kV stations for implementation of Protection Audit as per the directions of CEA. Further the work of providing capacitor banks in 66 kV, 110 kV & 220 kV stations in all the Transmission Zones has been initiated totaling to 15863 MVAR.

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. Rate contract has also been placed on M/s MEI for retrofitting of 11 kV 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.

Following is an abstract of award of works & Procurement during the financial year 2014-15.



1. WORKS

No. of Tenders floated		Amount in Rs. Lakhs	Works involving
110kV, 66kV and 11kV Capacitor Banks. (Many works were retendered due to no response)	44 Nos	37495.51	66kV Stations – 14 Nos 66kV GIS Station – NIL 66kV OH Lines associated with S/s-71.681Kms. 66kV UG Cable – 8.73Kms (2 nos) 66kV TBs – NIL 110kV Stations – 21 Nos 110kV OH Lines associated with S/s-242.063Kms. 110kV TBs –NIL 110kV Exclusive line-23.897Kms (1 no) 11kV Capacitor Bank- 06 Nos
220kV & above works	11 Nos	148608.63	220kV, 150MVA Additional Transformers - NIL 220kV, 100MVA Additional Transformers - 2Nos 220kV Air insulated Stations - 1No 220kV R&M Works - 1Nos. 400kV O.H Lines - 378.33Kms.(2 Nos) 220kV O.H Lines - 113.282Kms.(2 Nos) 110kV O.H Lines - NIL 66kV O.H Lines - NIL 400kV TBs - NIL 220kV TBs - 2Nos 110kV TBs - NIL 66kV TBs - NIL 220kV UG Cable (2000Sq.mm) - 5.875Kms
110kV and 66kV	29 Nos	24971.02	66kV Stations – 17 Nos 66kV OH Lines associated with S/s— 63.26 Kms 66kV UG Cable – 8.73Kms (2 nos) 66kV TBs – NIL 110kV Stations – 8 Nos 110kV OH Lines associated with S/s— 83.929Kms 66kV OH lines (exclusive) – 45.4Kms (1 no) 110kV TBs - NIL 110kV OH lines (exclusive) – 28.97Kms (1 no)
220kV & above works	06 Nos	89782.00	220kV, 150MVA Additional Transformers - NIL 220kV, 100MVA Additional Transformers -NIL 220kV Air insulated Stations - NIL 220kV R&M Works - NIL 400kV O.H Lines - 199.989. (2 nos) 220kV O.H Lines - 109.712Kms.(2 Nos) 110kV O.H Lines - NIL 66kV O.H Lines - 1.072Kms (included in 220kv work) 400kV TBs - NIL 220kV TBs – 6 Nos (2 Nos) 110kV TBs - NIL 66kV TBs - NIL 220kV UG Cable - NIL



2. GOODS AND SERVICES

Procurement of Goods and services for the year 2014-15		
Descriptions	Amount for which P.O's are issued (in Rs. Lakhs)	Works involving
Power Transformers, Circuit Breakers, Battery Set, Vehicles, Uniform Clothes, EHT Offline locator, Furniture's, Photocopier machines and arranging services like Canteen, Attenders, Data Entry Operators & Security Services.	14586.85	Station capacity augmentation, Replacements and testing, arranging services like Canteen, Attenders, Data Entry Operators and Security Service etc.,

PLANNING & CO-ORDINATION

Mission, objectives and functions of Planning and co-ordination wing

Mission

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

Objectives

- Expanding transmission network in the State in an efficient, coordinated and economical manner as envisaged in the Electricity Act-2003.
- Transmission system planning to ensure principles of reliability, security and economy.

Functions

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

Transmission System planned and approved for the year-2014-15

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

Voltage class in KV	Sub stations in no's		Transmission Lines in CKMs	
	Planned	Approved	Planned	Approved
400	3	3	160	160
220	17	14	163.5	102.34
110	46	38	330	260
66	27	23	129.5	110
Total	92	77	783	632.34



Planning for Renovation and Modernization (R & M) of sub stations for the year-2014-15

Renovation and Modernization (R&M) is one of the major initiatives of KPTCL taken up in 11th five year plan (2012-17), considering inadequate capacity, obsolete design and to provide uninterrupted quality power supply which was nightmare due to frequent equipment failure and tripping of lines. The following sub stations were planned for taking up R&M works :

SI No	Voltage Class	Planned for 2012-17	Completed up to 2014-15
1	220	7	-
2	110	1	-
3	66	1	-

Renewable Energy Capacity addition for the year-2014-15

Sl. No.	Category	Capacity of Evacuation scheme granted in MW	Interconnected with the Grid in MW
1	Wind	141.5	323.4
2	Mini Hydel	-	43.15
3	Co-Generation	76.16	72.6
4	Biomass + Captive	40	10 + 28=38
5	Solar	371	46
6	Total	628.66	523.15

Improvements adopted in Substation and Transmission Line Engineering

- Substation Automation System for EHV class substation using Bay Controller and SCADA complying with IEC 61850 protocol.
- Standardization of design and engineering drawing for Transmission system equipments to optimize time schedule of execution.
- Adoption of Nitrogen Injection Fire Protection System (NIFPS) in power transformers of capacity 20 MVA and above for safety.
- Adoption of Gas Insulated Substation for 66 KV sub-stations and above.
- Adoption of 66 KV Hybrid switchgear technologies.
- Adoption of high Ampacity conductor for important 66 KV lines.
- Adoption of covered conductor for 66 KV applications for the first time in India.
- Adoption of Polymer insulator for 66 KV to 400 KV line in coastal areas.
- Adoption of Monopole design for 66 KV, 220 KV and 400 KV Transmission Lines.

Awards & Recognition

KPTCL has been awarded with “Best Transmission Utility in the Country” in terms of introduction latest technologies and smart solutions, increasing the system capacity in the State of Karnataka by adding new lines and substations and modifying the existing sub stations and transmission lines of by Central Board for Irrigation and Power for the year-2015.



RT AND R & D

A. Stations existing during the year 2014-15

The No. of substations voltage class wise existing under each RT Circle at the end of FY 2014-15 are as follows:

RT Circle	400kV	220kV	110kV	66kV	Total
RT Circle, Bengaluru	3	39	29	357	428
RT Circle, Hassan	1	20	67	192	280
RT Circle, Hubballi	-	22	175	01	198
RT Circle, Kalaburgi	-	13	104	20	137
Total	4	94	375	570	1043

B. No. of power transformers existing as on 31.3.2015

Sl. No.	Transformer Capacity (in MVA)	RT Circle Bangalore	RT Circle Hassan	RT Circle Hubli	RT Circle K'burgi	Total
1	315	2	3	-	-	5
2	167	21	-	-	-	21*
3	150	20	-	-	-	20
4	100	62	43	44	25	174
5	75	-	0	-	-	0
6	67.5	1	-	-	-	1
7	60	1	-	-	-	1
8	55	-	-	1	-	1
9	50	1	-	1	-	2
10	31.5	82	-	-	-	82
11	20	202	70	126	80	478
12	15	1	-	-	-	1
13	12.5	180	102	3	11	296
14	10	53	95	331	193	672
15	8	229	162	1	17	409
16	6.3	65	52	-	13	130
17	5	1	5	2	3	11
18	1	-	-	3	-	3
Total		921	532	512	342	2307

* 3 number of 167 MVA single phase transformers are used as a bank of 500 MVA 400/220kV transformer.



C. Details of other major activities carried out by various RT Divisions/RT circles for the year 2014-15

Testing and commissioning works related to enhancement of station capacity by augmentation works, while providing additional transformers in existing stations, the work of repairs of faulty transformers either through external agency or departmentally and attending to breakdowns of station equipments.

Name of the RT Circle	Enhancement works	Addnl. Pr. Trfs. commissioned	Failed Pr. Tfrs. repaired during the year	No. of Breakdowns attended
Bengaluru	13	03	6	1317
Hassan	07	09	5	389
Hubballi	07	05	4	309
Kalaburgi	-	-	-	644
Total	27	17	15	2659

D. Periodical calibration works carried out by the RT Divisions of various RT circles for the year 2014-15

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

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

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

The details of the above are as follows:

RT Circle	Relays	Energy Meters	IPP instns.	EHT instns.
RT Circle, Bengaluru	30946	7620	33	41
RT Circle, Hassan	17292	4189	51	41
RT Circle, Hubballi	12901	2440	29	02
RT Circle, Kalaburgi	7731	1976	38	05
Total	68870	16225	159	96

E. RESEARCH WING

The major activities of the Research & Development Centre are as follows

The Corporation has its own Research & Development Centre situated at Bengaluru, headed by a Superintending Engineer (EI). The R&D wing undertakes the works viz., Soil Resistivity Measurement and designing of Earthmat for all the proposed substations of KPTCL/ESCOMS (on request) and other private firms/IPP's and undertakes the investigation of earthings at the existing substations of KPTCL. The Centre also approves Redesigning/Modification of Earthmats for the existing stations on account of Augmentation works etc., undertakes the Earthing efficacy tests of the existing stations, Tan-Delta & Capacitance tests on Power Transformers (windings & bushings), Sodium Bentonite clay sample testing, 220KV & GIS station working drawing approvals, periodical testing of Oil Samples of all Power Transformers of KPTCL as per IS 1866, IS 335, and as per IEC 60296-2012, conducts dissolved Gas



Analysis tests to detect any incipient faults in the power transformers, Furan analysis tests and many other tests are being conducted in the laboratory situated in Bengaluru. Further towards modernization and to meet the increasing work load at the Centre, new sophisticated equipments have been additionally procured and installed at the Centre.

F. Special Studies and Activities of R & D

- I. **Tr. Oil testing:** The New oil in Power Transformers is tested as per IS 335 and IS 1866 and as per IEC 60296-2012 at the R&D lab before commissioning to ensure that only good quality oil of is utilized to serve its life span.
- II. **G.I.S Drawing approvals:** Along with the Conventional Earthmat Design, the earthmat designs for G.I.S substations are also approved by R&D. The detailed study of Comprehensive Earthing systems including buildings for GIS stations is also carried out. The working drawings of GIS substations submitted by Turnkey Agencies regarding Comprehensive Earthing Scheme including earthmat, GIS building/module earthing systems and lightning protection would be discussed with the concerned agencies. The necessary modifications as per KPTCL practices and in accordance with CBIP 309 & IEEE 80:2000 guidelines would be included prior to the approval of drawings.
- III. **Revenue Collection:** Apart from undertaking Earthmat Designs for KPTCL, designing, the Centre also is designing of Earthmats etc., for the substations being set up by ESCOMs and other private agencies on request and chargeable basis. As a result of this activity, the Centre has conducted the Soil Resistivity Tests at site for various substations other than that of KPTCL and an amount of Rs.43.31 lakhs have been collected as consultancy/testing charges during 2014-15 for providing services to ESCOMS/Private Agencies.
- IV. **Sodium Bentonite Clay Testing:** Sodium Bentonite clay is a moisture retaining clay used as an earth electrode back-fill to help lower soil resistivity. The Centre conducts Tests on Sodium Bentonite clay samples to ensure the conductivity is less than 20ohm meters and PH value between 8 to 10 and swell index volume is greater than 8.
- V. **Condition Monitoring of in service Power Transformers:** R & D Centre undertakes the annually periodical testing of oil samples of all power transformers existing in KPTCL substations in order the monitor the healthiness of the transformer. At the Centre the computerized historical data for oil test results of all the in service power transformers in KPTCL grid is being maintained This data assists to compare and analyze the recent test results with that of trends of previous results. During 2014-15, out of existing 2224 Nos. of Power Transformers of various capacities in KPTCL, the Centre has analysed the oil samples of 2282 Nos.(includes new & repeated test samples) of Power Transformers and recommended to take remedial measures to the station staff so as to improve the health of the transformer and curb revenue loss to the Organization.

Dissolved Gas analysis has been carried out on **407** Nos. of oil samples during the year 2014-15.

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



G. The progress of R&D Centre for the Year 2014-15 are as detailed below

i. Soil Resistivity (SR) Measurements conducted during 2014-15

Sl. No.	Station voltage class	No. of S/s in which SR tests conducted during the year.
1	400 kV station	02
2	220 kV station	13
3	110 kV Station	38
4	66 kV Station	35
5	33 kV Station	09
Total		97

ii. Earthmat Design (EMD) furnished (proposed/revised/Additional Earthmats) during 2014-15

Sl. No.	Station voltage class	No. of S/s for which EMDs furnished during the year.
1	400 KV	01
2	220 KV	16
3	110 KV	28
4	66 KV	26
5	33 KV	01
Total		72

iii. Earthing Investigations carried out and remedial measures suggested during 2014-15

Sl. No.	Station voltage class	No. of S/s for which earthing investigations carried out during the year.
1	400 KV	04
2	220 KV	15
3	110 KV	37
4	66 KV	113
5	33 KV	07
Total		177

iv. Tan Delta & Capacitance tests conducted on Transformer windings and bushings during 2014-15

Sl. No.	Station voltage class	No. of S/s for which Tan Delta & Capacitance tests carried out during the year.
1	315 MVA	-
2	167 MVA	02
3	150MVA	05
4	100MVA	71
5	67.5MVA	-
6	31.5MVA	29
	50MVA	01
7	Reactor	01
8	ICTs	03
9	Tr Bushings	18
10	CTs/CVTs	27
Total		112



v. Condition Monitoring tests conducted during 2014-15

Transformers

1	Oil samples analyzed	No. of Samples	2282 Nos
2	Insulation Diagnostic Analysis (IDAX tests on power transformer)	No. of Samples	02 Nos
3	SFRA test conducted on Power Transformers	No. of Samples	02 Nos
4	Dissolved Gas Analysis	No. of Samples	407 Nos
5	Furan Analysis	No. of Samples	25 Nos
Earthing Systems			
1	Sodium Bentonite Clay tests	No. of Samples	04 Nos
2	Station earthing drawing approved	400/220KV 66kV	11 Nos 02 Nos
Lightning Arrestors			
1	Condition Monitoring tests on LAs	No. of Samples	11 Nos

H. HOTLINE WING

The Hot Line Division, KPTCL, Peenya, Bengaluru has statewide jurisdiction for Hot Line Maintenance of EHV system in KPTCL. The Division works under technical control of Superintending Engineer (EI) R&D, Kaveri Bhavan, Bengaluru. The Hot Line Division comprises of 6 subdivisions located at Bengaluru, Hubballi, Shimoga, Chitradurga, Mysore and Munirabad (one subdivision is located in each of the Transmission Zones) for carrying out preventive/predictive maintenance and emergency maintenance works on 66kV, 110kV and 220kV lines and stations for reducing major power interruptions by adopting Live Line Maintenance Technique using hot stick method. The following the activities carried out by the Hotline staff:

- Testing and detecting of defective insulators in the lines.
- Replacement of faulty insulators.
- Strengthening of lines by providing bypass jumps.
- Thermo vision scanning of stations and lines for hot spots.
- Preventive maintenance of EHV Stations and Lines.
- Emergency Hotline works.

I. Activities of Hotline Division, Peenya

The activities of Hot Line Division for the period 2014-15 are as shown below

i. Testing of insulators strings for identifying faulty insulators on following lines

a.	220KV lines	-	2364	insulator strings
b.	110 KV lines	-	614	insulators strings
c.	66 KV lines	-	1158	insulators strings
	Total		4136	



ii. Replacement of faulty insulator strings

a.	220KV lines	-	27	insulator strings
b.	110 KV lines	-	24	insulator strings
	Total	-	51	insulator strings

iii. Conducting thermo vision scanning of stations, line jumpers and insulators for identifying hot spots (Hot spots can cause breakdown of power supply during peak load hours)

Insulators:

a.	400 KV stations	-	09	Nos
b.	220KV stations	-	95	Nos
c.	110KV station	-	21	Nos
d.	66 KV stations	-	201	Nos
	Total	-	326	Nos

(These numbers include repeated inspection of stations)

Jumpers:

a.	400 KV jumpers	-	12	Nos
b.	220 KV jumpers	-	2601	Nos
c.	66 KV jumpers	-	1668	Nos
	Total	-	4281	Nos

iv. Providing bypass jumpers at EHV sub-stations during peak load hours to avoid total breakdown of power supply

- Total 26 Nos. of jumpers have been provided on lines and stations
- 5 Nos. of jumpers have been released

v. Conducting preventive maintenance of ODS of EHV sub-stations by tightening all loose connections (Loose connection is responsible for hot spot and consequent break-downs):

a.	400 KV stations	-	3	Nos
b.	220 KV stations	-	162	Nos
c.	110 KV stations	-	238	Nos
d.	66 KV stations	-	407	Nos
	Total	-	810	Nos

(These numbers include repeated inspection of stations)

vi. Preventive maintenance work on Transmission lines by tightening loose jumper connections, setting-right of loose and slant arcing horns

a.	220KV	-	2163	defective jumper connections attended
b.	66KV	-	320	defective jumper connections attended
	Total	-	2483	



vii. Carrying out emergency works on lines and stations during exigencies

Total number of emergency works attended - 99 Nos

viii. Assistance in measurement of clearance beneath the EHT lines and buildings and ground clearances-Total number of measured locations – 338

ix. Providing additional permanent jumpers on transmission lines for by passing faulty joints - (Total No. of permanent jumpers provided - 8 Nos)

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

If a 220 KV line carrying a load of 100 MW radially is shut down for a period of 1 hour for maintenance in cold line method by availing line clear, there will be a revenue loss to the Corporation for not transmitting 1,00,000 units of power to the consumer due to interruption. This when converted amounts to approximately Rs.4 to 5 Lakhs per hour.

The personnel working in Hotline Division have undergone special training in Hotline techniques imparted by The Hotline Training Centre, National Power Training Institute Govt. of India at Somanahalli, Bengaluru.

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 2014-15, the following I.T. activities were carried out.

1. In-house development of software for:
 - Uploading of KPTCL projects photo with SMS facility.
 - Uploading of Scanned copy of the bills by Vendors in Bill Tracking System.
 - Collection and Consolidation of data related to Pension & Gratuity contributions.
 - Online generation of Advice of Transfers / Acceptances in Inter Unit Accounts.
 - To capture Station and Power Transformer details of all the Stations.
2. Installed CCTV for surveillance at Kaveri Bhavan.
3. Purchased 48 desktop computers, 68 laptops and 43 printers for corporate office and other offices of KPTCL. Communicated corporate approval to all the transmission zones to procure 831 Nos. of desktop computers along with technical specification and to avail internet facility to all the stations.
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 2014-15, 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 2014-15
104	1854	1848



FOREST WING

1. The primary objective of forest wing is to expedite the diversion of forest lands that are absolutely essential for implementing KPTCL projects.
2. Forestry Wing advises Karnataka Power 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 is being done.

Obtaining approval of the Central Government for diversion of forest land for non-forestry purposes is a statutory requirement under Forest (Conservation) Act 1980 involves, processing, examining, evaluating and approving the proposal at various levels of the Karnataka 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 2014-15 Government of India at Koramangala Office issued Stage-I approval for a) Hiriyyur-Gowribidanur line and b) Belalkanda Sub-station land. Principal Chief Conservator of Forest (9HOFF) submitted compliance report (Stage-I approval) for Hassan-Melgod line to Government of Karnataka and same is forwarded to Government of India at Kormanagala office to issue Stage-II clearance.

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

1. Madavu to Sulya
2. Hulical to Varahi
3. Guruvayanakere to Netlamadanur
4. Hassan to Melagodul Line
5. Konandur Line
6. Mulibetta to Siddakatte
7. 110/11 KV Sub-station at Bilakanda Village
8. 110 KV Sub-station at Hatargi
9. Gunjur Palya Line
10. Kodihally to Hunsanally Line



11. Temporary Diversion of 0.837 HA in Belur SF (Hassan-Nandikur Line)
12. Chandragutti to Banavasi Line
13. Murudeswara to Belalkanda Line (Bhatkal)
14. Diversion of 7.62 HA in Kundapura Forest Division (Hassan- Nandikur line)
15. 66 KV line from Gowdahalli to M.M.Hills
16. Hiriyur – Gowribidanur Line
17. Sub-station at Bandy (Thirthahalli Taluk).
18. 110/11 KV Sub-Station at Konandur
19. 66 KV line from Madikery to Virajpet.

Tariff

1. **Transmission Tariff:** KERC issued Transmission Tariff Order on 02.03.2015 allowing a Transmission Tariff of Rs. 112079/-MW/Month for the FY 2015-16.
2. In the said order KERC allowed incentive of Rs.20.82 Cr to KPTCL, for achieving better System availability of 99.77 % against normative of 98 % percent.
3. **Annual Performance Review :** KPTCL filed its Annual performance review application on 28.11.2014., for FY 2013-14 based on Audited Annual Accounts.
4. In the Annual Performance Review, KERC allowed an ARR of Rs. 2331.87 Cr against actual Revenue of Rs.2324.38 Cr.

HUMAN RESOURCES AND DEVELOPMENT

HRD centre is now functioning at Hoody, whitefield road, Bangalore. 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 power sector in future and also as per the requirement of national training policy issued by the Ministry of power, Govt of India.

At present the regular residential training programmes are being conducted every month. Almost 100 Nos of trainees are having training every day and are on residential basis. 3986 employees have been trained during 2014-15 .

An action plan duly identifying training programmes both residential and non residential basis covering various technical/financial/PDP subjects has been drawn up for the year 2015-16. It is proposed to train all the existing 9030 employees at least once a year.

Necessary action has been taken for trainings, establishment of demo lab, information centre, conference halls outdoor/indoor courts for various sports activities.

The new training programmes proposed for 2015-16 are as follows:

- 1) Training on Supervision work for Construction of substations & Transmission Lines
- 2) Maintenance of substations and equipments 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/AAOs/SrAsst/Assts
- 8) Technical training for need based engineers working in respective fields
- 9) Training for civil Engineers
- 10) Refresher training to all station attendant/station Mechanic/TLM section
- 11) One day workshop on pre retirement counselling for the officers/employees working in KPTCL and ESCOMs
- 12) One day workshop for women officers/Employees on women safety
- 13) Orientation training programme for newly promoted AEEs/AAOs
- 14) Induction training for newly recruited AEs/JEs
- 15) Deputation to employees/officers to external training programmes
- 16) Training on first aid and fire fighting
- 17) Load flow studies
- 18) SCADA
- 19) Substation Automation
- 20) Apart from all the above trainings, we are imparting the subjects in PDP like Vision of organization, gender sensitization, Moral Ethics in work life, Relationship in professional personal life, Leadership skill, Time Management, Team building, Positive Attitude etc

Along with all the above subjects, the participants will be given field training in

- 1) 400kV Station
- 2) GIS station
- 3) MT Lab
- 4) LDC
- 5) Multicircuit, Multivoltage tubular pole

Important Administrative orders issued during 2014-15 are as follows

1. O.M No: KPTCL/B16/3232/2014-15 dated 04.06.2011, according approval for payment of teaching allowance of `275/ per month to Assistant Accounts Officers and Assistant Engineers working in HRD Centre, KPTCL, Hoody.
2. Notification No: KPTCL/B16/31964/2012-13 dated: 11.07.2014, amending the method of recruitment and minimum qualification prescribed for the post of Operator/Overseer/Meter Reader/Asst Store Keeper in SI No.18 under Chapter-VI of KEB R & P Regulations.
3. Order No: KPTCL/B16/4682(III)/2006-07 dated: 23.12.2014, enhancing the monthly remuneration payable to physically Challenged Revenue Assistants with degree qualification from the existing `8,000/- to `10,000/- and to those with SSLC qualification from the existing `6,000/- to `8,000/- w.e.f 01.12.2014.
4. Order No: KPTCL/B16/4681(Gen)/2006-07 dated: 23.12.2014, enhancing the monthly remuneration payable to Assistant Engineer (Ele) and Junior Engineer (Ele) working on contract basis in KPTCL and ESCOMs from the existing Rs.12,000/- to Rs.18,000/- and from Rs.8,000/- to Rs.12,000/- respectively w.e.f 01.12.2014.
5. Notification No: B16/3281/2014-15 dated: 31.12.2014 duly inserting regulation 6 (a) (iii) under Chapter-I of the KEB R & P Regulations to the post of Junior Station Attendant/Junior Lineman wherein the cut off marks for all category of candidates seeking appointment to the post of Junior Station Attendant/



Junior Lineman is prescribed as pass marks only and insertion of new regulation 6E wherein training period of 3 years is prescribed for candidates offered appointment to the post of JSA and JLM.

6. Circular No: KPTCL/B5/721(Gen)/80-81 dated: 31.12.2014 for Computation of monthly income ceiling limit-Providing appointment on compassionate grounds to the dependents of the deceased employees.
7. Notification No: KPTCL/B5(C)/IR/SA7/2218-2219/2005-06 dated: 02.02.2015 for insertion of Regulation 3A in the KEB Recruitment (Appointment on Compassionate Grounds) Regulations, 1997 with regard to Appointment of dependent of Board employees retired on medical grounds due to permanent incapacitation while on duty vide
8. Order No: KPTCL/B16/B4/681/82-83 dated: 21.02.2015 was issued enhancing the incentives, TA, DA to the employees who participate in tournaments organized by All India Electricity Sports Control Board (AIESCB).
9. Order No: KPTCL/B16/3281/2014-15 dated: 27.03.2015 to prescribing the amount of consolidated remuneration to be payable to Junior Station Attendant and Junior Lineman during the period of training.
10. Thirteen (13) 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 2014-15.

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 being submitted for the kind perusal of the Managing Director periodically.

Up-dation of land records

Audit has verified/observed that, KPTCL land documents are either not available or incomplete in most of the Divisions. It is very important to keep updated land documents at Zonal level in order to establish proof of ownership and also to avail loan facilities. In view of this audit addressed several letters and constant persuasion is being made to update the land records, resulting to this 63 Nos. of Land records has been updated during Financial Year 2014-15. The Zone-wise details of Land record position as of 31.03.2015 is as follows.

Sl. No.	Name of the Zone	Total No. of Properties	Complete Documents available	Partial Documentation Done	Documentation not available
1	Bengaluru	307	161	75	71
2	Tumakuru	189	97	41	51
3	Kalaburgi	172	90	36	46
4	Mysuru	151	111	26	14
5	Hassana	180	93	44	43
6	Bagalakote	194	83	52	59
Total		1193	635	274	284



WOMENS GRIEVANCE REDRESSAL COMMITTEE

Women Grievance Redressal Committee has been constituted in accordance with the Guidelines issued by the Govt. of Karnataka vide No. DPER/(BPE)/111/SPU/97 dated 29.01.1998 and Order vide No. DPR(PUU)115/SPU/97 dated 18.10.2000.

Present Constitution of Committee is as follows:

Sl. No.	Members of the Committee	Designation
1.	Smt. Vijaya Superintending Engineer (Ele)	President
2.	Assistant General Manager (Services)	Member
3.	Smt. K.S.Hema, Asst. Executive Engineer, El., 220 KV Receiving Station, Peenya	Member
4.	Smt. M.M.Sudhamani, Asst. Executive Engineer, El., 220 KV Station, Hoody	Member
5.	Smt. Shantha, Accounts Officer (Internal Audit)	Member
6.	Smt. Bharathi, Manager (Enquiry-1) Corporate Office	Member and Co-ordinator
7.	Smt. Bharathi, Senior Assistant, Corporate Office	Member
8.	Smt. K.V.Radha, Junior Assistant, Corporate Office	Member
9.	Smt. Hema Deshapande, Co-ordinator	Non- Govt. Representative

During the year under Report, the Committee has received one application which is pending disposal.

CORPORATE GOVERNANCE

KPTCL believes in transparency, accountability and fairness in all aspects of its operations.

Board of KPTCL believes and supports Corporate Governance Practices ensuring observance of best practices in all its dealings.

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

As on 31st March 2015, the Board of Directors comprised of 13 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 2014-15, Board meetings were held on the dates as mentioned below:

Sl.No.	Meeting No.	Held on
1	89 th Meeting	27.05.2014
2	90 th Meeting	06.09.2014
3	91 st Meeting	18.11.2014
4	92 nd Meeting	18.03.2015

Key Managerial Personnel

Appointment of MD as Key Managerial Personnel has been exempted by Gol.

Board of KPTCL at its 93rd Meeting appointed the following as Key Managerial Personnel pursuant to Section 203(2) of the Companies Act, 2013:

1. **Sri. R.Sridhara : Company Secretary**

Remuneration: As per existing service conditions relating to pay, allowances and other benefits applicable from time to time.

2. **Dr. Aditi Raja– Chief Financial Officer**

Remuneration: As per existing service conditions relating to pay, allowances and other benefits applicable from time to time.

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 & Company Secretary, KPTCL	Convener

The concerned Zonal Chief Engineer will be the Coordinating Officer.



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

Sl. No.	Meeting No.	Held on
1.	a) 140 th Tendering & Procurement b) 115 th Transmission Zone, Bangalore c) 70 th Transmission Zone, Bagalkote d) 75 th Transmission Zone, Mysore	17.05.2014
2.	a) 141 st Tendering & Procurement b) 116 th Transmission Zone, Bangalore c) 71 st Transmission Zone, Bagalkote d) 46 th Transmission Zone, Tumkur	17.07.2014
3.	a) 142 nd Tendering & Procurement b) 117 th Transmission Zone, Bangalore c) 76 th Transmission Zone, Mysore d) 42 nd Transmission Zone, Hassan	20.08.2014
4.	a) 143 rd Tendering & Procurement b) 118 th Transmission Zone, Bangalore c) 72 nd Transmission Zone, Bagalkote d) 77 th Transmission Zone, Mysore	21.10.2014
5.	a) 119 th Transmission Zone, Bangalore	28.10.2014
6.	a) 144 th Tendering & Procurement b) 120 th Transmission Zone, Bangalore c) 47 th Transmission Zone, Tumkur d) 73 rd Transmission Zone, Bagalkote	15.11.2014
7.	a) 121 st Transmission Zone, Bangalore b) 74 th Transmission Zone, Bagalkote	04.12.2014



Sl. No.	Meeting No.	Held on
8.	a) 145 th Tendering & Procurement b) 122 nd Transmission Zone, Bangalore c) 43 rd Transmission Zone, Hassan d) 75 th Transmission Zone, Bagalkote	06.01.2015
9.	a) 146 th Tendering & Procurement	04.02.2015
10.	a) 147 th Tendering & Procurement b) 44 th Transmission Zone, Hassan	16.03.2015

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 Govt, Energy Department, GoK.
2. Principal Secretary to Govt, Finance Department, GoK.
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	Held on
1	M/s State Bank of Mysore	Rs.241,08,00,000/-	27.11.2014
2	M/s Vijaya Bank	Rs.64,77,52,150/-	13.02.2015

3. Audit Committee

In accordance with the provision of Companies Act, 2013, KPTCL has constituted an Audit Committee as below

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



The following revised Terms of Reference as per Companies Act, 2013 are prescribed to Audit Committee to play an effective role:

TERMS OF REFERENCE

- i. Recommendation for remuneration of Auditors of the company
- ii. Review and monitor the auditor's independence and performance, and effectiveness of audit process
- iii. Examination of the financial statement and the auditors' report thereon
- iv. Approval or any subsequent modification of transactions of the company with related parties
- v. Scrutiny of inter-corporate loans and investments
- vi. Valuation of undertakings or assets of the company, wherever it is necessary
- vii. Evaluation of internal financial controls and risk management systems
- viii. Monitoring the end use of funds raised through public offers and related matters

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

Sl.No.	Meeting No.	Held on
1	18 th Meeting	26.05.2014
2	19 th Meeting	06.09.2014

Auditors and Whole-time Key Managerial Personnel shall have a right to be heard in the meetings of the Audit Committee when it considers the Auditor's Report but shall not have the right to vote.

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

(a) ANNUAL RETURN

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

(b) Directors' Responsibility Statement

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

- (a) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) The directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) The directors have prepared the annual accounts on a going concern basis; and
- (e) The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.



- (c) Explanations Or Comments by the board on every Qualification, Reservation Or Adverse Remark Or Disclaimer Made
- (i) By the auditor in his report; enclosed as Annexure-2
- (ii) By the company secretary in practice in his Secretarial Audit Report; enclosed as Annexure-3
- (d) Particulars of loans, guarantees or investments under section 186 - Nil
- (e) Particulars of contracts or arrangements with related parties referred to in sub-section (1) of section 188 in the prescribed form; - Nil
- (f) The state of the company's affairs; indicated ante-
- (g) The amounts, if any, which it proposes to carry to any reserves- Nil
- (h) The amount, if any, which it recommends should be paid by way of dividend; Nil
- (i) Material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report;- Subsidy receivable from GoK amounting to Rs. 96.01 Crore has been written-off as per GoK Energy Department, Letter No. EN 29 PSR 2015 dated 19.05.2015. GoK vide letter No EN 29 PSR 2015 dated 23.05.2015 has directed KPTCL to account the above for 2014-15
- (j) The conservation of energy, technology absorption, foreign exchange earnings and outgo;
- As the Company's operations do not involve any manufacturing or processing activities, the particulars as per the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988, regarding conservation of energy and technology absorption, are not applicable. During the year under review, there is no foreign exchange earnings and outgo.
- (k) STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY
- Nil.

(I) DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

A. CSR COMMITTEE

Corporate Social Responsibility Committee is constituted in accordance with Section 135 of the Companies Act, 2013 with the following Terms of Reference :

Sl.No	Members	Designation
1.	P. Ravikumar	Chairman
2.	I.S.N.Prasad	Member
3.	G. Kumar Naik	Member
	Director & Company Secretary, KPTCL	Convener

Terms of Reference

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



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

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

Sl.No.	Meeting No.	Held on
1	1 st Meeting	6th March 2015

B. CSR POLICY

Copy of the CSR Policy adopted by KPTCL and Annual Report on CSR Activities is enclosed as Annexure – 4 and 5, respectively.

C. Contribution towards CSR during 2014-15

An amount of Rs. 66,82,541/- was spent towards Construction of II phase of Dr. B.R. Ambedkar Convention Centre at Kanakapura City in Ramanagara District.

SPORTS

KPTCL Teams participated in the AIESCB tournaments for 2014-15 have secured **2nd Place** in OVER ALL CHAMPIONSHIP and made our organization proud.

BILLIARDS	<p>Achievement at International Level</p> <p>Sri D. Rajkumar, KPTCL represented India in the World Billiards Championship held at Leeds (England) during October-2014.</p> <p>At National Level</p> <p>Sri D Rajkumar KPTCL represented Karnataka State Team in the National Billiards Championship held at Kolkatta during January-2015.</p>
BODY BUILDING	<p>International Level</p> <p>Sri Roshan Ferrao, MESCOM represented India in the Natural Mr.Olympia -2014 Body Building Championship held at San Diago (California) during November -2014 and secured 4th Place in the Tournament.</p> <p>National Level</p> <p>Sri Roshan Ferrao, MESCOM represented Karnataka in the 62nd Amateur Body Building Championship held at Bengaluru during November-2014 and secured 3rd place.</p> <p>Sri B.Revanna, BESCOM represented Karnataka in the National Power Lifting Championship held at Jammu during January-2015.</p>
TENNIS	<p>National Level Achievement</p> <p>KPTCL Tennis Team had participated in the 39th AIESCB Tennis Tournament held at Vijayawada during May-2014.</p>
ATHLETICS	<p>KPTCL Athletics Team had participated in the 39th AIESCB Athletics Tournament held at Kurukshetra, Hariyana during July-2014 and displayed splendid performance by securing 1st Place.</p>
HOCKEY	<p>KPTCL Hockey Team had participated in the 39th AIESCB Hockey Tournament held at Kurukshetra, Hariyana during July-2014.</p>



TABLE TENNIS	KPTCL Table Tennis Team had participated in the 39 th AIESCB Table Tennis Tournament held at Kurukshetra, Hariyana during July-2014.
SHUTTLE BADMINTON	KPTCL Shuttle Badminton Team (Men) had participated in the 40 th AIESCB Shuttle Badminton Tournament (Men) held at Panchakula, Hariyana during December-2014 and performed well by securing 3 rd Place.
CRICKET	KPTCL Cricket Team had participated in the 40 th AIESCB Cricket Tournament held at Kolkatta during February-2015 and performed well by reaching Quarter Finals level in the Tournament.
BASKET BALL	KPTCL Team has participated in the 40 th AIESCB Basket Ball Tournament held at Tiruvanveli (Tamil Nadu) during the month of February-2015 and performed well by reaching Quarter Finals level in the Tournament.
CAROM	KPTCL Carom Team had participated in the 40 th AIESCB Carom Tournament held at Wadodara, Gujrat during March-2015.

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 2nd place in the AIESCB Overall Championship for the year 2014-15 by participating in the most number of Tournaments and Championships organized by different Electricity utilities of the Country.

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 2014-2015.

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 2014-2015.

SECRETARIAL AUDITORS

Under Section 204 of the Companies Act, 2013, Board have appointed M/s. K.Narayana Swamy & Co., as Secretarial Auditor for KPTCL for FY 2014-15.

ACKNOWLEDGEMENTS

Board of Directors would like to place on record its appreciation for all the support and guidance extended by the Government of Karnataka, Government of India, Karnataka Electricity Regulatory Commission, Central Electricity Authority, Central Electricity Regulatory Commission, 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**



Form No. MGT-9

Annexure-1

**EXTRACT OF ANNUAL RETURNS ON THE FINANCIAL YEAR ENDED ON
31st MARCH 2015**

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the
Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

i.	CIN	U40109KA1999SGC025521
ii.	Registration Date	28-07-1999
iii.	Name of the Company	Karnataka Power Transmission Corporation Limited
iv.	Category / Sub-Category of the Company	Government Company
v.	Address of the Registered office and contact details	Corporate Office, Kaveri Bhavan, Bengaluru – 560 009
vi.	Whether listed company	Not listed company
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Not Applicable

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

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

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

SL. No.	Name And Address Of The Company	CIN/GLN	Holding/ Subsidiary /Associate	% of shares held	Applicable Section
1.	NIL	NIL	NIL	NIL	NIL
2.					
3.					
4.					
5.					



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

i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares		
A. Promoter										
1) Indian										
a) Individual/ HUF										
b) Central Govt										
c) State Govt(s)				100%				100%		
d) Bodies Corp										
e) Banks / FI										
f) Any Other										
Sub-total(A)(1):-										
2) Foreign										
g) NRIs-Individuals										
h) Other-Individuals										
i) Bodies Corp.										
j) Banks / FI										
k) Any Other....										
Sub-total (A)(2):-										
B. Public Shareholding			NIL				NIL			
1. Institutions										
a) Mutual Funds										
b) Banks / FI										
c) Central Govt										
d) State Govt(s)										
e) Venture Capital Funds										
f) Insurance Companies										
g) FIs										
h) Foreign Venture Capital Funds										
i) Others (specify)										
Sub-total (B)(1)										
2. Non Institutions										
a) Bodies Corp.										
(i) Indian										
(ii) Overseas										
b) Individuals										
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh										
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh										
c) Others(Specify)										
Sub-total (B)(2)										
Total Public Shareholding (B)= (B)(1)+ (B)(2)										
C. Shares held by Custodian for GDRs & ADRs										
Grand Total (A+B+C)										



ii. Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Sri.G Kumar Naik	1	0		1	0		
2.	Sri.P.Ravi Kumar	1	0		1	0		
3.	Sri Ritesh Kumar	1	0		1	0		
4.	Sri.M.Maheshwar Rao	0	0		1	0		
5.	Sri.I.S.N.Prasad	1	0		1	0		
6.	Sri.Pankaj Kumar Pandey	1	0		1	0		
7.	Dr. Aditi Raja Director (Finance)	1	0		1	0		
8.	Sri.S.Sumanth Director (Transmission)	1	0		1	0		
9.	Hon'ble Governor State of Karnataka	15753218	100		20753218	100		
Total		15753225	100		20753225	100		

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

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	15753225	75.91	15753225	100
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Shares of Rs. 1000/- each allotted in favour Hon'ble Governor State of Karnataka vide 92nd Meeting of Board Resolution dated: 18th March 2015	24.09	20753225	100
	At the End of the year	20753225	100	20753225	100



INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	50270220975	87661624		50357882599
ii) Interest due but not paid	-	-		
iii) Interest accrued but not	132551065	100797		132651862
Total (i+ii+iii)	50402772040	87762421		50490534461
Change in Indebtedness during the financial year				
Principal Amount				
- Addition	8127441367	-		8127441367
- Reduction	9881866210	18192680		9900058890
Net Change	-1754424843	-18192680		-1772617523
Interest Amount Additions	5165065846	8627090		5173692936
Reductions	5264827863	8660689		5273488552
Net Change	-99762017	-33599		-99795616
Indebtedness at the end of the financial year				
i) Principal Amount	48515796132	69468944		48585265076
ii) Interest due but not paid	-	-		-
iii) Interest accrued but not due	32789048	67198		32856246
Total (i+ii+iii)	48548585180	69536142		48618121322

V. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No.	Particulars of Remuneration	Name of MD/ WTD/ Manager	Total Amount
1	Gross salary FY 2014-15 (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	Sri G Kumar Naik Managing Director Rs. 22 80 630	Rs.22 80 630



Sl. No.	Particulars of Remuneration	Name of MD/ WTD/ Manager	Total Amount
	FY 2014-15 (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	Smt. Aditi Raja Director(Finance) Rs.2056168.00	Rs.2056168.00
	FY 2014-15 (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	Sri Sumanth S Director (Transmission) Rs.2757056.00	Rs.2757056.00
	FY 2014-15 (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	Sri R Sridhara Director & CS Rs.2621815.00	Rs.2621815.00
	FY 2014-15 From 01.04.2014 to 06/09/2014 (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	Sri D.M.Shivakumar Director (Admn. & HR) Rs. 373971.00	Rs. 373971.00
	FY 2014-15 From 04-08-2014 to 31/03/2015 (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	Sri M.Ramakrishna Director (Admn. & HR) Rs.518207/- Rs.2280630.00	Rs.2280630.00
2	Stock Option		
3	Sweat Equity		
4	Commission - as % of profit - others, specify...		
5	Others, please specify		
6	Total (A) Ceiling as per the Act	Rs.10607847/-	Rs.10607847/-



B. Remuneration to other directors: NIL

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
	Independent Directors					
	• Fee for attending board committee meetings					
	• Commission					
	• Others, please specify					
	Total (1)					
	Other Non-Executive Directors					
	• Fee for attending board committee meetings					
	• Commission					
	• Others, please specify					
	Total (2)					
	Total (B)=(1+2)					
	Total Managerial Remuneration					
	Overall Ceiling as per the Act					

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

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



VI. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

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



**ADDENDUM TO DIRECTORS' REPORT
FOR THE YEAR ENDED 31st MARCH 2015**

Annexure-2

**FOLLOWING REMARKS ARE OFFERED ON THE OBSERVATION/COMMENTS OF
THE STATUTORY AUDITOR ON THE ACCOUNTS FOR 2014-15**

Sl.No.	Observations of Statutory Auditors	Management Reply
1.	Non-compliance of the financial statements dealt with by this report with the Accounting Standards Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 or significant accounting policies of the Company observed by us as listed below:	
1.1	During the year the Company has modified the valuation policy in respect of inventory of stores & spares. Up to the FY: 2013-14, stores & spares were valued at standard rate or at purchase cost if standard rate is not available. From FY: 2014-15, stores & spares are valued at lower of purchase cost or net realizable value. However, in respect of inventory of stores & spares lying in stock as at 31.03.2014, the impact because of the change in the accounting policy has not been ascertained and brought into books. The effect of the same on the accounts could not be ascertained.	As the value of majority of the inventory items as on 31.03.2014 are less than the Market price as on that date, impact on change in accounting policy and effect of the same on the Accounts is meager. However, with effect from 01/04/2014, KPTCL has already adopted and implemented the valuation of Inventory in accordance with AS-2
1.2	Outstanding provision towards Family Benefit Fund towards long term liability on Retirement / Death Benefit is held to the extent of Rs.5450.97 lakhs as on 31.03.2015. The Company has not ascertained the liability for the same on the basis of actuarial valuation which is not in conformity with Accounting Standard (AS) 15 on "Employee Benefits", the effect of which on the accounts could not be ascertained.	Amount collected from the Employees towards Family Benefit Fund is being deposited in a separate dedicated Bank Account. The interest earned during 2014-15 on such deposit is Rs.4.58Crore. The Interest so earned is being credited to the Family Benefit Fund deposit Account and thereby Fund is growing on its own. Hence additional provision towards Fund is not necessary and no provision has been made during 2014-15 Accounts. As such, liability as per Actuarial valuation not ascertained for the year.
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 31.03.2015 which is not in conformity with Accounting Standard (AS) 15 on "Employee Benefits", the effect of which on the accounts could not be ascertained.	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.



Sl.No.	Observations of Statutory Auditors	Management Reply
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 31.03.2013 as stated in Note 11.2 & 24.4 to the Accounts without ascertaining liability based on actuarial valuation as on 31.03.2015 which is not in conformity with Accounting Standard (AS) 15 on "Employee Benefits", the effect of which could not be ascertained.	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 31-03-2015 is yet to be received from KEPGT. On receipt of the same and intimation from the Trust further action if required will be taken.
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.	Actuarial valuation report as on 31-03-2015 is not been provided by KEPGT. Hence disclosure in accordance with AS-15 is not made.
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 31-03-2015 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.	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	Attention is drawn to Note 10 regarding credit balances of Rs.3695.81 lakhs grouped under 'Other Current Liabilities' & Note 20 regarding debit balances of Rs.136.15 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.	Except a few old items, majority of unmatched IUA transactions have been reconciled and paired off. For IUA Transactions from 01/04/2015 and onwards a new software has been developed and implemented with effect from 01.04.2015 to operate IUA transactions through on-line. Further action will be taken to reconcile the old balances.
3	Attention is drawn to Note 36.6 (b) on the accounts regarding receivables from and Payable to ESCOM's (aggregating to Rs.12,487.32 lakhs and Rs.6144.18 lakhs respectively), out of which unreconciled balances are to the extent of Rs.63.43 crores under receivables. Pending reconciliation and subject to confirmation, consequential impact of the same on the accounts is not ascertainable.	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. Further Action will be taken on this.



Sl.No.	Observations of Statutory Auditors	Management Reply
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.196772 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).	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.
5	Adjustment pending notification by GOK, 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 GOK 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 31.03.2015 the reconciliation of the above accounts is under progress, pending which the effect on the net worth could not be ascertained.	Action has been taken to reconcile the items under Adjustment pending notification by GOK with ESCOMS. HESCOM has furnished details for certain items and the same will be reconciled. Other ESCOMS are yet to furnish the details. On receipt of details from ESCOMS, further action will be taken.
6	Other Payables – Sundry Liabilities Rs.9715.48 lakhs (Note 10 to accounts) include Rs.113.99 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.	"KPTCL and ESCOMS Employees Welfare Trust" was formed in 2008. Further course of action will be taken.
7	Amounts Recoverable from Employees of Rs. 313.79 lakhs disclosed in Note 15 to the Accounts and Rs. 70.61 lakhs disclosed in Note 20 to the Accounts includes amounts recoverable relating to shortage of stores 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.	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	Wheeling charges receivable from other States (net of payable) Rs. 2375.27 lakhs disclosed under Note 17 'Trade Receivables' includes Rs.1696 lakhs receivable from KSEB and TNEB outstanding for over three years and not realized 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.	KSEB and TNEB (now TRANTRANSCO) have confirmed the Principal amount due to KPTCL. KSEB has agreed for the interest dues to an extent of Rs.5.68 Crore.



Sl.No.	Observations of Statutory Auditors	Management Reply
9	Attention is drawn to Note 12, wherein transfer of title deeds in favour of the Company is under process in respect of certain lands; complete documents are not available in respect of certain premises occupied by the Company and some of the lands are under encroachment.	Transfer of title in favour of KPTCL is under process. Out of 1222 premises complete documents for 729 premises are available and for 382 premises partial documents are available. Necessary Action is being taken by Zones/Circles for updating of balance land records and for clearing Land encroachment.
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.	Minimum bonus is being paid at a uniform rate over a number of years and has no link with allocable surplus. Allocable Surplus as per the Bonus Act, has been computed for 2014-15.
11	The Company has been providing for auxiliary energy consumption charges in respect of KPTCL sub-stations payable to distribution Companies viz., BESCO, MESCOM, HESCO, GESCOM & CESC at average hydel power purchase rate instead of average power purchase costs of the respective distribution Companies from Dec 2009 onwards. However, during the year the Company has provided in its accounts an amount of Rs. 2892 lakhs for the differential in the amount between average power purchase cost and average hydel power purchase rate in respect of BESCO. However, in respect of other distribution Companies, the same has not been provided. The impact of which could not be ascertained on the accounts in the absence of relevant information. We were informed that in the absence of specific category in the present tariff schedules of ESCOM's, KERC has directed that necessary action be taken in accordance with the provisions of clause 3.05 of the conditions of the supply of Electricity for fixing special tariff as approved by KERC. There may be an impact on the accounts on fixation of tariff for auxiliary energy consumption by KERC.	As per KERC Regulation 2006, the auxiliary consumption of KPTCL Sub-stations is a part of normative operation and maintenance expenses. Specified rates are to be determined by KERC. KPTCL's sub-stations is an integral part of transmission of electricity . KPTCL's sub-stations' auxiliary consumption charges were being computed based on average energy purchase rate (upto 2008-09) & at average hydro Electricity purchase rate w.e.f 01.04.2009. Based on the charges (expenses) so computed KPTCL is paying electricity tax to Government. KERC vide letter dated 23-06-2015 addressed to BESCO has clarified that – (i) for billing the Station Auxiliary Consumption, there is no specific category in the present Tariff Schedule of ESCOMs; (ii) as such ESCOMs to seek determination of Tariff for sale of power to KPTCL. In the light of Audit Para, Provision of Rs.28.92 Cr (BESCO) has been provisionally provided for 2014-15. BESCO and other ESCOMs to seek determination of Tariff for KPTCL's Station Auxiliary Consumption. On receipt of specific orders from KERC regarding the rates for Auxiliary consumption, the same will be



Sl.No.	Observations of Statutory Auditors	Management Reply
		accounted including the difference in rate/ charges if any between the rates approved by KERC and the rates already accounted.
12	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 actuals 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.	Proposal for including new clause in the tender documents in respect of furnishing of Split-up details of taxes, duties, charges and documentary proof for the same by the Contractor at the time of payment for both own manufactured and bought out items is under consideration. The same will be included in the tender documents, if required, after ascertaining its suitability for Turnkey works.
13	As per GO FD 59 PRO. CELL 2004 dt: 26.11.2004 applicable for tenders invited before 21.11.2008, 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 GO. 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 be obtained from GOK for all payments made that is not in accordance with the above GO.	<p>Government have issued two orders in this context viz., G.O.No. FD 59 PRO. CELL 2004 dated 26.11.2004 and FD 3 PCL 2008 dated 21.11.2008. Essentially both the orders are aimed at bringing in some flexibility to the approved price in a Tender. Apparently both the orders appear to be most relevant to PWD works since the price variation refers to construction materials such as Cement, Steel, Bitumen etc. The purpose of the order appears to be the following:</p> <p>a) To deter the bidders from factoring unreasonably high variations to their rates imagining very high escalation in the cost of materials.</p> <p>b) To insulate the organization against possible downward trend in the price of materials during the term of the contract.</p> <p>c) To provide for a fair and reasonable rate for the works/materials during the period of contract.</p> <p>The State Government, keeping in view the volatile fluctuations in the price of Electrical Equipments, has authorized incorporation of “appropriate” Price Adjustment clause in</p>

Sl.No.	Observations of Statutory Auditors	Management Reply
		<p>respect of tender documents involving procurement of Electric Cables, Transformers etc with due approval of the Head of office. By the above, State Government, realizing the need for a PV Clause in respect of Electrical Equipments, has left the discretion to the Procurement Entity. Unlike Cement, Steel, Bitumen on a reference to the IEEMA indices month on month it can be seen that the rates for Electrical Equipments fluctuates even within a period of 3-6 months. Considering the nuances involved in the Procurement Electrical Equipments and also keeping in view the purpose and spirit of providing price variation in Tender Documents, the Board of KPTCL at its 47th Meeting have approved incorporation of an “appropriate” price Adjustment Clause for works costing Rs.100 Lakhs or more with a completion period of 6 months or more. The Government in its orders have not mandated any specific price Adjustment Clause for Procurement Electrical Equipments. However, they have left it open to the relevant procuring entity to provide for appropriate Price Adjustment Clause in its Tender Document. Taking a cue from the same, KPTCL, as a major procuring entity of Electrical Equipments, keeping in view its practical relevance, has prescribed the necessary conditions for providing price variation to procurement of certain Electrical Materials. Since such a prescription has been left to the procuring entity, the aspect of addressing Government for ratification does not arise.</p>
14	<p>As per Central Excise Notification No.04/2014 dt. 21/02/2014, there is a reduction in the applicable rate of excise duty from 12% to 10% in respect of certain items like insulators, PLCC equipments including Wave trap etc., The above reduction has not been ascertained for passing on the benefit to the Company from the Contractors in respect of works awarded at all the divisions. Consequent impact of the same on the accounts is not readily ascertainable in the absence of details.</p>	<p>The issue will be examined and action will be taken to recover the excess payment made to contractors pursuant to downward revision of Excise duty.</p>



Sl.No.	Observations of Statutory Auditors	Management Reply
15	<p>The capital expenditure amounting to Rs.20.37 crores in respect of establishing 2 x 31.5 MVA, 66/11KV sub-station and related works at M/s.Primal Projects, Bellandur village, Bangalore which is an SEZ was incurred by the Company by including in the Annual Program of Works (APW). However, in a similar work of establishing 3 x 20 MVA. 66/11 KVA sub-station at Divyashree Techno Park, Kundalahalli Village which is also an SEZ, estimated to cost Rs.18.10 crores, the work has been executed under "Self-Execution" basis at the cost of the SEZ promoters. The reasons for the differential treatment could not be satisfactorily explained by the Company. Also, it is observed that the total contract demand from the three applicants of Primal Projects who are all related parties is 16 MVA. We were given to understand that normally for any demand exceeding 7.5 MVA, the work is usually carried out under "Self-Execution" basis. Also, we were informed that requisitions from customers are made to ESCOM's and the Company does not undertake validation of such requests. But since the capital expenditure incurred by the Company, some validation need to be carried out by the Company. Hence, the Company need to devise suitable policy guidelines in accordance with KERC norms for deciding the various situations under which a work need to be carried out either under Self-Execution basis / under Deposit-Contribution (Works) or under APW. In the absence of such guidelines or proper explanations, we are unable to comment on the appropriateness of some of the Capital expenditures incurred by the Company under APW.</p>	<p>The guidelines for establishment of substations are already there in the regulations framed by Hon'ble KERC.</p> <p>The Capital expenditure being incurred by KPTCL covers the following objectives;</p> <ol style="list-style-type: none"> Putting up evacuation infrastructure Meeting load growth Addressing deteriorating assets and new technology investment Improving reliability and quality of power supply <p>Apart from the above other Transmission system infrastructure works are also being taken up by the developers of layout/group of MS Buildings especially under(b) above(whenever the load to be catered exceeds 7500 KVA), in order to cater power supply for their layouts/Group of MS Buildings as mandated under KERC Regulations. As per the Regulation, they are supposed to put up the required Transmission system infrastructure on self-execution basis. But in case, they request the Licensees to carry out the Work(which is allowed under the Regulations) then the same is taken up by Licensees at their behest on deposition of estimated cost together with 10% as tender premium on the total estimated cost. However after commissioning of the Project, any difference in amount to be paid by the developer is also collected and such asset is also taken over by KPTCL after it gets commissioned for maintaining it.</p> <p>In case of Divyashree Tecno Park, the required Transmission system infrastructure has been put up by the Developer under self-execution at their cost and risk since the entire load to be catered through that infrastructure belonged to one firm, whereas in case of Primal Project, the Transmission system infrastructure has been put up by KPTCL under(b) above to meet anticipated load growth as informed by BESCO and the load to be catered to, from this infrastructure belonged to different legal entities though they might be related as pointed out by Audit.</p>

KARNATAKA POWER TRANSMISSION CORPORATION LIMITED

Replies to the observations of Secretarial Auditors

Sl.No.	Observations of Secretarial Auditors	Reply
1)	Appointment of Independent Directors as provided under Sec.149(6) of the Act.	<p>Since, some of the sections do not find a place via-a-vis exemption / relaxation from its applicability to Governemnt Companies, Ministry of Corporate Affairs has been requested vide letter dated 30.12.2014 to grant exemptions under section 462 of the Companies Act, 2013 to the Government Companies which are basically the new requirements under the Company Law like independent directors etc.,</p> <p>Ministry of Corporate Affairs vide Notification dated : 5th June 2015 issued Amendments to Companies Act, 2013 to the clause(a) of sub-section(6) of Section 149;</p> <p>“for the word “Board” the words “Ministry or Department of the Central Government which is administratively in charge of the company, or as the case may be, the state Government” shall be substituted.”</p> <p>Reckoning the same, State Government vide notification dated 24.08.2015, issued orders by nominating following Non-Whole time Directors as Independent Directors.</p> <ol style="list-style-type: none"> 1. Sri D.N.Narasimha Raju, I.A.S. 2. Sri. P. Ravikumar, I.A.S. 3. Sri. Pankaj Kumar Pandey, I.A.S. 4. Sri. I.S.N.Prasad, I.A.S. 5. Sri. Maheshwar Rao, I.A.S.



KARNATAKA POWER TRANSMISSION CORPORATION LIMITED
CORPORATE SOCIAL RESPONSIBILITY POLICY

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1. BACKGROUND

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

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

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

2. OBJECTIVE

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



3. TERMS OF REFERENCE TO CSR COMMITTEE

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

- a) To formulate and recommend a CSR policy to the Board;
- b) To recommend amount of expenditure to be incurred on CSR activities;
- c) To monitor the CSR policy of the company from time to time; and
- d) To institute a transparent Monitoring Mechanism for implementation of the CSR projects/ programs or activities undertaken by the Company.

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

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

4. CSR ACTIVITIES / PROJECTS

Schedule VII to the Companies Act, 2013 lists down the activities which may be included by companies in their corporate social responsibility policies. The said activities relate to:

- (i) Eradicating extreme hunger and poverty;
- (ii) Promotion of education;
- (iii) Promoting gender equality and empowering women;
- (iv) Reducing child mortality and improving maternal health;
- (v) Combating human immunodeficiency virus, acquired immune deficiency syndrome, malaria and other diseases;
- (vi) Ensuring environmental sustainability;
- (vii) Employment enhancing vocational skills;
- (viii) Social business projects;
- (ix) Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government or the State Governments for socio-economic development and relief and funds for the welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women; and
- (x) Such other matters as may be prescribed.



The Corporation mainly plans to support and assist various CSR activities in the following areas :

1. Education

This would include partnerships with organisations working in the field of primary and secondary education, formal and non-formal, literacy programmes, scholarships etc. The main focus of supporting these programmes is to ensure basic literacy, offer vocational training, and manage teaching societies and study centres.

2. Community Development

This would cover the areas of women empowerment, rehabilitation of destitute women and children, improving slum habitat, the provision of necessary amenities for economically disadvantaged persons, causes of the elderly.

3. Child Welfare

This would cover partnerships with organisations that work in the areas of rehabilitation of street children, orphans and destitute children trying to integrate them into mainstream society.

4. Differently abled

This would include partnerships with organisations working towards rehabilitation of physically and mentally challenged children/adults. Besides organisations that work towards providing vocational training and guidance to challenged individuals with an effort to make them economically independent and contributing members of society.

5. Health care and Sanitation

This would include partnerships with organisations supporting sanitation and health-care initiatives, awareness programmes and provision of basic / specialised medical facilities for the underprivileged sections of society.

6. Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government or the State Governments for socio-economic development and relief and funds for the welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;

7. Others

This would cover partnerships with organisations and any other development activity undertaken with the main objective of betterment of society.

7. CSR AMOUNT

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

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

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

8. SPENDING OF CSR AMOUNT

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

- Percentage of total amount to be used for funding various development organizations and grass-root level organisations; and



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

GOVERNANCE

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

DISSEMINATION OF INFORMATION

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

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

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



ANNUAL REPORT ON CSR ACTIVITIES TO BE INCLUDED IN THE BOARD'S REPORT

1. A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken enclosed as Annexure-4. Reference to the web-link to the CSR policy and projects or programs: www.kptcl.com/ePrasarana.
2. The Composition of the CSR Committee is as below

Sl. No.	Name Sriyuths	Particulars
1.	P. Ravikumar	Chairman
2.	I.S.N.Prasad	Member
3.	G.Kumar Naik	Member
	R.Sridhara, Director & Company Secretary	Convener

3. Average net profit of the company for last three financial years (FY 2011-12 to 2013-14): Rs.33.46 Crores (considering Net Profit before Tax)
4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above): Rs.66,92,000/-
5. Details of CSR spent during the financial year.
 - (a) Total amount to be spent for the financial year: Rs.66,92,000/-
 - (b) Amount unspent, if any; NIL
 - (c) Manner in which the amount spent during the financial year is detailed below:

1	2	3	4
Sl. No.	CSR Project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the state and district where projects or programs was undertaken
1	Contribution towards construction of II phase Dr.B.R.Ambedkar Convention Center at Kanakapura city, Ramanagara District, Karnataka State'	Welfare of the Scheduled Castes & the Scheduled Tribes	Project is at the Local area of the company viz., Kanakapura city, Ramanagar District, Karnataka State
Total			

- Give details of implementing Agency.

5	6	7	8
Amount outlay (budget) project or programs wise	Amount spent on the projects/ programs Sub heads	Cumulative expenditure upto to the reporting period	Amount spent Direct or through implementing Agency
Rs.66,92,000/-	1. Direct expenditure on projects or program: Rs.66,92,000/- 2. Overheads : NIL	Rs.66,92,000/-	Amount spent through implementing Agency: Public Works Department, Govt. of Karnataka, Ramanagara Division



6. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report : Not applicable since the Company has spent the prescribed amount towards its CSR.

7. A responsibility statement of the CSR Committee:

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

Sd/-
(Managing Director)

Sd/-
(Chairman CSR Committee)



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, 2015, 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 143 (6) (a) of the Companies Act, 2013, the accounts approved by the Board of Directors of the Company on 27th August, 2015 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 28th August, 2015.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134 (5) of the Companies Act, 2013 ("the Act") with respect to 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 the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and 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. While conducting the audit, we have taken into account the provisions of the Act, the accounting and the auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 financial controls 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 whether the Company has in place an adequate internal financial control system over financial



reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, 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 on the financial statements.

Basis for Qualified Opinion

1. Non-compliance of the financial statements dealt with by this report with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 or significant accounting policies of the Company observed by us as listed below:
 - 1.1) During the year the Company has modified the valuation policy in respect of inventory of stores & spares. Up to the FY: 2013-14, stores & spares were valued at standard rate or at purchase cost if standard rate is not available. From FY 2014-15, stores & spares are valued at lower of purchase cost or net realizable value. However, in respect of inventory of stores & spares lying in stock as at 31.03.2014, the impact because of the change in the accounting policy has not been ascertained and brought into books. The effect of the same on the accounts could not be ascertained.
 - 1.2) Outstanding provision towards Family Benefit Fund towards long term liability on Retirement / Death Benefit is held to the extent of Rs.5450.97 lakhs as on 31.03.2015. The Company has not ascertained the liability for the same on the basis of actuarial valuation 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 31.03.2015 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 31.03.2013 as stated in Note 11.2 & 24.4 to the Accounts without ascertaining liability based on actuarial valuation as on 31.03.2015 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 31-03-2015 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.3695.81 lakhs grouped under 'Other Current Liabilities' & Note 20 regarding debit balances of Rs.136.15 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 ESCOM's (aggregating to Rs.12,487.32 lakhs and Rs.6144.18 lakhs respectively), out of which unreconciled balances are to the extent of Rs.63.43 crores under receivables. Pending reconciliation and subject to confirmation, consequential impact of the same on the accounts 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.196772 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 GOK, 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 GOK 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 31.03.2015 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.9715.48 lakhs (Note 10 to accounts) include Rs.113.99 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. 313.79 lakhs disclosed in Note 15 to the Accounts and Rs. 70.61 lakhs disclosed in Note 20 to the Accounts includes amounts recoverable relating to shortage of stores 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. 2375.27 lakhs disclosed under Note 17 'Trade Receivables' includes Rs.1696 lakhs receivable from KSEB and TNEB outstanding for over three years and not realized 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, wherein transfer of title deeds in favour of the Company is under process in respect of certain lands; complete documents are not available in respect of certain premises occupied by the Company and some of the lands are under encroachment.
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.
11. The Company has been providing for auxiliary energy consumption charges in respect of KPTCL sub-stations payable to distribution Companies viz., BESCO, MESCOM, HESCO, GESCOM & CESC at average hydel power purchase rate instead of average power purchase costs of the respective distribution Companies from Dec 2009 onwards. However, during the year the Company has provided in its accounts an amount of Rs. 2892 lakhs for the differential in the amount between average power purchase cost and average hydel power purchase rate in respect of BESCO. However, in respect of other distribution Companies, the same has not been provided. The impact of which could not be ascertained on the accounts in the absence of relevant information. We were informed that in the absence of specific category in the present tariff schedules of ESCOM's, KERC has directed that necessary action be taken in accordance with the provisions of clause 3.05 of the conditions of the supply of Electricity for fixing special tariff as approved by KERC. There may be an impact on the accounts on fixation of tariff for auxiliary energy consumption by KERC.
12. 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 actuals 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.

13. As per GO FD 59 PRO. CELL 2004 dt: 26.11.2004 applicable for tenders invited before 21.11.2008, 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 GO. 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 be obtained from GOK for all payments made that is not in accordance with the above GO.
14. As per Central Excise Notification No.04/2014 dt. 21/02/2014, there is a reduction in the applicable rate of excise duty from 12% to 10% in respect of certain items like insulators, PLCC equipments including Wave trap etc., The above reduction has not been ascertained for passing on the benefit to the Company from the Contractors in respect of works awarded at all the divisions. Consequent impact of the same on the accounts is not readily ascertainable in the absence of details.
15. The capital expenditure amounting to Rs.20.37 crores in respect of establishing 2 x 31.5 MVA, 66/11KV sub-station and related works at M/s.Primal Projects, Bellandur village, Bangalore which is an SEZ was incurred by the Company by including in the Annual Program of Works (APW). However, in a similar work of establishing 3 x 20 MVA. 66/11 KVA sub-station at Divyashree Techno Park, Kundalahalli Village which is also an SEZ, estimated to cost Rs.18.10 crores, the work has been executed under "Self-Execution" basis at the cost of the SEZ promoters. The reasons for the differential treatment could not be satisfactorily explained by the Company. Also, it is observed that the total contract demand from the three applicants of Primal Projects who are all related parties is 16 MVA. We were given to understand that normally for any demand exceeding 7.5 MVA, the work is usually carried out under "Self-Execution" basis. Also, we were informed that requisitions from customers are made to ESCOM's and the Company does not undertake validation of such requests. But since the capital expenditure is incurred by the Company, some validation need to be carried out by the Company. Hence, the Company need to devise suitable policy guidelines in accordance with KERC norms for deciding the various situations under which a work need to be carried out either under Self-Execution basis / under Deposit-Contribution (Works) or under APW. In the absence of such guidelines or proper explanations, we are unable to comment on the appropriateness of some of the Capital expenditures incurred by the Company under APW.
16. The consequential effect of the above comments on the accounts is not ascertainable.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects on the matter described in the Basis for Qualified Opinion paragraph above, the aforesaid 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:

- (a) In the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2015;
- (b) In the case of Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to:

- (a) 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.

- (b) Note 6.4 & Note 15 regarding accounting of additional fixed cost paid by the Company to TBPCL as regulatory asset and recoverable from ESCOM's to the extent of Rs.54,384 lakhs.
- (c) 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.
- (d) 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, 2015 ('the Order') issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 1 a statement on the matters specified in the paragraph 3 and 4 of the said Order.
- b) As required under Section 143 (5) of the Act, based on such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us we give in Annexure 2 a statement on the directions issued by the Comptroller & Auditor General of India.
- c) As required by Section 143 (3) of the Act, we report that:
 - (i) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (ii) Except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, in our opinion, proper books of account as required by law have been kept by the Company so far it 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 aforesaid financial statements dealt with by this report comply with the accounting standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (v) The Company being a Government Company, the provision of Section 164(2) of the Act, regarding disqualification of Directors does not apply in terms of Notification G.S.R. 463 (E) dated 5th June, 2015.
 - (vi) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above.
 - (vii) With respect to other matters to be included in the Auditors Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rule 2014, in our opinion and to the best of our information and according to explanations given to us:
- a) The company has disclosed the impact of pending litigation on its financial position in its financial statements except for employees' service matters – refer note no. 36.1.



- b) Except for the matter described in the Basis for Qualified Opinion paragraph, the company has made provision as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts. including derivative contracts.
- c) As per books of accounts and based on information and explanation provided to us, there were no amounts which were required to be transferred to Investor's Education and Protection Fund by the Company and hence commenting on delay in transferring amounts required to be transferred to the Investors Education & Protection Fund does not arise.

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

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

Place : Bangalore
Date : 28th September 2015



ANNEXURE -1 TO THE AUDITORS' REPORT

(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, 2015).

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 give 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.

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:

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 189 of Companies Act of 2013. Accordingly, the provisions of clause 3 (iii) (a) & 3 (iii) (b) 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 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. According to the information and explanations given to us, the Company has not accepted any deposits from the public. Therefore provision of clause 3 (v) of the Order are not applicable.
6. The maintenance of cost records in respect of electricity / transmission of power has been prescribed by the government under subsection (1) of Section 148 of the Companies Act, 2013 read with Companies (Cost Records & Audit) Rules, 2014. We were 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. However, we have not made detailed examination of the statements with a view to determine whether they are accurate and complete.

7. 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, the Company has generally been regular in depositing undisputed statutory dues including provident fund, income tax, sales tax, wealth tax, service tax, customs duty, excise duty, value added tax, cess and other statutory dues with the appropriate authorities.
- b) There were no undisputed amounts payable in respect of provident fund, income tax, sales tax, wealth tax, service tax, customs duty, excise duty, value added tax, cess and other statutory dues in arrears as at 31st March, 2015 for a period of more than 6 months from the date they became payable.
- c) 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:

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			Addl. Commissioner, CE & ST, LTU, Bangalore.
7	July 2012 to Sept. 2013	63,37,682/-		



Service Tax Cases

Sl. No.	Period	Nature of Dues	Forum where the dispute is pending	Amount
8	17.05.2007 to 2009-10	Technical Inspection & Certification Services	CESTAT	14,63,998/-
9	01.04.2010 to 30.09.2010			3,62,972/-
10	01.04.2011 to 30.09.2011			1,94,104/-
11	01.10.2011 to 31.03.2012			3,75,086/-
12	01.04.2012 to 30.06.2012		Addl. Commissioner, CE & ST, LTU, Bangalore.	1,69,871/-
13	01.07.2012 to 30.09.2013			8,65,483/-
14	Oct 2013 to Dec 2014			7,47,150/-
15	July, 2012 to March, 2013	Guarantee Commission paid to GOK	Commissioner (Appeals), LTU, Bangalore	72,334/-
16	April, 2013 to March, 2014		Deputy Commissioner, CE & ST, LTU, Bangalore.	45,617/-
17	July, 2012 to March, 2014	Processing fee towards finalization of evacuation proposals for NCE projects	Deputy Commissioner, CE & ST, LTU, Bangalore.	844,612/-

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 High Court of Karnataka	Rs. 9373 lakhs

- d) According to information and explanation given to us there are no amounts which were required to be transferred to investor's education and protection fund in accordance with the relevant provision of Companies Act, 1956 and Rules made thereunder.



- e) The Company does not have any accumulated losses and has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
8. 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.
9. 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.
10. 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.
11. 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 : 28th September 2015



ANNEXURE-2 TO THE AUDITORS' REPORT
(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, 2015)

Sl.No.	Directions	Reply															
1.	If the Company has been selected for disinvestment, a complete status report in terms of valuation of Assets (including intangible assets and land) and Liabilities (including Committed & General Reserves) may be examined including the mode and present stage of disinvestment process.	Not applicable															
2.	Please report whether there are any cases of waiver/ write off of debts/loans/interest etc., if yes, the reasons there for and the amount involved.	Subsidy received from GoK amounting to Rs.96.01 Crore has been written-off vide Energy Department, GoK, letter No.EN 29 PSR 2015 dated 19/05/2015.															
3.	Whether proper records are maintained for inventories lying with third parties & assets received as gift from Govt. or other authorities.	Schedules are being maintained to monitor the inventories/assets lying with third parties. Assets received as gift from Govt. and other parties are recorded in Asset Registers maintained in Accounting Units. However on our verification we observed that for transformers sent on repairs there is no system of periodic follow-up or inspection nor confirmations obtained from the parties.															
4.	A report on age-wise analysis of pending legal/ arbitration cases including the reasons of pendency and existence/ effectiveness of a monitoring mechanism for expenditure on all legal cases(foreign and local) may be given.	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Period</th> <th style="text-align: center;">Employee related</th> <th style="text-align: center;">Others</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">< 1 Year</td> <td style="text-align: center;">29</td> <td style="text-align: center;">11</td> </tr> <tr> <td style="text-align: center;">1-3 Years</td> <td style="text-align: center;">158</td> <td style="text-align: center;">97</td> </tr> <tr> <td style="text-align: center;">3 – 5 Years</td> <td style="text-align: center;">33</td> <td style="text-align: center;">24</td> </tr> <tr> <td style="text-align: center;">Above 5 Years</td> <td style="text-align: center;">14</td> <td style="text-align: center;">30</td> </tr> </tbody> </table> <p>The cases are pending in various judicial forums and Company is making the follow-up through the panel advocates. Appropriate policy has been evolved for incurring legal expenditure at various stages.</p>	Period	Employee related	Others	< 1 Year	29	11	1-3 Years	158	97	3 – 5 Years	33	24	Above 5 Years	14	30
Period	Employee related	Others															
< 1 Year	29	11															
1-3 Years	158	97															
3 – 5 Years	33	24															
Above 5 Years	14	30															



Additional Company Specific Directions:

(Annexure referred to in our report of even date to the members of Karnataka Power Transmission Corporation Limited (“the Company”) for the year ended 31st March, 2015).

Directions	Reply
(a) Adequacy of steps to prevent encroachment of idle land owned by Company may be examined. In case land of the Company is encroached, under litigation, not put to use or declared surplus, details may be provided.	Land to the extent of 59 acres & 165.75 guntas are encroached and it informed to us that necessary efforts are being made to take possession of the land by the company and legal proceeding have been initiated.
(b) Is the system of evacuation of power commensurate with power available for transmission with the generating company? If not, loss, if any, claimed by the generating company may be commented.	Yes
(c) How much transmission loss in excess of prescribed norms has been incurred during the year and whether the same been properly accounted for in the books of accounts?	Transmission loss is within the approved range (Transmission loss approved by KERC for 2014-15 is 3.92% and the actual loss is 3.67%).
(d) Examine the system of effective utilization Loans/ Grant-in-Aid/Subsidy. List the cases of diversion of funds.	As informed, borrowings by way of term loans and equity from GOK are generally utilized for the purpose of capital expenditure. Based on our audit, we have not come across any case of diversion of funds.

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

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

Place : Bangalore
Date : 28th September 2015



SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2015
(Pursuant to Section 204 (1) of the Companies Act, 2013 and Rule No.9 of the
Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,

The Members,

Karnataka Power Transmission Corporation Limited.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by KARNATAKA POWER TRANSMISSION CORPORATION LIMITED (hereinafter called the Company' CIN:U40109KA1999SGCO25521). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

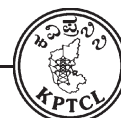
Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws fram thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; and
- (v) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act').

We report that during the year under review, except SI. No. (i), there has been no activity undertaken by the Company which calls for any compliance under SI. No. (ii), (iii), (iv) & (v) above.

We further report that in accordance with the guidelines issued by the Institute of Company Secretaries of India (ICSI) on the applicability of industry specific laws as applicable to the Company and based on the information received and records maintained, the Company has, in our opinion, complied with the provisions of following laws:



- (a) Electricity Act, 2003 (as amended in 2013);
- (b) Forest (Conservation) Act, 1980;
- (c) Factories Act, 1948;
- (d) Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and
- (e) Applicable Labour Laws.

We state that since the provisions relating to Audit of Accounts and Financial Statements of the Company including laws relating to Income Tax, Central Excise, Sales Tax and related laws are dealt in the Financial Statutory Audit the same is not covered under the Secretarial Audit.

We have also examined compliance with the applicable standards / clauses of the Secretarial Standards issued by ICSI and state that since Secretarial Standards were not notified by the Ministry of Corporate Affairs as on 31st March, 2015 the same are not applicable to the Company during the audit period.

During the period under review the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc., mentioned above, except - "Appointment of Independent Directors as provided under Sec.149(6) of the Act".

We further report that:

The Board of Directors of the Company is duly constituted except as indicted above and the changes in the composition of the Board of Directors that took place during the period under review were carried in compliance with the provisions of the Act.

Notice is given to all Directors to schedule the Board Meetings, Agenda and detailed notes on Agenda were sent in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through inasmuch as minutes of the meetings are self-explanatory with respect to recording of dissenting members' views, if any.

We report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable Laws, Rules, Regulations and Guidelines.

We further report that during the Financial Year under review, the Board at its 92nd Meeting held on 18th March, 2015 had passed necessary Resolutions for allotment of 50,00,000 equity shares of Rs. 1,000/- each to the Hon'ble Governor of the State of Karnataka amounting to Rs.500 Crores.

For K. Narayana Swamy & Co.,
Company Secretaries

Sd/-

(K. Narayana Swamy)
FCS 1838 / CP 9878

Place : BANGALORE

Date : 5th September, 2015

Note: This Report is to be read with our letter of even date which is annexed as 'Annexure - A' and forms an integral part of this Report.



To,
The Members,
Karnataka Power Transmission Corporation Limited.

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company like, Income Tax, Central Excise, Customs.
4. Wherever required, we have obtained the Management representations about the compliance of applicable Laws, Rules and Regulations and happening of events, etc.
5. The compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of the Management in terms of Section 134 (5) (f) of the Companies Act, 2013. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

For K. Narayana Swamy & Co.,
Company Secretaries

Sd/-

(K. Narayana Swamy)
FCS 1838 / CP 9878

Place : BANGALORE
Date : 5th September, 2015



COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE ACCOUNTS OF KARNATAKA POWER TRANSMISSION CORPORATION LIMITED, BANGALORE FOR THE YEAR ENDED 31 MARCH 2015.

The preparation of financial statements of **Karnataka Power Transmission Corporation Limited, Bangalore** for the year ended **31 March 2015** in accordance with the financial reporting framework prescribed under Companies Act, 2013 is the responsibility of the management of the Company. The statutory auditors appointed by the Comptroller and Auditor General of India under Section 139(5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated **28.09.2015**.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit, under section 143(6)(a) of the Act of the financial statements of **Karnataka Power Transmission Corporation Limited, Bangalore** for the year ended **31 March 2015**. 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** of the financial statement, I have no further comments to offer upon or supplement to the Statutory Auditors' report, under section 143(6)(b) of the Act.

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

Sd/-
(BIJIT KUMAR MUKHERJEE)
ACCOUNTANT GENERAL
(ECONOMIC & REVENUE SECTOR AUDIT)
KARNATAKA, BANGALORE

BANGALORE
Dated : 29.09.2015



BALANCE SHEET AS AT 31st MARCH 2015 (Amount in Rs.)

Sl. No.	Particulars	Note No.	Account Code	AS AT 31-03-2015		AS AT 31-03-2014	
I	EQUITY AND LIABILITIES						
(1)	Shareholder's Funds						
a)	Share Capital	1	52.301	2075 32 25 000		1575 32 25 000	
b)	Reserves and Surplus	2	55 to 58	420 45 47 757		351 28 79 955	
(2)	Equity Infusion(Shares pending Allotment)	2A	52.302 & 52.303	20 00 00 000		424 67 75 000	
(3)	Contribution & grants towards cost of capital assets	3	55.1	373 09 45 731	2888 87 18 488	346 11 70 076	2697 40 50 031
(4)	Non-Current Liabilities						
a)	Long-term borrowings	4	51 to 54	4295 52 47 965		4455 70 73 041	
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	1283 46 75 272		1215 51 65 079	
d)	Long-term Provisions	7	44	314 46 93 904	6167 75 16 017	176 48 65 409	6122 00 02 405
(5)	Current Liabilities						
a)	Short-term borrowings	8	51 to 54	110 00 00 000		60 00 00 000	
b)	Trade payables	9	41	1967 72 66 731		1863 61 87 327	
c)	Other current liabilities	10	42 to 46	1225 17 30 647		1384 05 73 200	
d)	Short-term provisions	11	42,44,46	139 13 61 536	3442 03 58 914	112 66 64 445	3420 34 24 972
	TOTAL				12498 65 93 419		12239 74 77 408
II	ASSETS						
(1)	Non-Current assets						
a)	Fixed assets						
(i)	Tangible Assets	12	10 & 12	8363 07 12 065		7984 22 03 250	
(ii)	Intangible assets	12A	18	8 80 200		19 36 440	
(iii)	Capital work-in-progress	13	14 & 15	1149 05 32 764		1330 74 82 711	
b)	Long term loans and advances	14	25 to 27 & 28	225 44 91 151		166 83 17 370	
c)	Other non-current assets	15	16,17,26,28.4 to 28.9	2152 50 57 316	11890 16 73 496	2173 23 89 104	11655 23 28 876
(2)	Current assets						
a)	Inventories	16	22	86 40 34 808		95 41 87 627	
b)	Trade receivables	17	23 & 28.1	219 05 39 844		175 27 53 229	
c)	Cash and cash equivalents	18	20 & 24	153 74 85 243		207 88 62 234	
d)	Short-term loans and advances	19	25 & 27	3 57 60 301		5 38 82 213	
e)	Other current assets	20	16,28.1 to 28.9	145 70 99 727	608 49 19 923	100 54 63 230	584 51 48 533
	TOTAL				12498 65 93 419		12239 74 77 408

Significant Accounting Policies 35
Other Notes on Accounts 36

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

Sd/-
(ADITI RAJA)
Director (Finance)

Sd/-
(JAWAID AKHTAR)
Managing Director

Sd/-
(S.K.ANANTHA)
Financial Adviser (A&R)
Refer our report of even date
For Manian & Rao
Chartered Accountants
FRN 001983S

Place : Bangalore
Date : 28-09-2015

Sd/-
(SRIKANTH R)
Partner
Membership No.203138



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2015

(Amount in Rs.)

Sl. No.	Particulars	Note No.	Account Code	Current Year 2014-15	Previous Year 2013-14
I	Revenue from operations (Transmission of Power)	21	61 & 62	2325 12 01 825	2324 38 52 945
II	Other Income	22	62	70 67 90 021	59 73 78 403
III	Total Revenue (I+II)			2395 79 91 846	2384 12 31 348
IV	Expenses (Net)				
1	Transmission & Wheeling Charges	23	70	1 77 48 163	71 52 867
2	Employee Costs	24	75	753 99 55 510	664 71 53 060
3	Repairs and Maintenance	25	74	137 31 02 083	99 91 10 389
4	Administrative and Other Expenses	26	76	58 57 15 963	44 95 32 772
5	Finance Costs	27	78	486 67 67 580	522 03 86 964
6	Depreciation & amortization expenses(Net)	28	77	590 93 32 710	557 07 32 014
7	Others	29	77, 79 & 80	114 48 90 821	114 52 34 863
	Total Expenses			2143 75 12 830	2003 93 02 929
V	Add/(Less) : Prior period credits/(charges)	30	65 & 83	-55 00 42 978	-28 11 28 254
VI	PROFIT BEFORE EXCEPTIONAL AND EXTRAORDINARY ITEMS AND TAX			197 04 36 038	352 08 00 165
VII	Exceptional Items	31	79.571	-96 01 42 567	-315 91 00 000
VIII	PROFIT BEFORE EXTRA ORDINARY ITEMS AND TAX			101 02 93 471	36 17 00 165
IX	Extraordinary items	32	63 & 79		
X	PROFIT BEFORE TAX			101 02 93 471	36 17 00 165
XI	TAX EXPENSE				
1	Current Tax	33	81.1	21 86 25 673	7 58 14 164
2	Deferred Tax	34	81.201		
XII	Profit / (Loss) for the period from continuing operations			79 16 67 798	28 58 86 001
XIII	Earning per equity share	36.10			
	(1) Basic			49.65	18.15
	(2) Diluted			37.90	14.24

 Significant Accounting Policies
 Other Notes on Accounts

 35
 36

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

 Sd/-
(ADITI RAJA)
 Director (Finance)

 Sd/-
(JAWAID AKHTAR)
 Managing Director

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

 Refer our report of even date
 For Manian & Rao
 Chartered Accountants
 FRN 001983S

 Place : Bangalore
 Date : 28-09-2015

 Sd/-
(SRIKANTH R)
 Partner
 Membership No.203138


NOTE 01 : SHARE CAPITAL

(Amount in Rs.)

Sl. No.	Particulars	Account Code	As at 31-03-2015		As at 31-03-2014	
1	Authorised Capital 3,00,00,000 (Previous Year - 2,00,00,000) Equity shares of Rs. 1000/- each		3000 00 00 000		2000 00 00 000	
2	Issued, Subscribed and Paid up 20753225 (Previous Year - 15753225) Shares of Rs1000/- each)	52.301	2075 32 25 000		1575 32 25 000	
TOTAL				2075 32 25 000		1575 32 25 000

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

Particulars	As at 31st March 2015 No. of Shares	As at 31st March 2014 No. of Shares
Equity Shares at the beginning of the year	1 57 53 225	1 57 53 225
Add : Shares issued	50 00 000	-
Equity Shares at the end of the year	2 07 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 2015		As at 31st March 2014	
	No. of Shares	% held	No. of Shares	% held
Hon'ble Governor, State of Karnataka	2 07 53 225	100	1 57 53 225	100



NOTE 2 : RESERVES AND SURPLUS

(Amount in Rs.)

Sl. No.	Particulars	Account Code	As at 31-03-2015		As at 31-03-2014	
1	Capital Reserve					
1	Capital Reserve	56.2	7 45 46 563	7 45 46 563	7 45 46 563	7 45 46 563
2	Special Grant received from GOK towards Floods relief works	55.309			10 00 00 000	10 00 00 000
3	Special Grant towards Capital Works	55.500	13 64 74 999	13 64 74 999	13 64 74 999	13 64 74 999
4	Surplus in Profit and Loss Account	58	399 35 26 195	399 35 26 195	320 18 58 393	320 18 58 393
TOTAL				420 45 47 757		351 28 79 955

Note 2.1 : Movement in Reserves & Surplus

(Amount in Rs.)

Sl. No.	Particulars	Account Code	Opening Balance	Additions	Deletions	Balance as at 31-03-2015
	Capital Reserve	56.2	7 45 46 563			7 45 46 563
	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	320 18 58 393	79 16 67 802		399 35 26 195
TOTAL			351 28 79 955	79 16 67 802	10 00 00 000	420 45 47 757

Note 2A : EQUITY INFUSION (Shares pending allotment)

(Amount in Rs.)

Sl. No.	Particulars	Account Code	As at 31-03-2015		As at 31-03-2014	
1	From Government of Karnataka	52.302 & 52.303	20 00 00 000		424 67 75 000	
TOTAL				20 00 00 000		424 67 75 000

Note :2A.1 The amount received from Government of Karnataka towards Equity Capital for 2014-15 is Rs.20 Cr. During the year 50,00,000 Shares to the extent of Rs.500,00,00,000/- were allotted as approved by the Board Meeting held on 18/03/2015 Rs.424.68 Crores was disclosed under "Equity Infusion" and Rs.75.32 Crore was disclosed under "Other Current Liabilities" during FY 2013-14



NOTE 3 : CONTRIBUTION & GRANTS TOWARDS COST OF CAPITAL ASSETS

(Amount in Rs.)

Sl. No.	Particulars	Account Code	As at 31-03-2015		As at 31-03-2014	
1	Contribution towards cost of capital assets	55.1	373 09 45 731		346 11 70 076	
				373 09 45 731		346 11 70 076
TOTAL				373 09 45 731		346 11 70 076

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
346 11 70 076	67 44 25 981		40 46 50 326	373 09 45 731

3.2- Contribution towards cost of capital Assets Rs 373,09,45,731/- includes amount collected towards Net work Augmentation charges of Rs.118,11,29,113/- 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 to the extent of Rs.4.93 Cr.

3.3 -As per Accounting Policy No.35.5(a) Consumer Contribution towards cost of capital assets is treated as "Deferred Income" under "Contribution & Grants towards cost of capital assets" and amount proportionate to the depreciation charged on such assets created out of contribution is subsequently adjusted as income and reduced from Contribution & Grants towards cost of capital assets.

NOTE 04 : LONG-TERM BORROWINGS

(Amount in Rs.)

Sl. No.	Particulars	Account Code	As at 31-03-2015		As at 31-03-2014	
I	<u>SECURED LOANS</u>					
	Term Loans					
1	From Banks	53 & 54	4282 31 07 385		4032 00 27 335	
2	Other Financial Institutions		7 87 22 046		416 49 86 976	
	SUB-TOTAL			4290 18 29 431		4448 50 14 311
II	<u>UNSECURED LOANS</u>					
1	From Banks	53 & 54				
2	From Others		5 34 18 534		7 20 58 730	
	SUB-TOTAL			5 34 18 534		7 20 58 730
TOTAL				4295 52 47 965		4455 70 73 041



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 2014-15	Previous Year 2013-14
1	Loans obtained from State Bank of Mysore	13 Years (300 Crs) 7 Years (241.08 Crs.)	Hypothecation of Assets	496 43 90 007	
2	Loans obtained from Vijaya Bank	13 Years	Hypothecation of Plant & Machinery	1119 08 51 153	1138 81 05 003
3	Loan drawn from Punjab National Bank	13 Years	Guaranteed by default Escrow and Hypothecation of Assets	51 75 00 000	86 25 00 000
4	Loan drawn from Oriental Bank of Commerce	13 Years	Hypothecation of Assets	17 50 00 000	27 50 00 000
5	Loan drawn from Corporation Bank	7 Years (12.5 Cr), 13 Years(200 Cr)	Hypothecation of Assets	344 60 51 930	408 76 31 158
6	Loan drawn from Bank of Maharashtra	7 Years(25 Cr), 10 Years(100 Cr)	Hypothecation of Assets	86 85 14 295	123 37 71 435
7	Loan from Bank Of India	7 Years(66.56 Cr), 13 Years(300 Cr)	Hypothecation of Assets	417 50 00 000	419 34 53 065
8	Loans drawn from Bank of Baroda	8.5 Years	Hypothecation of Assets		16 66 66 674
9	Loan drawn from Indian Bank	13 Years	Hypothecation of Assets	200 00 00 000	230 00 00 000
10	Loan drawn from Punjab & Sindh Bank	13 Years	Hypothecation of Assets	560 00 00 000	471 27 00 000
11	Loan drawn from Canara Bank	13 Years	Hypothecation of Assets	988 58 00 000	1110 02 00 000
	Secured Loans from Others				
1	Loans from REC	13 Years	Guaranteed by State Govt. and Escrow	7 87 22 046	9 44 66 346
2	Loans drawn from Power Finance Corporation Ltd.,	10 Years	Guaranteed by GOK and Mortgage of assets Term-10 Years		407 05 20 630
	UNSECURED LOANS Others				
1	Loans from REC - Rationalised REC-Loans		Guaranteed by GOK		2 887
2	APDRP - REC Loan Account	13 Years		1 09 71 583	2 19 43 171
3	State Govt. loans	20 Years		4 15 85 051	4 75 25 773
4	Loans of KPTCL parked with GOK (Ref Note 4.4)	13 Years		8 61 900	25 86 899
TOTAL				4295 52 47 965	4455 70 73 041

Note : 4.2 There is no default in repayment of any of the above loans or payment of interest as on 31-03.2015

Note : 4.3 Loans guaranteed by GOK

Secured Term Loans from Financial Institutions

7 87 22 046 416 49 86 976

Unsecured Term loans from others

2 887

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 31-03-2015		As at 31-03-2014	
	Deferred Tax Liability	46.802	274 28 98 876		274 28 98 876	
TOTAL				274 28 98 876		274 28 98 876

Note 5.1

Company has already provided Deferred Tax Liability to an extent of Rs.274,28,98,876/- upto 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 31-03-2015		As at 31-03-2014	
	EMPLOYEE BENEFITS					
1	Family Benefit Fund	44.140 to 44.143	54 50 97 092		48 93 33 999	
	OTHERS					
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	42.239	1 008		1 008	
5	Security Deposits in cash from Suppliers / Contractors	46.101	10 49 69 571		9 08 11 789	
6	KPTCL Pensioners / Family Pensioners Family Benefit / Security Fund	46.103	9 75 25 987		7 94 03 238	
7	Retention Money - Bill amount retained as per terms of P.O / Turnkey Contract	46.104	255 16 36 050		204 38 59 222	
8	Penalty recovered pending decision for refund (See Note 6.2)	46.109	101 68 76 703		93 55 87 282	
9	Security Deposit - Generating Companies	46.110	24 00 120			
10	Liability for Expenses	46.435	2 94 96 478		2 94 96 478	
11	Security Deposit from Employees	46.920	45 097		44 897	
12	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	
13	Adjustments pending re-notification by GOK (Refer Note 6.5)	52.304 to 52.309	42 38 43 024		42 38 43 024	
	Sub-Total			1283 46 75 272		1215 51 65 079
	TOTAL			1283 46 75 272		1215 51 65 079

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 GOK.



NOTE 07 : LONG TERM PROVISIONS

(Amount in Rs.)

Sl. No.	Particulars	Account Code	As at 31-03-2015		As at 31-03-2014	
	Provision for Employee Benefits					
	Provision for Leave encashment	44.130, 44.131	314 46 93 904		176 48 65 409	
	TOTAL			314 46 93 904		176 48 65 409

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
177 20 94 421	174 96 60 694	46 19 559	38 16 80 770	314 46 93 904

* Refer Note 24.3 for details

NOTE 08 : SHORT-TERM BORROWINGS

(Amount in Rs.)

Sl. No.	Particulars	Account Code	As at 31-03-2015		As at 31-03-2014	
	Borrowings for working capital :					
	UNSECURED LOANS					
	Short term Loans from Banks	53.324	110 00 00 000		60 00 00 000	
	TOTAL			110 00 00 000		60 00 00 000

Note 8.1

There is no default in repayment of any of the above loans or payment of interest as on 31-03-2015



NOTE 09 : TRADE PAYABLES

(Amount in Rs.)

Sl. No.	Particulars	Account Code	As at 31-03-2015		As at 31-03-2014	
I	LIABILITIES					
	Sundry Creditors for purchase of power					
	Tamilnadu Electricity Board	41.101	26 33 96 728		26 33 96 728	
	Andhra Pradesh Transmission Corp.	41.104	5 52 38 207		4 04 47 221	
	Karnataka Power Corporation Ltd.	41.108	1894 17 76 128		1790 84 24 102	
	KPCL(VVNL)	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	1 52 86 889		2 23 50 948	
	Tata Company Ltd.	41.131	1 90 96 055		1 90 96 055	
	Raythara SSKM	41.139	8 18 810			
	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	7 65 447		15 83 806	
				1967 72 66 731		1863 61 87 327
	TOTAL			1967 72 66 731		1863 61 87 327



NOTE 10 : OTHER CURRENT LIABILITIES

(Amount in Rs.)

Sl. No.	Particulars	Account Code	As at 31-03-2015		As at 31-03-2014	
	CURRENT MATURITIES OF LONG TERM DEBTS					
	From Banks		553 50 70 862		497 42 11 700	
	From Others		9 75 33 149		84 90 68 679	
	Sub-Total			563 26 04 011		582 32 80 379
	Interest accrued but not due on borrowings	46.710	3 28 56 246	3 28 56 246	13 26 51 862	13 26 51 862
	Other Payables					
	Sundry Liabilities	46.9	97 15 48 469		144 49 98 990	
	Miscellaneous Deposit	46.966	12 36 24 097		13 09 88 660	
	UI charges collected from short term open access customers and payable / adjustable to ESCOMS	46.937	4 99 16 492		12 58 97 809	
	Sub-Total			114 50 89 058		170 18 85 459
	Security Deposits in cash from Suppliers / Contractors	46.101	3 30 18 858		4 87 78 789	
	Retention Money - Bill amount retained as per terms of P.O / Turnkey Contract	46.104	162 43 19 829		164 71 11 754	
	Penalty recovered pending decision for refund	46.109	52 50 29 856		61 81 29 811	
	Deposit Contribution works	47.3	81 10 94 741		87 53 84 767	
	Liability for Suppliers/Works	42	29 73 68 448		43 18 07 796	
	Payables - BESCOM	42	36 26 95 000		41 99 26 704	
	Payables - MESCOM	42	10 06 91 591		10 07 07 230	
	Payables - HESCOM	42	11 99 39 089		12 02 04 764	
	Payables - GESCOM	42	6 41 546		6 39 072	
	Payables - CESCO	42	3 04 50 832		3 06 38 237	
	Sub-Total			390 52 49 790		429 33 28 924
	Staff Related Liabilities					
	Pension & Leave contribution remitted by other Department payable to P&G Trust	44.275	41 48 284		37 65 032	



Sl. No.	Particulars	Account Code	As at 31-03-2015		As at 31-03-2014	
	Provision for KPTCL Contribution to Pension Scheme with effect from 01/4/2006	44.150	1 50 70 371		1 40 00 495	
	Salary payable	44.310 & 44.311	81 107		77 42 473	
	Unpaid Salaries	44.210			17 528	
	Unpaid Bonus	44.220	4 957		2 624	
	Bonus payable	44.320	8 31 463		11 81 253	
	Ex-gratia payable	44.330	3 18 60 644		3 24 72 587	
	Sub-Total			5 19 96 826		5 91 81 992
	Liability for Expenses	46.410 to 46.470	109 60 18 817		55 16 09 743	
	Electricity Tax and Other levies payable to Government	46.300	52 366		8 26 476	
	Receivable from GOK towards payment of Principal, Int & Gurantee commission on loans parked with GOK	28.859	1 82 82 322		1 82 56 313	
	Amount recoverable in cash from BESCOM Units in respect of other transaction	28.926			10 87 85 300	
	IUA- Materials	31	19 36 69 398		17 12 60 745	
	IUA - Released Assets/Moveable Assets and other equipments- Acceptance not received	32	17 40 47 394		22 64 91 604	
	IUA - Personnel	36	18 64 419		- 2 10 597	
	EQUITY INFUSION (Shares pending allotment) (Refer Note 2A)	52.302 & 52.303			75 32 25 000	
	Sub-Total			148 39 34 716		183 02 44 584
	TOTAL			1225 17 30 647		1384 05 73 200



NOTE 10.1 : Details of Current maturities of long term debts

(Amount in Rs.)

Sl. No.	Name of the Bank From Banks	Current Year 2014-15	Previous Year 2013-14
1	Loans obtained from State Bank of Mysore	35 71 61 820	
2	Loans obtained from Vijaya Bank(Hypothication of assets) Term-13 Years	144 50 06 000	127 46 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	30 00 00 000	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	64 15 79 228
7	Loan drawn from Bank of Maharastra(Hypothication of assets) Term-7 Years(25 Cr),10 Years(100 Cr)	36 52 57 140	36 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	30 00 00 000
9	Loans drawn from Bank of Baroda(Hypothecation of Assets) Term-8.5 Years	16 66 66 674	33 33 33 332
10	Loan drawn from Indian Bank (Hypothication of assets) Term-13 Years	30 00 00 000	30 00 00 000
11	Loan drawn from Canara Bank(Hypothication of assets) Term-13 Years	121 44 00 000	121 44 00 000
	Sub-Total	553 50 70 862	497 42 11 700
	From Others		
1	Loans from REC (Guaranteed by State Govt. and Escrow) Term-13 years	1 57 44 400	1 57 44 400
2	Loans drawn from Power Finance Corporation Ltd., (Guaranteed by GOK and Mortgage of assets) Term-10 Years	6 31 51 439	79 52 50 564
	UNSECURED LOANS		
	Others		
1	Loans from REC - Rationalised REC-Loans (Guaranteed by GOK)		12 77 483
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)	17 25 000	1 98 83 922
	Sub-Total	9 75 33 149	84 90 68 679
	Grand Total	563 26 04 011	582 32 80 379

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 2013-14 is subject to post facto approval/ratification of the Government of Karnataka.

Note 10.4 : There is no default in repayment of any one of the above loan or payment of interest as on the date of 31-03-2015

Note 10.5 : Inter Unit Account - Rs.36,95,81,211/- represents net credit balance under reconciliation.



NOTE 11 : SHORT TERM PROVISIONS

(Amount in Rs.)

Sl. No.	Particulars	Account Code	As at 31-03-2015		As at 31-03-2014	
	<u>Provision for Employee Benefits</u>					
	Provision for Pension and Gratuity payable to P&G Trust	44.122	53 16 19 142		35 92 70 891	
	Pension & Leave Contribution collected from employees for counting their past services in other Depts.& Payable to P&G Trust	44.274	21 000			
	Provision for Leave encashment	44.130			72 29 012	
	<u>Other Provisions</u>					
	Provision for Income-Tax	46.800	72 76 91 444		53 20 30 653	
	Adhoc Provision for work completed in the field but bills not received	42.601	10 23 29 950		19 84 33 889	
	Provision for loss or write off of shortages found on physical verification of stock	46.964	2 97 00 000		2 97 00 000	
	TOTAL		139 13 61 536		112 66 64 445	

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, at percentage intimated by the Trust.

Note : 11.2 : Pending Receipt of report of actuarial valuation as on 31/03/2015, monthly Pension/ Gratuity contribution for the year is accounted as per the rates furnished by Actuary as on 31/03/2013.

	2014-15	2013-14	Remarks
Pension	30.00%	30.00%	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
35 92 70 891	114 18 65 681	96 95 17 430	53 16 19 142



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

Asset Group	A/c Code	Gross Block				Depreciation				Net Block		
		As at 01/04/2014	Additions	Deductions/ Adjustments	As at 31/03/2015	A/c Code	As at 01/04/2014	Additions	Deductions/ Adjustments	As at 31/03/2015	As at 01/04/2014	As at 31/03/2015
Land & Rights	10.1	165 24 51 420	10 68 08 137	4 70 49 238	180 63 08 795	12.1					165 24 51 420	180 63 08 795
Land held under Lease	10.102 & 10.103	7 53 18 803	3 11 98 841	-2 86 18 207	7 78 99 437						7 53 18 803	7 78 99 437
Buildings	10.2	458 78 81 104	26 80 26 605	42 36 234	486 01 43 943	12.2	1 20 61 03 962	15 49 37 223	- 10 91 430	1 35 99 49 755	338 17 77 142	350 01 94 188
Hydraulic Works	10.3	53 57 53 668	5 25 09 112	27 19 701	59 09 82 481	12.3	12 40 89 171	3 05 39 710	- 30 133	15 45 98 748	41 16 64 497	43 63 83 733
Other Civil Works	10.4	40 18 46 477	3 72 81 878	13 08 612	44 04 36 967	12.4	8 37 34 105	1 43 84 318	- 8 070	9 81 10 353	31 81 12 372	34 23 26 614
Plant & Machinery	10.5	6475 67 08 090	553 55 91 544	-81 92 58 649	6947 30 40 985	12.5	23 95 92 47 280	324 83 27 483	-31 39 65 078	26 89 36 09 685	4079 74 60 810	4257 94 31 300
Lines Cable Networks	10.6	4944 20 03 695	493 34 25 942	-68 30 21 296	5369 24 08 341	12.6	16 36 62 50 929	260 99 11 775	-2 59 88 010	18 95 01 74 694	3307 57 52 766	3474 22 33 647
Vehicles	10.7	7 74 66 683	47 12 747	- 53 92 446	7 67 86 984	12.7	4 96 46 721	37 42 863	- 48 51 749	4 85 37 835	2 78 19 962	2 82 49 149
Furniture & Fixtures	10.8	14 51 02 388	1 85 57 196	45 74 664	16 82 34 248	12.8	6 34 00 541	86 26 456	- 1 66 917	7 18 60 080	8 17 01 847	9 63 74 168
Office Equipments	10.9	3 83 68 149	18 17 177	9 64 093	4 11 49 419	12.9	1 82 24 518	17 69 783	- 1 55 916	1 98 38 385	2 01 43 631	2 13 11 034
Total		12171 29 00 477	1098 99 29 179	-147 54 38 056	13122 73 91 600		4187 06 97 227	607 22 39 611	-34 62 57 303	4759 66 79 535	7984 22 03 250	8363 07 12 065
Previous Year figures		11418 51 89 142	865 97 24 021	-113 20 12 686	12171 29 00 477		3641 93 70 460	579 35 88 670	-34 22 61 903	4187 06 97 227	7776 58 18 682	7984 22 03 250

Fixed Assets

Note 12.1- Land and Title Deeds

- Corporation has capitalised land aggregating 7280 Acres 706.83 Guntas of 1222 premises (includes 90 A 8 G of land gifted to KPTCL), 183A 33 G of Forest land under lease, 723A 310.49 G of Government land under lease and 40A 101.8G of Private lands under lease.
- Process of updating the land records including title is in progress.
- Out of 1222 premises complete documents are available for 729 premises. Corporation is pursuing with the respective Revenue Authorities to complete the documentation in favour of the Corporation.
- Out of 7280A 706.83G, 59A 165.75G of land are encroached by various parties. Efforts are being made in order to take the possession of land and legal course is being initiated.
- Land Rs. 180,63,08,795/- includes Rs.3,35,18,503/- given on lease to various entities. (Refer Note 21.1)
- Land Rs. 180,63,08,795/- includes possession of land at MEI 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.
- 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.
- Plant and Machinery includes construction of 2 X 10 MVA, 110/11 KV stations at Bejai and Bramhavara in MESCOM land taken on lease by KPTCL.

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.
- Plant & Machinery also does not include cost of Assets obtained on Sale & Lease back from erstwhile Vyasa Bank where the Primary and Secondary lease period expired on 27/03/2015. An amount of Rs.4.95 Crore being 20% Retention money paid and the Bank is included under "Deposit with Others" under "Long term loans and advances"



NOTE 12A : INTANGIBLE ASSETS

(Amount in Rs.)

Sl. No.	Particulars	Account Code	As at 31-03-2015		As at 31-03-2014	
	Custom built Application software for internal use	18	35 20 800	35 20 800	35 20 800	35 20 800
	Less : Depreciation to date		- 26 40 600	- 26 40 600	- 15 84 360	- 15 84 360
	Written down value					
	Sub Total			8 80 200		19 36 440
TOTAL				8 80 200		19 36 440

NOTE 13 : CAPITAL WORKS IN PROGRESS

(Amount in Rs.)

Sl. No.	Particulars	Account Code	As at 31-03-2015		As at 31-03-2014	
	Capital Work in Progress	14	1157 27 26 076		1335 47 04 094	
	Sub Total			1157 27 26 076		1335 47 04 094
	Less : Encashment of Bank Gaurantee pending decision for adjustment to Capital works	56.202	-8 21 93 312	-8 21 93 312	-4 72 21 383	-4 72 21 383
TOTAL				1149 05 32 764		1330 74 82 711



NOTE 14 : LONG TERM LOANS AND ADVANCES

(Amount in Rs.)

Sl. No.	Particulars	Account Code	As at 31-03-2015		As at 31-03-2014	
1	Capital Advance					
	Unsecured (Considered Good)					
	Advances to Contractors	28.411				
2	Security Deposits					
	Unsecured (Considered Good)					
	Security Deposit made with ESCOMS for obtaining power supply to KPTCL Installations	28.936, 28.937	3 75 210	3 75 210	3 72 775	3 72 775
3	Other Loans and Advances					
	Secured (Considered Good)					
	Advances to Staff - Interest Bearing	27.101 to 27.106	4 68 707	4 68 707	4 86 487	4 86 487
	Unsecured (Considered Good)					
	Deposits with Others(Ref Note 14.3)	28.935	99 81 14 216		56 66 46 867	
	Advance to Suppliers and Contractors (Ref Note No.14.1)	25 & 26	6 28 23 206		5 62 07 911	
	Advance Income Tax and Tax deducted at source, Other tax payment (Net of Provision) (Refer Note No. 14.2)	27.4 & 28.821	119 27 09 812		104 46 03 330	
	TOTAL			225 44 91 151		166 83 17 370

Note 14.1 : Advance to suppliers and contractors includes Rs.2,73,94,444/- to be regularised with counterpart Units.

Note 14.2 : Rs.119.27 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 adjudicated in favour of KPTCL during 2014-15, I.T department yet to refund the amount and Rs.4,54,06,442 withheld by department against demand disputed by the Company.

Note 14.3 : Rs.99,81,14,216/- includes Rs. 17.34 lakh paid to Safal Market complex towards cost of land on lease basis for 30 years for construction of substation at Konadasapura. The lease agreement for the same is yet to be entered.



NOTE 15 : OTHER NON CURRENT ASSETS

(Amount in Rs.)

Sl. No.	Particulars	Account Code	As at 31-03-2015		As at 31-03-2014	
	ASSETS NOT IN USE					
	WDV of Faulty/ Dismantled Assets	16.2	15 41 65 461		7 68 18 059	
	Transformers issued to Contractors / Suppliers for repairs	26.604	21 45 70 028		21 58 63 996	
	Deferred Costs					
	Preliminary expenditure on survey / feasibility studies of projects not yet sanctioned	17.301	4 72 75 754		3 93 12 642	
	Turnkey Contractors Control Account	26.605	565 86 29 289		500 53 56 569	
	Amounts Recoverable from Employees	28.401	3 13 79 859		4 33 80 703	
	Subsidy / Grants receivable from GOK	28.620	986 49 69 309		1082 51 11 876	
	Claims for Loss / Damage to Capital Assets	28.74	2 66 223		3 00 848	
	Other Receivables	28.8 & 28.9	11 45 39 493		8 52 57 512	
	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				
	Pooled Loan Account (Refer Note 4.4)	53.999	8 61 900		25 86 899	
	TOTAL			2152 50 57 316		2173 23 89 104

Note 15.1: WDV of Faulty/ Dismantled Asset aggregating Rs 15,41,65,461/- 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 21,45,70,028/- 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 31-03-2015		As at 31-03-2014	
I	<u>Stores & Spares</u>					
	Materials Stock Account	22.610	86 57 44 177		95 66 10 609	
	Sub-Total			86 57 44 177		95 66 10 609
II	<u>Materials stock Excess / Shortage Pending Investigation.</u>					
	Stock Excess pending Investigation.	22.810	- 17 09 369		- 24 22 982	
	Stock Shortage pending investigation.	22.820	60 63 242		21 78 804	
	Less: Provision towards Stock Shortage		- 60 63 242		- 21 78 804	
	Sub-Total			- 17 09 369		- 24 22 982
TOTAL				86 40 34 808		95 41 87 627

Note 16.1 : During the year, the Corporation has modified the accounting policy in respect of valuation of inventories to comply with AS-2. Upto FY-2013-14, the inventories were valued at Standard Rate or at Purchase rate when the Standard Rate is not available. However, from this Financial Year, inventories are valued at lower of purchase cost or Net realisable value. However, the effect of change in the Accounting policy in respect of inventories as at 31.03.2014 has not been ascertained and brought in to books since the amount may not be material in the opinion of the Corporation.

Note 16.2 : Material stock includes Rs.12,16,443/- value of items identified as obsolete and valued at 10 % of actual cost.

Note 16.3 : Material stock includes slow / non-moving materials for more than 3 years to the extent of Rs.19,27,69,264/-.



NOTE 17 : TRADE RECEIVABLES

(Amount in Rs.)

Sl. No.	Particulars	Account Code	As at 31-03-2015		As at 31-03-2014	
I	(Un-secured and considered good)					
1	Sundry Debtors for Transmission Charges					
	BESCOM	23.101	1 26 17 347		16 35 690	
	MESCOM	23.102	19 32 53 915		19 21 60 095	
	HESCOM	23.103	93 35 67 037		67 94 24 282	
	GESCOM	23.104	20 60 52 699		21 87 67 021	
	CESCO	23.107	59 26 27 919		49 68 90 140	
	Sundry Debtors for Transmission Charges and System Operating Charges in respect of MTOA	23.146	1 35 66 165		2 29 45 495	
2	Sundry Debtors for sale of Power – Inter State	23.6	13 27 208		13 27 208	
	Sub-Total			195 30 12 290		161 31 49 931
	Sundry debtors - Wheeling charges -Other states	28.120	23 75 27 554	23 75 27 554	13 96 03 298	13 96 03 298
	Sub-Total			219 05 39 844		175 27 53 229
	Provision for Doubtful Debts	23.8				
	TOTAL			219 05 39 844		175 27 53 229

Note 17.1 : Sundry Debtors

Particulars	This Year	Previous Year
1) Outstanding Over 6 months	12 82 96 486	10 11 67 768
2) Others	206 22 43 358	165 15 85 461

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 31-03-2015		As at 31-03-2014	
a)	Cash and Cash Equivalents					
i)	Cash on Hand	24.110	4 98 395		11 87 351	
ii)	Imprest Balance	24.210	28 29 500		27 68 500	
iii)	Balance with Banks					
	In Current Accounts (Refer Note 18.1)	20 & 24	82 32 93 102		133 35 07 110	
iv)	Others					
	Govt. Treasury	24.850	81 976		81 976	
	Postage stamps on hand	24.120	1 50 552		1 60 794	
	Funds in Transit	24.5, 24.6	7 79 27 000		18 36 71 523	
b)	Other Bank Balances		63 27 04 718		55 74 84 980	
	(Deposits with maturity period more than 3 months) (Refer Note : 18.2)					
TOTAL				153 74 85 243		207 88 62 234

Note : 18.1 One Bank Account with Book Balance of Rs.77,433/- is under attachment of the PF Authorities**Note : 18.2** 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 31-03-2015		As at 31-03-2014	
	Advances Recoverable in cash or in kind or for value to be received					
	Secured Considered good					
	Advances to Staff - Interest Bearing	27.101 to 27.106	68 400		4 18 820	
	Unsecured Considered good					
	Advances to Staff - Interest Free	27.201 to 27.210	2 70 47 763		4 00 61 014	
	Amount Recoverable from Suppliers and Contractors towards TDS remitted by KPTCL on their behalf	25.502	86 44 138		1 34 02 379	
TOTAL				3 57 60 301		5 38 82 213



NOTE 20 : OTHER CURRENT ASSETS

(Amount in Rs.)

Sl. No.	Particulars	Account Code	As at 31-03-2015		As at 31-03-2014	
	ASSETS NOT IN USE					
	WDV of Obsolete / Scrapped Assets	16.1	14 58 89 141		19 69 32 362	
	Less : Provision for obsolescence		11 67 11 313	2 91 77 828	15 75 45 890	3 93 86 472
	Income Accrued but not Due	28.3	25 40 963		22 65 663	
	Amounts Recoverable from Employees	28.4	70 61 803		66 20 046	
	Other Receivables - BESCO	28.8 & 28.9, 28.125, 28.926	40 65 71 124		18 10 51 483	
	Other Receivables - MESCOM	28.8 & 28.9, 28.126	18 26 33 571		14 54 10 505	
	Other Receivables - HESCO	28.8 & 28.9, 28.127	21 96 43 780		17 00 25 091	
	Other Receivables - GESCOM	28.8 & 28.9, 28.128	31 63 44 597		26 43 72 183	
	Other Receivables - CESCO	28.9	12 35 39 417		7 22 43 801	
	Pooled Loan Account“(Refer Note 4.4)	53.999	17 25 000		1 98 83 922	
	Receivables - P & G Trust-Advance Paid	28.907	69 94 049		4 23 72 922	
	Prepaid Expenses	28.820	4 22 54 792		3 90 24 442	
	Debtors - Others	28.101 to 28.109, 28.111 to 28.124, 28.810, 28.917, 28.898	10 49 97 643		1 33 64 426	
	IUA- Other transactions / adjustments	37	1 36 15 160	142 79 21 899	94 42 274	96 60 76 758
	TOTAL			145 70 99 727		100 54 63 230

Note 20.1 Inter Unit Account - Rs.1,36,15,160/- 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 2014-15		Previous year 2013-14	
	Transmission Charges :-					
	BESCOM.	61.211	1033 81 40 384		1045 32 03 942	
	MESCOM.	61.212	181 12 21 820		182 87 37 018	
	HESCOM.	61.213	438 28 33 804		435 04 76 514	
	GESCOM.	61.214	292 12 81 360		262 14 24 426	
	CESCO	61.217	265 49 89 272		235 65 45 234	
	Open Access Customers	61.218	50 93 07 632		56 62 25 629	
	Transmission Charges and System Operating Charges in respect of MTOA	61.220	1 58 19 574		1 34 21 308	
	Sub - total			2263 35 93 846		2219 00 34 071
	Other Operating Income					
	Other Miscellaneous receipts	62.360	2 50 697		16 18 086	
	Reactive Energy Charges demanded on IPPs	62.361	3 86 410		3 20 738	
	Revenue from IPPs for excess drawal of Energy from KPTCL's Grid	62.362			1 35 853	
	Open access Processing fee	62.363	1 49 95 126		1 59 31 401	
	Excess found on physical verification of Materials Stock.	62.905	11 579		30 19 947	
	Supervision Charges	62.907 & 62.909	6 29 54 028		8 38 21 785	
	Other Receipts	62.908	22 52 692		47 84 995	
	Miscellaneous Recoveries.	61.907 to 61.924, 62.366, 62.368, 62.917	83 19 23 524		87 09 34 121	
	Wheeling charges recoveries	61.8	19 17 10 215		12 78 36 059	
	Sub - total			110 44 84 271		110 84 02 985
	Less: Refunds/ withdrawal of miscellaneous income accounted in the previous Year(Ref Note 21.2)	83.834	-48 68 76 292	-48 68 76 292	-5 45 84 111	-5 45 84 111
	TOTAL			2325 12 01 825		2324 38 52 945



Note 21.1 :Miscellaneous recoveries Rs.83,19,23,524/- 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	6 62 420	30 Years	22 081
110KV SS Ainapur(TLSS Chikodi)	511.5 Sq ft	11 51 030	30 Years	38 368
110KV Bhoj(TLSS Chikodi)	21 X 88 mtrs	12 12 000	30 Years	40 400
220 Kv Athani(TLSS Chikodi)	7110 sqft	23 51 635	30 Years	78 388
TLSS Chikodi	7210 sqft	9 02 000	30 Years	30 067
110 Kv Kagawad(TLSS Chikodi)	2906 sqft	5 57 000	30 Years	18 566
110KV Savadatti(TLSS Belgaum)	1231 Sq ft	2 39 200	30 Years	7 973
110KV Ghataprabha(TLSS Belgaum)	595 sqft	4 65 500	30 Years	15 517
110KV Salahalli(TLSS Belgaum)	3880 sqft	3 87 100	30 Years	12 903
110KV Mamdapurai(TLSS Belgaum)	4869 sqft	5 78 340	30 Years	19 278
110KV Kanaburgi(TLSS Belgaum)	1840 sqft	33 03 720	30 Years	1 10 124
Bidanal(TLSS Hubli)	29453.90 sqft	1 39 17 000	30 Years	4 63 900
220 Kv Ranibennur(TLSS Haveri))	890 sq ft	4 29 052	30 Years	14 302
110Kv- Tilavalli(TLSS Haveri)	1320 sqft	1 56 000	30 Years	5 200
110/33KV SS Byadagi in Haveri Dist (Tlss Haveri)	4477.82 Sq ft	14 69 285	30 Years	48976
Kalamaranahalli(TLSS Davanagere)	5000 sqft	5 25 000	30 Years	17500
220KV Station, Bidadi(MWD South)	7.5x42.75Meters	31 69 000	30 Years	105633
110KV SS Gorgunta(TLSS Lingasagur)	43 X 26 mtrs	16 88 749	30 Years	58233
Total		3 35 18 503		11 19 225

(ii) Penalties, liquidated damages recovered and not refunded for more than three years.

(iii) Unclaimed credit balance under Deposit Account - 46.101 taken to Income.

Note 21.2 : Rs.48.69 Cr includes the amount recovered by BESCO and Provision made towards ESCOMs in respect of downward revision of Power purchase tariff of NTPC pertaining to the period prior to 10/06/2005.



NOTE 22 : OTHER INCOME

(Amount in Rs.)

Sl. No.	Particulars	Account Code	Current year 2014-15		Previous year 2013-14	
I.	Interest					
1	Interest on Staff Loans and Advances.	62.210 to 62.214	43 99 600		65 38 094	
2	Interest on Bank Fixed Deposits	62.222	2 73 29 797		4 41 39 729	
3	Interest on other Investments.	62.224	--		--	
4	Interest on Advances to Suppliers / Contractors	62.260			69 342	
5	Interest from Banks.	62.270	1 49 753		1 18 844	
	Sub-Total			3 18 79 150		5 08 66 009
1	Profit on sale of stores	62.330	1 40 98 090		2 22 31 274	
2	Sale of scrap	62.340	33 92 087		4 43 06 758	
3	Profit on sale of released Assets	62.350	3 95 33 255			
4	Rental from Staff Quarters	62.901	8 93 14 671		12 53 38 163	
5	Rental from others	62.902	6 73 669		77 37 457	
6	Rental from BESCO	62.925	7 06 08 671		4 95 28 680	
7	Rental from MESCOM	62.926	1 32 68 683		1 17 18 728	
8	Rental from HESCO	62.927	92 04 498		70 02 706	
9	Rental from GESCOM	62.928	82 30 923		56 45 693	
10	Rental from CESC	62.929	83 87 896		86 43 931	
11	Excess provision in earlier years no longer required	62.923	1 31 72 036		1 32 06 893	
12	Depreciation withdrawn on Assets created out of Consumer contribution	62.924	40 46 50 326		24 36 02 564	
13	Gain on Sale of Assets	62.400	3 76 066		75 49 547	
	Sub-Total			67 49 10 871		54 65 12 394
	GRAND TOTAL			70 67 90 021		59 73 78 403



NOTE 23 : TRANSMISSION AND WHEELING CHARGES

(Amount in Rs.)

Sl. No.	Particulars	Account Code	Current year 2014-15		Previous year 2013-14	
	Wheeling Charges	70.400	1 77 48 163		71 52 867	
	Sub Total			1 77 48 163		71 52 867
	TOTAL			1 77 48 163		71 52 867



NOTE 24 : EMPLOYEE COST

(Amount in Rs.)

Sl. No.	Particulars	Account Code	Current year 2014-15		Previous year 2013-14	
	Salaries and Wages					
	Salaries	75.1	195 45 69 029		198 58 72 915	
	Dearness Pay	75.180 to 75.187	147 28 76 726		149 98 55 322	
	Over Time	75.2	6 51 22 533		6 74 19 070	
	Dearness Allowance	75.3	84 80 57 471		52 18 01 398	
	Other Allowances	75.4	66 92 23 790		67 44 34 311	
	Bonus & Exgratia	75.5	3 30 31 260		3 38 61 495	
	Earned leave encashment	75.617, 75.618	164 00 86 144		106 16 17 873	
	Payment under workmens compensation Act	75.629			7 97 600	
	Payment to helpers/employees of Monsoon gang	75.630	37 92 034		19 63 458	
	Sub-Total			668 67 58 987		584 76 23 442
	Contribution to Pension & Other Funds					
	KPTCL Contribution to P&G Trust (Refer Note 24.4)	75.830, 75.831 & 75.840	126 33 12 683		116 09 75 066	
	Sub-Total			126 33 12 683		116 09 75 066
	Staff Welfare					
	Medical Expenses reimbursement	75.611	5 84 84 844		5 66 39 695	
	Leave travel assistance	75.612	1 71 505			
	Staff Welfare expenses (Refer Note 24.5)	75.7	2 24 87 706		1 61 41 643	
	Terminal Benefits - Others	75.8	66 51 900		40 36 600	
	Terminal Benefits - FBF Contribution (Refer Note 24.6)	75.860	94 62 928		2 82 18 734	
	Sub-Total			9 72 58 883		10 50 36 672
	Less : Expenses shared by ESCOMS	75.910	-14 54 21 691		-13 32 89 559	
	Expenses Capitalised	75.9	-36 19 53 352	-50 73 75 043	-33 31 92 561	-46 64 82 120
	TOTAL			753 99 55 510		664 71 53 060



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

Salaries	75.117	73 38 24 898
Dearness Pay	75.187	56 32 28 966
Dearness Allowance	75.317	33 28 13 272
		162 98 67 136

Note 24.2 : Provision for Leave Encashment for the year has been made considering Actuarial valuation as on 31.03.2014. However, pending receipt of Actuarial valuation as on 31.03.2015, an adhoc provision of 1/12th of gross salary for 2014-15 in addition to incremental liability ascertained based on Actuarial valuation as on 31/3/2014 has been provided for the year 2014-15.

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

75.616-EL encashment employees covered under NDCPS	10 90 79 186
75.617-EL encashment	12 51 70 524
75.618-EL encashment - Retired / Deceased employees	14 74 31 060

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. 16,30,70,426/-

Note 24.5 : Staff Welfare Expenses includes :

Contribution to Labour Welfare Fund	86,244
EPF contribution in respect of Contract Employees	46,12,819
Pension, Leave Contribution of employees of other department deputed to KPTCL	8,71,984

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 2014-15	Previous year 2013-14
1	Plant and Machinery	74.1	103 60 15 413	79 64 36 025
2	Buildings	74.2	15 37 38 767	10 60 50 570
3	Civil Works	74.3	7 50 08 982	3 68 41 404
4	Lines, Cable Net Work Etc.	74.5	12 03 77 805	10 62 54 124
5	Vehicles	74.6	47 94 359	49 39 178
6	Furniture and Fixtures	74.7	70 120	90 330
7	Office Equipments.	74.8	31 46 212	25 88 709
	Sub Total		139 31 51 658	105 32 00 340
	Less : Expenses shared by ESCOMS	74.910	-1 92 12 244	-5 12 08 581
	Expenses Capitalised	74.900	- 8 37 331	- 28 81 370
	TOTAL		137 31 02 083	99 91 10 389



NOTE 26 : ADMINISTRATION AND OTHER EXPENSES

(Amount in Rs.)

Sl. No.	Particulars	Account Code	Current year 2014-15		Previous year 2013-14	
	Administration Expenses					
1	Rent	76.101	58 44 411		55 39 758	
2	Rates & Taxes	76.102	3 12 67 606		2 39 70 711	
3	Expenses incurred towards security arrangements	76.103	3 36 15 830		3 21 81 370	
4	Insurance	76.104 + 76.105 + 76.106	2 236		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 02 85 981		2 15 41 369	
7	Postage	76.113, 76.114	1 68 63 489		1 60 92 437	
8	Air net, Internet & Broadband Charges	76.116	4 41 08 979		3 22 88 522	
9	Legal Charges	76.121	2 04 38 504		1 03 83 812	
10	Audit Fees	76.122	15 45 648		18 87 760	
11	Consultancy charges	76.123	48 52 059		70 45 162	
12	Technical Fees	76.124	1 34 860		32 544	
13	Other Professional Charges	76.125 + 76.126 + 76.127 + 76.128 + 76.129	7 71 38 583		5 97 20 779	
14	Conveyance & Travel expenses	76.131 to 76.135 & 76.137 to 76.139	21 85 74 007		18 60 57 135	
15	Vehicle running expenses	76.136	3 24 86 916		3 06 60 333	
	Sub - Total			50 71 59 109		42 74 51 911
	OTHER EXPENSES					
16	Fees & Subscriptions	76.151	1 16 83 485		1 22 19 765	
17	Books, periodicals and dairies	76.152	4 68 360		4 02 325	
18	Printing & Stationery	76.153	1 67 00 595		1 43 78 844	
19	Advertisement Expenses	76.155	2 54 24 215		2 18 11 295	
20	Computer stationary & floppies	76.156	39 56 801		31 75 468	
21	Contributions	76.157	16 00 000		45 57 683	



(Amount in Rs.)

Sl. No.	Particulars	Account Code	Current year 2014-15		Previous year 2013-14	
22	Electricity Charges	76.158	9 23 52 588		3 26 85 714	
23	Water Charges	76.160	94 56 198		75 53 785	
24	Entertainment	76.162	50 640		75 979	
25	Contributions to Workers welfare cess - Work done by Others	76.167	42 51 494			
26	Corporate Social Responsibility	76.180	66 82 541			
27	Miscellaneous expenses	76.159+ 76.190+ 76.191+ 76.192	2 22 78 088		1 31 35 385	
28	Freight & other material related expenses	76.201to 76.282	38 42 576		51 45 599	
	Sub - Total			19 87 47 581		11 51 41 842
	Less : Expenses shared by ESCOMS	76.910	-5 84 13 851		-4 42 15 002	
	Expenses Capitalised	76.900	-6 17 76 876		-4 88 45 979	
	TOTAL			58 57 15 963		44 95 32 772

Note 26.1 :

a) Miscellaneous Expenses includes Sitting fees paid to Directors

2014-15	2013-14
29000	24000

b) In pursuance of Section 135 of Companies Act, 2013, an amount of Rs.66.82 lakh (being 2% of the average Net Profit of the Corporation made during the three immediately preceding Financial years) was required to be spent during 2014-15 towards CSR activities and the Corporation has spent Rs.66.82 lakh.

c) Miscellaneous Expenses includes Stamp Duty of Rs.50,00,000/- and Rs.25,00,000/- towards enhancement of Authorised Capital and issue of equity shares to Govt respectively.

Note 26.2 : Break up of Audit Fees

Particulars		2014-15	2013-14
(a)	Statutory Auditor		
	Statutory Audit Fee	10 25 000	10 25 000
	Tax Audit Fee	1 75 000	1 75 000
	Arrears	67 552	4 00 000
(b)	Cost Audit Fee	90 000	75 000
	Service Tax	1 65 624	2 07 030
	Arrears	22 472	5 730
	Total	15 45 648	18 87 760

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 2014-15		Previous year 2013-14	
I	Interest					
1	Loan from REC	78.540	1 41 37 072		1 69 99 439	
2	Rationalised REC Loans	78.541	55 326		1 60 246	
3	APDP works	78.544	57 87 572		64 30 636	
4	Short term Loan obtained from Commercial Banks/Financial institutions	78.563	8 84 92 334		19 94 66 810	
5	Loans from UCO Bank	78.564			13 60 83 315	
6	Loans from Vijaya Bank	78.569	130 61 93 114		137 65 00 176	
7	Loans drawn from PNB	78.574	11 19 16 989		14 74 34 524	
8	Loans drawn from OBC	78.575	3 54 06 446		4 63 68 904	
9	Loans drawn from Corporation Bank	78.576	46 40 81 844		34 37 91 385	
10	Loans drawn from Bank of Maharashtra	78.577	14 86 52 525		18 52 98 760	
11	Loans drawn from Bank of India	78.578	48 16 43 242		38 77 99 915	
12	Loan from Bank of Baroda	78.579	3 83 68 248		7 14 38 659	
13	Loan from PFC	78.584	37 31 22 526		86 33 12 085	
14	Loan from Indian Bank	78.591	26 09 32 191		29 26 01 373	
15	Loan from Punjab and Sindh Bank	78.593	54 44 48 384		48 93 92 100	
16	Loan from Canara Bank	78.594	124 05 24 541		107 27 63 865	
17	Loan from SBM	78.595	13 99 68 807			
				525 37 31 161		563 58 42 192
II	Other Borrowing Costs					
	Guarantee Commission		98 404		3 69 064	
	Sub-Total			525 38 29 565		563 62 11 256
	Less : Interest and finance charges capitalised	78.9	-38 70 61 985	-38 70 61 985	-41 58 24 292	-41 58 24 292
	TOTAL			486 67 67 580		522 03 86 964



NOTE 28 : DEPRECIATION AND AMORTIZATION

(Amount in Rs.)

Sl. No.	Particulars	Account Code	Current year 2014-15		Previous year 2013-14	
1	Amortisation of Lease Hold Assets	77.110	33 58 905	33 58 905	30 87 131	30 87 131
2	Depreciation on Buildings	77.120	15 26 52 752		14 20 94 018	
3	Depreciation on Hydraulic Works	77.130	2 98 53 680		2 63 64 324	
4	Depreciation on Civil Works	77.140	1 41 84 752		1 29 27 477	
5	Depreciation on Plant and Machinery	77.150	317 61 15 632		296 83 56 757	
6	Depreciation on lines, cable, network etc.,	77.160	250 43 15 786		239 41 87 636	
7	Depreciation on Vehicles	77.170	36 85 929		31 47 768	
8	Depreciation on furniture, fixtures	77.180	84 75 268		75 48 857	
9	Depreciation on Office equipments	77.190	17 71 090		15 52 879	
	Sub-total			589 10 54 889		555 61 79 716
10	Depreciation on Intangible Assets	77.801	10 56 240	10 56 240	10 56 240	10 56 240
11	Depreciation on Released Assets and Released Assets issued to Repairs	77.151, 77.161, 77.171, 77.181, 77.191	1 63 75 127	1 63 75 127	1 23 62 012	1 23 62 012
	Sub-Total			591 18 45 161		557 26 85 099
12	Less : Depreciation Capitalised	77.900	- 25 12 451		- 19 53 085	
GRAND TOTAL				590 93 32 710		557 07 32 014



NOTE 29 : OTHERS

(Amount in Rs.)

Sl. No.	Particulars	Account Code	Current year 2014-15		Previous year 2013-14	
	Asset Decommissioning Costs	77.5	53 78 804		86 99 491	
	Small & Low value items Written off	77.600	10 85 837		13 35 366	
	Computer software	77.611	2 63 506		12 52 152	
	Losses relating to Fixed Assets	77.7	7 39 633		2 17 898	
	Interest on delayed compensation	78.101	4 09 40 847		3 15 32 899	
	Interest on Pensioners / Family Pensioners benefit / Security Fund	78.854			55	
	Interest on belated payment for power purchase	80.108	103 38 28 462		103 38 61 251	
	Other Bank Charges	78.8	4 41 217		5 75 846	
	Research & Development Expenses	79.2	2 22 621		2 07 332	
	Bad & Doubtful Debts Written off / provided for	79.4	- 57 816		89 60 067	
	Miscellaneous losses and Write offs	79.5 & 79.7	6 20 47 710		5 85 92 506	
TOTAL				114 48 90 821		114 52 34 863

Note 29.1: Miscellaneous losses and Write offs includes :

1. Loss on obsolescence of Stores etc., in Stock

5 09 28 847

NOTE 30 : PRIOR PERIOD (CREDITS) / CHARGES

(Amount in Rs.)

Sl. No.	Particulars	Account Code	Current year 2014-15		Previous year 2013-14	
A)	Income relating to previous years :					
	Excess provision for Depreciation in prior periods	65.600	3 22 75 731		5 68 67 392	
	Other Excess provision in prior periods	65.800			24 936	
	Other Income relating to prior periods	65.900	28 38 49 556		3 89 98 374	
	Sub - Total			31 61 25 287		9 58 90 702
B)	Prior Period Expenses / losses :					
	Employee costs relating to previous years	83.500	14 54 42 829		8 58 313	
	Depreciation under provided in previous years.	83.600	21 34 60 453		29 42 76 347	
	Administrative Expenses - previous years.	83.820, 83.821	22 93 00 000			
	Other Expenses relating to prior periods	83.850	27 79 64 983		8 18 84 296	
	Sub - Total			86 61 68 265		37 70 18 956
Net Prior Period credits/(charges) (A-B)				-55 00 42 978		-28 11 28 254

NOTE 31 : EXCEPTIONAL ITEMS

(Amount in Rs.)

Sl. No.	Particulars	Account Code	Current year 2014-15		Previous year 2013-14	
	Sundry Debit Balance written off	79.571	96 01 42 567		315 91 00 000	
TOTAL				96 01 42 567		315 91 00 000

NOTE-31.1-Sundry Debit balance written off *

* Being the R.E. Subsidy Amount accounted during FY 2003-04 withdrawn in accordance with Energy Department, GOK letter No.EN 29 PSR 2015 Dated 19/05/2015



NOTE 32 : EXTRAORDINARY ITEMS

(Amount in Rs.)

Sl. No.	Particulars	Account Code	Current year 2014-15		Previous year 2013-14	
1	Extraordinary Credits (including subsidies against loss on account of flood, fire, cyclone, etc.,)	63.200	NIL		NIL	
	TOTAL		NIL		NIL	
2	Less: Extraordinary debits (Losses on account of flood, cyclone, fire etc.)	79.8	NIL		NIL	
	TOTAL		NIL		NIL	
Net extraordinary items						

NOTE 33 : CURRENT TAX

(Amount in Rs.)

Sl. No.	Particulars	Account Code	Current year 2014-15		Previous year 2013-14	
1	Income Tax - Current year	81.100	21 62 59 142		7 58 14 164	
2	Short Provision for Income Tax - Previous Year	83.810	23 66 531	21 86 25 673		7 58 14 164
TOTAL				21 86 25 673		7 58 14 164

Note 33.1 : Provision for Income Tax has been made under MAT since the liabilities will not arise under regular tax provisions. Since the Corporation is of the opinion that Income Tax liability under regular tax provisions will not arise in the near future, MAT amount paid is not recognised as an Asset in the Balance Sheet but charged off to Profit and Loss Account.

NOTE 34 : DEFERRED TAX

(Amount in Rs.)

Sl. No.	Particulars	Account Code	Current year 2014-15		Previous year 2013-14	
1	Deferred Tax	81.201	NIL		NIL	
TOTAL						



Karnataka Power Transmission Corporation Limited

2014-15

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 in accordance with generally accepted accounting principles (GAAP) in India and comply materially with the Accounting Standards specified under section 133 of Companies Act, 2013 read with Rules 7 of Companies (Accounts) Rules, 2014 and relevant provisions of Companies Act, 2013 / Companies Act, 1956 as applicable and provisions of the Electricity Act, 2003.
- b. The preparation of the Financial Statements in conformity with Indian GAAP requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.
- 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 other 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 KERK, 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 at the rates notified by CERC and adopted by KERK from time to time;



- 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 are 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 the written down value of those assets.
- i. Depreciation on assets created out of deposit contribution, consumer built and grant assets are subsequently adjusted as Income in the same proportion as the depreciation charged on the assets acquired out of Contribution/Grant.

35.5 Accounting for Grants

- a. 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. Capital grants/grants related to specific assets and Consumer contribution towards cost of capital assets are not reduced from the cost of the assets 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 / Untied grants are treated as income.

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. Materials are valued at lower of cost or net realisable value. Cost is determined on weighted average basis.
- 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 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. Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Corporation will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Corporation.
- c. 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.
- d. 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

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 period of lease.
- 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.

35.15 Provisions, Contingent Liabilities and Contingent Assets:

A provision is recognised when the Corporation has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are determined based on the best estimate required to settle the obligations at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements and are disclosed in the Notes. A Contingent asset is neither recognised nor disclosed in the financial statements.



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
(i)	Contingent Liabilities		
	Claims against the company not acknowledged as debts:		
	Claims in respect of Land Acquisition Cases	29.42	22.06
	Income Tax related disputes in respect of various Assessment years		93.73
	Service Tax related disputes in respect of renting of immovable property, VSAT charges and Technical inspection Certificate service	3.11	2.20
	Price Variation Claims from Contractors / Suppliers	2.74	6.69
	Others	301.75	280.72
(ii)	Commitments		
	Estimated Amount of contracts remaining to be executed on Capital Account and not provided for	6833.24	5817.00

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	62034.726	59024.316
2	Total Energy Transmitted	59759.619	56732.904
3	Transmission Loss in respect of Energy Transmitted	2275.107	2291.412
4	Net Transmission to ESCOMS & Hukkeri society during the year	59759.619	56732.904
5	Total units accounted as Transmitted to ESCOMS & Hukkeri society during the year	59759.619	56732.904
6	Total Transmission loss	2275.107	2291.412
7	Percentage of Transmission Loss on handled Energy (6 / 1 X 100) *	3.667%	3.882%

36.6 Confirmation of balances

a) Confirmation of balances have been obtained only for borrowings from Banks, Financial Institutions and Bank balances.

b) Balance with ESCOMS

Reconciliation of Receivables and Payables with ESCOMS as on 31-03-2015 (other than relating to Sundry Debtors for Transmission of Power), taking balance outstanding as on 31.03.2014 as detailed below, are subject to confirmation:

RESULTS OF RECONCILIATION AS ON 31.03.2015

(Rs. in Crs.)

ESCOM	Pooled Account		Reconciled		
	Pooled Account Receivable+ Cash Receivable	Pooled Account Payables+ Cash Payable	Net Receivable	Receivable	Payable
1	2	3	(4 = 2-3 > 0)	5	6
BESCOM	112.27	107.89	4.38	89.72	107.52
MESCOM	62.07	53.88	8.19	10.93	38.90
CESC	13.26	3.96	9.30	4.96	1.86
HESCOM	92.53	82.56	9.97	77.17	82.55
GESCOM	73.28	41.71	31.57	11.90	7.08
	353.41	290.00	63.41	194.68	237.91



- c) During 2014-15, Receivable to the extent of Rs.194.68 Cr, out of Rs. 353.41Cr. outstanding as on 31/03/2015 has been reconciled. Similarly ,Payable to the extent of Rs.237.91 Cr out of Rs. 290.00 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. G. Kumar Naik	Managing Director
2	Dr. Aditi Raja	Director (Finance)
3	Sri. S. Sumanth	Director (Transmission)
4	Sri. R. Sridhara	Director & Company Secretary
5	Sri. Shivakumar D.M (Up to 10/07/2014)	Director (Admn & H R)
6	Sri. Ramakrishna M (From 04/08/2014 A/N)	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	89,14,007	76,65,756
ii	Exgratia	14,866	12,559
iii	Medical Expenses	27,712	98,330
iv	Pension & Leave Contribution remitted to Government	2,98,055	3,10,579
v	Pension & gratuity Contribution payable to P&G Trust	11,32,982	9,86,807
vi	Leave Encashment	2,20,225	16,71,359
TOTAL		1,06,07,847	1,07,45,390



36.10 Earning Per Share(EPS)

Sl. No.	Particulars	Current Year (2014-15)	Previous Year (2013-14)
i.	Basic		
	A. Net Profit for the year	79,16,67,798	28,58,86,001
	B. Weighted Average Number of Equity Shares outstanding during the Year	1,59,45,006	1,57,53,225
	C. EPS	49.65	18.15
ii	Diluted *		
	A. Net Profit for the year	79,16,67,798	28,58,86,001
	B. Weighted Average Number of Equity Shares outstanding during the Year	2,08,90,211	2,00,73,088
	C. EPS	37.90	14.24

* After considering Potential Equity Share to be issued against Equity Infusion (Note 3).

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 27.08.2015 were revised based on the observations made by the Comptroller and Auditor General of India u/s 143(6) of the Companies Act 2013. Accordingly, the revision has resulted in :- Decrease in Profit Before Tax by Rs. 44.54 Cr (from Rs. 145.57 Cr to Rs. 101.03 Cr). (b) Increase in Long Term Liabilities by Rs.9.02 Cr (c) Increase in Other Current Liabilities Rs.28.92 (d) Decrease in Short Term Provisions by Rs. 8.89 Cr (e) Decrease in CWIP by Rs.22.07 Cr.

Signature to Note 1 to 36

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

Sd/-
(ADITI RAJA)
Director (Finance)

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

Sd/-
(JAWAID AKHTAR)
Managing Director

As per our report of even date
For Manian & Rao
Chartered Accountants
FRN 001983S

Sd/-
(SRIKANTH .R)
Partner

Membership No.203138

Place : Bangalore
Date : 28-09-02015



KARNATAKA POWER TRANSMISSION CORPORATION LIMITED
Cash Flow Statement Annexed to the Balance Sheet for the period April 2014 - March 2015

Particulars	Amount in Rs	Amount in Rs
A CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit before tax as per Profit & Loss Account	101 02 93 471	
<u>Adjustments for:</u>		
Depreciation (net)	590 93 32 710	
Finance and Other Charges	486 67 67 580	
Changes in Material cost variance Reserves	0	
Withdrawal of Excess provision made during Previous years	-1 31 72 036	
Changes in Net appropriation Account(Depreciation on Assets created out of Consumer contribution for 2002-03 to 2012-13)	-40 46 50 326	
Provision for Stock shortage	- 38 84 438	
Sundry Receivables Write off & Other Write off	102 21 90 278	
Operating Profit before working capital changes	1238 68 77 239	
<u>Adjustments for:</u>		
Changes in Stores & spares	9 40 37 257	
Changes in Sundry Debtors	-43 77 86 615	
Changes in Loans & Advances	-73 86 47 563	
Changes in Other Receivables	-126 64 94 984	
Changes in Current liabilities & provisions	232 40 43 989	
Cash generated from Operations	1236 20 29 323	
Income Tax(Advance Tax+TDS)	17 05 95 694	
Net cash inflow from Operating Activities		1253 26 25 017
B CASH FLOW FROM INVESTMENT ACTIVITIES		
Changes in Fixed Assets & Capital Work In Progress	-787 98 35 338	
Net cash inflow from Investment Activities		-787 98 35 338
C CASH FLOW FROM FINANCING ACTIVITIES:		
Changes in Share Capital/ Equity Infusion	20 00 00 000	
Contribution & Grants towards cost of capital assets	57 44 25 985	
Changes in Secured Loans	-158 31 84 880	
Changes in Unsecured Loans	48 13 59 805	
Finance and other Charges	-486 67 67 580	
Net Cash used in financing activities		-519 41 66 670
Net Change in Cash and Cash equivalents (A+B+C)		-54 13 76 991
Add: Opening Cash and Cash Equivalents as on 1.4.2014		207 88 62 234
Closing Cash and Cash Equivalents as on 31.3.2015 (See Note)		153 74 85 243

- Note-** 1) Includes Rs. 8.38 Crs. towards deposit held in respect of KEB Pensioners' Security Fund
2) The Cash Flow statement has been prepared under the 'Indirect method' as set out in the Accounting Standard - 3 "Cash Flow Statements".

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

Sd/-
(ADITI RAJA)
Director (Finance)

Sd/-
(JAWAID AKHTAR)
Managing Director

Sd/-
(S.K.ANANTHA)
Financial Adviser (A&R)
Refer our report of even date
For Manian & Rao
Chartered Accountants
FRN 001983S

Place : Bangalore
Date : 28-09-2015

Sd/-
(SRIKANTH .R)
Partner
Membership No.203138



**STATEMENT SHOWING SECTOR WISE CAPITAL EXPENDITURE FOR 2014-15
WITH AND WITHOUT RELEASED ASSETS ISSUED TO CAPITAL WORKS**

Account Code	Brief Description of the Project	(Amount in Rupees)			
		Capital Expenditure Allocation (Sectorwise) (In Crores)	Capital Expenditure during the year 2014-15	Released Assets issued to works during 2014-15	Net Capital Expenditure for the year 2014-15 (deducting Released Assets issued to Works)
TRANSMISSION LINES AND SUB STATIONS WITH ATTACHED CIVIL WORKS					
14.110	Transmission lines (GP)		20 95 86 747		20 95 86 747
14.115	Transmission Lines-Others		379 17 48 658	99 27 781	378 18 20 877
14.120	Step Down Station-(GP)		16 54 26 001	2 82 13 323	13 72 12 678
14.125	Step Down Station- Others		235 38 58 977	1 14 37 929	234 24 21 048
	Sub Total	865.74	652 06 20 383	4 95 79 033	647 10 41 350
CAPACITOR INSTALLATIONS					
14.165	CWIP- Installation of Capacitors (GP)		5 87 381	3 616	5 83 765
	Sub Total		5 87 381	3 616	5 83 765
LOAD DESPATCH AND COMMUNICATION					
14.130	Load Despach & Communication		1 63 66 667		1 63 66 667
	Sub Total	30.00	1 63 66 667		1 63 66 667
EXTENSION AND IMPROVEMENTS					
14.150	Transmission lines+ Transformers etc-Improvements (GP)		18 52 21 767	2 32 32 824	16 19 88 943
14.152	Transformers- Improvements		108 25 35 376	5 21 15 378	103 04 19 998
14.153	Stations- Improvements		31 74 30 598	4 17 70 342	27 56 60 256
14.156	Transmision Lines- Improvements		76 88 544		76 88 544
	Sub Total	227.46	159 28 76 285	11 71 18 544	147 57 57 741
PROVIDING NEW TRANSFORMERS IN PLACE OF FAULTY/FAILED TRANSFORMER					
14.170	Replacement of Distribution transformer with similar capacities		6 28 95 157	6 12 68 517	16 26 640
	Sub Total	12.80	6 28 95 157	6 12 68 517	16 26 640



Account Code	CWIP Brief Description of the Project	(Amount in Rupees)			
		Capital Expenditure Allocation (Sectorwise) (In Crores)	Capital Expenditure during the year 2014-15	Released Assets issued to works during 2014-15	Net Capital Expenditure for the year 2014-15 (deducting Released Assets issued to Works)
OTHERS					
14.502	Buildings		13 88 98 670		13 88 98 670
14.607	Vehicles		94 12 986		94 12 986
14.708	Furniture & Fixtures		1 61 83 140		1 61 83 140
14.809 to 14.811	Office Equipment & Others		33 61 46 112	79 000	33 60 67 112
	Sub Total	31.00	50 06 40 908	79 000	50 05 61 908
	TOTAL-A	1167.00	869 39 86 781	22 80 48 710	846 59 38 071
	Less: Capital Expenditure transferred among KPTCL Units through IUA		10 93 60 009		10 93 60 009
	TOTAL-B	1167.00	10 93 60 009		10 93 60 009
	NET CAPITAL EXPENDITURE		858 46 26 772	22 80 48 710	835 65 78 062



Statement showing the details of Borrowings for the Financial year 2014-15

A/c Code	Name of the Institution	OB as on 01/04/2014	Receipts	Repayments	CB as on 31/03/2015
53.300	REC	11 02 10 746		1 57 44 300	9 44 66 446
53.324	Short term loans	60 00 00 000	270 00 00 000	220 00 00 000	110 00 00 000
53.330	Vijaya Bank	1266 27 47 003	124 77 52 150	127 46 42 000	12 63 58 57 153
53.336	REC-APDRP	3 29 14 759		1 09 71 588	2 19 43 171
53.960	PFC	486 57 71 194		480 26 19 755	6 31 51 439
53.302	REC-Rationalised loans	12 80 370		12 80 370	0
53.348	Punjab National Bank	120 75 00 000		34 50 00 000	86 25 00 000
53.347	Oriental Bank of Commerce	37 50 00 000		10 00 00 000	27 50 00 000
53.353	Corporation Bank	472 92 10 386		64 15 79 228	408 76 31 158
53.354	Bank of Maharashtra	159 90 28 575		36 52 57 140	123 37 71 435
53.355	Bank of India	449 34 53 065	28 15 46 935	30 00 00 000	447 50 00 000
53.356	Bank of Baroda	50 00 00 006		33 33 33 332	16 66 66 674
53.357	Indian Bank	260 00 00 000		30 00 00 000	230 00 00 000
53.359	Punjab & Sindh Bank	481 27 00 000	118 73 00 000	10 00 00 000	590 00 00 000
53.360	Canara Bank	1231 46 00 000		121 44 00 000	1110 02 00 000
	State Bank of Mysore		541 08 42 282	8 92 90 455	532 15 51 827
54.200	State Government Loans	5 34 66 495		59 40 722	475 25 773
TOTAL		5095 78 82 599	1082 74 41 367	1210 00 58 890	4968 52 65 076



DCB STATEMENT FOR THE YEAR 2014-15

(Energy supplied in Mus & Amount in Rupees)

ESCOM	Energy Supplied (in Mus)	Opening Balance	Transmission charges (Current year Demand)	Grand Total, (OB+Current year)	Collection	Closing Balance
BESCOM	29 482.507	16 35 691	1033 81 40 384	1033 97 76 075	1032 71 58 727	1 26 17 348
MESCOM	4 705.788	19 21 60 095	181 12 21 820	200 33 81 915	181 01 28 000	19 32 53 915
HESCOM	11 453.695	67 94 24 282	438 28 33 804	506 22 58 086	412 86 91 049	93 35 67 037
GESCOM	7 630.612	21 87 67 021	292 12 81 360	314 00 48 381	293 39 95 682	20 60 52 699
CESC	6 149.442	49 68 90 140	265 49 89 272	315 18 79 412	255 92 51 493	59 26 27 919
Grand Total	59 422.044	158 88 77 229	2210 84 66 640	2369 73 43 869	2175 92 24 951	193 81 18 918

