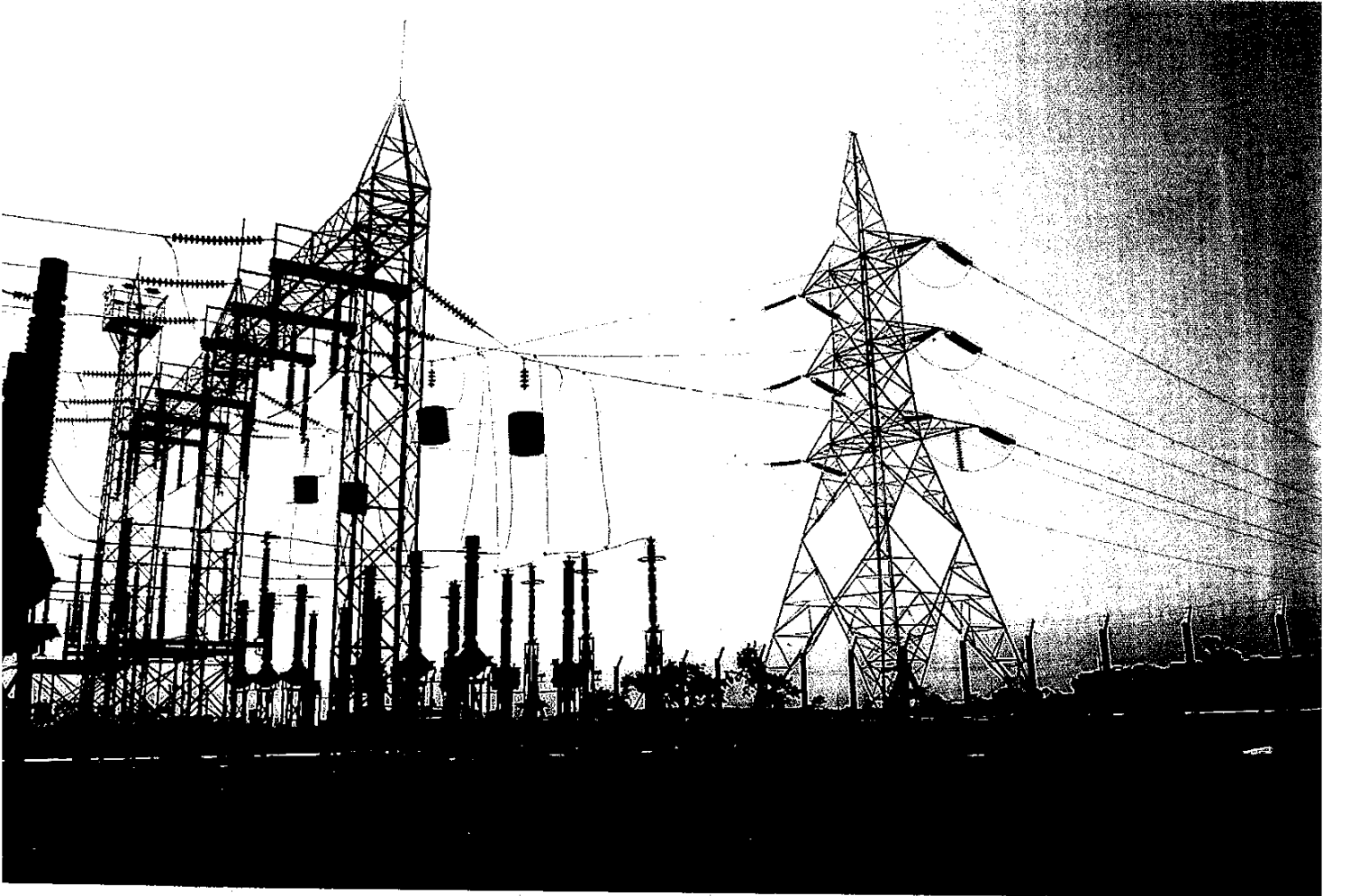


ANNUAL REPORT
ಕರ್ನಾಟಕ ವಿದ್ಯುತ್ ಪ್ರಸಾರಣ ನಿಗಮ
KPTCL
2009-10



ಕರ್ನಾಟಕ ವಿದ್ಯುತ್ ಪ್ರಸಾರಣ ನಿಗಮ ನಿಯಮಿತ
Karnataka Power Transmission Corporation Limited

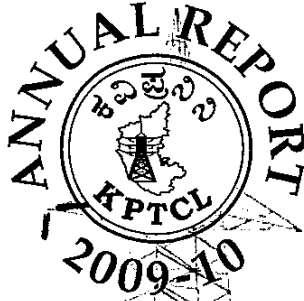


Table of Contents

1. Director's Report	4
2. Comments of the C & AG of India	42
3. Auditor's Report and Replies	43
4. Balance Sheet	52
5. Profit & Loss Account	54
6. Schedules	56



BOARD OF DIRECTORS

List of Directors (As on the date of AGM)

Sl. No.	Name	Particulars
1	Kum. Shobha Karandlaje	Chairperson
2	Smt. G. Latha Krishna Rao	Managing Director
3	Smt. Shamim Banu M.	Director
4	Sri. L.V. Nagarajan	Director
5	Sri. V.P. Baligar	Director
6	Dr. S.M. Jaamdar	Director
7	Sri. I.S.N. Prasad	Director
8	Sri. Tushar Giri Nath	Director
9	Dr. Aditi Raja	Director (Finance)
10	Sri. S. Pratap Kumar	Director (Transmission)
11	Sri. Shivayogi C. Kalasad	Director (Adm & HR)
12	Sri. S. Shivamallu	Director
13	Sri. L. Ravi	Director
14	Sri. M. Nagaraju	Director

FINANCIAL ADVISOR

Sri. V.G. Pandit

COMPANY SECRETARY

Sri. R. Sridhara

STATUTORY AUDITORS

M/s. Badari, Madhusudhan & Srinivasan
Bangalore

COST AUDITORS

M/s GNV & Associates
Bangalore



DIRECTORS' REPORT

Dear Members,

The Board of Directors of Karnataka Power Transmission Corporation Limited (KPTCL) have immense pleasure in presenting the 11th Annual Report for the year 2009-10 alongwith audited Statement of Accounts, Auditors Report, comments on the Accounts by the Comptroller and Auditor General of India for the reporting period.

CURRENT SCENARIO

Power Sector is one of the most important infrastructure sectors essential for economic development, human welfare and higher standard of living. With an objective as mandated in Electricity Act, 2003 to build, operate and maintain an efficient Power Transmission System in the State of Karnataka, being the State Transmission Utility (STU), KPTCL is on the path to achieving global standards in transmitting reliable and quality power in the State and is committed to provide cost effective & quality services to its valued customers. To achieve this, quality improvement measures / techniques are being adopted at every stage from conceptualization of project till commissioning and subsequently during operation phase to identify the areas of improvement and develop action plans for continuous quality improvement in all of its activities.

FINANCIAL POSITION

The Financial Position of the Company for the three Years ending
31st March 2010 is as follows:

(Rs. in Lakhs)

		2007-08	2008-09	2009-10
	Liabilities			
a)	Paid Up Capital (Including Share Deposit)	73317.95	103326.64	117532.25
b)	Reserves & Surplus	28070.54	30888.24	34593.18
c)	Borrowings			
	Government of Karnataka	891.11	831.70	772.29
	Public Bonds	413.00	303.00	0.00
	Private Bonds	0.00	0.00	0.00
	Financial Institutions	322302.88	446219.93	519104.01
	Cash Credit from Banks	0.00	0.00	0.00



	Other Funds	30452.11	31809.41	34122.82
d)	Current Liabilities & Provisions (including Interest Accrued & Due)	509303.67	461794.43	421886.09
	Total	964751.26	1075173.35	1128010.64
	Assets			
e)	Gross Block	546930.79	688431.18	780859.28
f)	Less Depreciation	179418.65	197715.00	230591.43
g)	Net Block	367512.14	490716.18	550267.85
h)	Capital Work in Progress	151517.95	159804.26	292222.93
l)	Current Assets, Loans & Advances	444803.35	423323.87	283801.41
j)	Miscellaneous Expenditure	917.82	1329.04	1718.45
	Total	964751.26	1075173.35	1128010.64
	Capital Employed	454529.77	612049.88	704406.10
	Net Worth.	100470.67	132885.84	150406.98

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 2010 are as follows:

(Rs. in Lakhs)

		2007-08	2008-09	2009-10
i)	Profit (+) / Loss (-) for the year	11915.55	3543.05	1626.99
ii)	Prior Period Adjustments	572.60	-1267.56	-1030.64
iii)	Profit (+) / Loss (-) before Tax	12488.15	2275.49	596.35
iv)	Tax Provision	6361.67	874.10	-251.57
v)	Profit (+) / Loss (-) after Tax	6126.48	1401.39	847.92
vi)	Percentage of Profit before tax to:			
	a) Sales	16.30	2.85	0.64
	b) Gross Fixed Assets	2.28	0.33	0.08
	c) Capital Employed	2.75	0.37	0.08



vii)	Percentage of Profit after tax to:			
	a) Net Worth	6.10	1.05	0.56
	b) Equity Capital	8.36	1.36	0.72
	c) Capital Employed	1.35	0.23	0.12

A. Transmission Cost Profile

Year	Transmission Tariff	Total Cost (Rs. Crs.)
2008-09	19.42 Paisa /Unit	790.11
2009-10	102427/MW/Month	915.10

B. Where a Rupee comes from ?

FY-2009-10

Category	Rev. (Rs. Cr.)	%
BESCOM	446.47	36.24
MESCOM	69.57	5.65
CESC	86.78	7.04
HESCOM	169.31	13.74
GESCOM	112.97	9.17
Others *	346.79	28.16
Total	1231.89	100.00

* Includes Income from Open Access, Wheeling Charges, Interest and Non-Tariff Income

C. Where a Rupee Goes?

FY-2009-10

Item	Expenses (Rs. Cr.)	%
Employee Costs	225.12	18.27
R&M Exp.	66.54	5.40
A&G Exp.	36.87	3.00
Interest	483.70	39.26
Depreciation	358.57	29.11
Other Costs	52.61	4.27
RoE / Surplus	8.48	0.69
Total	1231.89	100.00



D. Energy Supplied and Dues From Escoms

FY 2009-10

COMPANY	Energy Supplied (in MUs)	Amount Due as on 31.03.2010 (Rs. in Crs.)
BESCOM	20416.243	43.01
MESCOM	3273.038	29.08
HESCOM	7513.188	74.20
GESCOM	5770.768	27.57
CESC	4250.399	69.42
HUKKERI	170.934	14.42
Grand Total	41394.570	257.70

PERFORMANCE OF THE COMPANY

KPTCL is playing a key role in directly contributing to economic development of the State through its performance in establishing huge and complex transmission network. In the process, KPTCL has developed strong expertise in various facets of power transmission business including development, operation & maintenance of large transmission networks and presently owns & operates around 37189 CKMs of transmission lines alongwith 1250



Sub-stations and has handled 47783.55 MU of energy with a maximum peak demand of 6897 MW during the year 2009-2010.

KPTCL has earned revenue of Rs.831.26 crores during 2009-10 from all the Distribution Companies towards transmission charges calculated at the rates fixed by KERC.

As all the works are being carried out with proper care and in an efficient manner, the transmission loss, which was 8.3% during 2001-02 has drastically been reduced to 4.20% during 2009-10. This percentage of system loss is very much low when compared to other states and this has been considered and appreciated as an achievement at State and National level.



KPTCL is first in establishing:

1. The largest SCADA network in the country with respect to coverage and number of Control Centers.
2. The Largest individually owned VSAT network.
3. Control Centers to all ESCOMs and Chief Engineers of Transmission Zones.
4. Integration of multiple automation systems in India.
5. Disaster Recovery Hub for the SCADA Master Control Centre.

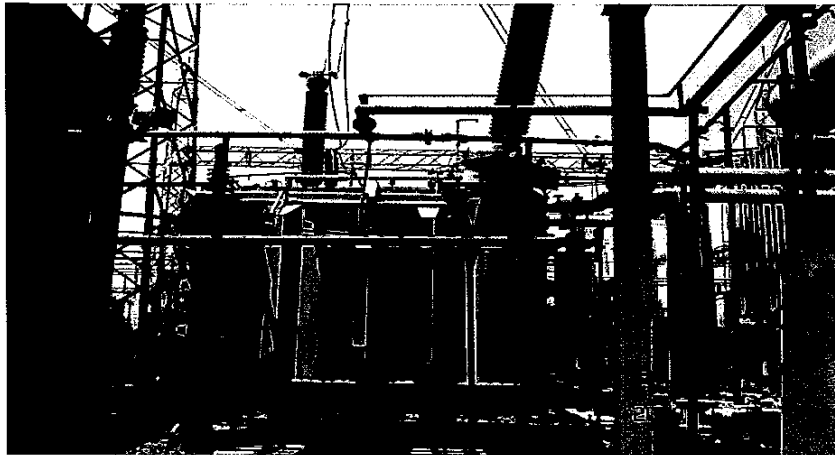
Highlights of achievements of the Company during FY 2009-10 are briefly mentioned here to give an overview of success achieved on various fronts.

ENERGY BALANCE SHEET

Energy in MU

Particulars	2008-2009	2009-2010
Energy Handled	44122	47783.55
Transmission Loss	1898	2007.67
Energy Input to ESCOMs	42224	45775.88
Transmission Loss (%)	4.30%	4.202

Transmission losses in KPTCL are one of the lowest in the country and are on par with the international norms. KPTCL has recorded 4.202% Transmission loss for FY



09-10 which matches the best anywhere across the globe. Unlike Distribution, Transmission requires huge investments to expand the network and overcome the constraints to maintain and improve on the current levels of performance.

DETAILS OF NEW STATIONS COMMISSIONED / TRANSMISSION LINES COMMISSIONED / AUGMENTATION WORKS DURING 2009-10

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 under report are as follows:

Sl. No	District	Name of Sub-Station	MVA Added	Total MVA	Voltage Class in KV	Date of commission
Bangalore Transmission Zone						
1	Bangalore Urban	Naganathapura	2x100	200	220	29.05.2009
2	CB Pura	Julupalya	1x8	8	66	02.06.2009
3	Kolar	Budikote	2x8	16	66	31.08.2009
4	Bangalore Rural	Gundamgere	2X8	16	66	23.11.2009
5	Bangalore Urban	Platinum_City (One Transformer commissioned)	2X31.5	31.5	66	25.11.2009
6	Ramanagar	Yedamadu (one Transformer commissioned)	2x8	8	66	05.02.2010
7	Bangalore Urban	Chandrappa Circle	1x8	8	66	19.02.2010
8	Ramanagar	Kavanapura	1x8	8	66	25.02.2010
9	Ramanagar	Hanumanthanagar (one Transformer commissioned)	2x8	8	66	26.02.2010
10	Bangalore Urban	Kengeri_Satellite_Town (one Transformer commissioned)	2x20	20	66	12.03.2010
Bagalkot Transmission Zone						
11	Dharwad	Akshay_Colony	2x10	20	110	18.06.2009
12	Bagalkot	Vajramatti	2x100	200	220	08.07.2009
13	Belgaum	Soundatti	2X100,1X10	210	220	19.11.2009
14	Bijapur	Malaghan_Bgkt	2X10	20	110	08.12.2009
15	Belgaum	Udayamabag	2X10	20	110	17.12.2009
16	Haveri	Aremallapur	2x10	20	110	30.01.2010
17	Bagalkot	Girisagar	1x10	10	110	18.03.2010
18	Bijapur	Hirebevanur	1x10	10	110	30.03.2010
19	Bijapur	Lachyan	2x10	20	110	30.03.2010
20	Belgaum	Kabbur (One Transformer commissioned]	2x10	10	110	31.03.2010



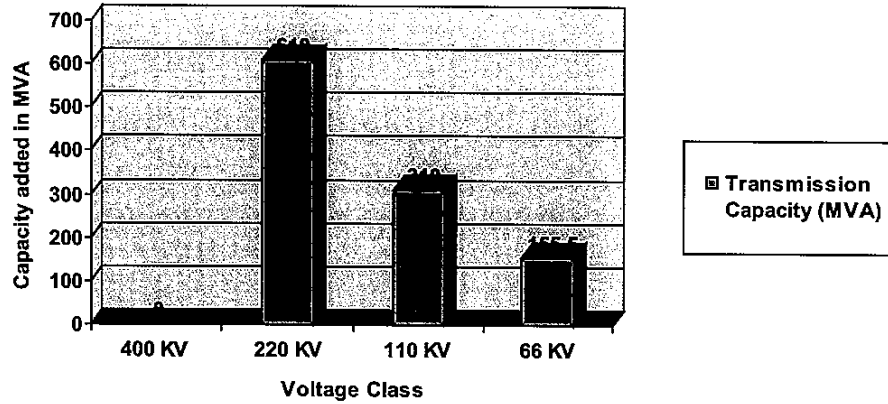
Sl. No	District	Name of Sub-Station	MVA Added	Total MVA	Voltage Class in KV	Date of commission
Gulbarga Transmission Zone						
21	Bellary	Somasamudra	1x10	10	110	08.07.2009
22	Bidar	Kamthana	1X10, 1X20	30	110	30.09.2009
23	Bellary	Paramadevanahalli	1x10	10	110	27.03.2010
24	Gulbarga	Khanapur_Glb	1x20, 2x10	40	110	31.03.2010
25	Gulbarga	Madiyal	1x20, 2x10	40	110	31.03.2010
Hassan Transmission Zone						
26	Udupi	Nandikur	1X10, 1X20	30	110	07.10.2009
27	Udupi	Brahmavara	2X10	20	110	31.12.2009
Tumkur Transmission Zone						
28	Chitradurga	Gowrasamudra	1x8	8	66	29.05.2009
29	Chitradurga	Madyanayakanahalli Ranganathapura	2X8	16	66	24.09.2009
30	Chitradurga	(one Transformer commissioned)	2x8	8	66	31.03.2010

ABSTRACT

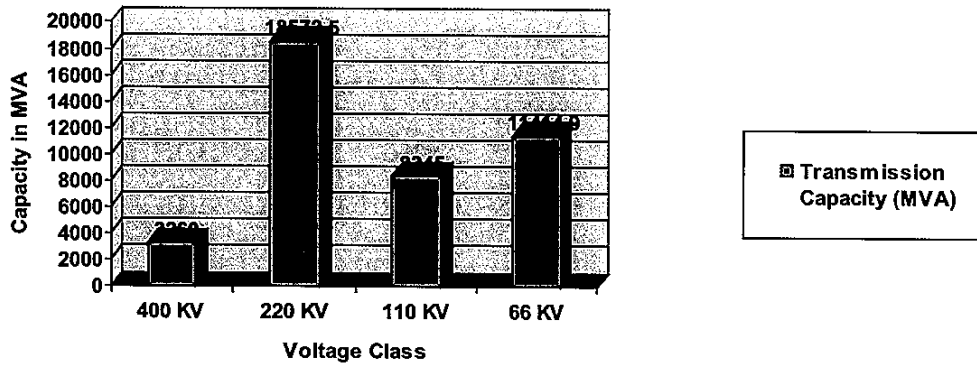
Sl. No.	Voltage Class in KV	Annual Target		Annual Achievement (2009-10)	
		NOs.	MVA	NOs.	MVA
		1	400 KV	-	-
2	220 KV	6	1481.00	3	610.00
3	110 KV	18	350.00	15	310.00
4	66 KV	26	551.10	12	155.50
TOTAL		50	2382.10	30	1075.50



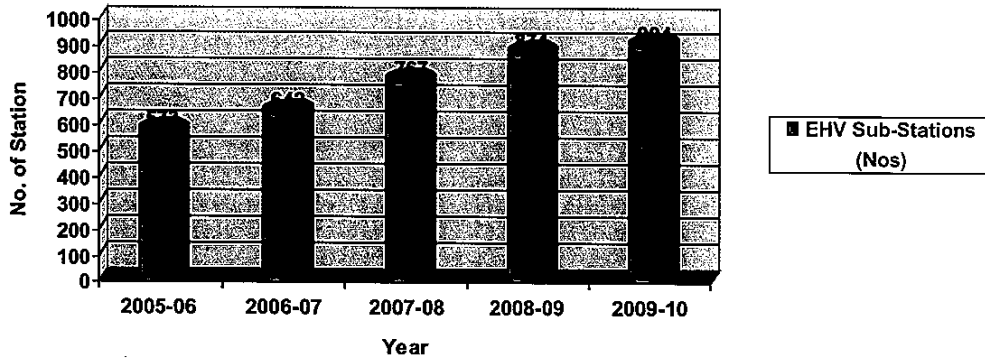
Addition of Transmission Capacity (MVA) During 2009-10



Transmission Capacity as on 31.03.2010



Growth in Sub-Station



b. Zone-wise details of Transmission lines commissioned during the year under report are as follows:

Sl. No.	Particulars	District	Voltage Class in KV	Length of line CKMs.	Date of commissioning
Bangalore Transmission Zone					
1	220 KV LILO line from Hoody-Somanahalli DC line to Naganathapura S/S	B'lore Urban	220 KV	0.72	29.05.2009
2	66 KV SC line on DC towers at Julupalya S/S	C.B. Pura	66 KV	9.84	02.06.2009
3	Construction of 66 KV LILO line from Somanahalli_Jigani line at Somanahalli_Jigani S/S	B'lore Urban	66 KV	18.00	19.07.2009
4	66 KV DC line from Somanahalli to RBI tap point at Somanahalli_RBI S/S	B'lore Urban	66 KV	17.00	21.07.2009
5	Construction of 66 KV SC line to DC towers from Tekal to Budikote at Budikote S/S	Kolar	66 KV	14.22	31.08.2009
6	66 KV LILO line at Gundamgere S/S	B'lore Rural	66 KV	9.38	23.11.2009
7	66 KV tap from Peenya-DG Plant at Platinum_city S/S	B'lore Urban	66 KV	0.03	25.11.2009
8	Construction of 66 KV LILO line from Somanahalli_Kanakapura at Yedamadu S/S	Ramanagara	66 KV	0.43	05.02.2010
9	66 KV SC line on DC conventional & narrow based towers from Kumbalgod S/S at Chandrappa Circle S/S	B'lore Urban	66 KV	9.32	19.02.2010
10	66 KV SC line from Kanakapura-Chikkenahalli-Ramanagara line at Kavanapura S/S	Ramanagara	66 KV	5.68	25.02.2010
11	66 KV SC LILO line from Somanahally-Kanakapura 2nd CKt. line at Hanumanthanagar S/S	Ramanagara	66 KV	0.34	26.02.2010



Sl. No.	Particulars	District	Voltage Class in KV	Length of line CKMs.	Date of commissioning
12	Construction of 66 KV line from Kumbalgodu to Kengeri Satellite Town line at Kengeri Satellite Town S/S	B'lore Urban	66 KV	10.91	12.03.2010
13	66 KV 1000 sqmm UG cable line from Hoody to EPIP at Hoody S/S	B'lore Urban	66 KV	3.32	18.03.2010
14	66 KV SC line on DC towers from Dibburhalli-Igrampalli line with TB at Ganjikunte S/S	C.B.Pura	66 KV	9.08	31.03.2010
Bagalkot Transmission Zone					
15	110 KV 3 SC UG cable line from Anandanagar line to Akshay Colony S/S	Dharwad	110 KV	3.32	18.06.2009
16	220 KV DC line from Mahalingapura-Bagalkot at Vajramatti S/S	Bagalkot	220 KV	1.05	08.07.2009
17	220 KV DC line from Narendra to Mahalingapur R/S and link line to Bidnal R/S LILO line from Hubli-Mahalingapura to Bidnal and DC from Bidnal to link (Hubli-Gadag) line	Dharwad	220 KV	6.00	21.08.2009
18	220 KV SC LILO line from Hubli to Mahalingapur at Soundatti S/S	Belgaum	220 KV	9.36	19.11.2009
19	Construction of 110 KV SC line with TB at both ends at Uchgaon-Udyambagh S/S	Belgaum	110 KV	7.02	30.11.2009
20	110 KV LILO line from V.B. Bagewadi-Mamdapur line at Malghan S/S	Bijapur	110 KV	0.36	08.12.2009
21	110 KV link line from Soundatti-Naragund-Yaragatti to Soundatti_Evacuation line at Soundatti S/S	Belgaum	110 KV	8.98	18.01.2010



Sl. No.	Particulars	District	Voltage Class in KV	Length of line CKMs.	Date of commissioning
22	110 KV SC line on DC towers from Guttal-Ranebennur DC line at Aremallapur S/S	Haveri	110 KV	23.91	30.01.2010
23	110 KV UG cable from Bilagi to cable terminating Structure at Bilagi S/S	Bagalkot	110 KV	0.87	11.03.2010
24	Construction of 110 KV SC line on DC towers from cable terminating Structure to Girisagar line at Girisagar S/S	Bagalkot	110 KV	7.17	18.03.2010
25	110 KV line from proposed 220 KB Vajramatti Stn to Katarki & Mantur, Bilagi linkline to Lokapur & Mudhol line TB at Katharki & Mantur line at B.Bagewadi S/S	Bagalkot	110 KV	24.16	29.03.2010
26	110 KV SC line on DC towers from Indi to Lachyan line at Lachyan S/S	Bijapur	110 KV	13.04	30.03.2010
27	Construction of 110 KV line on DC towers from Indi-Lachyan SC line at Hirebevanur S/S	Bijapur	110 KV	14.17	30.03.2010
28	110 KV SC line on DC towers from Ghataprabha to Kabbur Line at Kabbur S/S	Belgaum	110 KV	24.16	31.03.2010
Hassan Transmission Zone					
29	220 KV DC line on MC towers and conventional towers from Khemar to NPCL with TB at NPCL S/S	Udupi	220 KV	24.91	22.09.2009



Sl. No.	Particulars	District	Voltage Class in KV	Length of line CKMs.	Date of commissioning
30	110 KV DC line on 220/110 KV MC towers from Khemar to Nandikur at Nandikur S/S	Udupi	110 KV	23.00	07.10.2009
31	Stringing of DC Manipal-Nittur line and 110 KV SC line on DC towers to Bramhavara S/S	Udupi	110 KV	8.00	31.12.2009
32	110 KV line from Shiralkoppa a) 2nd CKT on DC existing towers b) 110 KV MC DC line c) 110 KV DC to Kittadahalli, d) 110 KV MC line to Bharangi line	Shimoga	110 KV	25.50	29.03.2010
Tumkur Transmission Zone					
33	66 KV SC line from Tallak to Gowrasamudra S/S	Chitradurga	66 KV	14.75	29.05.2009
34	Construction of 66 KV line at Madanayakanahalli S/S	Chitradurga	66 KV	6.30	24.09.2009
35	Construction of 66 KV DC line in the existing corridor at Tallak: Evacuation S/S	Chitradurga	66 KV	14.56	09.11.2009
36	66 KV DC line from Hiriyur to Ranganathapura line at Ranganathapura S/S	Chitradurga	66 KV	10.09	31.03.2010
Gulbarga Transmission Zone					
37	110 KV SC line on DC towers from Munirabad-Bellary(N) SC line at Somasamudra (Sridhargadda) S/S	Bellary	110 KV	12.30	08.07.2009
38	110 KV LILO line from Humnabad-Bidri at Kamthana S/S	Bidar	110 KV	0.40	30.09.2009



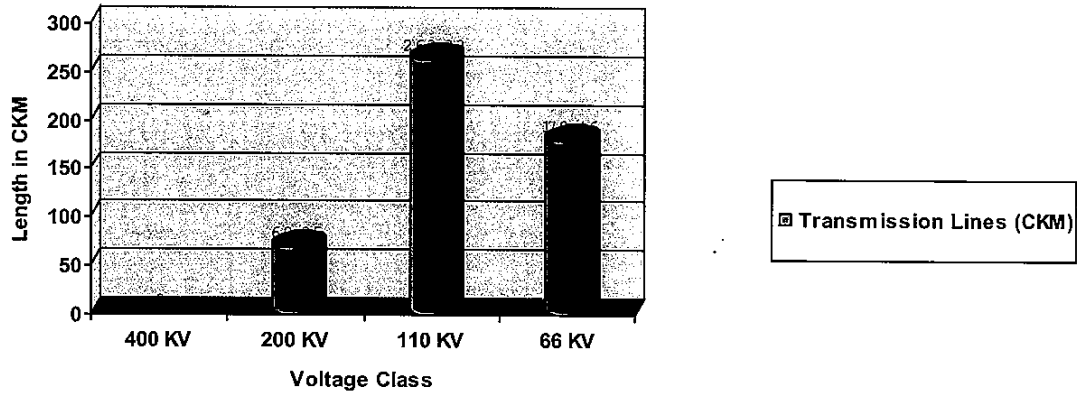
Sl. No.	Particulars	District	Voltage Class in KV	Length of line CKMs.	Date of commissioning
39	Construction of 110 KV line at Paramadevanahalli S/S	Bellary	110 KV	3.35	27.03.2010
40	110 KV line from Shahapur to Khanapur line at Khanapur S/S	Gulbarga	110 KV	19.64	31.03.2010
41	110 KV SC line on DC towers from Kapnoor to Madiyal line at Madiyal S/S	Gulbarga	110 KV	42.98	31.03.2010
Mysore Transmission Zone					
42	a) Koppa to Besagarahalli 11.73 KMs. b) 66 KV SC tap line on DC towers from Mandya-Basral line tap to Kopa S/S rabbit by Coyote ACSR 14.5 KMs at Besagarahalli S/S	Mandya	66 KV	26.23	23.10.2009
43	Construction of 220 KV link line from Kadakola to Basthipura at Basthipura S/S	Mysore	220 KV	27.21	28.01.2010

ABSTRACT :

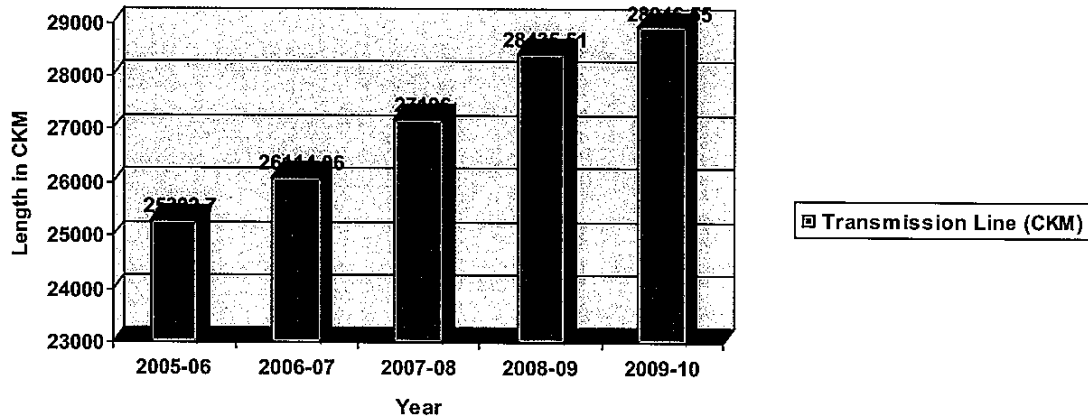
Sl. No.	Voltage Class in KV	Annual Target		Progress upto the end of Mar. 2010	
		NOs.	CKMs.	NOs.	CKMs.
1	400 KV	-	-	-	-
2	220 KV	6	69.25	6	69.25
3	110 KV	19	262.33	19	262.33
4	66 KV	18	179.46	18	179.46
TOTAL		43	511.04	43	511.04



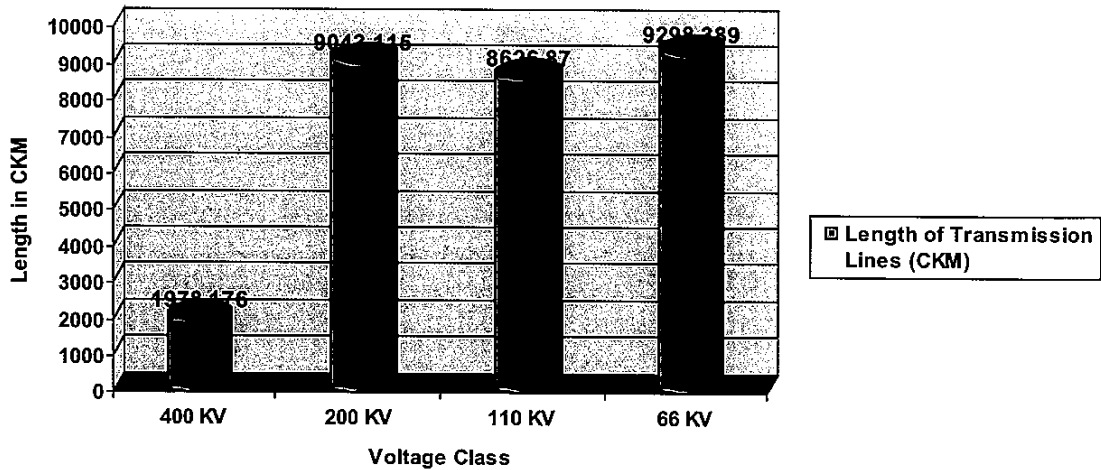
Length of Transmission Lines (CKM) added during 2009-10



Growth in Transmission Line (CKM)



Length of Transmission Lines (CKM) - Voltagewise as on 31.03.2010



c. Zone-wise details of Augmentation works to the station during the year under report are as follows:

Sl. No.	Name	District	Voltage Class in KV	Capacity	MVA Added	Date of Commissioning
Bangalore Transmission Zone						
1	ITI_Aug (One Transformer Augmented)	B'lore Urban	66/11 KV	Replacing 2 X 20 MVA Transformers by 2 X 31.5 MVA Transformers	11.50	13.05.2009
2	Hosakote	B'lore Rural	66/11 KV	Additional 1 X 20 MVA Transformer	20.00	19.06.2009
3	Yenigadale	C.B. Pura	66/11 KV	Replacing 1 X 6.3 MVA Transformer by 1 X 12.5 MVA Transformer	6.20	30.06.2009
4	HAL_Aug	B'lore Urban	220/66 KV	Replacing 1 X 100 MVA Transformer by 1 X 150 MVA Transformer	50.00	03.07.2009
5	Channapatna	Ramanagara	66/11 KV	Replacing 1 X 12.5 MVA Transformer by 1 X 20 MVA Transformer	7.50	01.10.2009
6	Vatadahosahalli	C.B. Pura	66/11 KV	Replacing 1 X 8 MVA Transformer by 1 X 12.5 MVA Transformer	4.50	10.12.2009
7	Vokkaleri	B'lore Rural	66/11 KV	Replacing 1 X 8 MVA Transformer by 1 X 12.5 MVA Transformer	4.50	15.12.2009
8	Bagepalli	C.B. Pura	66/11 KV	Replacing 1 X 12.5 MVA Transformer by 1 X 20 MVA Transformer	7.50	23.12.2009
9	Attibele_Aug (One Transformer Augmented)	B'lore Urban	66/11 KV	Replacing 2 X 12.5 MVA Transformers by 2 X 20 MVA Transformers	7.50	28.12.2009



Sl. No.	Name	District	Voltage Class in KV	Capacity	MVA Added	Date of Commissioning
10	Dodda belavangala	B'lore Rural	66/11 KV	Replacing 2nd 1 X 8 MVA Transformer by 1 X 12.5 MVA Transformer	4.50	05.02.2010
11	Volvo	B'lore Rural	66/11 KV	Replacing 1 X 6.3 MVA Transformer by 1 X 12.5 MVA Transformer	6.20	05.02.2010
12	Somanathapura	C.B. Pura	66/11 KV	Replacing 1 X 6.3 MVA Transformer by 1 X 12.5 MVA Transformer	6.20	05.02.2010
13	Nandagudi	B'lore Rural	66/11 KV	Replacing 2 X 6.3 MVA Transformers by 2 X 12.5 MVA Transformers	12.40	11.02.2010
Bagalkot Transmission Zone						
14	Ranebennur	Haveri	220/110 KV	Additional 1 X 100 MVA Transformer	100.00	17.08.2009
15	Katarki	Bagalkot	110/11 KV	Replacing 1 X 10 MVA Transformer by 1 X 20 MVA Transformer	10.00	30.10.2009
16	Mattihal	Bijapur	110/33 KV	Additional 1 X 20 MVA Transformer	20.00	06.11.2009
17	Kerur	Bagalkot	110/11 KV	Replacing 1 X 10 MVA Transformer by 1 X 20 MVA Transformer	10.00	10.02.2010
18	Kaladagi	Bagalkot	110/11 KV	Replacing 1 X 10 MVA Transformer by 1 X 20 MVA Transformer	10.00	04.03.2010
19	Lokapura	Bagalkot	110/11 KV	Replacing 1 X 10 MVA Transformer by 1 X 20 MVA Transformer	10.00	18.03.2010



Sl. No.	Name	District	Voltage Class in KV	Capacity	MVA Added	Date of Commissioning
Hassan Transmission Zone						
20	Bhadravathi_1	Shimoga	110/33 KV	Installing 1 X 10 MVA Transformer	10.00	06.04.2009
21	Baikampadi-II	Dakshina Kannada	110/33 KV	Replacing 2 X 10 MVA Transformers by 2 X 20 MVA Transformers	20.00	13.05.2009
22	Hosangady	Udupi	110/33/11 KV	Creating 33 KV reference by installing 1 X 20 MVA Transformer	20.00	13.06.2009
23	Bantwal	Dakshina Kannada	110/11 KV	Replacing 1 X 10 MVA Transformer by 1 X 20 MVA Transformer	10.00	08.09.2009
24	Anandapura (Additional 10 MVA added)	Shimoga	110/11 KV	Additional 1 X 10 MVA Transformer	10.00	25.11.2009
25	Kundapura	Udupi	110/33 KV	Replacing 1 X 10 MVA Transformer by 1 X 20 MVA Transformer	10.00	26.11.2009
26	Kavoor	Dakshina Kannada	110/11 KV	Additional 1 X 20 MVA Transformer	20.00	31.03.2010
27	Guruvayanakere	Dakshina Kannada	110/33 KV	Additional 1 X 20 MVA Transformer	20.00	31.03.2010
Tumkur Transmission Zone						
28	Chitradurga	Chitradurga	220/66 KV	Additional 1 X 100 MVA Transformer	100.00	16.04.2009
29	Hebbur	Tumkur	66/11 KV	Replacing 1 X 12.5 MVA Transformer by 1 X 20 MVA Transformer	7.50	02.06.2009
30	Aimangala	Chitradurga	66/11 KV	Replacing 1 X 6.3 MVA Transformer by 1 X 12.5 MVA Transformer	6.20	09.11.2009



Sl. No.	Name	District	Voltage Class in KV	Capacity	MVA Added	Date of Commissioning
31	Honnudike	Tumkur	66/11 KV	Additional 1 X 8 MVA Transformer	8.00	30.01.2010
32	Hirehalli	Tumkur	66/11 KV	Replacing 1 X 8 MVA Transformer by 1 X 12.5 MVA Transformer	4.50	04.02.2010
33	Mallasandra (One Transformer Augmented)	Tumkur	66/11 KV	Replacing 2 X 6.3 MVA Transformers by 2 X 12.5 MVA Transformers	6.20	22.03.2010
Gulbarga Transmission Zone						
34	Siraguppa	Bellary	110/11 KV	Replacing 1 X 10 MVA Transformer by 1 X 20 MVA Transformer	10.00	04.04.2009
35	Kurdi Cross	Raichur	110/33 KV	Additional 1 X 20 MVA Transformer	20.00	08.06.2009
36	Sankalapura	Bellary	110/11 KV	Replacing 1 X 10 MVA Transformer by 1 X 20 MVA Transformer	10.00	28.10.2009
37	Kustagi	Koppal	220/110 KV	Additional 1 X 100 MVA Transformer	100.00	10.11.2009
38	Moka	Bellary	110/11 KV 110/33 KV	Additional 1 X 10 MVA Transformer and 1 X 20 MVA Transformer	30.00	15.12.2009
39	Santapura	Bidar	110/11 KV	Additional 1 X 10 MVA Transformer	10.00	31.12.2009
40	Alipura	Bellary	110/11 KV	Replacing 1 X 10 MVA Transformer by 1 X 20 MVA Transformer	10.00	30.03.2010
Mysore Transmission Zone						
41	Ponnampet	Kodagu	66/11 KV	Replacing 1 X 8 MVA Transformer by 1 X 12.5 MVA Transformer	4.50	20.04.2009



Sl. No.	Name	District	Voltage Class in KV	Capacity	MVA Added	Date of Commissioning
42	Megalapura	Mysore	66/11 KV	Additional 1 X 8 MVA Transformer	8.00	30.09.2009
43	Virajpet	Kodagu	66/11 KV	Additional 1 X 8 MVA Transformer	8.00	03.10.2009
44	Santhebachalli	Mysore	66/11 KV	Replacing 2 X 6.3 MVA Transformers by 2 X 12.5 MVA Transformers	12.50	16.12.2009
45	Bookanakere	Mandya	66/11 KV	Replacing 2 X 8 MVA Transformers by 2 X 12.5 MVA Transformers	9.00	18.12.2009

ABSTRACT:

Sl. No.	Voltage Class in KV	Annual Target		Progress upto the end of Mar. 2010	
		NOs.	MVA	NOs.	MVA
1	400 KV	-	-	-	-
2	220 KV	4	350.00	4	350.00
3	110 KV	19	270.00	19	270.00
4	66 KV	22	172.90	22	172.90
TOTAL		45	792.90	45	792.90

Zone wise Target and Achievements during the FY 2009-10

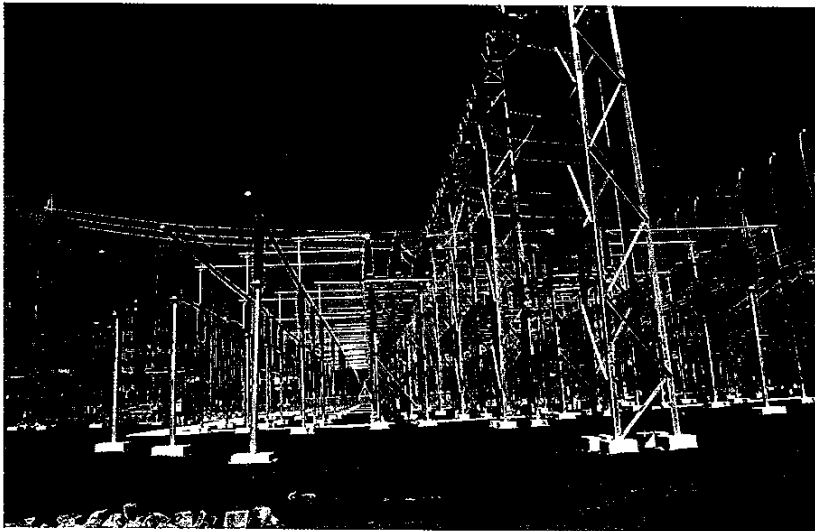
Sl. No.	Tr. Zone	Station		Line		Augmentation	
		Target	Achievement	Target	Achievement	Target	Achievement
1	Bangalore	21	10	14	14	08	13
2	Tumkur	04	03	04	04	07	06
3	Mysore	02	-	02	02	06	05
4	Hassan	06	02	04	04	09	08
5	Bagalkot	10	10	14	14	07	06
6	Gulbarga	07	05	05	05	08	07
Total		50	30	43	43	45	45



LOAD DISPATCH

Karnataka is one of the constituents of the Southern Region and is allocated power from Central Generating Stations. The State Load Dispatch Centre (SLDC) is the nodal agency responsible for integrated operation of Southern grid in a safe and secure manner. SLDC issues daily schedules on a day ahead basis to all the Constituents and monitors drawals of power by the Constituents in real time operation of the System. In case of violation of grid discipline by any of the Constituent, SLDC issues instructions to the over drawing Constituents (at low frequency less than 49.2 Hz & less) in order to bring the system to the normal state.

Karnataka is one of the most disciplined State adhering to the grid standards and making all efforts to match generation with respect to the demand by avoiding over draws during



real time operation of the system. State Grid experiences system constraints such as planned and forced outages of generating units and transmission elements resulting in mismatch of generation with respect to demand causing instantaneous low system frequency. SLDC has taken remedial actions such as rising of internal

generation if available or shedding of loads to avoid over drawal from Central sector at such low system frequency.

One of the major achievements of SLDC under ABT (UI) mechanism is by judicious management of the grid. SLDC was able to draw 672 MU under UI for Rs. 194.62 crores. (Approximately, at the rate of Rs. 2.89 per unit). If ESCOMs were to purchase this energy from outside, taking the prevailing rates of approximately Rs 6.00 per unit, ESCOMs would have to pay additional Rs 208 crores. SLDC has saved this amount for ESCOMS.

SLDC has given consent to IPPs and CPPs who have opted for open access for selling power outside the state. During the year 2009-10, SLDC has collected Rs. 30.15 crores towards transmission, scheduling and processing charges from open access customers, it is a matter of pride.

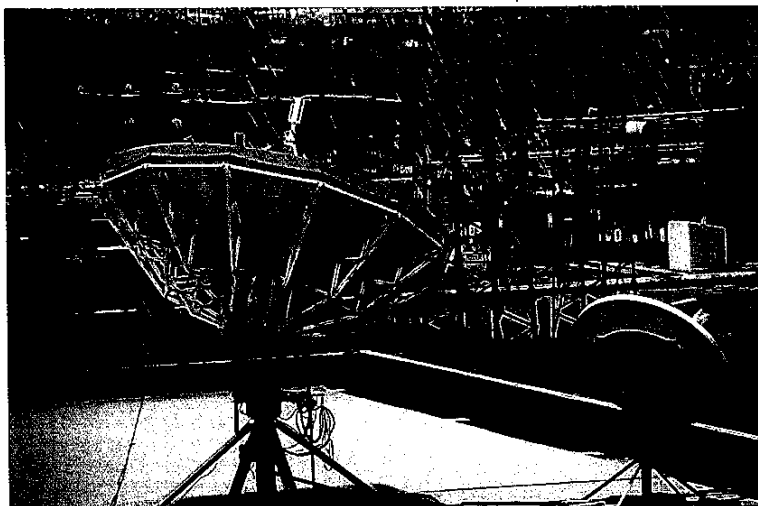
CERC imposed penalty of Rs. 17 lakhs on SLDC during the year 2008-09. KPTCL contested this order in CERC with relevant records and the reasons for overdrawal for a short



duration due to unavoidable and unforeseen events which occurred in state generating stations. However the appeals of SLDC were turned down by CERC. Then KPTCL approached ATE with all the relevant documents and the unforeseen circumstances under which overdrawal for a short period were produced before ATE which was accepted by ATE after careful examination and decision taken by CERC in imposing penalty was struck down by ATE and the penal charges paid was refunded to KPTCL during 2009-10 which is a remarkable achievement.

SLDC has taken all care and precautions and has not drawn any UI power when the frequency was below the IEGC set limits from past two years and SLDC has not received a single violation message in this regard only few caution messages have been received. The performance of SLDC in maintaining grid discipline has been highly appreciated and recorded in OCC, TCC and SRPC meetings from past one year.

INTEGRATED EXTENDED SCADA (Supervisory Control and Data Acquisition) SYSTEM



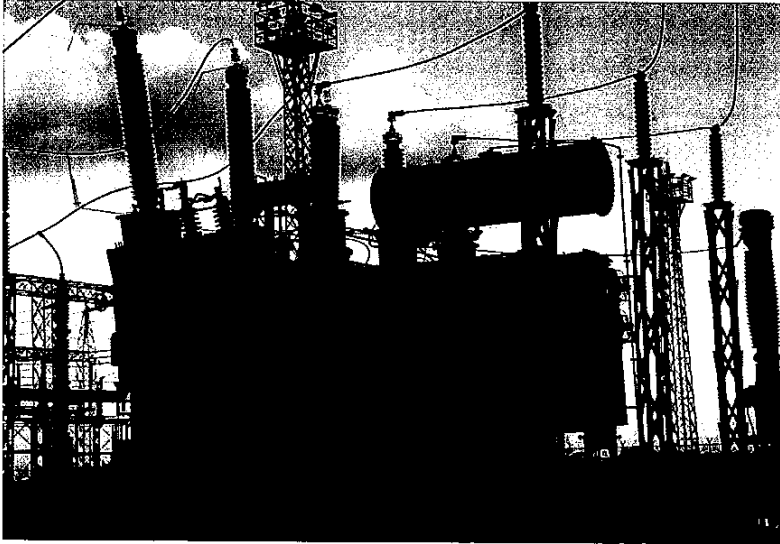
KPTCL has commissioned the Supervisory Control and Data Acquisition (SCADA) covering 632 Nos. of major Generating Stations, Sub-stations and Receiving stations of 66 kV, 110 kV, 220 kV and 400 kV. Out of the 259 Nos of 33 kV stations, 207 stations have been covered so far.

SCADA system was established as a part of the Integrated Extended SCADA project, with Phase I, taken up a cost of Rs.186.46 crores, with Rs.127.47 crores towards the KPTCL portion of the work and Rs.59.09 crores towards ESCOMs portion of the work. The project commenced during December 06 and is expected to be completed by July 2010. Phase II of the project will cover 418 stations, comprising of the remaining stations and all station planned for the year 2010-11.

State Load Dispatch Centre which operates from the Master Control has a complete picture of the Generation and Transmission network. The system provides Real time data from the stations which helps in Grid Operations and effective Load Management.

The System has been particularly very helpful in monitoring the Load Management programme during Power shortage periods by providing information on the 3 Phase, Single





Phase and NO SUPPLY period. With severe shortage in entire Southern Grid, the system has helped Load Dispatch Centre to effectively manage Inter State drawals and has gained the appreciation of Southern Regional Power Committee.

Distribution Control Centres to monitor the loads of the respective Distribution Companies

has been set up at BESCO, MESCOM and HESCO and work is in progress at CESC and GESCOM. 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. This initiated the first step towards total implementation of Intra State ABT as per KERC requirements.

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.

Area Load Despatch Centres (ALDC) are established at Bangalore, Tumkur, Hassan and Mysore. The work of ALDCs at Bagalkot and Gulbarga are nearing completion and will be commissioned by end of October 2010.

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 stride will continue to cover other sub-stations after this trial run.

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.

The capability of the SCADA system was show cased to the Union Minister for Power, Government of India at Hoskote 220 kV station and has gained his appreciation.

The Chairman and members of the Karnataka Electricity Regulatory Commission visited the Master Control Centre and have complimented the efforts of KPTCL in setting up the SCADA network.

The SCADA system has earned the appreciation from many experts in the country: to name a few, Mr.Kognulkar, Director General, CPRI and Dr.Rajamani, Chief Consultant, SCADA, Reliance Energy. Further, utilities like APTRANSCO, Uttar- Pradesh Vidhyuth Nigam and Uttaranchal Distribution Utility have expressed interest in adopting the KPTCL SCADA model. M/s CPRI have requested for KPTCLs support for their SCADA consultancy works taken up in other States.

The SCADA system was a part of the KPTCLs showcase in the Global Investors Meet of the Government of Karnataka and the system continues to attract Global interest considering the magnitude and integration capability of the system.

Features:

1. Covers the entire State of Karnataka -1.92 lakh sq.kms
2. Real time Data acquisition from all Generating Stations.
3. 32 Co-Gen plants
4. 38 Wind generation pooling stations
5. 13 Bio-mass Generation units
6. 52 Mini Hyde.
7. 8 Captive.
8. 3 Major IPPs.



OTHER ACTIVITIES OF SLDC

The other activities carried out by SLDC are as under:

- Round the clock Scheduling Activities
- Data base configuration for scheduling and energy accounting
- Preparation of Trial Accounting
- Formulation of Energy Accounting Committee
- Pool Account Settlement System
- Establishment of Communication Media
- Submission of Compliance
- Action Plan for launching Commercial Implementation

TELECOM- DATA ACQUISITION SYSTEM (DAS)

- Number of DAS meter installed at various location are 1987 which includes the installation & commissioning of DAS meters at 09 new sub-stations (66KV & 220KV) during the year 2009-10.
- DAS system is commissioned at all sub-stations & data polling is carried out up to Circle server.

Achievements of Technical Section of Planning:

- (1) Taken up the project for standardization of EHV transmission line Towers of 220KV D/C, 110KV D/C & 66KV D/C both for economic base width and narrow base width design.
- (2) Taken up the project for standardization of Multi-circuit towers of 220KV, 110KV & 66KV and also 220/66KV Voltage class. Technical specifications for the design, development of drawings and prototype testing have been prepared for the above works.
- (3) Detailed study is being carried out for adopting Steel Mono Poles (High tensile steel tubular poles) for 66kV Bangalore Ring mains to avoid space constraints.
- (4) Prepared Technical specification comprising of design and testing of 400KV transmission line Towers for turnkey construction of 400KV D/C line between BTPS and Hiriyur.
- (5) Gas Insulated Sub-station: Preparation of Technical bid documents including Technical specifications of GIS and other equipments, layouts, schedule of requirement etc., for establishing 66 kV Gas insulated sub-stations in Bangalore.



During the year 2009-10, two Technical Co-Ordination committee meetings were held and 166 proposals were discussed in respect of augmentation of transformers and additional transformers in 66 KV and above voltage class Sub-stations, constructions of 66 KV and above voltage class new/ link lines and arranging power supply to prospective consumers in excess of 2 MVA loads.

During the year 2009-10, 71 proposals for evacuation of power was approved and 88 numbers of NCE/ CPP power projects totaling to 785.48 MW of were synchronized to grid.

TENDERING AND PROCUREMENT

The objective of the company is to ensure timely supply of goods and services on indentionation from the field personnel. During the year 2009-10, KPTCL has procured various equipments like Power Transformers, Switchgears, Circuit breakers, Current Transformers required for augmenting installed capacities in sub stations, associated equipments like Battery Chargers, Battery sets for replacement of deteriorated batteries in stations. In addition to this, testing and measuring equipments like Insulation megger, relay testing kits, calibrators, tan delta kit etc., required for meeting day to day needs of Relay Testing wings have also been procured. Further, 11 KV Switch gears especially required for implementation of 'Niranthara Jyothi' schemes in ESCOM'S for putting up independent and dedicated 11 KV feeders for catering the loads of both lighting and motive power installations of the villages on 24 hrs basis, is also procured. Also Phase II of prestigious project of SCADA which facilitates supervisory control of equipments and data acquisition, costing Rs.5565 lakhs covering Stations which are not included in Phase I & those stations planned for 2009-10 has been awarded to M/S ABB which is executing the SCADA Phase I.

Further during the year 2009-10 KPTCL has procured many works related to construction of new stations and lines of 66 KV and above covering 20 stations, 17 Terminal Bays and 569 KMs of 66/110/220 KV Lines on total turn key basis and has signed works contract of the order of Rs. 40103 lakhs.

Amongst the works awarded above, the specialized works like laying of 16 route Kms of 220KV, 1000 sqmm UG Cable in Bangalore City between NRS station to 'A' station, HSR Station to NIMHANS Station and from HSR station to cable terminating point is also included. Also in order to facilitate evacuation of around 120 MW of power from Jurala generating station in Andhra Pradesh, an Interstate 220KV D/C line running to a length 51 Kms is also taken up between Jurala power plant and 220 KV receiving station at Raichur. Also to evacuate around 600 MW of power from Udupi Power Corporation Ltd., generating station the work of strengthening of line by replacing Drake conductor by AAAC Moose between the UPCL generating plant and 220 KV station at Khemar is also awarded and taken up.

During the year 2009-10, KPTCL has procured several major equipments such as Power Transformers, Switchgears, Breakers, Vehicles, Computers, Furnitures etc., worth Rs.10854.99 lakhs.



1. WORKS:

No. of Tenders floated for the year 2009-10			
Particulars	Amount in Rs. lakhs	Details of Work	
110KV and below works	60	39249	66KV GIS Station – 3 Nos. 66KV Air insulated Stations-20 Nos. 66 O.H Lines – 358 Kms. 66KV TBs-5 Nos. 110KV Air insulated Stations-20 Nos. 110KV OH Lines-374 Kms. 110KV TBs-22 Nos.
220KV & above works	14	40719	400KV Reactors-4 Nos. 220KV Air insulated Stations -4 Nos. 220KV GIS station-1 No. 220KV Lines – 244 Kms. 220KV TBs – 6 Nos.
No. of Tenders awarded for the year 2009-10			
Particulars	Amount in Rs. lakhs	Details of Work	
110KV and below works	25	12490	66KV Air insulated Stations – 11 Nos. 66KV O.H Lines-148 Kms. 66KV TBs-1No. 110KV Air insulated Stations-8 Nos. 110KV O.H Lines – 229 Kms. 110KV TBs-9Nos.
220KV & above works	09	27613	200KV Air insulated Stations - 1 No. 220 KV UG Cable-16 Kms. 220KV O.HLines – 176 Kms. 220 KV TBs-7 Nos.

2. GOODS:-

Procurement of goods for the year 2009-10

Descriptions	Amount in Rs. lakhs	Details of Work
Power Transformers, Circuit breakers, Current Transformers, Battery Sets, Battery Chargers, Testing Equipments,11KV Switch gears., SCADA Phase-II	10823.96	Station capacity Augmentation, Replacements and testing and measuring activities etc., Data acquisition of stations through SCADA.



3. SERVICES:-

Procurement of services for the year 2009-10

Descriptions	Amount in Rs. lakhs	Details of Work
1. Data entry operators. 2. Hiring of Taxi 3. Providing canteen facility	31.03	Availing of services

FOREST WING

During the year 2009-10, State Government orders were issued for handing over the corridor in forest areas for six transmission lines namely 1) Gundamgere, 2) Anavatti, 3) Kammaradi, 4) Puttur - Madavu 5) Shiralakoppa, 6) Chandragutti. During the year Ministry of Environment and Forests of Government of India issued in principle approval (Stage-I) for three transmission line projects namely 1) Konandur, 2) 11 KV Sub-Station at Magadi and 3) Somanahalli to Malur wherein compliance procedure is under way by KPTCL authorities.

CIVIL

During the year under report a sum of Rs.1838.00 lakhs have been spent under capital expenditure, excluding construction works of sub-stations and Rs. 1474.69 lakhs have been spent as Revenue expenditure on civil works. A sum of Rs. 188.60 lakhs have been spent during the year for the construction of KPTCL Training Institute at Hoody, Bangalore.

REGULATORY AFFAIRS

- I) KPTCL has furnished comments/views to the following draft discussion papers as required under Electricity Act 2003. KERC in turn has passed orders on the dates mentioned below.

Sl. No.	Particulars	Date of issue of order
1.	A Price Cap for short term power Procurement by the Distribution licensees	07-09-2009
2.	KERC(Terms & conditions for determination of Generation Tariff) Regulation 2009	09-09-2009
3.	KPTCL & ESCOMs Tariff Order 2009	25-11-2009
4.	Tariff order for Renewable sources of Energy applicable for the period 2010 to 2014	11-12-2009
5.	Determination of tariff for grid connected solar PV, Solar Thermal power plants (other than demonstration Projects) and Roof top solar Photo voltaic and other small solar power plants connected to distribution network at voltage levels below 33 KV	13-07-2010



KERC has approved a revised Transmission Tariff of Rs. 1,02,427/- per MW per month for FY-10. This translates to 26.67 paise per unit as against 19.42 paise which is being collected by KPTCL from ESCOMs as per 2005 Tariff order which is 37% increase from the existing tariff. This tariff came into effect from 1-12-2009.

II) Petitions before KERC 2009-10;

About 52 petitions and one review petition were filed before the Commission during 2009-2010. Out of which 14 cases were finalized & orders were passed during the Year 2009-10 in KERC.

HUMAN RESOURCES AND DEVELOPMENT

In the emerging power sector scenario, it is utmost necessary to equip the human capital to face the challenges of today & tomorrow. All endeavors have been made for developing human resources, so as to ensure contribution from one & all for organizational development through various training programmes. Large numbers of need based training programmes have been arranged successfully. For specialized and focused programmes, officers / employees were deputed for training in various reputed institutions.

1. Latest position in Human Resources and Development

The management has taken a decision to establish an in-house state-of-the-art training centre at Hoody at a cost of Rs. 6.87 crores to be utilized for regular residential training programme to make it a national level training centre for the personnel in power sector with a vision to meet the needs of the power sector in future and also as per the requirement of national training policy needs issued by the Ministry of Power, Govt of India. The training centre at Hoody will be inaugurated shortly.

2. New Programmes introduced during 2009-10

- a. Training programme for women officers/ officials :
First time in KPTCL for women employees a training programme has been conducted , managing stress due to dual responsibilities.
- b. Training on maintenance of power transformer by manufacturers – M/s. EMCO Ltd., in Hubli and Gulbarga.
- c. Training on Safety and Prevention of Accidents in all Station Divisions of KPTCL.
- d. Training on first aid and fire fighting.
- e. Training on maintenance of Sub-station as well as maintenance of battery.
- f. Deputation of employees/officers to external training programmes.



INDUSTRIAL RELATIONS

Corporation has considered Manpower as a valuable asset in accomplishing the object and also taking care of social security and labour welfare measures to them. During the



year 2009, 63 Nos. of Gangmen were converted as Probationary Mazdoors in pursuance to the Settlement dated: 03-06-2004, entered into with the Employees Union.

As on 31-03-2010, there are 91 Labour related matters pending in different Courts. Many Officers and Trade Union Leaders were deputed for training programmes in Industrial

Relations and Labour Laws sponsored by various Organisations, to acquire and equip them with updated knowledge. Employees were also deputed for other technical and administrative programmes.

KPTC Employees Union has submitted its Charter of Demands on 22-01-2010 for Revision of Pay Scales with effect from 01-04-2010. Corporation has constituted a Study Team on 05-03-2010, to study the existing and revised pay scales of the employees. Parallely, GoK have been recommended to consider and sanction an interim relief at 12% of the Basic Pay + Dearness Pay w.e.f. 01.04.2010 pending finalization and approval of the revised Pay scales.

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

Important Administrative orders issued during 2009-10 are as follows:

1. Notification amending the method of Recruitment and minimum qualification prescribed in Sl.No.8(AEE(Elec.)), 10A(AE(Elec.)), 12(JE(Elec.)) and 13(JE(Civil)) under Chapter VI and Sl.No.5(AAO) under Chapter VII of the Karnataka Electricity Board Recruitment and Promotion Regulations, Employees (Probation) Regulations and Employees (Seniority) Regulations vide No: KPTCL/B16/4683/2006-07 dated: 06.06.2009.
2. 2030 Probationary Mazdoors working in KPTCL/ESCOMs were converted as Junior Lineman by creation of Supernumerary posts vide Order No: KPTCL/B16/4313/2005-06 dated: 17.06.2009.



3. Order No: KPTCL/B16/B4/1930/88-89 dated: 29.07.2009 wherein the employer/ Officers who forego promotion will not be considered for promotion for a period of 3 years from the date of forgoing the promotion.
4. Notification No: KPTCL/B5/721/80-81 dated: 17.08.2009 amending Regulation 4 (1) (a) – Conditions of appointment of KEB Recruitment (Appointment on Compassionate Grounds) Regulations 1997 duly adopting the Government Order with regard to Compassionate Ground appointment.
5. Order No: KPTCL/B16/5411/96-97 dated: 18.08.2009 adopting the G.O. with regard to reservation roster point for physically challenged.
6. Notification No: KPTCL/B16/3439/2008-09 dated: 26.08.2009 for recruitment of 576 Assistant Engineer (Elec.), 25 Assistant Accounts Officer, 623 Junior Engineer (Elec.) and 10 Junior Engineer (Civil) in KPTCL/ESCOMs. The Final Selection list for the post of Assistant Engineer (Elec.) and Junior Engineer (Elec./Civil) has been published on 20.02.2010.
7. Notification No: KPTCL/B16/3437/2008-09 dated: 17.11.2009 amending Sl. No.7 (A) (i) and (ii) under Chapter VII of KEB Recruitment and Promotion Regulation with regard to minimum qualification prescribed for the post of Assistant as per the qualification fixed by Government.

CORPORATE GOVERNANCE

KPTCL believes transparency, responsibility, 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.

As on 31st March 2010, the Board of Directors comprised of 14 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:

The governance policy in the company requires the Board to meet at least four times in a year, once in every three months- the intervening period between two Board meetings was well within the maximum gap.

The Governance process in the company include an effective post-meeting follow-up, review and reporting process for action taken/pending on decisions of the Board, Board committees.



The meetings of the Board of Directors are scheduled in advance for which notice is given to each Director in writing. The Agenda and other relevant notes are circulated to the Directors well in advance. During 2009-10, a total number of Four Board meetings took place, the details of which are as follows:

Sl. No.	Meeting No.	Held on
1	71 st Meeting	08-06-2009
2	72 nd Meeting	24-09-2009
3	73 rd Meeting	22-12-2009
4	74 th Meeting	26-03-2010

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 some of the Sub-committees towards speeding up decisions.

1. Central Purchases Committee:

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

The composition of the Central Purchases Committee is as follows:

Managing Director, KPTCL	Chairman/Chair Person of the Sub-Committee
Director (Finance) , KPTCL	Member
Director(Transmission), KPTCL	Member
Company Secretary, KPTCL	Convener

The concerned Chief Engineers will be the Coordinating Officers.

During the year, CPC meetings were held as follows:

Sl. No.	Name of the Meeting	No. of Meetings
1	Tendering & Procurement (97-108)	12
2	Transmission Zone, Bangalore (81-90)	10



Sl. No.	Name of the Meeting	No. of Meetings
3	Transmission Zone, Mysore (49-56)	8
4	Transmission Zone, Bagalkote (44-51)	8
5	Transmission Zone, Gulbarga (28-33)	6
6	Transmission Zone, Hassan (21-24)	4
7	Transmission Zone, Tumkur (16-24)	9

1. 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 from time to time.

The sub-committee consists of the following members:

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

During the year under report, the Borrowing Sub-Committee held the following meetings:

Sl. No.	For Availing Finance from	Amount Rs. in Crores	Held on
1	M/s. Canara Bank and M/s. Bank of Maharashtra, Hitech Agri Branch, Koramangala	Rs. 253.47 Crores and Rs. 100 Crores, respectively.	24-09-2009
2	M/s. UCO Bank, K.G.Road Branch, Bangalore	Rs. 253 Crores	18-03-2010

3. Audit Committee:

In accordance with the new section 292(A) of Companies Act, 1956, KPTCL has constituted an Audit Committee in the interest of good corporate governance.

The composition of the Audit Committee is as follows:

1. Principal Secretary, GoK, Energy Dept. (By name)	Chairman/ Chairperson
2. Principal Secretary, GoK, Finance Dept. (By name)	Member
3. Sri. Tushar Giri Nath, IAS	Member
4. Director (Transmission), KPTCL. (By name)	Member
5. Company Secretary, KPTCL	Convener



During the year under report, the Audit Committee held its meeting on 29th July 2009.

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

TECHNICAL ADVISORY COMMITTEE

In the interest of ensuring standardization in specifications and also to involve experts in the process of Technical Feasibility Study for clearance of Major Works, a Technical Advisory Committee has been constituted consisting of experts from outside as also experienced Engineers who have served the organization at various senior positions. The Expert Committee has cleared various fresh Capital Investment proposals for their feasibility and essentiality to the system after thorough technical analysis.

The present composition of the Technical Advisory Committee is as follows:

Sl. No	Name of the Members	
	Sriyuths:	
1.	P.S. Jagannatha Gupta, Chief Engineer (Rtd.) KPTCL	Chairman
2.	Managing Director, KPTCL	Member
3.	Director (Transmission), KPTCL	Member
4.	Director (Finance), KPTCL	Member
5.	Director (Technical), KPCL	Member
6.	B.R. Vasantha Kumar, CEE (Rtd.), GESCOM	Member
7.	Dr. R.S. Shivakumara Aradhya, Addl. Director, CPRI	Member
8.	B.M: Ramesh, Suptdg. Engr.(Rtd.), KPTCL	Member

To play an effective role, the following Terms of Reference were prescribed to Technical Advisory Committee:

- a) To accord Technical Clearance to all new projects.
- b) To scrutinize the estimates and clear Detailed Project Reports of all Capital Works.
- c) To analyse and recommend tenders and claims of Contractors in respect of all Capital Works.



- d) To finalise the Schedule of Rates prepared by the KPTCL SR Revision Committee to be adopted from time to time.
- e) Any other Technical matter relevant to the effective functioning of the Corporation.

During the year, TAC meetings were held as follows:

Sl. No.	Name of the Meeting	Held on
1	48 th TAC	17.05.2009
2	49 th TAC	15.09.2009

Contribution of “Jyothi Belaguthide” – In-house Journal of KPTCL:

Kannada has been introduced in daily administration of KPTCL and HRD is conducting regular interaction with all categories of employees with regard to day-to-day activities of corporate rules and regulations.

In addition to this Kannada Sangha is also in existence and all official letters and administration is carried out in Kannada by giving large volume of circulation to introduce Kannada as the official administrative language. Kannada Sangha is conducting different types of cultural programmes and there by encouraging the employees.

Every year the Kannada Rajyotsava is celebrated and Prathibha Puraskar award is given to meritorious employees.

In this age of Information Technology, ‘Jyothi Belaguthide’ has established a unique form of ‘Connectivity’ through KPTCL’s Website with public and the public sector fraternity. As we pride over the achievements of the past year we also look forward to enhancing the quality of the magazine by making it more interactive and reader friendly.

SPORTS:

KPTCL Sports Organisation has completed Inter Company Sports activities for the year 2009-10 by conducting all the events at 5 (Five) Centers namely at Gulbarga, Mysore, Bangalore, Hubli and Puttur.

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

- Men Section :** Kabaddi, Bodybuilding, Powerlifting, Athletics, Volleyball, Carrom, Chess, Football
- Women Section :** Table Tennis, Shuttle Badminton, Tennikoit, Carrom & Chess.



RESULTS OF THE AIESCB TOURNAMENT:

ATHLETICS	SECURED over-all Championship THIRD place for the first time in the 35 th AIESCB Athletic Meet held at KURUKSHETRA, Haryana SECURED over-all Championship SECOND place for the first time in 36 th AIESCB Athletic Meet held at KURUKSHETRA, Haryana
BODYBUILDING	SECURED over-all Championship FIRST place for the first time in the 36 th AIESCB Tournament held at Lucknow (Uttar Pradesh) SECURED over-all Championship FIRST place for the THIRD time in the 11 th AIESCB Meet held at Kurukshetra (Haryana)
WOMEN SPORTS	SECURED over-all Championship SECOND place in the 12 th AIESCB Meet held at BALEWADI (Pune) (Maharashtra) SECURED FIRST place in the 35 th AIESCB tournament held at Bangalore
KABADDI	SECURED FIRST place in the 36 th AIESCB tournament held at Madurai.

ACHIEVEMENTS OF EMPLOYEES:

- KPTCL Sports Organisation Cricket Team qualified for first division group II KSCA League Matches.
- KPTCL Kabaddi Team participated in the all India tournaments State Level tournaments, Industrial Tournamnets, Association Cup Tournament.
- KPTCL Basketball Team participated in the 'C' Division League Championships held at Bangalore.
- Sri Roshan Ferrao, Body Builder, Junior Assistant, Circle Office, Mangalore, MESCOM got "VIDHYUTH SHREE" award for the Sixth time in SUCCESSION.
- Sri Roshan Ferrao, Body Builder, Junior Assistant, Circle Office, Mangalore, MESCOM Represented India in the ASIA PECIFIC BODY BUILDING AND FITENESS CHAMPIONSHIPS held at Christ Church, Newzealand from 10th to 12th April 2009.
- Sri. D. Mallesh, Mazdoor, Chamarajanagar Sub Division, Cesc selected to represent Karnataka State team in the 54th National Ball-Badminton Championships held at Chattisgarh during April 2009.



- Sri. D. Rajkumar, Assistant, Pension Section, Corporate Office, Kaveri Bhavan, KPTCL Participated in the State Level Ranking Billiards and Snooker Championships.
- Sri Kishor, Junior Lineman, MESCOM represented Karnataka State Team in the South Zone Power Lifting Championships held at Pondicherry.
- Sri Roshan Ferrao and Sri K. Nagaraj, Assistant, Division Office, Sagar represented Karnataka State Team in the 56th National Amateur Body Building Championships held at Bivandi, Thane Dit. Maharashtra.

The Management of KPTCL and all Companies are encouraging Sports Activities. All the Sports persons are taking lot of interest in participation both at the State and National level tournaments. The Sports Section is taking keen interest in bringing awareness and importance of Sports and Cultural activities among the employees.

STATUTORY AUDITORS

C & AG of India has appointed M/s. Badari, Madhusudhan & Srinivasan, Bangalore as Statutory Auditors for auditing the Accounts of KPTCL for the Financial Year 2009-2010.

COST AUDITORS

Ministry of Corporate Affairs, Govt. of India has approved appointment of M/s GNV & Associates as Cost Auditors for auditing the cost accounts of KPTCL for the Financial Year 2009-2010.

PARTICULARS OF EMPLOYEES UNDER SECTION 217(2A)

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

DIRECTORS' RESPONSIBILITY STATEMENT

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

1. In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
2. Accounting policies have been selected and applied consistently and judgments and estimates are made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for that period.



3. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities and
4. Annual accounts have been prepared on a going concern basis.

ACKNOWLEDGEMENTS

The 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 and other Agencies such as Central Electricity Authority, Central Electricity Regulatory Commission, Power Finance Corporation Ltd., Rural Electrification Corporation, Karnataka Renewable Energy Development Ltd., Commercial Banks and other financial institutions, Ministry of Corporate Affairs, Registrar of Companies and the General Public for co-operation and active support to KPTCL, in our endeavors to serve them.

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

For & on behalf of the Board

Sd/-
CHAIRPERSON



BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE
(Pursuant to part IV of schedule - VI of the Company Act-1956)

Registration details

Registration No.	25521	State Code	8
Balance Sheet date	31.03.2010		
Capital Raised during the year (Amount in Rs.thousands)			
Public Issue	Nil	Right Issue	Nil
Bonds Issue	Nil	Private placement	Nil
Position of mobilization & deployment of Funds (Amount in Rs.thousands)			
Total Liabilities	70612455	Total assets	70612455
Sources of Funds (Amount in Rs.thousands)			
Paid up Capital	6903225	Secured Loan	51820599
Share deposit	4850000	UnSecured Loans	167031
Reserves & Surplus	3459318	Other Funds	3412282
Application of Funds(Amount in Rs.Thousands)			
Net Fixed Assets	55026785	Investments	Nil
CWIP	29222293	Misc.Exp.	0
Net current Assets	-13636623		
Performance of Company (Amount in Rs.thousands)			
Turnover	12318863	Total Expenditure	12259228
Profit before Tax	59635	Profit after Tax	84793
Earnings per share in Rs.	12.28	Dividend rate %	Nil
Name of three principal / services of Company			
Item code No.	Nil		
Product description	Transmission of Electricity		

For Badari, Madhusudhan & Srinivasan
Chartered Accountants

Sd/-
(V.G. PANDIT)
Financial Adviser(A&R)

Sd/-
(N. SRINIVASAN)
Partner
Membership No.027887

Sd/-
(R. SRIDHARA)
Company Secretary

Sd/-
(ADITI RAJA)
Director (Finance)

Sd/-
(G. LATHAKRISHNA RAO)
Managing Director

Place: Bangalore

Date: 7.9.2010



COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 619(4) OF THE COMPANIES ACT, 1956 ON THE ACCOUNTS OF KARNATAKA POWER TRANSMISSION CORPORATION LIMITED, BANGALORE, FOR THE YEAR ENDED 31 MARCH 2010.

The preparation of financial statement of **Karnataka Power Transmission Corporation Limited, Bangalore**, for the year ended **31st March 2010** in accordance with the financial reporting framework prescribed under Companies Act, 1956 is the responsibility of the management of the Company. The statutory auditors appointed by the Comptroller and Auditor General of India under Section 619(2) of the Companies Act, 1956 are responsible for expressing opinion on these financial statements under section 227 of the Companies Act, 1956 based on independent audit in accordance with the auditing and assurance standards prescribed by their professional body the Institute of Chartered Accountants of India. This is stated to have been done by them vide their Audit Report dated **7th September 2010**.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit, under section 619(3)(b) of the Companies Act, 1956, of the financial statements of **“Karnataka Power Transmission Corporation Limited, Bangalore”** for the year ended **31st March 2010**. 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. On the basis of my audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to Statutory Auditors' report under section 619(4) of the Companies Act, 1956.

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

Sd/-

(D.J. BHADRA)
PR. ACCOUNTANT GENERAL
(CIVIL & COMMERCIAL AUDIT)
KARNATAKA, BANGALORE

BANGALORE

Dated: 22 September 2010



AUDITORS' REPORT

To the members of Karnataka Power Transmission Corporation Limited.

We have audited the attached Balance Sheet of Karnataka Power Transmission Corporation Limited ("the Corporation"), as at 31st March 2010, the Profit and Loss Account and also the Cash Flow Statement for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Corporation's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

The Corporation is governed by the provisions of The Electricity Act, 2003 read with the related rules and regulations. The application of the said Act is in consonance with the provisions of Section 616(c) of The Companies Act, 1956 ("the Act"). Accordingly, the Corporation has compiled the accounts, adopting the principles and policies as enunciated in the Electricity Supply Annual Accounts Rules, 1985 ("ESSAR").

We conducted our audit in accordance with Auditing Standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, obtaining sufficient and appropriate audit evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of section 227(4A) of the Companies Act, 1956, we annex hereto a statement on the matters specified in paragraphs 4 and 5 of the said Order.

Further to our comments in the Annexure referred to in paragraph 3 above, we report that:

- (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
- (ii) In our opinion, proper books of accounts as required by law have been kept by the Corporation so far as appears from our examination of those books;
- (iii) The Balance Sheet, Profit & Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of account ;
- (iv) In our opinion, the Balance Sheet, Profit & Loss Account and the Cash Flow Statement dealt with by this report comply with the accounting standards



referred to in sub-section (3C) of section 211 of the Companies Act, 1956, to the extent they are not inconsistent with the provisions of ESAAR, 1985 adopted by the Corporation, except for:

- a) *valuation in respect of certain inventories made at standard rates instead of lower of cost or net realizable value as per Accounting Standard – 2 on "Valuation of Inventories", the effect of which is not ascertainable in the absence of details;*
 - b) *non charging of depreciation on assets aggregating to Rs.4,47,88,129 removed for repairs and charging depreciation on assets constructed on lease hold land at normal rates is not in conformity with Accounting Standard – 6 on "Depreciation Accounting", the effect of which is not ascertainable in the absence of details;*
 - c) *fixed assets erected by third parties which vest with the Corporation under Regulation for Condition of Supply of Electricity of Karnataka Electricity Regulatory Commission are accounted in the books at the cost estimate approved by the Corporation in the absence of actual cost which is contrary to Accounting Standard – 12 on "Accounting for Government Grants", the effect of which is not ascertainable in the absence of details;*
 - d) *provision for long term employee benefits has not been made on the latest actuarial valuation report contrary to Accounting Standard – 15 on "Employee Benefits", the effect of which is not ascertainable in the absence of latest actuarial valuation report;*
 - e) *non recognition of Deferred Tax liability in respect of timing differences as per Accounting Standard – 22 "Accounting for Taxes on Income", the effect of which is not ascertainable in the absence of details;*
- (v) The provisions of Section 274(1)(g) of the Companies Act, 1956 on the disqualification of the directors are not applicable to the Corporation as per paragraph 8(ii) of Notification No; 02-05-2001 CLM dated 22-03-2002 of the Department of Company Affairs, Government of India;
- (vi) In our opinion and to the best of our information and according to the explanations given to us, subject to:
- a) Note No. 7 regarding title deeds of land & building;
 - b) Note No. 8 regarding write off of Rs.3.24 crores under capital work in progress in the absence of details;
 - c) Note No.11 regarding non provision of depreciation on transformers aggregating to Rs. 4.48 crores, the effect of which is not ascertainable in the absence of details;



- d) Note No.12 regarding leased assets on termination and acquisition of asset at value of Rs. 1.12 crores;
- e) Note No. 13 regarding non confirmation of balances under secured loans, current assets and current liabilities;
- f) Note No. 14 regarding non confirmation of balances on transactions with ESCOMs;
- g) Note No. 15 regarding unreconciled net credit balance of Rs. 61.11 crores under Inter Unit Accounts;
- h) Note No. 16 regarding non ascertainment of liability towards property tax and Land cess, the effect of which is not ascertainable.
- i) Note No. 21 on payment of exgratia to employees in lieu of bonus.
- j) Note No. 22 on other income regarding write back of Rs. 208 crores being the provision made up to 31.05.2002 towards pension and gratuity.
- k) Note No. 24 regarding write off of Rs.3.25 crores towards expenditure on survey & feasibility studies;.
- l) Note No. 25 regarding non ascertainment of amount payable to suppliers covered under Micro, Small and Medium Enterprises Development Act, 2006.

The said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (i) in the case of the Balance Sheet, of the state of affairs of the Corporation as at March 31st 2010.
- (ii) in the case of the Profit and Loss Account, of the profit for the year ended on that date;
- (iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date;

**For BADARI, MADHUSUDHAN & SRINIVASAN.
CHARTERED ACCOUNTANTS.**

**Sd/-
(N. SRINIVASAN)
PARTNER**

**Membership No: 027887
FRN : 005389S**

PLACE: Bangalore
DATE: September 7, 2010



ANNEXURE TO THE AUDITORS' REPORT

(Referred to in Paragraph 3 of our report of even date to the members of Karnataka Power Transmission Corporation Limited. on the financial statements for the year ended 31st March, 2010)

1. (i) Corporation has been maintaining records showing particulars including quantitative details of fixed assets, except for land, assets transferred from division to division. Details of the situation of Fixed assets has not been mentioned in all the cases.
 - (ii) According to information and explanation given to us, the assets/installations put to use in electricity supply and Transmission functions are considered as physically available so long as the functions are continued to be discharged and are not subject to periodical physical verification.
 - (iii) Company has not disposed off substantial part of fixed assets during the year so as to affect its going concern status.
2. (i) According to the information and explanation given to us, the Corporation is following a system of physical verification of inventories during the year.
 - (ii) In our opinion and according to the information and explanation given to us, the procedure of physical verification of inventory followed by the Management needs to be strengthened in relation to the size of the Corporation and the nature of its business in as much as necessary documents need to be maintained for having carried out such physical verification.
 - (iii) In our opinion, the Corporation has maintained records of inventories, the system of which needs to be strengthened. Material discrepancies noticed between the physical and book stock on physical verification of inventory have been dealt with in the books of accounts. Further the valuation of the inventories needs to be streamlined and proper system needs to be put in place.
3. (a) According to the information and explanations given to us, the Corporation has during the year not granted any loans, secured or unsecured to companies, firms and other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, the provisions of paragraph [4 (iii)(a), (b) (c) and (d)] of the order is not applicable.
 - (b) According to the information and explanations given to us, the Corporation has during the year not taken any loans, secured or unsecured from companies, firms and other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, the provisions of paragraph [4 (iii)(e), (f) and (g)] of the order, is not applicable.



4. Corporation needs to strengthen the internal control procedures to make them commensurate with the size of the Corporation and nature of its business, for purchase and storage of inventories, fixed assets and execution of work contracts.
5. According to information and explanation given to us, there are no transactions made in pursuance of contracts or arrangements that need to be entered in the register maintained under section 301 of the Companies Act, 1956.
6. The Corporation has not accepted any deposits from the public to which directives issued by Reserve Bank of India and provisions of section 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and rules framed there under apply.
7. The Corporation has an internal audit division. In our opinion the system requires to be strengthened with regard to scope and extent of coverage of transactions including compliance of Accounting Standards, categorisation of assets and review of Cost register.
8. We have broadly reviewed the books of account maintained by the Corporation pursuant to the rules made by the Central Government under section 209(1) (d) of the Companies act, 1956 for maintenance of cost records in respect of transmission of power. In our opinion, prima facie, the prescribed accounts and records have been made and maintained. We have not however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
9. (a) Based on our examination of books of account and according to the information and explanations given to us, in our opinion, the Corporation is regular in depositing undisputed statutory dues with the appropriate authorities and there were no arrears of such dues at the year end which have remained outstanding for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given and records produced to us, following are the details of the disputed income tax that have not been paid to the concerned authorities

Sl. No.	Assessment Year	Nature of Dues	Forum where the dispute is pending	Amount (in Rs. Crores)
1	Various assessment years	Tax Deduction at Source	Commissioner (Appeals)	61.39

10. Corporation has no accumulated losses as at March 31, 2010 and has not incurred cash loss in the financial year ended on that date or in the immediately preceding previous year.
11. Based on our examination of books of account and according to the information and explanations given to us, the Corporation has not defaulted in repayment of dues to a financial institution or Bank or Debenture holders.



12. According to the information and explanation given to us, the Corporation has not granted any loans & advances on the basis of security by way of pledge of shares, debentures and other securities. As such, paragraph 4(xii) of the order is not applicable.
13. The Corporation is not a Chit fund Corporation, Nidhi Corporation or mutual benefit Society. Therefore the provisions of paragraph 4(xiii) of the order are not applicable to the Corporation.
14. The Corporation is not dealing or trading in shares, securities, debentures and other investment and as such paragraph 4(xiv) of the order is not applicable.
15. According to the information and explanation given to us the Corporation has not given guarantees for loan taken by others from banks or financial institutions.
16. In our opinion and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained.
17. According to the Cash flow statement and other records examined by us and according to the information and explanation given to us, on an over all basis, funds raised on short term basis have prima facie, not been used during the year for long term investment other than temporary deployment pending receipt of long term loans.
18. The Corporation has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act.
19. The Corporation has not issued any debentures; accordingly the provision of paragraph 4(xix) of the order is not applicable.
20. The Corporation has not raised money by public issue as such paragraph 4(xx) of the order is not applicable.
21. According to the information and explanation given to us and to the best of our knowledge and belief, no fraud on or by the Corporation has been noticed or reported during the year under audit.

For **BADARI, MADHUSUDHAN & SRINIVASAN**
CHARTERED ACCOUNTANTS

Sd/-

N. SRINIVASAN
PARTNER

Membership No: 027887
FRN. 005389

Place: Bangalore
Date: September 7, 2010



**ADDENDUM TO DIRECTOR'S REPORT
FOR THE YEAR ENDED 31ST MARCH 2010**

**FOLLOWING REMARKS ARE OFFERED ON THE OBSERVATIONS /
COMMENTS OF THE STATUTORY AUDITOR ON THE ACCOUNTS FOR 2009-10**

Sl. No.	OBSERVATIONS OF STATUTORY AUDITORS	MANAGEMENT'S REPLY
1	<i>Valuation in respect of certain inventories made at standard rates instead of lower of cost or net realizable value as per Accounting Standard-2 on "Valuation of Inventories", the effect of which is not ascertainable in the absence of details;</i>	The action taken is as per para 2.20 of Annexure V of Electricity (Supply) Annual Accounts Rules, 1985 (ESAAR) issued under Sec. 69(1) of the Electricity (Supply) Act, 1948. With the promulgation of Electricity Act, 2003, the Act of 1948 was repealed while the ESAAR has been saved by virtue of Sec. 185 of the new Act of 2003. As such, the provisions of ESAAR are still applicable.
2	<i>Non charging of depreciation on assets aggregating to Rs.4,47,88,129 removed for repairs and charging depreciation on assets constructed on lease hold land at normal rates is not in conformity with Accounting Standard – 6 on "Depreciation Accounting" the effect of which is not ascertainable in the absence of details;</i>	As per the policy adopted by the Company, Depreciation is provided on the assets in use and assets released and found good, which can be reissued to works. The Company has not evolved a policy for providing depreciation on assets removed for repairs. The Electricity (Supply) Annual Accounts Rules, 1985 (ESAAR) has not prescribed any provisions for providing depreciation on removed assets issued for repairs.
3	<i>Fixed assets erected by third parties which vest with the Corporation under Regulation for Condition of Supply of Electricity of Karnataka Electricity Regulatory Commission are accounted in the books at the cost estimate approved by the Corporation in the absence of actual cost which is contrary to Accounting Standard – 12 on "Accounting for Government Grants" the effect of which is not ascertainable in the absence of details;</i>	After Commissioning of the assets erected by third parties, joint inventory of materials used are taken by the representatives of the Corporation and the party who erected the assets. If all the materials are used as per estimate, the cost of the asset as per estimate would be considered for taking into Gross Block of Assets of the Company. If there are any deviations from the estimate, appropriate cost of such materials are considered for categorization of such assets.
4	<i>Provision for long term employee benefits has not been made on the latest actuarial valuation report contrary to Accounting Standard – 15 on "Employee Benefits", the effect of which is not ascertainable in the absence of latest actuarial valuation report;</i>	The Company is providing for Pension & Gratuity at the percentage of Basic Pay, Dearness Pay and Dearness Allowance as intimated by Pension & Gratuity Trust from time to time. The P&G Trust is arriving at the percentage of contribution based on the Actuarial valuation. However, the P&G Trust will be requested to get the Actuarial Valuation done every year, in future.



SI. No.	OBSERVATIONS OF STATUTORY AUDITORS	MANAGEMENT'S REPLY
5	<p><i>Non recognition of Deferred Tax liability in respect of timing differences as per Accounting Standard – 22 "Accounting for Taxes on Income", the effect of which is not ascertainable in the absence of details;</i></p>	<p>KPTCL had Deferred Tax Liability of Rs.274.29 Crores as at 31st March 2009. In view of the fact that there is a substantial difference between the Depreciation as per books and as allowed under the Income Tax Act, 1961, the Company does not have any current tax liability as computed under that Act. Further, the Company has continuous plans for capital expenditure on the Transmission Infrastructure in the foreseeable future. Therefore, the tax liability computed under the provisions of 'Minimum Alternate Tax' (MAT) under Sec.115JB of the Income Tax Act, 1961 is being considered as the current tax expenditure for the year. Hence, Deferred Tax Liability of Rs.274.29 Crores as at 31st March 2009 is retained as at 31-3-2010 and no additional provision is worked out and provided for.</p>
6	<p><i>The provisions of Section 274(1)(9g) of the Companies Act, 1956 on the disqualification of the directors are not applicable to the Corporation as per paragraph 8 (ii) of Notification no; 02-05-2001 CLM dated 22-03-2002 of the Department of Company Affairs, Government of India;</i></p>	<p>No Comments</p>
7	<p><i>In our opinion and to the best of our information and according to the explanations given to us, subject to</i></p> <p>a. <i>Note No.7 regarding title deeds of land & building;</i></p> <p>b. <i>Note No. 8 regarding write off of Rs.3.24 crores under capital work in progress in the absence of details.</i></p>	<p>a. The process of obtaining title deeds is in progress</p> <p>b. The balances pertain to very old period the records of which could not be traced. Hence written off.</p>



Sl. No.	OBSERVATIONS OF STATUTORY AUDITORS	MANAGEMENT'S REPLY
7	<p>c. Note No. 11 regarding non provision of depreciation on transformers aggregating to Rs. 4.48 crores, the effect of which is not ascertainable in the absence of details;</p> <p>d. Note No. 12 regarding leased assets on termination and acquisition of asset at value of Rs. 1.12 crores</p> <p>e. Note No. 13 regarding non confirmation of balances under secured loans, current assets and current liabilities;</p> <p>f. Note No. 14 regarding non confirmation of balances on transactions with ESCOMs;</p> <p>g. Note No. 15 regarding unreconciled net credit balance of Rs.61.11 crores under Inter Unit Accounts.</p> <p>h. Note No. 16 regarding non ascertainment of liability towards property tax and Land cess, the effect of which is not ascertainable;</p> <p>i. Note No. 21 on payment of exgratia to employees in lieu of bonus</p> <p>j. Note No. 22 on other income regarding write back of Rs. 208 crores being the provision made up to 31-5-2002 towards pension and gratuity;</p> <p>k. Note No. 24 regarding write off of Rs.3.25 crores towards expenditure on survey & feasibility studies,</p> <p>l. Note No. 25 regarding non ascertainment of amount payable to suppliers covered under Micro, Small and Medium Enterprises Development Act, 2006</p>	<p>c. The Electricity (Supply) Annual Accounts Rules, 1985 (ESAAR) has not prescribed any provisions for providing depreciation on removed assets issued for repairs.</p> <p>d. Negotiations are going on. Necessary action will be taken after finalization of negotiations</p> <p>e. Considering the nature and volume of transactions, specific confirmation is not obtained. However, the details are maintained in schedules/Registers and no disputes are raised by concerned parties.</p> <p>f. Confirmation of balances from ESCOMs has been obtained in majority of cases. However, confirmation will be obtained in cases where not obtained.</p> <p>g. Reconciliation of IUA balances are constantly monitored</p> <p>h. Property tax is being paid / necessary provisions in the accounts have been made on receipt of demand notices or on estimates obtained from the concerned authorities.</p> <p>i. Exgratia is paid in accordance with the terms & conditions of tripartite agreement among GoK, KPTCL & Employees union & Associations.</p> <p>j. As the GoK has assumed the responsibility of discharging the terminal benefits of employees upto 31-5-2002, this unfunded liability existing in the books of Accounts of KPTCL has no relevance and hence cleared.</p> <p>k. The amount has been written off in view of the fact that many projects have not been taken up as they are not feasible.</p> <p>l. The Company has not received intimation from suppliers regarding their status under Micro, Small and Medium Enterprises Development Act, 2006</p>



BALANCE SHEET AS AT MARCH 31ST 2010

(Amount in Rs.)

Sl. No.	Particulars	SCH NO	A/c Code	As at 31-03-2010		As at 31-03-2009	
I	SOURCES OF FUNDS:						
1	Share holders Funds						
	Share Capital	1	52.301	690 32 25 000		690 32 25 000	
	Share Deposit	1A	52.302	485 00 00 000		342 94 39 310	
	Reserves and Surplus	2	55 to 58	345 93 18 405		308 88 24 164	
					1521 25 43 405		1342 14 88 474
2	Loans Funds						
	Secured Loans	3	51 to 54	5182 05 99 068		4451 46 16 730	
	Unsecured Loans	4	52 & 54	16 70 31 628		22 08 46 458	
					5198 76 30 696		4473 54 63 188
3	Other Funds						
	Service Line and Security Deposits	5	47 & 48	66 93 82 580	66 93 82 580	43 80 42 182	43 80 42 182
4	Deferred Tax Liability	5A	46.802	274 28 98 876	274 28 98 876	274 28 98 876	274 28 98 876
	TOTAL				7061 24 55 557		6133 78 92 720
II	APPLICATION OF FUNDS :						
1	Fixed Assets						
	(a) Gross Block	6	10 & 12	7808 59 28 283		6884 31 18 030	
	(b) Less: Depreciation			-2305 91 43 330		-1977 14 99 720	
	(c) Net Block			5502 67 84 953		4907 16 18 310	
	(d) Capital Work in Progress	7	14 & 15	2922 22 92 884		1598 04 26 077	
	(e) Asset not in use	7A	16	17 18 45 508		6 84 91 960	
	(f) Deferred Costs	7B	17			6 44 12 141	
				2939 41 38 392	8442 09 23 345	1611 33 30 178	6518 49 48 488
2	Investments	8					
3	Current Assets, Loans and Advances						
	(a) Interest accrued on Inv. & Deposits	9					
	(b) Stores & Spares	10	22	101 14 03 999		111 55 00 260	
	(c) Sundry Debtors	11	23 & 28.1	264 08 63 520		221 93 57 273	
	(d) Cash and Bank balances	12	20 & 24	163 77 23 372		146 83 26 254	



BALANCE SHEET AS AT MARCH 31ST 2010

(Amount in Rs.)

Sl. No.	Particulars	SCH NO	A/c Code	As at 31-03-2010		As at 31-03-2009	
	(e) Loans and Advances	13	25 to 27 & 28	59 08 57 438		1308 32 61 596	
	(f) Other Assets	14	28.4 to 28.9 & 31 to 37	2249 92 93 138		2444 59 41 948	
				2838 01 41 467		4233 23 87 331	
	Less:						
	Current Liabilities & Provisions	15	40 to 55	4218 86 09 255		4617 94 43 099	
	Net Current Assets				-1380 84 67 788		-384 70 55 768
	TOTAL				7061 24 55 557		6133 78 92 720

Significant Accounting Polices
Notes to Accounts form part of the Balance sheet

Sd/-
(R. SRIDHARA)
Company Secretary

Sd/-
(ADITI RAJA)
Director (Finance)

Sd/-
(V.G. PANDIT)
Financial Adviser(A&R)

Sd/-
(G. LATHA KRISHNA RAO)
Managing Director

As per our report of even date
FOR BADARI, MADHUSUDHAN & SRINIVASAN
Chartered Accountants

Sd/-
(N. SRINIVASAN)
Partner
Membership No.027887

Place: Bangalore.
Date : 7.9.2010



PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2010

(Amount in Rs.)

Sl. No.	Particulars	SCH. NO	A/c Code	Current Year 2009-10	Previous Year 2008-09
I	INCOME				
1	Revenue from Transmission of Power	16	61	925 55 25 907	799 01 87 322
2	Revenue Subsidies & Grants	17	63		
3	Other Income	18	62	306 33 37 362	173 53 84 438
	TOTAL			1231 88 63 269	972 55 71 760
II	EXPENDITURE				
1	Purchase of Power(Prior to 10-06-2005)	19	70	8 16 90 987	71 03 59 548
2	Repairs and Maintenance	20	74	66 66 57 274	23 77 60 173
3	Employee Costs	21	75	246 72 12 128	222 98 02 528
4	Administrative and Other Expenses	22	76	40 34 52 788	55 21 80 874
5	Other Expenses	23	77 & 79	36 64 33 499	5 92 14 792
	SUB-TOTAL			398 54 46 676	378 93 17 915
6	Less: Expenses Capitalised	24	74.9,75.9 & 76.9	25 20 21 512	22 41 20 769
	TOTAL			373 34 25 164	356 51 97 146
III	PROFIT BEFORE DEPRECIATION AND INTEREST				
				858 54 38 105	616 03 74 614
1	Less: Depreciation (Net)	25	77	358 57 07 381	185 95 76 606
IV	PROFIT BEFORE INTEREST AND TAXES				
				499 97 30 724	430 07 98 008
1	Less : Interest and other Bank Charges(Net)	26	78 & 80	483 70 31 089	394 64 93 264
2	Add / Less: Net amount of Extra ordinary items	28			
3	Add/(Less) : Prior period credits/(charges)	29	65 & 83	-10 30 63 697	-12 67 55 933



SCHEDULE: 01 SHARE CAPITAL

(Amount in Rs.)

Sl. No	Particulars	A/c Code	As at 31-03-2010		As at 31-03-2009	
1	Authorised Capital 1,00,00,000 Equity shares of Rs. 1000/- each		1000 00 00 000		1000 00 00 000	
2	Issued, Subscribed and Paid up (6903225 Shares of Rs1000/- each of the above shares. These shares are allotted as fully paid-up pursuant to a contract without payments being received in cash)	52.301	690 32 25 000		690 32 25 000	
				690 32 25 000		690 32 25 000
TOTAL				690 32 25 000		690 32 25 000

SCHEDULE: 1A SHARE DEPOSIT

(Amount in Rs.)

Sl. No	Particulars	A/c Code	As at 31-03-2010		As at 31-03-2009	
	Share Deposit (Received from GOK Pending Allotment)	52.302 & 52.303	485 00 00 000		300 00 00 467	
	Adjustments Pending renotification by GOK *	52.304 to 52.309			42 94 38 843	
				485 00 00 000		342 94 39 310
TOTAL				485 00 00 000		342 94 39 310

*Figures as at 31/03/2010 is depicted in Schedule 15



SCHEDULE: 02 RESERVES AND SURPLUS

(Amount in Rs.)

Sl. No	Particulars	A/c Code	As at 31-03-2010		As at 31-03-2009	
	Capital Reserve	56.2	2 39 23 665		2 39 23 665	
	Other Reserves :-					
	Reserve for Materials Cost Variance	56.610			54 85 593	
	Surplus in Profit and Loss Account	58	178 67 97 734		170 20 04 834	
	Contributions, grants and subsidies towards cost of Capital assets :-					
	Contribution towards cost of capital assets	55.1	143 79 22 007		124 67 35 070	
	Special Grant received from GOK towards Floods relief works	55.309	10 00 00 000			
	Special Grant towards Capital Works	55.500	11 06 74 999		11 06 74 999	
	TOTAL			345 93 18 405		308 88 24 161



SCHEDULE: 03 SECURED LOANS

(Amount in Rs.)

Sl. No	Particulars	A/c Code	As at 31-03-2010		As at 31-03-2009	
	Loans From Financial Institutions					
	Loans from REC (Guaranteed by State Govt. and Escrow)	53.300	30 22 27 170		44 16 87 193	
	Short term Loans obtained from Commercial Banks / Financial Institutions(Mortgage of Assets and Charge on Receivables)	53.324	1100 00 00 000		480 00 00 000	
	Loans obtained from UCO Bank (Hypothication of Plant and machinery)	53.325	503 00 00 000		13 00 00 000	
	Loans obtained from Vijaya Bank (Hypothication of assets)	53.330	354 39 03 694		378 00 24 680	
	Loans obtained from South Indian Bank (Hypothication of assets)	53.345	87 50 00 000		92 50 00 000	
	Loan drawn from Punjab National Bank	53.346	258 75 00 000		293 25 00 000	
	Loan drawn from Oriental Bank of Commerce	53.347	77 50 00 000		159 50 00 000	
	Loan drawn from Corporation Bank	53.353	132 50 00 000		42 50 00 100	
	Loan drawn from Bank of Maharastra	53.354	165 00 00 000		85 00 00 000	



SCHEDULE: 03 SECURED LOANS (Continued)

(Amount in Rs.)

Sl. No	Particulars	A/c Code	As at 31-03-2010		As at 31-03-2009	
	Loan from BOI	53.355	155 52 00 000		200 00 00 000	
	Loans drawn from Bank of Baroda (Hypothecation of Assets)	53.356	183 33 33 334		200 00 00 000	
	Loan drawn from Indian Bank	53.357	100 00 00 000		100 00 00 000	
	Loan from Bank of Rajasthan	53.358	100 00 00 000		100 00 00 000	
	Loans from HDFC (Guaranteed by Escrow and Title deed)	53.900	51 05 850		93 35 165	
	Loans from Power Finance Corporation Ltd., (Guaranteed by GOK and Mortgage of assets)	53.960	1933 83 29 020	5182 05 99 068	2261 09 21 513	4449 94 68 651
	Principal & Interest Accrued and Due	51.1 & 51.2			1 51 48 079	1 51 48 079
	TOTAL			5182 05 99 068		4451 46 16 730
	Repayable within Next 12 Months/Conversion/Roll over			1469 57 69 825		366 90 58 983



SCHEDULE: 04 UNSECURED LOANS

(Amount in Rs.)

Sl. No	Particulars	A/c Code	As at 31-03-2010		As at 31-03-2009	
	Bonds					
	Public Bonds (Guaranteed by GOK)	52.110			3 03 00 000	3 03 00 000
	Loans from REC - Rationalised REC-Loans (Guaranteed by GOK)	53.302	1 30 01 132	1 30 01 132	1 96 03 652	1 96 03 652
	APDRP - REC Loan Account	53.336	7 68 01 113	7 68 01 113	8 77 72 701	8 77 72 701
	FUNDS FROM STATE GOVT.					
	State Govt. loans	54.200	7 72 29 383	7 72 29 383	8 31 70 105	8 31 70 105
TOTAL				16 70 31 628		22 08 46 458
Repayable within Next 12 Months				2 19 76 102		5 38 14 829



SCHEDULE: 05 DEPOSIT CONTRIBUTION WORKS AND SECURITY DEPOSITS

(Amount in Rs.)

Sl. No	Particulars	A/c Code	As at 31-03-2010		As at 31-03-2009	
	Deposit Contribution works	47.3	66 93 82 580		43 80 42 182	
TOTAL				66 93 82 580		43 80 42 182

SCHEDULE: 5A DEFERRED TAX LIABILITY

(Amount in Rs.)

Sl. No	Particulars	A/c Code	As at 31-03-2010		As at 31-03-2009	
	Deferred Tax Liability	46.802	274 28 98 876		274 28 98 876	
TOTAL				274 28 98 876		274 28 98 876



SCHEDULE: 6 FIXED ASSETS AND ACCUMULATED DEPRECIATION

(Amount in Rs.)

Asset Group	A/c Code	Gross Block				Depreciation				Net Block		
		As at 01/04/2009	Additions	Deductions/ Adjustments	As at 31/03/2010	A/c Code	As at 01/04/2009	Additions	Deductions/ Adjustments	As at 31/03/2010	As at 01/04/2009	As at 31/03/2010
Land & Rights	10.1	77 86 46 208	26 36 42 003	9 70 10 206	113 92 98 417	12.1					77 86 46 208	113 92 98 417
Land held under Lease	10.103	2 44 46 055	2 60 15 274	- 60 76 535	4 43 84 794						2 44 46 055	4 43 84 794
Buildings	10.2	265 44 62 583	38 61 35 418	1 77 80 454	305 83 78 455	12.2	59 00 88 437	9 46 96 972	31 27 711	68 79 13 120	206 43 74 146	237 04 65 335
Hydraulic Works	10.3	22 12 21 521	5 97 21 482	67 90 844	28 77 33 847	12.3	2 10 12 963	1 35 62 838	4 81 953	3 50 57 754	20 02 08 558	25 26 76 093
Other Civil Works	10.4	25 87 12 719	2 73 31 773	46 86 457	29 07 30 949	12.4	2 62 88 176	91 67 167	3 82 474	3 58 37 817	23 24 24 543	25 48 93 132
Plant & Machinery	10.5	4120 64 99 014	618 67 81 118	-73 76 10 391	4685 56 69 741	12.5	11 75 39 96 782	225 98 26 260	-38 10 14 037	13 63 28 09 005	2945 25 02 232	3302 28 60 736
Lines Cable Networks	10.6	2351 01 76 641	278 63 65 656	10 90 97 724	2640 56 60 021	12.6	7 27 59 40 859	129 65 93 898	-1 02 50 111	8 56 22 84 646	1623 42 35 782	1784 33 75 375
Vehicles	10.7	7 12 81 855	13 03 017	- 20 67 752	7 05 17 120	12.7	5 45 63 444	16 00 163	- 18 45 065	5 43 18 542	1 67 18 411	1 61 98 578
Furniture & Fixtures	10.8	7 77 47 675	1 35 90 012	1 00 30 311	10 13 67 998	12.8	2 77 08 086	55 27 983	8 53 481	3 40 89 550	5 00 39 589	6 72 78 448
Office Equipments	10.9	3 14 58 287	90 58 725	- 95 59 079	3 09 57 933	12.9	1 58 22 625	15 20 152	- 5 09 881	1 68 32 896	1 56 35 662	1 41 25 037
Software for Internal Use	18.101	84 65 472	16 56 928	- 88 93 392	12 29 008	12.801	60 78 348	27 07 572	- 87 85 920		23 87 124	12 29 008
Total		6884 31 18 030	976 16 21 406	-51 86 11 153	7808 59 28 283		1977 14 99 720	368 52 03 005	-39 75 59 395	2305 91 43 330	4907 16 18 310	5502 67 84 953
Previous Year figures		5469 30 79 462	1475 43 13 090	-60 42 74 522	6884 31 18 030		1794 18 65 285	196 75 46 159	-13 79 11 724	1977 14 99 720	3675 12 14 177	4907 16 18 310



SCHEDULE: 07 CAPITAL WORKS IN PROGRESS

(Amount in Rs.)

Sl. No	Particulars	A/c Code	As at 31-03-2010		As at 31-03-2009	
	Capital Work in Progress	14	1931 47 73 219		1597 94 87 214	
	Sub Total			1931 47 73 219		1597 94 87 214
	Revenue expenses pending allocation over Capital Works	15.201 to 15.206	5 88 191		9 38 863	
	Sub Total			5 88 191		9 38 863
	Turnkey Contractors Control Account *	26.605	990 69 31 474			
	Sub Total			990 69 31 474		
	TOTAL			2922 22 92 884		1598 04 26 077

* Figures as at 31/03/2009 is depicted in Schedule 13



SCHEDULE: 07A ASSETS NOT IN USE

(Amount in Rs.)

Sl. No	Particulars	A/c Code	As at 31-03-2010		As at 31-03-2009	
	WDV of Obsolete / Scrapped Assets	16.1	6 41 02 111		2 88 57 036	
	WDV of Faulty / Dismantled Assets	16.2	10 77 43 397		3 96 34 924	
	Sub Total			17 18 45 508		6 84 91 960
	TOTAL			17 18 45 508		6 84 91 960



SCHEDULE: 7B DEFERRED COSTS

(Amount in Rs.)

Sl. No	Particulars	A/c Code	As at 31-03-2010		As at 31-03-2009	
	Expenditure on Survey / Feasibility studies of projects not yet Sanctioned	17.300	Nil		11 94 760	
	Preliminary expenditure on survey / feasibility studies of projects not yet sanctioned	17.301	Nil		6 32 17 381	
						6 44 12 141
	TOTAL		Nil			6 44 12 141



SCHEDULE: 08 INVESTMENTS

(Amount in Rs.)

Sl. No	Particulars	A/c Code	As at 31-03-2010		As at 31-03-2009	
1	Investments:					
	Quoted					
	Un Quoted					
	Investments in Subsidiaries	20.3		Nil		Nil
	Investments in Partnership / Joint Ventures	20.4		Nil		Nil
	TOTAL			Nil		Nil



SCHEDULE: 09 INTEREST ACCRUED ON INVESTMENTS AND DEPOSITS

(Amount in Rs.)

Sl. No	Particulars	A/c Code	As at 31-03-2010		As at 31-03-2009	
				Nil		Nil
TOTAL				Nil		Nil



SCHEDULE: 10 STORES AND SPARES

(Amount in Rs.)

Sl. No	Particulars	A/c Code	As at 31-03-2010		As at 31-03-2009	
	Materials Stock Account					
	Materials Stock Account	22.610	101 18 56 412		111 63 83 897	
	Materials in Transit Account.	22.680	1 10 627			
	Sub-Total			101 19 67 039		111 63 83 897
	Materials stock Excess / Shortage Pending Investigation.					
	Stock Excess pending Investigation.	22.810	- 6 72 840		- 16 95 376	
	Stock Shortage pending investigation.	22.820	1 09 800		8 11 739	
	Sub-Total			- 5 63 040		- 8 83 637
	TOTAL			101 14 03 999		111 55 00 260



SCHEDULE: 11 SUNDRY DEBTORS

(Amount in Rs.)

Sl. No	Particulars	A/c Code	As at 31-03-2010		As at 31-03-2009	
	(Un-secured and considered good)					
	Sundry Debtors for Transmission Charges					
	BESCOM	23.101	43 01 74 384		36 18 47 617	
	MESCOM	23.102	29 07 58 856		28 58 53 370	
	HESCOM	23.103	74 19 63 561		37 45 38 324	
	GESCOM	23.104	27 56 96 714		32 63 59 459	
	CESCO	23.107	69 42 23 605		45 45 14 605	
	Sundry Debtors for Transmission charges- Hukkeri Co-op Soceity.	23.109	14 42 25 146		13 29 89 264	
	Sundry Debtors for sale of Power – Intra State Hukkeri Co-op Soceity.	23.205			6 57 57 275	
	Sundry Debtors for sale of Power – Inter State	23.6			42 53 797	
	Sundry debtors - Delayed payment charges	23.7			17 26 43 794	
	Sub-Total			257 70 42 266		217 87 57 505
	Less :					
	Provision for withdrawal of Revenue demand	23.8	- 92 35 580	- 92 35 580	- 92 35 580	- 92 35 580
	Net Receivables against Supply of Power					
	Sundry Debtors - Others	28.101 to 28.109, 28.111 to 28.124	7 30 56 834	7 30 56 834	4 98 35 348	4 98 35 348
	TOTAL			264 08 63 520		221 93 57 273

Annexure to Schedule 11 - Sundry Debtors

(Rs. in Crores)

1) Over 6 months old	14.42
2) Others	249.67



SCHEDULE: 12 CASH AND BANK BALANCES

(Amount in Rs.)

Sl. No	Particulars	A/c Code	As at 31-03-2010		As at 31-03-2009	
	Fixed Deposits with Bank	20.2	28 38 20 445	28 38 20 445	65 73 11 551	65 73 11 551
	Cash Accounts					
	Cash on Hand	24.110	3 28 909		19 44 854	
	Postage stamps on hand	24.120	1 53 949		1 14 835	
	Sub-Total			4 82 858		20 59 689
	Cash Imprest with Staff – Accounts					
	Imprest	24.210	18 69 500	18 69 500	17 79 500	17 79 500
	Collecting Bank Accounts	24.3	1 64 39 584	1 64 39 584	41 69 612	41 69 612
	Disbursement Bank Account					
	Disbursement Bank Account - State Bank of Mysore	24.401	18 70 37 216		7 66 78 575	
	Disbursement Bank Account - State Bank of India	24.402 + 24.730	5 29 63 580		1 27 29 668	
	Disbursement Bank Account - State Bank of Hyderabad	24.403 + 24.740	4 53 481		98 856	
	Disbursement Bank Account - Canara Bank	24.404 + 24.750	33 05 950		11 54 897	
	Disbursement Bank Account - Syndicate Bank	24.405 + 24.760	23 81 63 705		7 47 14 869	
	Disbursement Bank Account - Punjab National Bank	24.408	31 416		31 416	
	Disbursement Bank Account - Vijaya Bank	24.409 + 24.711 + 24.712	27 95 517		51 97 917	



SCHEDULE: 12 CASH AND BANK BALANCES (Continued

(Amount in Rs.)

Sl. No	Particulars	A/c Code	As at 31-03-2010		As at 31-03-2009	
	Disbursement Bank Account - Bank of Baroda	24.420+ 24.781+ 24.417	10 12 47 649		17 106	
	Disbursement Bank Account - ICICI Bank	24.422, 24.803, 24.801	32 222		32 222	
	Disbursement Bank Account - Bank of India	24.423 + 24.810	10 00 00 000		1 51 48 079	
	Disbursement Bank Account - Corporation Bank	24.424 + 24.820	10 01 34 916		14 596	
	Disbursement Bank Account - HDFC Bank	24.830	16 17 226		26 89 309	
	Govt. Treasury	24.850	81 976		81 976	
	Disbursement Bank Account - Indian Bank	24.860	10 11 29 751		73 966	
	Disbursement Bank Account- Bank of Rajasthan	24.870 & 24.876	1 01 728		1 01 728	
	Disbursement Bank Account- Punjab and Sind Bank	24.890	10 00 00 000			
	Disbursement Bank Accounts	24.4	98 90 96 333	98 90 96 333	18 87 65 180	18 87 65 180
	Remittance to Head Office -Transit Account	24.5	6 89 72 587	6 89 72 587	10 15 131	10 15 131
	Transfers from Head Office In Transit Account	24.6	27 70 42 065	27 70 42 065	61 32 25 591	61 32 25 591
	TOTAL			163 77 23 372		146 83 26 254



SCHEDULE: 13 LOANS AND ADVANCES

(Amount in Rs.)

Sl. No	Particulars	A/c Code	As at 31-03-2010		As at 31-03-2009	
	Advances Recoverable in cash or in kind or for value to be received					
A)	Advance Income Tax and Tax deductions at source	27.4 & 28.821	38 39 31 782		45 48 30 820	
B)	Secured Advance			38 39 31 782		45 48 30 820
	Advances to Staff - Interest Bearing	27.101 to 27.106	95 58 398		1 66 07 601	
	Advances to Staff - Interest Free	27.201 to 27.210	2 35 01 680		3 23 26 749	
C)	Unsecured Advance			3 30 60 078		4 89 34 350
I)	Considered Good Suppliers and Contractors *	25 & 26	17 38 65 578		1257 94 96 426	
				17 38 65 578		1257 94 96 426
	TOTAL			59 08 57 438		1308 32 61 596

*Advance to Turn key contractors for 2009-2010 is depicted in Schedule-7



SCHEDULE: 14 OTHER ASSETS

(Amount in Rs.)

Sl. No	Particulars	A/c Code	As at 31-03-2010		As at 31-03-2009	
	Income Accrued but not Due	28.3	52 38 777		38 14 978	
	Amounts Recoverable from Employees	28.4	4 83 78 246		4 15 20 266	
	Subsidy / Grants receivable from GOK	28.620	1399 70 33 458		1488 59 87 189	
	Claims for Loss / Damage to Materials	28.72			2 19 162	
	Claims for Loss / Damage to Capital Assets	28.74	2 05 606		- 33 12 798	
	Other Receivables - BESCO	28.8 & 28.9, 28.125	5 76 14 271		4 65 49 913	
	Other Receivables - MESCOM	28.8 & 28.9, 28.126	10 01 36 208		11 21 57 205	
	Other Receivables - HESCO	28.8 & 28.9, 28.127	3 72 83 661		7 74 07 654	
	Other Receivables - GESCOM	28.8 & 28.9, 28.128	7 53 51 344		10 71 90 240	
	Other Receivables - CESCO	28.9	19 61 043		17 65 634	
	Running cost of VSAT-Receiveable from Non-KPTCL VSAT users	28.974			21 19 975	
	Receivables - P & G Trust	28.907			17 46 95 607	



SCHEDULE: 14 OTHER ASSETS (continued.....)

(Amount in Rs.)

Sl. No	Particulars	A/c Code	As at 31-03-2010		As at 31-03-2009	
	Other Receivables	28.8 & 28.9	83 43 37 709		47 97 56 009	
	UI Charges pertaining to Intra state ABT	28.976 to 28.980	117 33 98 431		117 33 98 431	
	Prepaid Expenses	28.820	1 64 43 650		89 37 965	
	Deposits	28.930 to 28.937	54 50 95 440		73 39 33 846	
	Regulatory Asset- Receivable towards additional fixed cost of TBPCL from ESCOMS	28.968 to 28.973	543 84 00 000		543 84 00 000	
	Balance of Banked Energy as at Year end	29.101	6 085		10 81 161	
	Inter Unit Accounts	31 to 37	-61 11 10 123		-25 49 40 773	
	Pooled Loan Account	53.999	77 95 19 332		141 52 60 284	
				2249 92 93 138		2444 59 41 948
	TOTAL			2249 92 93 138		2444 59 41 948



SCHEDULE: 15 CURRENT LIABILITIES & PROVISIONS

(Amount in Rs.)

Sl. No	Particulars	A/c Code	As at 31-03-2010		As at 31-03-2009	
I	LIABILITIES					
	Sundry Creditors for purchase of power					
	Tamilnadu Electricity Board	41.101	26 44 50 757		26 63 79 930	
	Andhra Pradesh Transmission Corp.	41.104	3 85 04 127		3 85 04 127	
	Karnataka Power Corporation Ltd.	41.108	1398 94 34 305		1290 73 12 935	
	Visvesvaraya Vidyuth Nigama Limited	41.109	27 28 35 035		27 28 35 035	
	P.G.C.I.L.	41.113	1 68 32 219		8 96 975	
	Ugar Sugar Works Limited Co-Generation Plant (USWLCGP), Ugar	41.119			37 64 542	
	JTPCL	41.125	9 97 40 936		9 97 40 936	
	Sri Renuka sugar Ltd.,	41.126			47 53 316	
	Royalaseema Alkalies	41.129	2 23 50 948		2 23 50 948	
	Tata Company Ltd.	41.131	1 90 96 055		1 90 96 055	
	South India Paper Mills	41.132			29 23 794	
	Thanneerbhavi Co. Ltd.	41.133	43 69 663		43 69 663	
	BSES Ltd.	41.152			42 47 679	
	Chathisgarh State Electricity Board	41.156	83 32 195		83 32 195	
	Vijayalakshmi Hydro Power Pvt. Ltd.	41.158			5 09 246	
	K.R.E.D.L	42.292			- 75 136	
	Mysore Paper Mills Ltd	41.301	7 74 93 528		7 74 93 528	



SCHEDULE: 15 CURRENT LIABILITIES & PROVISIONS (Contd)
(Amount in Rs.)

Sl. No	Particulars	A/c Code	As at 31-03-2010		As at 31-03-2009	
	Provision for Liability for Purchase of Power	41.500	15 83 806		3 61 36 194	
	Provision for Liability for Unutilized Balance of Banked Energy as at the Year end	41.600	6 085		10 81 161	
	Sub-Total			1481 50 29 659		1377 06 53 123
	Liability for Suppliers/ Works					
	Payables - BESCOM	42	240 82 54 586	240 82 54 586	308 92 56 266	308 92 56 266
	Payables - MESCOM	42	69 99 29 573		59 27 52 838	
	Payables - HESCOM	42	9 08 42 685		6 72 95 697	
	Payables - HESCOM	42	26 88 31 283		26 69 57 280	
	Payables - GESCOM	42	3 75 68 477		3 60 18 903	
	Payables - CESCO	42	9 57 93 516		7 63 70 959	
				119 29 65 534		103 93 95 677
	Provision towards pensionary benefits in respect of employees existing as on 31-05-2002	44.121			208 44 90 814	
	Provision for Pension and Gratuity payable to P&G Trust	44.122, 44.274, 44.275	23 19 45 375		1 09 66 409	
	KPTCL Liability in respect of Pension, Gratuity and Leave Encashment as per Actuarial Valuation	44.123 to 44.126, 44.131, 44.132			130 27 26 627	
	Payables - VVNL	42			70 20 483	
	Transmission charges collected pending Refixation of Tariff-Hukkeri	46.989	1 26 18 427		1 26 18 427	



SCHEDULE: 15 CURRENT LIABILITIES & PROVISIONS (Contd)
(Amount in Rs.)

Sl. No	Particulars	A/c Code	As at 31-03-2010		As at 31-03-2009	
	Transmission charges collected pending Refixation of Tariff-ESCOMS	46.984 to 46.988	261 17 65 715		261 17 65 715	
	Payables - ESCOMS	42 & 46	9 77 01 111		96 81 23 702	
	Sub Total			295 40 30 628		699 77 12 177
	Staff Related Liabilities					
	Unpaid Salaries	44.210	1 22 870		86 546	
	Unpaid Bonus	44.220	38 233		51 312	
	Salary payable	44.310 & 44.311	12 71 536		27 05 684	
	Bonus payable	44.320	99 30 428		63 88 143	
	Ex-gratia payable	44.330	2 33 64 748		2 59 68 541	
	Sub Total			3 47 27 815		3 52 00 226
	Other Liabilities and Provisions					
	Security Deposits in cash from Suppliers / Contractors	46.101	68 53 56 253		50 52 90 702	
	KPTCL Pensioners / Family Pensioners Family Benefit / Security Fund	46.103	2 75 66 873		2 40 93 716	
	Retention Money - Bill amount retained as per terms of P.O / Turnkey Contract	46.104	532 57 91 610		569 07 78 755	
	Funds received from Resources Section, KPTCL to SLDC	46.108	15 14 94 237		2 97 91 095	
	Penalty recovered pending decision for refund	46.109	279 68 55 028		237 51 38 158	



SCHEDULE: 15 CURRENT LIABILITIES & PROVISIONS (Contd)
(Amount in Rs.)

Sl. No	Particulars	A/c Code	As at 31-03-2010		As at 31-03-2009	
	Encashment of Bank Gaurantee pending decision for adjustment to Capital works	56.202	3 64 04 008		5 42 82 462	
	Liability for Expenses	46.410 To 46.470	52 44 60 254		50 79 85 918	
	Cheques issued in transit	24.7 & 24.8	104 22 62 997		90 23 60 747	
	Interest accrued but not due on borrowings	46.710	47 67 01 608		53 32 89 347	
	Sundry Liabilities	46.9	34 82 88 400		92 13 73 157	
	UI Charges payable- Intra state ABT	46.990 to 46.994	117 33 98 431		117 33 98 431	
	Security Deposit from Employees	46.920	48 500		49 457	
	Miscellaneous Deposit	46.966	44 80 25 898		40 44 05 732	
	Additional Fixed cost of TBPCL recoverable from ESCOMS pending adjustment to subsidy	46.983	543 84 00 000		543 84 00 000	
	Amount Received from GOK pending payment to P&G Trust	28.876			16 47 80 604	
	Other Loans payable to ESCOMS in respect of APDRP and PMGY	53.307, 53.322, 53.323			24 17 900	
	Loans of KPTCL parked with GOK	53.998	77 95 19 332		141 52 60 284	
	Adjustments pending re-notification by GOK *	52.304 to 52.309	42 94 38 843			
	Sub-Total			1968 40 12 272		2014 30 96 465



SCHEDULE: 15 CURRENT LIABILITIES & PROVISIONS (Contd)

(Amount in Rs.)

Sl. No	Particulars	A/c Code	As at 31-03-2010		As at 31-03-2009	
II	Provisions					
	Provision for Leave encashment and Family Benefit Fund	44.130, 44.140 to 44.142	69 32 65 185		48 95 52 945	
	Provision for Income-Tax	46.800	35 63 39 241		48 93 30 811	
	Provision for FBT	46.801	4 99 84 335		12 52 45 409	
	Sub-Total			109 95 88 761		110 41 29 165
	TOTAL			4218 86 09 255		4617 94 43 099

* Figures as at 31/03/2009 is depicted in Schedule 1A



SCHEDULE: 16 REVENUE FROM TRANSMISSION OF POWER

(Amount in Rs.)

Sl. No	Particulars	A/c Code	Current Year 2009-10		Previous Year 2008-09	
	Transmission Charges:-					
	BESCOM	61.211	446 47 04 925		381 68 43 063	
	MESCOM	61.212	69 57 03 839		60 88 37 534	
	HESCOM	61.213	169 31 23 796		144 98 65 408	
	GESCOM	61.214	112 96 64 605		111 27 85 801	
	CESC	61.217	86 78 41 338		80 47 56 202	
	Open Access Customers	61.218	26 12 63 959		7 53 16 033	
	Hukkeri Co-op Soceity	61.219	3 86 94 607		3 27 25 086	
	Sub - total			915 09 97 069		790 11 29 127
	Wheeling charges recoveries	61.8	7 00 96 779	7 00 96 779	4 93 14 545	4 93 14 545
	Delayed payment charges from Hukkeri Electricity Co-op Soceity	61.915	4 22 68 031		4 80 94 467	
	Sub - total			4 22 68 031		4 80 94 467
	Less:Withdrawal of Revenue Demand	83.830	- 78 35 972	- 78 35 972	- 8350817	- 8350817
	TOTAL			925 55 25 907		799 01 87 322



SCHEDULE: 17 REVENUE SUBSIDIES AND GRANTS

(Amount in Rs.)

Sl. No	Particulars	A/c Code	Current Year 2009-10		Previous Year 2008-09	
i)	R.E. Subsidies	63.110				
ii)	Grant-in aid for Survey and Investigation	63.130				
iii)	Grant for HKDP Works	63.140				
iv)	Assistance for special component plan	63.141				
v)	Assistance for Tribal sub-plan	63.142				
TOTAL			Nil		Nil	



SCHEDULE: 18 OTHER INCOME

(Amount in Rs.)

Sl. No	Particulars	A/c Code	Current Year 2009-10		Previous Year 2008-09	
	Interest on Staff Loans and Advances.	62.210 to 62.214	96 76 673	96 76 673	1 79 81 541	1 79 81 541
	Other income - Interest					
	Interest on securities.	62.221	600		600	
	Interest on Bank Fixed Deposits	62.222	2 97 58 078		5 63 33 606	
	Interest on Advances to Suppliers / Contractors	62.260			24 393	
	Interest from Banks.	62.270	38 549		20 093	
	Sub-Total Other income			2 97 97 227		5 63 78 692
	Profit on sale of stores	62.330	2 01 55 922		91 10 281	
	Sale of scrap	62.340	2 61 17 623		2 80 89 364	
	Other Miscellaneous receipts	62.360	1 95 12 563		45 49 557	
	Reactive Energy Charges demanded on IPPs	62.361			23 70 373	
	Revenue from IPPs for excess drawal of Energy from KPTCL's Grid	62.362	4 943		16 98 284	
	Open access Processing fee	62.363	44 96 000			
	Gain on Sale of Assets	62.400	86 81 855			
	Sub-Total			7 89 68 906		4 58 17 859



SCHEDULE: 18 OTHER INCOME (Continued.....)

(Amount in Rs.)

Sl. No	Particulars	A/c Code	Current Year 2009-10		Previous Year 2008-09	
	Miscellaneous Receipts					
	Rental from Staff Quarters	62.901	4 72 04 077		3 50 49 215	
	Rental from others	62.902	7 64 523		12 79 974	
	Excess found on physical verification of Cash	62.904	703			
	Excess found on physical verification of Materials Stock.	62.905	10 09 988		28 90 075	
	Supervision Charges	62.907	6 89 51 361		5 64 43 348	
	Miscellaneous Recoveries.	62.917	36 18 71 927		15 99 25 299	
	Incentives received	62.918	4 65 314			
	Rental from BESCO	62.925	3 69 78 697		5 65 69 461	
	Rental from MESCOM	62.926	54 50 767		62 37 259	
	Rental from HESCO	62.927	52 04 626		36 31 284	
	Rental from GESCOM	62.928	39 58 304		35 56 233	
	Rental from CESC	62.929	58 76 587		47 72 140	
	Excess provision in earlier years no longer required	62.923	245 23 17 182		128 48 52 058	
	Sub-Total			299 00 54 056		161 52 06 346
	Less : Withdrawal of Miscellaneous Income*	83.834	-4 51 59 500	-4 51 59 500		
	TOTAL			306 33 37 362		173 53 84 438

* Figures for previous year is depicted in Schedule 29



SCHEDULE: 19 PURCHASE OF POWER

(Amount in Rs.)

Sl. No	Particulars	A/c Code	Current Year 2009-10		Previous Year 2008-09	
	Purchase of Power *					
	Tamilnadu Electricity Board	70.101	39 05 811		4 99 09 513	
	National Thermal Power Corporation - RSTP	70.110	96 97 855		62 00 80 739	
	Transmission charges to Power Grid Corporation of India Ltd.,	70.113	4 80 73 616		70 15 033	
	Deedee Enterprises(Nandan Hosur 0.6MW)	70.218			10 09 631	
	Bhagya Nagar solvent extractions Ltd.(5.4 MW)	70.219	25 48 255			
	S.C.M. Sugars Ltd.(26MW)	70.244			3 30 56 388	
	Poweronicks Ltd.(5.4 MW)	70.256	1 74 65 450			
	Sub Total			8 16 90 987		71 10 71 304
	Less : Excess provision made towards Power purchase expenditure in previous years crystalised and withdrawn during the year	62.999			- 7 11 756	- 7 11 756
	TOTAL			8 16 90 987		71 03 59 548

Note - * The Expenditure Booked during the year pertain to the Power Purchased prior to 9/06/2005 the rate of which has been revised during the year with retrospective effect



SCHEDULE: 20 REPAIRS AND MAINTENANCE

(Amount in Rs.)

Sl. No	Particulars	A/c Code	Current Year 2009-10		Previous Year 2008-09	
	Plant and Machinery*	74.1	45 08 58 608		11 88 87 647	
	Buildings	74.2	13 09 04 016		5 23 97 292	
	Civil Works	74.3	1 65 64 957		1 71 80 001	
	Lines, Cable Net Work Etc.	74.5	7 38 34 949		5 34 64 701	
	Vehicles	74.6	54 34 075		59 58 590	
	Furniture and Fixtures	74.7	72 364		82 480	
	Office Equipments.	74.8	29 71 105		22 08 246	
	Sub Total		68 06 40 074		25 01 78 957	
	Less : Expenses shared by ESCOMS	74.910	-1 39 82 800		-1 24 18 784	
	TOTAL			66 66 57 274		23 77 60 173

*Note: Station maintenance charges hitherto shown in Schedule 22 is now shown in Schedule 20



SCHEDULE: 21 EMPLOYEE COST

(Amount in Rs.)

Sl. No	Particulars	A/c Code	Current Year 2009-10		Previous Year 2008-09	
	Salaries	75.1	86 54 83 043		82 59 94 719	
	Dearness Pay	75.180 to 75.185	59 18 74 355		54 15 17 294	
	Over Time	75.2	4 45 04 119		4 05 31 805	
	Dearness Allowance	75.3	55 67 19 568		38 41 65 295	
	Other Allowances	75.4	21 32 60 343		17 11 55 580	
	Bonus & Exgratia	75.5	3 52 22 487		3 28 82 386	
	Sub-Total			230 70 63 915		199 62 47 079
	Medical Expenses reimbursement	75.611	3 34 59 026		2 19 12 130	
	Leave travel assistance	75.612			2 160	
	Earned leave encashment	75.617	9 60 66 499		10 87 45 422	
	E.L.Encashment - Retirement / Deceased Employees	75.618			30 805	
	Payment to helpers/ employees of Monsoon gang	75.630	1 63 43 284		1 87 19 639	
	Sub-Total			14 58 68 809		14 94 10 156
	Staff Welfare expenses	75.7	1 77 43 520		1 30 20 047	
	Terminal Benefits	75.8	6 58 33 747		5 78 62 956	
	KPTCL Contribution to P&G Trust	75.830 & 75.840	14 19 644		2 99 16 429	
	Sub-Total			8 49 96 911		10 07 99 432
	Less : Expenses shared by ESCOMS	75.910	-7 07 17 507	-7 07 17 507	-1 66 54 139	-1 66 54 139
	TOTAL			246 72 12 128		222 98 02 528



SCHEDULE: 22 ADMINISTRATION AND GENERAL EXPENSES

(Amount in Rs.)

Sl. No	Particulars	A/c Code	Current Year 2009-10		Previous Year 2008-09	
	ADMINISTRATION EXPENSES					
1	Rent	76.101	62 84 836		72 99 241	
2	Rates & Taxes	76.102	4 70 60 661		1 51 31 499	
3	Expenses incurred towards security arrangements	76.103	1 70 56 623		1 51 34 038	
4	Insurance	76.104 + 76.105 + 76.106	1 37 457		26 838	
5	Pagers cellular phones E-mail, Telephone, Trunk call, Telegrams and Telex Charges	76.111 + 76.112	3 21 88 851		3 62 48 249	
6	Postage	76.113, 76.114	1 40 60 405		1 30 15 198	
7	Air net, Internet & Broadband Charges	76.116	12 45 811		8 75 833	
8	Legal Charges	76.121	76 73 512		33 26 858	
9	Audit Fees includes Statutory Audit Fee Rs. 425000 Tax audit fee Rs. 75000 Cost Audit Fee of Rs.75000	76.122	6 75 702		7 62 949	
10	Consultancy charges	76.123	11 28 669		9 74 822	
11	Technical Fees	76.124			53 674	
12	Other Professional Charges	76.125 + 76.126 + 76.127 + 76.128 + 76.129	3 87 31 939		25 16 37 984	
13	Conveyance & Travel expenses	76.131 To 76.135 & 76.137 to 76.139	10 49 80 019		9 69 03 458	
14	Vehicle running expenses	76.136	2 44 48 773		2 73 86 486	
	Sub - Total			29 56 73 258		46 87 77 127



SCHEDULE: 22 ADMINISTRATION AND GENERAL EXPENSES (Contd

(Amount in Rs.)

Sl. No	Particulars	A/c Code	Current Year 2009-10		Previous Year 2008-09	
	OTHER EXPENSES					
15	Fees & Subscriptions	76.151	1 35 23 089		1 02 94 583	
16	Books, periodicals and dairies	76.152	3 21 308		3 94 751	
17	Printing & Stationery	76.153	1 15 53 628		1 09 53 989	
18	Advertisement Expenses	76.155	1 74 78 810		2 48 17 602	
19	Computer stationary	76.156	29 10 433		24 73 854	
20	Contributions	76.157	3 13 65 000			
21	Electricity Charges	76.158	2 97 87 958		3 18 16 009	
22	Statutory Payments as per Company Act 1956	76.159			1 459	
23	Water Charges	76.160	41 03 818		64 69 471	
24	Entertainment	76.162	3 39 879		4 87 213	
25	P&L contribution of employees of other Dept working in KPTCL	76.165			2 74 427	
26	Contributions to Workers welfare cess	76.166	16 42 273		2 81 746	
27	Miscellaneous expenses	76.190 + 76.191+ 76.192	1 02 70 338		75 73 972	
28	Freight & other material related expenses	76.201 To 76.282	14 50 930		9 56 261	
	Sub - Total			12 47 47 464		9 67 95 337
	Less : Expenses shared by ESCOMS	76.910	-1 69 67 934	-1 69 67 934	-1 33 91 590	-1 33 91 590
	TOTAL			40 34 52 788		55 21 80 874

*Note : Station maintenance charges hitherto shown in Other professional charges is now shown in Schedule 20



SCHEDULE: 23 OTHER EXPENSES

(Amount in Rs.)

Sl. No	Particulars	A/c Code	Current Year 2009-10		Previous Year 2008-09	
	Asset Decommissioning Costs	77.5	40 11 009		29 53 702	
	Small & Low value items Written off	77.600	50 136		44 201	
	Computer software	77.611	85 767		43 333	
	Losses relating to Fixed Assets	77.7	26 24 380		3 27 07 857	
	Material Cost Variance	79.110	17 43 046			
	Research & Development Expenses	79.2	13 11 752		2 63 284	
	Bad & Doubtful Debts Written off / provided for	79.4	19 39 838		1 67 85 388	
	Miscellaneous losses and Write offs	79.5 & 79.7	35 46 67 571		64 17 027	
	TOTAL			36 64 33 499		5 92 14 792



SCHEDULE: 24 OTHER EXPENSES CAPITALISED

(Amount in Rs.)

Sl. No	Particulars	A/c Code	Current Year 2009-10		Previous Year 2008-09	
	Repairs and Maintenance	74.900	13 06 971		13 03 260	
	Employee costs	75.900	21 59 47 616		18 88 96 300	
	Administration and other expenses	76.900	3 47 66 925		3 39 21 209	
TOTAL				25 20 21 512		22 41 20 769



SCHEDULE: 25 DEPRECIATION

(Amount in Rs.)

Sl. No	Particulars	A/c Code	Current Year 2009-10		Previous Year 2008-09	
	Amortisation of Lease Hold Assets	77.110	60 76 535		23 222	
	Depreciation on Buildings	77.120	9 46 96 972		4 27 52 061	
	Depreciation on Hydraulic Works	77.130	1 35 62 838		34 65 599	
	Depreciation on Civil Works	77.140	91 67 167		41 42 717	
	Depreciation on Plant and Machinery	77.150+ 77.151	219 58 60 326		126 34 29 727	
	Depreciation on lines, cable, network etc.,	77.160+ 77.161	125 71 91 461		53 78 83 710	
	Depreciation on Vehicles	77.170+ 77.171	16 00 163		27 63 746	
	Depreciation on furniture, fixtures	77.180, 77.181	55 27 983		33 60 285	
	Depreciation on Office equipments	77.190+ 77.191	15 20 152		11 51 426	
	Depreciation on Intangible Assets	77.801	27 07 572		24 61 028	
	Sub-Total		358 79 11 169		186 14 33 521	
	Less : Depreciation Capitalised	77.900	- 22 03 788		- 18 56 915	
	TOTAL			358 57 07 381		185 95 76 606



SCHEDULE: 26 INTEREST AND OTHER CHARGES

(Amount in Rs.)

Sl. No	Particulars	A/c Code	Current Year 2009-10	Previous Year 2008-09
	Interest on Bonds	78.2	18 90 222	40 30 356
	Interest on Loan from REC	78.540	4 79 47 852	6 07 98 582
	Interest on Rationalised REC Loans	78.541	15 60 096	21 95 934
	Interest on APDP works	78.544	95 64 562	1 02 47 745
	Interest on Short term Loan obtained from Commercial Banks/ Financial institutions	78.563	68 25 70 929	15 93 20 986
	Interest on Loans from UCO Bank	78.564	1 90 53 513	2 26 74 502
	Interest on Loans from Vijaya Bank	78.569	35 13 13 604	33 56 38 420
	Interest on Loans drawn from South Indian Bank	78.573	9 16 93 797	9 88 21 885
	Interest on Loans drawn from PNB	78.574	20 95 47 990	28 86 77 863
	Interest on Loans drawn from OBC	78.575	8 07 96 901	10 41 66 905
	Interest on Loans drawn from Corporation Bank	78.576	9 91 12 750	4 00 84 644
	Interest on Loans drawn from Bank of Maharashtra	78.577	11 07 22 337	8 04 70 979
	Interest on Loans drawn from Bank of India	78.578	16 28 60 448	19 30 26 278
	Interest on loan from Bank of Baroda	78.579	17 77 48 684	17 95 99 904
	Interest on Loan from HDFC	78.582	8 08 615	14 19 153
	Interest on Loan from PFC	78.584	239 66 84 882	227 46 23 103



SCHEDULE: 26 INTEREST AND OTHER CHARGES (Contd)

(Amount in Rs.)

Sl. No	Particulars	A/c Code	Current Year 2009-10		Previous Year 2008-09	
	Interest on delayed compensation	78.101	3 14 32 209			
	Interest on Loan from Indian Bank	78.591	9 62 22 435		9 00 56 302	
	Interest on Loan from Bank of Rajasthan	78.592	9 99 77 413		8 56 54 821	
	Interest on Borrowings for Working Capital	78.7	2 41 121		1 40 378	
		78.810				
	Lease Rentals	To			90 87 582	
		78.815				
		78.820				
	Other Interest and Finance Charges	To	58 88 734		78 07 545	
		78.890				
	Interest on belated payment for power purchase	80.102 to 80.293	109 04 01 229		113 34 94 796	
	Sub-Total		576 80 40 323		518 20 38 663	
	Less : Interest and finance charges capitalised	78.9	-93 10 09 234		-123 55 45 399	
	TOTAL			483 70 31 089		394 64 93 264



SCHEDULE: 27 PROVISION FOR TAXATION

(Amount in Rs.)

Sl. No	Particulars	A/c Code	Current Year 2009-10		Previous Year 2008-09	
	Income Tax - Current year	81.100	1 10 00 000	1 10 00 000	2 65 30 701	2 65 30 701
	Fringe Benefit Tax	81.101	- 54 01 708	- 54 01 708	1 66 86 000	1 66 86 000
	Short Provision for Income Tax - Previous Year	83.810			4 41 92 986	4 41 92 986
	Excess Provision for Income Tax - Previous Year	65.500	-3 07 55 251	-3 07 55 251		
	Deferred Tax	81.201				
	TOTAL			-2 51 56 959		8 74 09 687



SCHEDULE: 28 EXTRAORDINARY ITEMS

(Amount in Rs.)

Sl. No	Particulars	A/c Code	Current Year 2009-10		Previous Year 2008-09	
	Extraordinary Credits (including subsidies against loss on account of flood, fire, cyclone, etc.,)	63.200		Nil		Nil
	TOTAL					
	Less Extraordinary debits (Losses on account of flood, cyclone, fire etc.)	79.8		Nil		Nil
	TOTAL			Nil		Nil
	Net extraordinary items					



SCHEDULE: 29 PRIOR PERIOD (CREDITS) / CHARGES

(Amount in Rs.)

Sl. No	Particulars	A/c Code	Current Year 2009-10		Previous Year 2008-09	
A)	Income relating to previous years :					
	Excess provision for Depreciation in prior periods	65.600	4 91 64 090		2 54 90 389	
	Other Excess provision in prior periods	65.800	3 30 918		21 760	
	Other Income relating to prior periods	65.900	39 74 347		1 07 58 914	
	Sub - Total			5 34 69 355		3 62 71 063
B)	Prior Period Expenses / losses :					
	Operating Expenses of previous years.	83.300	7 785		22 48 178	
	Employee costs relating to previous years	83.500	22 849		6 505	
	Depreciation under provided in previous years.	83.600	15 63 78 758		13 29 96 007	
	Administrative Expenses - previous years.	83.820, 83.821			644	
	Withdrawal of Misc. income accounted in Previous years *	83.834			69 88 046	
	Other Expenses relating to prior periods	83.850	1 23 660		2 07 87 616	
	Sub - Total			15 65 33 052		16 30 26 996
	Net Prior Period credits/ (charges) (A-B)			-10 30 63 697		-12 67 55 933
* Figures for 2009-2010 is depicted in Schedule 18						



Schedule – 30

Significant Accounting Policies

1. Basis of preparation

- 1.1. Financial statements have been prepared under historical cost convention on a going concern and accrual basis except for accounting on cash basis for (i) Grants and Subsidies from the Government; (ii) 400 KV Transmission charges from the Southern Region Electricity Boards; (iii) Property Tax payable on the landed properties in the possession of the Corporation including vacant lands and comply materially with the mandatory Accounting Standards issued by The Institute of Chartered Accountants of India (ICAI), Generally Accepted Accounting Principles (GAAP), Provisions of the Electricity Act, 2003 and Electricity (Supply) Annual Accounts Rules (ESAAR), 1985 and relevant provisions of the Companies Act, 1956 to the extent that they are not inconsistent with the provisions of Electricity Act, 2003 and Electricity (Supply) Annual Accounts Rules (ESAAR), 1985.

2. Revenue Recognition

- 2.1. Revenue on transmission is recognized on accrual basis at the transmission tariff as notified by Karnataka Electricity Regulatory Commission (KERC) from time to time in its Multi Year Tariff (MYT) which is arrived on the basis of estimated Return on Equity and relevant aspects.

3. Fixed Assets

- 3.1. Fixed assets are stated at cost including expenses related to acquisition, construction and installation less accumulated depreciation and impairment loss.
- 3.2. 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.
- 3.3. Assets put up by third parties, which vest in the Corporation under Regulation for Condition of Supply of Electricity issued by the KERC, are incorporated in the books at the cost estimate approved by the Corporation in the absence of actual cost.
- 3.4. Land cost includes acquisition cost, including enhanced compensation and interest paid up to the date of taking possession, awarded by the Courts, Compensation paid for aforestation and social forestry for the project affected local people/families.



- 3.5. Expenditure on replacement of assets/part of asset with independent existence are capitalised irrespective of the cost.

4. Depreciation

- 4.1. Depreciation is calculated on straight line method:
- i. at the rates specified in the Electricity Supply Act, 2003;
 - ii. in respect of assets for which rates are not specified in the Electricity Supply Act, 2003, at the rates specified under Schedule XIV of the Companies Act, 1956.
- 4.2. Assets are depreciated to the extent of 90% of the cost of the asset and 10% is retained as residual value.
- 4.3. 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.
- 4.4. Depreciation is charged upto the previous month in which asset is discarded/dismantled.
- 4.5. Individual assets costing up to Rs. 500 are fully depreciated in the year in which they are put to use.
- 4.6. 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.
- 4.7. Depreciation on structures and other assets put up on leasehold properties are depreciated at normal rates without linking it to the lease period.
- 4.8. Depreciation is not charged on transformers and other assets removed for repairs. Depreciation charge is resumed after the asset is put back to use after repairs.
- 4.9. Depreciation on deposit contribution, consumer built and grant assets are charged to revenue and not set off against capital reserve.

5. Accounting for Grants

- 5.1. Capital grants/grants related to specific assets are shown under Capital Reserve and not reduced from the cost of the asset.
- 5.2. Revenue and untied grants are treated as income.

6. Reserves & Surplus

- 6.1. Capital Reserve
- 6.1.1. Deposit Contribution Works



- i. 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 asset in the books at the full value without reducing the contribution from the cost of the asset.
- ii. Contributions received from third parties towards works/assets are treated as capital reserve.

7. Investments

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

8. Valuation of Inventories

- 8.1. Stores and spares are valued at standard rates, determined by the Corporation from time to time, in respect of items for which standard rates are fixed. Other items are valued at lower of cost, determined on weighted average method, or net realizable value.

9. Borrowing Costs

- 9.1. Borrowing costs attributable to the construction/acquisition of qualifying assets are capitalized as a part of the cost of such assets. A qualifying asset is one that necessarily takes substantial time to get ready for intended use.
- 9.2. Non specific 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 recognised in the period which they are incurred.

10. Employee Benefits

- 10.1. Expenditure towards Gratuity, Pension and Leave Encashment is provided on the basis of actuarial valuation at the end of each financial year in conformity with the revised Accounting Standard - 15. Actuarial gains or losses are recognized in the Profit and Loss account.

11. Accounting for Taxes on Income

- 11.1. Provision for Current Tax is made in accordance with the provisions of the Income Tax Act, 1961.
- 11.2. 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.



- 11.3. 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.

12. Foreign Currency Transactions

- 12.1. Foreign currency transactions are initially recorded at the exchange rate prevailing on the date of the transaction.
- 12.2. 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.

13. Impairment of Assets

- 13.1. Carrying amount of assets is reviewed at each balance sheet date to determine whether there is any impairment.
- 13.2. 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.

14. Amortisation of Intangible Assets

- 14.1. Cost of software purchased is recognized as intangible asset and amortized on straight line method over a period of three years, commencing from the year of purchase.

15. Amortisation of lease assets

- 15.1. Lease payments made upfront in respect of leased assets are amortised in equal installments over the lease period of the asset.
- 15.2. Annual lease rent payments are charged to revenue.
- 15.3. Cost of improvements made to leased assets are amortized in equal installments over remaining lease period of the asset.



Schedule – 31

Notes on Accounts

General

Previous year figures have been regrouped / recast wherever necessary.

Paisa has been rounded off to the nearest rupee.

Balances of Sundry Debtors, Sundry Creditors, Advances to suppliers are subject to confirmation and reconciliation, wherever required.

1. Contingent Liabilities not provided for in the Accounts:

(Rs. In Crores)

Sl.No.	Particulars	Current Year	Previous Year
(i)	Claims against the company not acknowledged as debts:		
	Claims in respect of Land Acquisition Cases	2.05	2.97
	Income Tax Demand pending before Appellate authorities	61.39	12.28
	Others	17.34	13.04
(ii)	Estimated Amount of capital contracts remaining to be executed and not provided for	3834.52	2506.81

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

3. Expenditure in foreign currency:

Sl. No.	Particulars	Current Year	Previous Year
i	Expenditure in foreign currency on account of Travelling	\$ 788 (Rs.36,958/-)	\$ 16915.77 (Rs.8,16,162/-)

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



5. Quantitative details of Transmission and Loss of Energy:

(In MUs)

Sl. No.	Particulars	Current Year (Provisional)	Previous Year
1	Total Energy handled	47783.55	44121.98
2	Total Energy Transmitted	47783.55	44121.98
3	Transmission Loss in respect of Energy Transmitted	2007.67	1898.09
4	Net Transmission to ESCOMS & Hukkeri society during the year (2-3)	45775.88	42223.89
5	Total units accounted as Transmitted to ESCOMS & Hukkeri society during the year *	45775.88	42223.89
6	Total Transmission loss	2007.67	1898.09
7	Percentage of Transmission Loss on handled Energy (vii / i. X 100)	4.20%	4.30%

* includes 4002.530 Mus (Previous Year 1813.057 Mus) of energy in respect of Bilateral & Open Access and Wheeled Energy

6. Reserves & Surplus

Other Reserves

Rs 7,59,46,466 held under Deposit Contribution Works in respect of an MWD, has been transferred to Other Reserves, in the absence of details for receipts/credits prior to 1995.

7. Fixed Assets

(a) Land and Title Deeds

Corporation is in possession of lands aggregating 6582 Acres 21 Guntas (including land in possession of ESCOMS) consisting of 6048 A 39 G under full ownership, 173 A 13 G of Forest land and 360 A 09 G of Government & Private Lands on lease.

Further, process of updating the land records including title is in progress.

8. Capital Work in Progress

Rs 3,23,63,303 booked under CWIP in the earlier years is written off in the absence of workwise details.

9. Land and Buildings

Land and Buildings (including Powerhouses) but excluding installations 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.

Corporation has received Rs 5.47 crores from Power Grid Corporation of India Ltd., towards 64 acres land at Narendra, Dharwad, which is held under Deposit. Pending execution of sale deed, possession of land is handed over to PGCIL. Required accounting adjustments would be carried out on execution of sale deed.

10. Impairment Loss

Impairment loss on Fixed Assets aggregating Rs 51281689(P.Y.-Nil) has been recognized in conformity with AS - 28 "Impairment of Assets" for the first time, resulting in reduction of profit by similar extent.

11. Assets Not in Use

Corporation has identified assets "Not in Use" aggregating Rs 10,77,43,396 on which depreciation has been claimed at normal rates.

Transformers with book value of Rs 4,47,88,129 sent for repairs have been withdrawn from the gross block and grouped under Loans & Advances. No depreciation is charged on such assets during the period of repair.

12. Leased Assets

On expiry of the lease period of assets obtained on lease from IDBI, negotiations are still in progress to terminate the lease agreement and for repossession of the assets. Lessor has demanded Rs 1,12,50,000 for transferring title over the assets.

13. Confirmation of balances

Confirmation of balances have not been obtained for the balances under secured & unsecured loans and other current assets & current liabilities other than Bank balances.

14. Transactions with ESCOMS

Receivables and Payables in the names of ESCOMS (otherthan relating to S.Drs for Transmission of Power), as detailed below, are subject to reconciliation and confirmation:

(Rs. In Crores)

Name of the ESCOM	Receivable	Payable
BESCOM	5.76	69.99
MESCOM	10.01	9.08
HESCOM	3.73	26.88
GESCOM	7.54	3.76
CESCOM	00.20	9.58



15. Inter Unit Accounts(IUA)

Unreconciled net credit balance under IUA is Rs 61,11,10,123 (Previous Year Rs 25,49,40,773) as at 31.03.2010. This includes several old transactions pending reconciliation/clearance.

16. Property Tax/Land Cess

Provision has not been made towards Property Tax including vacant lands and same shall be accounted, as and when payment is made. Impact on financial statements is not ascertainable.

17. Income Tax

Company has already provided Deferred Tax Liability to an extent of Rs.274.29 crores upto previous year 2007-08. The Company is of the view that the DTL provided is sufficient and hence not provided during the current year.

18. Employee Benefits:

Leave Encashment

Actuarial valuation as at 31.3.2010 has not been got done to ascertain the accumulated future liability towards leave encashment to employees. However, based on the average outgo on leave encashment for the last three years, provision is made in the year, which is not in conformity with AS 15.

Pension and Gratuity

As per Accounting Policy relating to Employee Benefits, liability for pension and gratuity contribution up to 31.5.2002 is met by the Government of Karnataka and liability arising from 1.6.2002, is met by the Corporation by contribution to the Trust, based on Actuarial valuation.

Incremental liability for the year has not been ascertained on the basis of actuarial valuation conducted as at 31.3.2010 and provided for in the accounts, which is not in conformity with AS 15.

Contributions made to the Trust have been set off against the existing provision.

19. 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".

20. Related party Disclosures

Related Party Transactions:

Key Managerial Personnel – As per Notification issued by GoK.



Sl.No.	Name	Designation
1	Smt. G. Latha Krishna Rao	Managing Director
2	Dr. Aditi Raja	Director (Finance)
3	Sri. S. Pratap Kumar	Director (Technical)
4	Sri. Shivayogi C. Kalasad	Director (Admn & H R)

Managerial remuneration paid or payable to Key Managerial Personnel:

(Amount in Ruppes)

Sl.No.	Particulars	Current Year	Previous Year
i.	Salary and Allowance	35,13,123	36,20,172
ii	Exgratia	11,215	11,083
iii	Medical Expenses	14,655	1,66,496
	TOTAL	35,38,993	37,97,751

21. Exgratia

Exgratia paid to employees in lieu of Bonus for the years 2000-01 to 2008-09 is subject to post facto approval/ratification of the Government of Karnataka.

22. Other Income

Includes Rs.208,44,90,810.76 provided towards gratuity and pension to employees up to 31.5.2002 and withdrawn, as it is no longer required for the reason stated hereunder.

As a part of Power Sector Reforms, distribution functions were bifurcated from the Corporation and transferred to the newly formed ESCOMs as at 1.6.2002. Consequent to this, Government of Karnataka vide G.O. No. DE 14 PSR 2002 dated 31-5-2002 assumed the responsibility for discharging gratuity and pension liability to employees existing on rolls as on 31.5.2002.

Corporation and earlier to that the erstwhile Karnataka Electricity Board had been providing for gratuity and pension contribution to employees and as at 31.5.2002, provision on this account aggregated Rs. 208,44,90,813.76 consequent to GoK assuming the responsibility for gratuity and pension payment to employees up to 31.5.2002, provision made up to 31.3.2002 is no longer required and hence the same is withdrawn.

Interest

Based on the judgement of the Hon'ble Supreme Court in respect of 19 A 24 G of land acquired in 1996, Corporation has made a provision for payment of additional compensation of Rs 2,31,11,481 which includes interest of Rs 2,19,87,254. The total compensation towards the land based on the awards at different courts is Rs 3,50,33,568. Of this amount, HESCOM



had paid a deposit of Rs 68,84,204 to the Court in the earlier years as the land was in books of HESCOM. The interest paid towards land is charged off during the year.

23. Penalty Recovered:

Recoveries from Suppliers / Contractors, including amounts recovered by way of encashment of Bank Guarantees, for delay in supply / execution of work is retained in "Penalty Recovered pending decision for Refund" under Current Liabilities. Upon resolution of the dispute, the amount in excess of the Refund made to the Suppliers / Contractors, if any, is suitably adjusted.

24. Expenditure on Survey & Feasibility Studies:

An amount of 3,25,48,501 incurred towards survey and feasibility studies in previous years has been charged off to Revenue during the year in view of the fact many projects have not been taken up as they are not feasible.

25. Others

The Company has not received intimation from "Suppliers" regarding their status under Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating amount unpaid as at the year end together with interest paid / payable as required under the said Act, has not been given.

Signatories to Schedule 1 to 31.

Sd/-
(R. SRIDHARA)
Company Secretary

Sd/-
(ADITI RAJA)
Director (Finance)

Sd/-
(V.G. PANDIT)
Financial Adviser(A&R)

Sd/-
(G. LATHA KRISHNA RAO)
Managing Director

As per our report of even date
FOR BADARI, MADHUSUDHAN & SRINIVASAN
Chartered Accountants

Sd/-
(N. SRINIVASAN)
Partner
Membership No.027887

Place: Bangalore.
Date : 7.9.2010



Cash Flow Statement Annexed to the Balance Sheet for the period April 2009 - March 2010

	Particulars	Amount in Rs	Amount in Rs
A	CASH FLOW FROM OPERATING ACTIVITIES:		
	Net Profit before tax as per Profit & Loss Account	5 96 35 938	
	Adjustments for :		
	Depreciation (net)	358 57 07 381	
	Finance and Other Charges	483 70 31 089	
	Interest on Investment	-2 97 97 227	
	Other Income	-296 02 56 830	
	Income Tax	2 51 56 959	
	Contributions, grants & subsidies towards cost of capital assets	29 11 86 937	
	Prior period and Extraordinary items	10 30 63 697	
	Operating Profit before working capital changes	591 17 27 944	
	Adjustments for :		
	Changes in Stores & spares	10 40 96 261	
	Assets not in use	-10 33 53 547	
	Changes in Sundry Debtors	-42 15 06 246	
	Changes in Loans & Advances	1249 24 04 158	
	Changes in Other Receivables	194 66 48 810	
	Changes in Current liabilities & provisions	-399 08 33 844	
	Operating Profit after working capital changes	1593 91 83 536	
	Prior period and Extraordinary items	-10 30 63 697	
	Deferred Expenditure	6 44 12 140	
	Misc Expenditure		
	Net cash inflow from Operating Activities		1590 05 31 979
B	CASH FLOW FROM INVESTMENT ACTIVITIES		
	Changes in Fixed Assets (Net of Assets sales and losses)	-954 08 74 024	
	Changes in Capital Work in Progress	-1324 18 66 807	
	Sale /(Purchase) of Investments	37 34 91 105	
	Interest on Investment	2 97 97 228	
	Net cash inflow from Investment Activities		-2237 94 52 498
C	CASH FLOW FROM FINANCING ACTIVITIES:		
	Changes in Share Capital/ Share Deposits	142 05 60 691	
	Changes in Secured Loans	730 59 82 338	
	Changes in Unsecured Loans	-5 38 14 830	
	Changes in Capital Reserves		
	Changes in Material cost variance Reserves	- 54 85 593	
	Changes in Deposit Contribution works	23 13 40 398	
	Changes in Deferred Tax Liability		
	Other Income	296 02 56 830	
	Finance and other Charges	-483 70 31 089	
	Net Cash used in financing activities		702 18 08 745
	Net Change in Cash and Cash equivalents (A+B+C)		54 28 88 226
	Add: Opening Cash and Cash Equivalents as on 1.4.2009		81 10 14 703
	Closing Cash and Cash Equivalents as on 31.3.2010		135 39 02 929

Subject to our comment in our report of even date

FOR BADARI, MADHUSUDHAN & SRINIVASAN

Chartered Accountants

Sd/-
(V.G. PANDIT)
Financial Adviser(A&R)

Sd/-
(N. SRINIVASAN)
Partner, Membership No.027887

Sd/-
(R. SRIDHARA)
Company Secretary

Sd/-
(ADITI RAJA)
Director (Finance)

Sd/-
(G. LATHA KRISHNA RAO)
Managing Director

Date

Place: Bangalore



**STATEMENT SHOWING SECTOR WISE CAPITAL EXPENDITURE FOR 2009-10
WITH AND WITHOUT RELEASED ASSETS ISSUED TO CAPITAL WORKS**

A/c Code	Brief Description of the Project	Capital	(Amount in Rupees)		
			Capital Expenditure during the year 2009-10	Released Assets issued to works during 2009-10	Net Capital Expenditure for the year 2009-10 (deducting Released Assets issued to Works)
TRANSMISSION LINES AND SUB STATIONS WITH ATTACHED CIVIL WORKS					
14.110	Transmission lines (GP)		284 34 54 833	28 45 117	284 06 09 716
14.113	Transmission lines (PFC)		250 57 15 194		250 57 15 194
14.116	Transmission lines (Non-Plan)		5 84 48 403		5 84 48 403
14.120	Step Down Station-(GP)		368 54 33 680	5 72 04 161	362 82 29 519
14.123	Step Down Station-(PFC)		211 03 51 619	1 44 95 647	209 58 55 972
14.124	Step Down Station-(ADB)		102 01 41 903		102 01 41 903
14.126	Step Down Station-(Non-Plan)		17 65 47 485	4 73 24 992	12 92 22 493
14.901	Capital expenditure categorised- APDP Tras.Lines & Stepdown Stations		6 91 484		6 91 484
	Sub Total	2145.59	1240 07 84 600	12 18 69 916	1227 89 14 684
CAPACITOR INSTALLATIONS					
14.165	Installation of Capacitors-(GP)		14 000	14 000	
	Sub Total	1.08	14 000	14 000	
LOAD DESPATCH AND COMMUNICATION					
14.130	Load Despatch & Communication		42 10 58 841		42 10 58 841
	Sub Total	95.00	42 10 58 841		42 10 58 841
EXTENSION AND IMPROVEMENTS					
14.150	Transmission lines+ Transformers etc-Improvements (GP)		62 84 70 108	6 21 72 108	56 62 98 000
	Sub Total	81.10	62 84 70 108	6 21 72 108	56 62 98 000
PROVIDING NEW TRANSFORMERS IN PLACE OF FAULTY/FAILED DISTRIBUTION TRANSFORMER					
14.170	Replacement of Distribution transformer with similar capacities		1 14 59 174	67 45 551	47 13 623
	Sub Total	14.67	1 14 59 174	67 45 551	47 13 623



**STATEMENT SHOWING SECTOR WISE CAPITAL EXPENDITURE FOR 2009-10
WITH AND WITHOUT RELEASED ASSETS ISSUED TO CAPITAL WORKS**

A/c Code	Brief Description of the Project	Capital	(Amount in Rupees)		
			Capital Expenditure during the year 2009-10	Released Assets issued to works during 2009-10	Net Capital Expenditure for the year 2009-10 (deducting Released Assets issued to Works)
	RURAL ELECTRIFICATION				
14.200	REC Plan Schemes-IP:IE Scheme of Drinking Water Supply		212 55 20 651		212 55 20 651
14.240	System Improvement-REC		8 65 195		8 65 195
	Sub Total		212 63 85 846		212 63 85 846
	OTHERS				
14.502	Buildings		23 33 11 132		23 33 11 132
14.607	Vehicles		27 00 925		27 00 925
14.708	Furniture & Fixtures		15 07 579		15 07 579
14.809	Office Equipment		1 08 36 715		1 08 36 715
14.810	Tools & Tackles		1 60 17 061		1 60 17 061
14.811	Mobile Phones/Cellular Phones		12 93 674		12 93 674
	Sub Total	109.27	26 56 67 086		26 56 67 086
	TOTAL-A	2446.71	1585 38 39 654	19 08 01 575	1566 30 38 079
	Less : Amount initially accounted by one accounting unit as Capital Expr and on transferred to another Accounting Unit, same accounted as Capital Expenditure		251 58 59 340		251 58 59 340
	TOTAL-B		251 58 59 340		251 58 59 340
	NET CAPITAL EXPENDITURE	2446.71	1333 79 80 315	19 08 01 575	1314 71 78 739



STATEMENT SHOWING THE DETAILS OF BORROWING FOR THE FINANCIAL YEAR 2009-10

A/c Code	Name of the Institution	OB As on 01/04/2009	Receipts	Re Payments	CB As on 31/03/2010
1	2	3	4	5	6
53.300	REC	44 16 87 193		13 94 60 023	30 22 27 170
53.324	Short Term Loans	4 80 00 00 000	29 84 00 00 000	23 64 00 00 000	11 00 00 00 000
53.325	UCO Bank	13 00 00 00 000	5 03 00 00 000	13 00 00 00 000	5 03 00 00 000
53.330	Vijaya Bank	3 78 00 24 680	16 38 78 694	39 99 99 680	3 54 39 03 694
53.336	APDRP- REC	8 77 72 701		1 09 71 588	7 68 01 113
53.900	HDFC	93 35 165		42 29 315	51 05 850
53.960	PFC	22 61 09 21 513	69 06 81 175	3 96 32 73 668	19 33 83 29 020
52.110	Public Bonds	3 03 00 000		3 03 00 000	
53.302	REC- Rationalised loans	1 96 03 652		66 02 520	1 30 01 132
53.345	South Indian Bank	92 50 00 000		5 00 00 000	87 50 00 000
53.346	Punjab National Bank	2 93 25 00 000		34 50 00 000	2 58 75 00 000
53.347	Oriental Bank of Commerce	1 59 50 00 000		82 00 00 000	77 50 00 000
53.353	Corporation Bank	42 50 00 100	99 99 99 900	10 00 00 000	1 32 50 00 000
53.354	Bank of Maharashtra	85 00 00 000	1 00 00 00 000	20 00 00 000	1 65 00 00 000
53.355	Bank of India	2 00 00 00 000		44 48 00 000	1 55 52 00 000
53.356	Bank of Baroda	2 00 00 00 000		16 66 66 666	1 83 33 33 334
53.357	Indian Bank	1 00 00 00 000			1 00 00 00 000
53.358	Bank of Rajasthan	1 00 00 00 000			1 00 00 00 000
*54.200	State Government Loans	8 31 70 105		59 40 722	7 72 29 383
	TOTAL A	44 72 03 15 109	37 72 45 59 769	30 45 72 44 182	51 98 76 30 696
51.1 & 51.2	Principal & Interest accrued & due	1 51 48 079		1 51 48 079	
	TOTAL B	1 51 48 079		1 51 48 079	
	GRAND TOTAL (A+B)	44 73 54 63 188	37 72 45 59 769	30 47 23 92 261	51 98 76 30 696



DCB STATEMENT FOR THE YEAR 2009-2010

(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 & Adjustments	Closing Balance
BESCOM	20416.24	36 18 47 617	446 47 04 925	482 65 52 542	439 63 78 158	43 01 74 384
MESCOM	3273.04	28 58 53 370	69 57 03 839	98 15 57 209	69 07 98 353	29 07 58 856
HESCOM	7513.19	37 45 38 324	169 31 23 796	206 76 62 120	132 56 98 559	74 19 63 561
GESCOM	5770.77	32 63 59 459	112 96 64 605	145 60 24 064	118 03 27 350	27 56 96 714
CESCO	4250.40	45 45 14 605	86 78 41 338	132 23 55 943	62 81 32 338	69 42 23 605
HUKKERI	170.93	19 87 46 539	3 86 94 607	23 74 41 146	9 32 16 000	14 42 25 146
INTER STATE		42 53 797		42 53 797	42 53 797	
DELAYED PAYMENT CHARGES		17 26 43 794	4 22 68 031	21 49 11 825	21 49 11 825	
OTHERS (Including Open Access Customers)		4 98 35 348	33 13 60 738	38 11 96 086	30 81 39 252	7 30 56 834
WITHDRAWAL		- 92 35 580	- 78 35 972	-1 70 71 552	- 78 35 972	- 92 35 580
Grand Total	41394.57	221 93 57 273	925 55 25 907	1147 48 83 180	883 40 19 660	264 08 63 520



