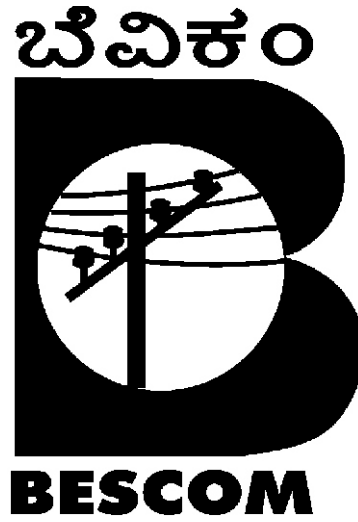
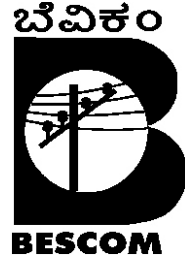


**14<sup>th</sup> Annual Report**  
**2015-16**



**Bangalore Electricity Supply Company Ltd.**



## *Table of Contents*

1. Board of Directors' .....	3
2. 14th AGM Notice .....	4
3. Appointing Proxy .....	7
4. Chairman's Message .....	8
5. Director's Report .....	9
6. Comments of C & AG of India .....	53
7. Secretarial Auditors' Report .....	54
8. Independent Auditors' Report .....	57
9. Addendum to Director's Report .....	61
10. Significant Accounting Policies .....	72
11. Balance Sheet .....	78
12. Profit and Loss Account .....	79
13. Cash Flow .....	80
14. Notes .....	81
15. Consolidated Financial Statements .....	129



## BOARD OF DIRECTORS & COMPANY SECRETARY

(As on the date of AGM)

Sl. No.	Sriyuths/Smt	BOARD
1	P.Ravi Kumar, I.A.S.,	Chairman
2	P.Rajendra Cholan, I.A.S.,	Managing Director
3	H.Nagesh, B.E., F.I.E.,	Director (Technical)
4	Dr.R.C.Chetan, I.R.S.,	CFO & Director (Finance)
5	Jawaid Akhtar, I.A.S.,	Director
6	T.H.M.Kumar, I.A.S.,	Director
7	B.Sindhu, I.A.S.,	Director
8	M.Shanthi, B.E.,	Director
9	G.R. Chandrasekharaiah, B.E.,	Director
10	M.Nagaraju	Director
11	A.N.Jayaraj, B.E.,	Director
12	J.Gangadhara Murthy	Director
13	Mohammed Zakaulla	Director
14	Venkatesh T	Director
15	M.Venkatesh	Director
16	K.Narasinga Rao	Director
17	A.Madalai Muthu	Director
18	B.S.Vasanth Kumar	Director
19	B.V.Jayaramu	Director
20	Sabdar Hussain	Director
21	K.T. Hiriyanna, F.C.S.,	Company Secretary

### STATUTORY AUDITORS

**M/s. NIRANJAN & CO.,**

Chartered Accountants, Bengaluru.

### COST AUDITORS

**M/s. RAO, MURTHY & ASSOCIATES,**

Cost Accountants, Bengaluru.

### SECRETARIAL AUDITORS

**M/s. P.K.PANDE & ASSOCIATES,**

Practicing Company Secretaries,  
Bengaluru.

**Registered Office: Corporate Office, K.R.Circle, Bengaluru-560 001, Karnataka**



## Bangalore Electricity Supply Company Limited

(Wholly owned Government of Karnataka Undertaking)

(CIN- U04010KA2002SGC030438)

**Registered Office:** Corporate Office, K.R.Circle, Bengaluru – 560 001

Telephone No.: 080-22266011 / 22266033, Fax No. 080-22354925

Website: www.bescom.org, E-mail : cs@bescom.co.in

Ref No.BESCOM/BC-04/CS/1099-1120

Date :22.09.2016

Encl: (1) Blank Shorter consent Notice. (2) Blank Proxy form

### NOTICE

**NOTICE** is hereby given that the 14th Annual General Meeting of the Members of Bangalore Electricity Supply Company Limited **will be held on Thursday, the 29th September 2016 @ 11:30AM** at the Registered Office, K.R.Circle, Bengaluru– 560 001 **(at a shorter notice)** to transact the following business :-

#### **ORDINARY BUSINESS:**

***Item No.1: Consideration of financial statements (including CFS), and the reports of the Board of Directors and auditors.***

To receive, consider and adopt the financial statement of the Company for the year ended 31st March 2016 including the audited Balance Sheet as at 31st March 2016, the statement of Profit & Loss for the year ended on that date and report of the Board of Directors (the Board) and Auditors report together with the comments received from the Comptroller & Auditor General of India under Section 146 (6) of the Companies Act, 2013.

***Item No.2: To declare a dividend on equity shares / any other decision if thought fit as per section 123 of Companies Act 2013.***

***Item No.3 (a): To consider appointment of Statutory Auditors and to fix their remuneration and in this regard to consider, if thought fit, to pass with or without modification(s), the following resolution:-***

**“RESOLVED THAT**, pursuant to the provisions of section 139 (5) of the Companies Act, 2013 and pursuant to the recommendations of Comptroller and Auditor General of India, the appointment of M/s. Vaithisvaran & Co., Chartered Accountants, (MD0056), 308, Shree Complex, 3rd Floor, 73, St.Johns Road, Bengaluru – 560 042 be and is hereby approved as the Statutory Auditors of the Company, for the FY 2016-17, to hold the office from the conclusion of 14th Annual General Meeting (AGM) till the conclusion of next AGM at the remuneration as recommended by the Board, total Rs.10.50 lakhs (Rupees ten lakhs fifty thousand only) as Statutory Audit fees plus applicable service tax plus re-imbursement of reasonable pocket expenses.”

***Item No.3 (b): To consider appointment of Cost Auditors appointed by the Board pursuant to section 148 (3) of Companies Act 2013 read with relevant rules thereunder and in this regard to pass following resolution, if through fit, with or without modification:-***



**“RESOLVED THAT,** as required under Rule 14(a) (ii) of the Companies (Audit and Auditors) Rules 2014, the appointment of M/s.Murthy & Company, LLP, No.8, Bascomane Road, Chamarajapet, Bengaluru – 560 018 as Cost Auditors for the financial year 2016-17 at a remuneration of Rs.55,000/- (Rupees fifty five thousand only) + validly & properly incurred out of pocket expenses + applicable service tax, if any, to be allowed at prevailing rates as specified in the service tax rules, as approved by the Board of Directors at 77th Board of Directors meeting on the recommendation of Audit Committee be and is hereby “noted and ratified”.

***Item No.4: To approve appointment of Independent Directors on the Board of BESCO.***

Vide GOK Notification No.EN 43 EEB 2016 dated 14.07.2016, seven members Independent Directors have been appointed by the Govt. of Karnataka. As a Statutory requirement, stipulated under section 149 (8) schedule IV that the appointment of Independent Directors of the Company shall be approved at the meeting of Shareholders.

**By order of the Board,**  
For Bangalore Electricity Supply Company Limited,

Sd/-  
**(K.T. HIRIYANNA)**  
Company Secretary

To:

1. All the members (Shareholders)- by name
2. All the Directors – by name
3. The Statutory Auditors – by name.



## Bangalore Electricity Supply Company Limited

(Wholly owned Government of Karnataka Undertaking)

(CIN- U04010KA2002SGC030438)

**Registered Office:** Corporate Office, K.R.Circle, Bengaluru – 560 001

Telephone No.: 080-22266011 / 22266033, Fax No. 080-22354925

Website: www.bescom.org, E-mail : cs@bescom.co.in

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### NOTES

- (1) A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company.
- (2) The Company being a Government Company, the Comptroller & Auditors General of India has appointed the Auditors of the Company for the year 2016-17 under section 139 (5) of the Companies Act 2013 vide appointment order No.CA V/COY/KARNATAKA/BESCOM (1) dated 08.07.2016.
- (3) The Company being a Govt. Company, the aspect of declaration of dividend will be in accordance with the recommendation of the Board, decisions of shareholders as deem fit and in accordance with the provisions of Companies Act, 2013.

**By order of the Board,**  
For Bangalore Electricity Supply Company Limited,

Place : Bengaluru  
Date : 22.09.2016

Sd/-  
**(K.T. HIRIYANNA)**  
Company Secretary

To:

1. All the members (Shareholders)- by name
2. All the Directors – by name
3. The Statutory Auditors – by name.





## Bangalore Electricity Supply Company Limited

(Wholly owned Government of Karnataka Undertaking)

(CIN- U04010KA2002SGC030438)

### FORM OF PROXY

I/We ..... being a member/members of the above mentioned Company hereby appoint ..... as my/our proxy to vote for me/us on my/our behalf at the 14th Annual General Meeting to be held on 29.09.2016 the ..... and at any adjournment thereof.

Signed this ..... day of September, 2016.

Signature  
[Shareholder]

#### Note:

- (1) This instrument of proxy shall be deposited at the Regd. Office of the Company not less than 48 (Forty Eight) hours before the time of holding the aforesaid meeting.
- (2) A Proxy need not be a member of the Company.

## *Chairman's Message*

Dear Shareholders,

Welcome to 14th Annual General Meeting of the Company.

Over the last few years, BESCOM has been continuously making its best efforts to position itself as one of the best power utilities of the country. In the changing scenario, it is anticipated that demand for electricity will raise rapidly and consumers expectation for quality service will also increase commensurately. The Company is facing multiple challenges ensuring speedy execution of ongoing projects under distribution sector, delivery of cost efficiency, sustainability concerns, safety, increasing regulatory compliances, manpower addition, human resources development, effective material management and good corporate governance etc. It is therefore, imperative for Bangalore Electricity Supply Company Ltd., to continuously enhance the quality of services delivered to our consumers. These are indeed exciting times for the Company. Rapid progression in the distribution network calls for providing service to one crore plus consumers at present throughout the jurisdiction of BESCOM. For providing quality services to our consumers, a new project is also being launched namely Integrated Power Development Scheme for strengthening distribution networks, metering of distribution transformers in the urban areas. BESCOM has taken up a flagship programme of Government of Karnataka, viz., Niranthara Jyothi Project (NJY Project) and BESCOM is continuously striving towards I.T. enabled system across the Company to ensure greater engineering predictability and to position itself into best utility in the country on all the parameters and spheres of activities to provide quality service to the consumers timely with efficiency and cost economy.

BESCOM is progressing ahead to achieve the Vision to become leading power utility in South Asia in power distribution. Road maps are drawn to implement smart metering project and new technologies in the field of information technology also to render quality services to the consumers. In line with the Government of India Vision to build smart cities and smart grid, BESCOM has initiated action to implement smart grid project. To provide reliable Power Supply to the consumers, BESCOM has taken up Distribution Automation System (DAS) Project for entire Bengaluru Metropolitan Zone area. This project envisages an integrated remote monitoring and automated control system for 11KV distribution network in Bengaluru, BMAZ area and the project is proposed to be rolled out by December 2016.

It is my sincere appeal that all the field officers and staff to respond promptly with courtesy to consumers calls immediately to attend their complaints/grievances besides it is also my advise to work efficiently, timely, effectively and qualitatively and to carryout 100% energy audit, 100% billing and collection efficiency which are the needs of the hour.

Yours Sincerely

29.9.2016  
Place: Bengaluru

Sd/-  
**(P. RAVI KUMAR, IAS.,)**  
Chairman

## *Directors' Report*

Dear Members,

Board of Directors of Bangalore Electricity Supply Company Limited (BESCOM) has pleasure in presenting the Fourteenth Annual Report, for the year 2015-16 and the audited financial statements of the Company for the year ended March 31st , 2016 pursuant to Section 134 of Companies Act 2013.

- (1) Bangalore Electricity Supply Company Limited was incorporated on 30th April 2002 under the Companies Act, 1956 and commenced its operations with effect from 1st June 2002.
- (2) The Company has successfully completed fourteen years in the “ Distribution of Electricity”. The Company having its headquarters at Bangalore city has its jurisdiction comprising the districts of Bangalore Urban, Bangalore Rural, Kolar, Ramanagara, Chikkaballapura, Tumkur, Davanagere and Chitradurga.
- (3) During the year 2015-16, the Company took various initiatives for rendering better services in line with Government's objectives and Policies. The Company had set its agenda for quality service in “Distribution of Electricity” to its consumers by strengthening the network system and improved efficiency measures in the field of information technology also.
- (4) BESCOM continued its pursuit of higher goals in the direction of increased metered sales, increased revenue Collection, meaningful energy audit at 11 KV & below and increased customer care activities using Information Technology by reducing human intervention etc. All these have been ably supported by the employees and the result is reflected in present improved position of the Company.

The progress of the Company on different parameters is enumerated hereunder:

### **I. STRATEGY AND VISION OF THE COMPANY :**

The vision of BESCOM is to become number one in customer satisfaction in South Asia in Power distribution. In order to achieve this vision, the Company has drawn up a strategy with focus on customer satisfaction, regulatory compliances and meeting stakeholders expectations etc.

### **II. MISSION :**

The Mission of BESCOM is to ensure absolute consumer satisfaction and continuous profit in business by:

- (a) Ensuring total employee satisfaction.
- (b) Developing infrastructure commensurate with growth, thus ensuring reliable and quality power supply.
- (c) Using best technology in communication and best practices in power sector.

### **III. PERSPECTIVE :**

BESCOM covers a contiguous area of 41,092 Sq. Kms with a population of 207 lakhs and serves more than 101.46 lakhs customers. The total asset is worth Rs.17200.48 Crores as on 31st March 2016.

1	Area	41,092 Sq.Kms
2	District	8
3	Population	20.7 Million
4	Consumers	10.14 Million
5	No. of DTCs	236672
6	HT Line length	89297.69 Ckt. Kms
7	LT line length	163045.47 Ckt..Kms
8	<b>Employee Strength</b>	
9	Sanctioned	21819
10	Working	14189
<b>Total Assets</b>		<b>Rs. 17200.48 Crores</b>

**(a) Consumer Population:**

Consumer population served by BESCOM is steadily increasing and recorded an increase of 7.43% in FY-16 over previous year. The number of consumers existing as on 31-03-2016 stands at 1,01,46,567.

Category wise consumers are furnished below.

Sl. No.	Category	As on 31-03-2015	As on 31-03-2016	% of Increase
1	Bhagya Jyothi	7,69,153	7,72,458	0.43
2	Domestic Lighting and AEH	63,89,122	68,08,445	6.56
3	Commercial Lighting	8,64,600	9,44,611	9.25
4	LT Power	1,75,326	1,89,452	8.06
5	HT Power	11,416	13,624	19.34
6	Irrigation Pump sets	7,70,469	8,11,331	5.30
7	Street Light & Others	1,15,489	1,21,505	5.21
8	Temporary Power	3,48,943	4,85,141	39.03
<b>TOTAL</b>		<b>94,44,518</b>	<b>1,01,46,567</b>	<b>7.43</b>

**(b) Tariff wise number of consumers and its proportion to the total as on 31-03-16**

Tariff	LT1	LT2	LT3	LT4	LT5	LT6	LT7
Number of consumers	772458	6808445	944611	811331	189452	121505	485141
% to Total	7.61	67.10	9.31	8	1.87	1.20	4.78

Tariff	HT1	HT2A	HT2B	HT2C	HT3	HT4	HT5	Total
Number of consumers	197	6286	5827	533	34	272	475	10146567
% to Total	0.13							100.00%



#### IV. FINANCIAL PERFORMANCE :

The financial performance of the Company during the Financial Year 2015-16 is highlighted as below:

Sl. No.	Particulars	For the year ended 31 March, 2016 Rs.	For the year ended 31 March, 2015 Rs.
1A	Revenue from operations	14148 23 49 967	13479 60 46 743
	Income on account of Regulatory Asset/Truing up subsidy	541 97 00 000	
2	Other Income	167 20 62 263	205 24 39 266
	<b>TOTAL REVENUE</b>	<b>14857 41 12 230</b>	<b>13684 84 86 009</b>
3	Expenses		
	Purchase of Power	12601 00 97 553	11685 02 83 737
	Other operating expenses	83 36 85 368	54 94 02 861
	Employee Benefits Expenses	855 26 69 655	802 35 29 384
	Other expenses	483 33 83 521	397 07 21 062
	Finance costs	454 50 72 925	397 66 20 444
	<b>TOTAL EXPENSES</b>	<b>14477 49 09 022</b>	<b>13337 05 57 488</b>
4	<b>Profits before Depreciation, Prior period items, exceptional items, extraordinary items, Income Tax (1+2-3)</b>	<b>379 92 03 208</b>	<b>347 79 28 519</b>
5	Depreciation	290 59 59 893	199 78 51 796
6	<b>Profit / (Loss) before Prior period items, exceptional and extraordinary items and Income Tax (4-5)</b>	<b>89 32 43 316</b>	<b>148 00 76 723</b>
7	Exceptional items	(54 77 40 663)	22 85 07 802
8	<b>Profit / (Loss) before Prior period items, extraordinary items and Tax (6-7)</b>	<b>144 09 83 978</b>	<b>125 15 68 921</b>
9	Prior period Expenses (+) / Income (-)	11 57 20 787	14 03 67 373
10	Extraordinary & Prior period items	-	-
11	<b>Profit / (Loss) before Tax (8-9)</b>	<b>132 52 63 191</b>	<b>139 19 36 294</b>
12	<b>Income Tax Expenses:</b>		
	(a) Current tax expenses	24 51 73 690	25 75 00 000
	(b) Less: MAT credit		
	(c) Deferred tax		
	(d) Tax expenses relating to prior years		
13	<b>Profit/(Loss) from continuing operations (10-11)</b>	<b>108 00 89 501</b>	<b>113 44 36 294</b>
14	<b>Profit / (Loss) from discontinuing operations</b>		
15	<b>Profit / (Loss) for the year (12+13)</b>	<b>108 00 89 501</b>	<b>113 44 36 294</b>
16	Earnings per equity share of Rs. 10 each.		
	(1) Basic	1.97	2.07
	(2) Diluted	-	-

General note (Note No.30) form an integral part of these financial statements

## V. SUB STATIONS :

BESCOM is receiving energy through the following Transmission Network & Electrical Substations.

Voltage Class of Stations	No. of Substations
400 Kv	3
220 Kv	41
110 Kv	28
66 Kv	365
<b>Total</b>	<b>437</b>

## VI. POWER PURCHASE :

- (1) BESCOM is purchasing power from power generators as per Government of Karnataka Order No. EN 131 PSR 2003 dated 10.5.2005 w.e.f., 10.6.2005. The purchase of power from various sources such as Hydel, Thermal, Biomass, Wind, Solar etc., is allocated by the Government of Karnataka vide its order dated 26.02.2015. The power is procured from:
- (a) Central Generating Stations like NPTC, NLC, NTECL, Kaiga, Kudankulam MAPS, NTPL and DVC.
  - (b) State owned generating stations of KPCL- Hydel, Thermal, Solar and Wind.
  - (c) Independent power producer - Udupi Power Corporation Ltd.
  - (d) Independent power producers Non-conventional energy sources like Wind, Biomass and Mini-hydel.

The capacity available from various sources is as below.

Sources	Capacity in MW.
Hydel	1044.53
Thermal	3446.27
Atomic	187.43
Non-Conventional Projects	1340.24
<b>Total</b>	<b>6018.47</b>

- (2) The share of allocation for various power projects as per Government of Karnataka notifications and average power purchase cost per Kwh are as follows.

Sl. No.	Source	Share of allocation	Av. Power Purchase Cost in paise/Kwh.
<b>1(a)</b>	<b>KPCL Hydel:</b>	28.68%/32.5%	90.00
<b>(b)</b>	<b>KPCL Thermal:</b>		
	RTPS 1 to 7	50.44%	395.34
	RTPS VIII	50.44%	440.38
	BTPS Unit I	50.44%	476.37
	BTPS Unit II	50.44%	466.89

Sl. No.	Source	Share of allocation	Av. Power Purchase Cost in paise/Kwh.
<b>2</b>	<b>Central Generating Stations:</b>		
(a)	NTPC	50.44%	279.52
(b)	NLC	50.44%	327.50
(c)	Kaiga	50.44%	308.95
(d)	MAPS	50.44%	208.59
<b>3</b>	<b>Major IPPs</b>		
	Udupi Power Corporation Ltd.	66.90%	419.23
<b>4</b>	<b>Minor IPPs (NCE Projects)</b>		
	Biomass	100%	520.98
	Mini Hydel	100%	319.68
	Wind	100%	358.04
	Solar	100%	724.54
	UI	51.50%	296.72
	Medium Term	51.50%	464.87
	Short Term	51.321%	508.00
	Sec 11	46.39%	508.00

**(3) Transmission Charges:**

BESCOM is making payment of transmission charges to KPTCL and PGCIL. The Transmission Charges being paid to KPTCL is on MW basis as approved by KERC and for PGCIL, it is as approved by CERC.

**(4) Energy Charges:**

- (a) The total energy purchased at generation point, energy drawn at IF point and cost thereon, are as follows.

Total Energy purchased in MUs	Total energy drawn at IF points in MUs	Power Purchase cost (Rs. in Crores)	Average Power Purchase cost (Rs /unit)	
			At Gen. point	At IF point
29161.67	27893.40	12600.53	4.32	4.52

- (b) Comparison of Source-wise power purchase cost during 2015-16 and 2014-15

Sl. No.	Source	2015-16		2014-15	
		ENERGY PURCHASED IN MUs	AMOUNT IN CRORES	ENERGY PURCHASED IN MUs	AMOUNT IN CRORES
1	Hydel Power	2413.39	351.36	4225.16	393.89
2	Thermal Power	19103.60	7431.13	17120.56	6651.74
3	Lignite Power	1500.98	491.57	1425.85	465.97
4	Atomic Energy	1376.62	434.71	1384.37	392.23
5	Non-conventional Energy	1277.50	696.64	316.13	175.73
6	Wind Mill Energy	2168.52	776.50	2259.85	806.63
7	Diesel Generating		-0.53		-0.53
8	Unscheduled Inter Change Charges	319.74	94.87	165.55	38.18
9	Short Term Purchase	3817.65	1866.96	3300.85	1714.83
10	Tr. Charges(KPTCL/GCIL)	-	1717.07	-	1267.10

11	Other Expenses				
i.	POSOCO Charges	-	1.34	-	1.49
ii.	SLDC O&M Expenses	-	10.53	-	17.16
iii.	Cost of Banked Energy	-		-	
iv.	PCKL Rev. Expenses	-	2.39	-	2.81
12	Energy Balancing	-2834.37	-1102.56	-790.08	-297.94
13	Inter ESCOM	18.04	7.02	14.79	5.81
14	Tangendco	-	0.24	-	0.18
15	Legal Expenses		0.25		0.28
16	Prior period expenses	-	269.77	-	330.01
17	Excess Provision during prior period		-448.72		-276.02
<b>TOTAL</b>		<b>29161.67</b>	<b>12600.53</b>	<b>29423.03</b>	<b>11689.56</b>

(c) Statement showing the details of power purchased, power purchase cost (P.P.Cost) and cost per unit from various sources and transmission charges and other charges for the year 2015-16.

Sl. No.	NAME OF THE COMPANY	CONSUMPTION IN MUs	AMOUNT BILLED (Rs. In crores)	P.P. COST (Rs./ Kwh)
<b>1</b>	<b>Central projects</b>			
	NTPC	4120.66	1151.80	2.80
	NLC	1500.98	491.57	3.27
	MAPS	107.54	22.43	2.09
	KAIGA	1062.57	328.28	3.09
	VALLUR	338.80	126.83	3.74
	KUDANKULAM	206.51	83.99	4.07
	DVC	266.07	104.23	3.92
	NTPL	333.01	133.39	4.01
	NTPC BUNDLED POWER(Coal)	247.86	75.04	3.03
	<b>CGS Total</b>	<b>8184.00</b>	<b>2517.56</b>	<b>3.08</b>
	UI CHARGES	319.74	99.67	3.12
	TBHE	6.10	1.03	1.69
	Jurala	4.62	29.52	
	<b>Total</b>	<b>330.46</b>	<b>130.22</b>	
<b>2</b>	<b>Medium term Purchases</b>			
	M/s. NETS			
	M/s. JSW	343.32	184.62	4.90
	M/s. IEX & PEX			
	M/s. BMM Ispat			
	M/s. ESSAR POWER			
	M/s. IDEAL ENERGY	8.74	3.90	4.23
	M/s. GUVNL			
	<b>Medium term Total</b>	<b>352.06</b>	<b>188.52</b>	<b>4.65</b>
<b>3</b>	<b>Short term Purchases</b>			
	Global Energy	1393.16	676.91	4.86
	Harekrishna Metalics	2.87	1.60	5.08
	BMM Ispat	323.05	169.45	5.08
	JSW	888.78	453.53	5.08
	NSL	32.87	16.70	5.08
	Dhruvadesh Metasteels	3.74	2.13	5.08
	Tata	257.34	130.18	5.08
	Nirani Sugars	24.17	12.04	5.08
	PTCIL	69.91	34.09	5.08
	Athani Sugars	36.61	18.35	5.08
	Satish Sugars	31.52	16.30	5.08
	GMR	6.61	3.69	5.08
	Mittal Procesor	94.10	46.93	5.08
	Bhalkeshwara Sugaras	8.54	4.08	5.08
	IEX	74.22	30.27	5.08
	<b>Short term Total</b>	<b>3247.49</b>	<b>1616.25</b>	
	<b>SEC-11 Energy</b>	<b>1324.37</b>	<b>619.41</b>	<b>4.67</b>

Sl. No.	NAME OF THE COMPANY	CONSUMPTION IN MUs	AMOUNT BILLED (Rs. In crores)	P.P. COST (Rs./Kwh)
<b>4</b>	<b>State Projects</b>			
	KPCL- HYDEL	1949.26	175.85	0.90
	KPCL-DG		-0.53	
	KPCL-THERMAL	8693.14	3700.06	4.26
	KPCL-WIND	7.80	2.89	3.71
	KPCL-SOLAR	4.07	2.46	6.04
<b>5</b>	<b>Private Producers</b>			
	UPCL	5104.06	2139.78	4.28
<b>6</b>	<b>NCE Projects</b>			
	Bio-Mass	39.36	20.50	5.21
	Mini-Hydel	453.41	144.95	3.20
	Wind	2160.72	773.61	3.58
	Solar	70.98	51.43	7.25
	NTPC BUNDLED POWER (Solar)	56.81	60.28	10.61
	<b>SUB-TOTAL (I)</b>	<b>31977.99</b>	<b>12143.21</b>	<b>3.80</b>
<b>7</b>	<b>Transmission Charges</b>			
	PGCIL Tr. Charges	-	491.16	
	KPTCL Tr. Charges	-	1225.91	
	<b>SUB-TOTAL (II)</b>	<b>0</b>	<b>1717.07</b>	
<b>8</b>	<b>INTER ESCOM EXCHANGE POWER</b>			
	GESCOM	3.68	1.43	
	MESCOM	-1.15	-0.45	
	HESCOM	21.75	8.46	
	CESC	-6.24	-2.43	
<b>9</b>	<b>ENERGY BALANCING CHARGES</b>			
	GESCOM	-232.97	-90.62	
	MESCOM	-210.50	-81.88	
	CESC	-2006.43	-780.50	
	HESCOM	-384.47	-149.56	
	<b>OTHER CHARGES</b>			
	Cost of Banked Energy			
	SLDC O&M Expenses		10.53	
	POSOCO charges		1.34	
	Tangendco		0.24	
	PCKL Rev. Expenses		2.39	
	Legal Expenses		0.25	
	<b>SUB-TOTAL(III)</b>	<b>-2816.32</b>	<b>-1080.80</b>	
	Prior period Expenses		269.77	
	Prior period Income		-448.72	
	<b>GRAND TOTAL</b>	<b>29161.67</b>	<b>12600.53</b>	<b>4.32</b>

- (d) BESCOM has purchased power from various short term and medium term contractors to mitigate power shortage situation. The medium term contractors are M/s. JSW, and M/s. Ideal Energy. The short term contractors are M/s. JSW, M/s. GMR, M/s. PTCIL, M/s. TATA, M/s. Dhruvadesh Metasteels, M/s. Harikrishna Metallica, M/s. NSL, M/s. BMM Ispat, M/s. Athani Sugars, M/s. Satish Sugars, M/s. Nirani Sugars. M/s. Bhalkeshwara Sugars and M/s. Mittal Processor. Power is purchased through IEX also. Section 11 of Electricity Act, 2003 was invoked by GOK from 15.09.2015 for maximizing generation from co-generation and biomass plants having no PPAs. The quantum of energy purchased and amount paid for Medium/short term contracts is furnished as below:

**Statement showing the details of energy purchased and amount paid  
for Short term/ Medium term contracts in 2015-16**

	ENERGY (in MUs)	Rate (Rs./Unit)	AMOUNT (Rs./crore)
<b>MEDIUM TERM</b>			
M/s. JSW	343.32	5.37	184.62
M/s. Ideal Energy	8.74	4.46	3.90
<b>Total</b>	<b>352.06</b>		<b>188.52</b>
<b>SHORT TERM</b>			
Global Energy	1393.16	4.86	676.91
Harekrishna Metalics	2.87	5.08	1.60
BMM Ispat	323.05	5.08	169.45
JSW	888.78	5.08	453.53
NSL	32.87	5.08	16.70
DhruvadeshMetasteels	3.74	5.08	2.13
Tata	257.34	5.08	135.18
Nirani Sugars	24.17	5.08	12.04
PTCIL	69.91	5.08	34.09
Athani Sugars	36.61	5.08	18.35
Satish Sugars	31.52	5.08	16.30
GMR	6.61	5.08	3.69
Mittal Processor	94.10	5.08	46.93
Bhalakeshwara Sugars	8.54	5.08	4.08
IEX	74.22	5.08	30.27
<b>Short term Total</b>	<b>3247.49</b>		<b>1616.25</b>
SEC-11	1324.37	4.67	619.41
<b>TOTAL</b>	<b>4923.92</b>	<b>4.92</b>	<b>2424.18</b>

- (e) The following Power Purchase Agreement have been signed by BESCOM which is approved by KERC during 2015-16.

Sl.No.	Source	No.
1	Solar PV Plants(1.3 MW land owners PPA)	79

**(5) Peak Load:**

The details of peak load of BESCOM and energy input for year 2015-16 is furnished below:

Month	Maximum	Minimum	Wheeled Energy in kwh MUs	Input Energy of BESCOM in MUs
	Load (in MW)	Load (in MW)		
Apr-15	4606	2370	70.53	2472.81
May-15	4370	1675	90.56	2362.53
Jun-15	4350	1976	97.35	2185.08
Jul-15	4493	2033	113.05	2459.07
Aug-15	4181	2273	116.39	2297.28
Sep-15	3818	2038	113.69	2016.15
Oct-15	3740	2090	106.72	2090.55
Nov-15	3676	1948	107.41	1900.33
Dec-15	4100	2112	116.87	2216.29
Jan-16	4340	2707	122.19	2461.67
Feb-16	4764	2993	124.13	2462.34
Mar-16	4931	3090	149.85	2869.30
<b>Total</b>			<b>1328.74</b>	<b>27893.40</b>

**(6) Energy at IF points:**

The total energy drawn at IF points is 27893.40 MU. The energy drawn at IF point during previous years, percentage of increase in each year, energy sales, percentage of increase in each year and distribution loss are as follows.

Sl. No.	Year	Energy MU at IF points	% increase over previous year	Energy available for sale(MU)	% increase over previous year	Distribution Loss(%)	AT & C Loss
1	FY 2006	15321	4.55	11613.69	5.15	24.20	34.25
2	FY 2007	18522	20.89	14126.45	21.64	23.73	26.55
3	FY 2008	18665	0.77	14933.57	5.71	19.99	26.15
4	FY 2009	19566	4.83	16310.48	9.22	16.64	17.42
5	FY 2010	20329	3.9	17251.6	5.77	15.14	17.54
6	FY 2011	21909	7.77	18736.12	8.6	14.48	18.54
7	FY 2012	24584	10.88	21029.95	12.24	14.46	19.50
8	FY 2013	26568	8.07	22796.00	8.40	14.20	19.22
9	FY 2014	26786	0.94	23065.37	1.18	13.89	16.97
10	FY 2015	28256	5.49	24436.08	5.94	13.52	16.76
11	FY 2016	27893	-1.30	24538.18	0.42	12.03	13.07

(6a) Quantitative details of Power purchase, Distribution Loss & Transmission Loss (As compiled and certified by the Management)

**Distribution Loss**

In Mus

Sl.No.	Particulars	FY 2015-16
1	Total Energy at Interface Point ((From 1-04-2015 to 31-03-2016)	27893.40
2	Total metered sales	18348.38
3	Total un-metered sales *	6189.80
4	Total Sales (2+3)	24538.18
5	Distribution loss (1-4)	3355.22
6	Percentage of Distribution Loss (5/1)	12.03

**Transmission Loss:**

In Mus

Sl.No.	Particulars	FY 2015-16
1	Total Energy purchased at Generation Point (From 1-04-2015 to 31-03-2016)	29161.67
2	Total Energy at Interface Point (From 1-04-2015 to 31-03-2016)	27893.40
3	Transmission Loss (1-2)	1268.27
4	Percentage of Transmission Loss (3/1)	4.35

## VII. METERED CONSUMPTION :

Year	Energy Input (MU)	Consumption by Metered Category	% Increase over previous year
FY-06	15321	8307.06	15.58
FY-07	18522	9717.36	16.98
FY-08	18665	11283.82	16.12
FY-09	19566	12205.78	8.07
FY-10	20329	12940.32	6.02
FY-11	21909	14263.20	10.23
FY-12	24584	15675.92	9.90
FY-13	26568	17069.13	8.89
FY-14	26786	17827.25	4.44
FY-15	28256	18676.96	4.77
FY-16	27893	18348.38	-1.76

## VIII. SALE OF ENERGY :

During FY-16, 24538.18 MUs were sold to various categories of consumers, out of which 18348.38 MUs (Including Inter Escoms ) were under metered category and the balance of 6189.80 MUs was accounted under un metered category. The distribution loss for the year is assessed at 12.03% and AT & C loss is assessed at 13.07%

### a) Metered Energy Sales :

Sl. No.	Category	In Mus
1	Bhagya Jyothi	128.73
2	Domestic Lighting. incl. AEH	6027.37
3	Commercial Lighting	1754.07
4	IP set (Metered)	8.05
5	L.T. Power	1150.39
6	H.T. Power	8341.31
7	Water Works / Public Lighting	770.94
8	Temporary installations	167.52
<b>TOTAL</b>		<b>18348.38</b>

### b) Un-Metered Energy Sales :

Sl. No.	Category	In Mus
1.	Irrigation Pump Sets	6189.80
<b>TOTAL</b>		<b>6189.80</b>

### c) Category wise energy sold 2015-16 :

Tariff	LT1a	LT2	LT3	LT4	LT5	LT6	LT7	HT	<b>TOTAL</b>
Category	BJ	Domestic Lighting & Heating	Commercial	IP Set	Industries	Water Works & Street Light	Temporary	All	
Energy Sold in MUs	128.73	6027.37	1754.07	6197.85	1150.39	770.94	167.52	8341.31	<b>24538.18</b>



d) **Break up of HT sales:**

HT1	HT2A	HT2B	HT2C	HT3	HT4	HT5	TOTAL
Water Supply	Industrial	Commercial	Hospital	Lift Irrigation	Residential Apartments	Temporary	
672.75	4593.22	2614.90	232.53	57.10	96.59	74.22	8341.31

**IX. REVENUE DEMAND AND COLLECTION :**

(a) **Revenue Demand :**

The revenue demand consequent to the growth in consumers numbers and tariff has increased over the years as follows:

- Demand FY 08: Rs. 5807 Cr.
- Demand FY 09: Rs. 6190 Cr.
- Demand FY 10: Rs. 6792 Cr.
- Demand FY 11: Rs. 8246 Cr.
- Demand FY 12: Rs. 9348 Cr.
- Demand FY 13: Rs.10724 Cr.
- Demand FY 14: Rs.11560 Cr.
- Demand FY 15: Rs.13385 Cr
- Demand FY 16: Rs.14218 Cr

(b) **Revenue Collection:**

The revenue collections have also increased over the years as follows:

- Collection FY 08: Rs. 5360 Cr.
- Collection FY 09: Rs. 6132 Cr.
- Collection FY 10: Rs. 6600 Cr.
- Collection FY 11: Rs. 7855 Cr.
- Collection FY 12: Rs. 8794 Cr.
- Collection FY 13: Rs.10096 Cr.
- Collection FY 14: Rs.11147 Cr.
- Collection FY 15: Rs.12884 Cr.
- Collection FY 16: Rs.14049 Cr.

(c) **Revenue from the consumers is being collected through the following systems.**

As a consumer friendly measure, BESCOM has initiated a number of actions intended to increase consumers comfort while dealing with BESCOM. As a part of this a number of payment channels/mechanisms are provided to them.

(1) **BANGALORE METROPOLITAN AREA ZONE:**

1. Bangalore One (Centers)
2. IMI Payments
3. Bill Junction
4. City Union Bank

(2) **RAPDRP TOWNS:**

1. Bangalore One (Centers)
2. IMI Payments
3. Post Office
4. Bill Junction
5. IDBI
6. EBP
7. Pay u mobiles

**(3) BOTH RAPDRP AND NON- RAPDRP AREA:**

1. Bill Desk
2. Cheque Drop Boxes
3. Electronic Clearance Scheme (Direct debit from the bank a/c initiated by RBI)
4. Karnataka 1
5. Easy Bill
6. PAY TM
7. BESCOM Cash Counters

Collection for the year 2014-15 and 2015-16 through TPP

Year	No. of Transactions	Amount in Crores
2014-15	4599568	1780.49
2015-16	8094091	2677.65

Upcoming Vendors of BESCOM for the collection of electricity bill during the year 2016-17.

- ❖ NEFT/ RTGS - OPC
- ❖ Free Charge
- ❖ Khajana 2
- ❖ Groupment Payment

**X. DEMAND SIDE MANAGEMENT (DSM) / ENERGY CONSERVATION MEASURES:**

The following DSM measures were adopted in the year 2015-16 BESCOM to save energy:

**(1) Implementation of Solar Rooftop system in BESCOM:**

- The Government of Karnataka has announced the Solar Policy 2014-21 for grid connected solar rooftop system under net-metering basis on 22.05.2014 and set up an SRTPV Target of 100 MWs per year from the year 2014-15 to 2017-18.
- Further, KERC has issued revised tariff vide Notification dated: 02.05.2016 and introduced Gross Metering for residential, Hospital & Education institutions and Net metering for other tariff consumers.
- The grid connected rooftop solar photovoltaic power generation plants from 1KWp to 1MWp capacity per project/system to generate electricity/ power would be eligible under the programme.
- The programme is being implemented in Urban and Rural Areas as well.
- The programme encourages installation of rooftop solar photovoltaic power generation plant for self-consumption as well as supply/sale of electricity to the grid.
- BESCOM online application for grid connectivity, KERC approved guidelines, timelines and standard format of application, power purchase agreement and other formats for SRTPV plants are made available in the BESCOM website.
- BESCOM is empanelling Grid tied inverters manufactures and facilitators for the benefits of consumers and are as follows;
  - Empanelled Grid tied inverter manufacturers -21 nos.
  - Empanelled Facilitators-07 nos.
- BESCOM is being developing Solar RTPV software

- Circulars are issued for simplification of the SRTPV procedure
  - Tripartite agreement
  - Signing of PPA before installation of SRTPV plant for availing bank loans
  - For HT consumers; evacuation of SRTPV at LT side system capacity is less than the sanctioned load
  - Guidelines for 500kW and above installations
  - Commissioning of SRTPV by sub-division AEE's upto 5 KW without the assistance of MT staff
  - EE's are authorized to convey approval for extension of time limit for completion of installation work of SRTPV system
  - The SRTPV applications shall be accepted for newly / under construction buildings / installations
  - Technical Feasibility Report, Time extension for completion of SRTPV work revised guidelines for change of location and time extension, Cys-09-mandatory OM SRTPV for installation of modem, execution of tripartite agreement by the field officers.
- From 07.11.2014 to 31.03.2016, 406 nos. of Solar rooftop installations are serviced with a total capacity of 7.1741 MW
- **Award:** BESCOM has been awarded National Excellence Awards-2016 for Rooftop Solar Power Projects for the following categories by Minister of State for Power, Coal and New & Renewable Energy, GoI:
  - Promotion/ Facilitation category
  - Own installation

**(2) Surya Raitha Scheme:**

BESCOM has initiated to arrange solar power supply to 310 no.s of IP sets of Harobele 11kV feeder of Kanakapura sub-division as a pilot scheme on net metering basis. DPR has been prepared. The work is entrusted to M/s Sun Edison through tender process.

The cost of the project is Rs.24 Crores. The project promotes replacing existing inefficient IP sets with efficient pumpsets and energizing these IP sets with solar power and feed in excess energy to the grid on net-metering concept. The excess energy fed into the grid will be paid back to the farmers as per tariff fixed by KERC resulting in additional income to the farmers apart from the income earned through crops.

The scheme will be financed by a combination of farmer investment, GoK investment, MNRE subsidy and BESCOM investment through soft loans that will be repaid by the farmer through his net metering tariff revenues in initial years. The net metering revenues will be deposited into an escrow account and will be diverted first to the loan account and, if in surplus, to the farmer's account. The work is under progress and till date, 69 installations are commissioned.

**(3) Providing advertisements on energy savings through Digital Display Infotainment System (DDIS) at railway reservation counters:**

BESCOM has initiated to advertise DSM measures through DDIS system coming under jurisdiction of BESCOM at Railway reservation/ticketing counters through LED TV screen spread in all the major passenger reservation systems (PRS) and un-reserved ticketing systems (UTS) Railway stations for a period of two years. Work award has been issued to M/s Vyoma Technologies. Advertisement is displaying successfully at all 120 nos. of railway reservation centers in BESCOM area from 01.11.2015. Total cost the project is Rs.79,47,072/-.

**(4) Vidhyuth Jagruthi Yojane:**

- “Vidhyuth Jagruthi Yojane” an awareness program introduced for school / college students to bring in awareness who in-turn communicate this in their families. Work award issued to M/s. TERI for the work of “Design and implementation of conducting energy efficiency measures and demand side management awareness activities in selected 100 schools/colleges in Bangalore Urban/Rural District and to sensitize approximate fifty thousand students and to bring down energy consumption on contract period of two academic years” i.e., for 2014-15 and 2015-16.
- The agency has to collect last one year electricity consumption data of selected schools and from fifty thousand students (preferably) and Energy savings shall be arrived from this baseline data. The agency has to achieve 5.2 MU of energy savings for two academic years.

**(5) Hosa Belaku Programme:**

- Ministry of Power, Gol has launched the programme "Unnath Jyothi Affordable LEDs for All (UJALA) - Domestic Efficient Lighting Programme (DELP)" to provide high quality 9 watts LED bulbs at an affordable rates to Domestic consumers i.e., Rs.80/- for each bulb.
- This is popularly known as "Hosa Belaku" in Karnataka, implemented in all electricity supply companies (ESCOs) of Karnataka.
- GoK has designated EESL as implementing agency. Programme was launched in Mysore on 11.12.2015 by Hon'ble CM of Karnataka.
- DELP programme developed by EESL promotes use of high quality LED bulbs in the domestic sector by overcoming the high first cost barrier.
- This programme enables distribution of LED bulbs at a cost much lower than the market price as replacements for Incandescent Lamps (ICLs) and Compact Fluorescent Lamps (CFLs) for energy savings.
- Consumers can purchase the LED bulbs based on their sanctioned load i.e., upto 2KW, 5 no.s and more than 2KW, 10 nos.
- Consumers can either directly purchase the LEDs by paying upfront payment or through 10 months easy installments through their bill.
- BESCOM facilitated EESL to file the petition before KERC for approval to implement the programme and also to make provision for EMI option in the electricity bill. KERC has approved to disconnect the consumer premises in case of non-payment of EMI.

**Progress:** A total of 31,06,284 no. of LED bulbs were sold from 23.12.2015 to 31.03.2016.

**(6) Agriculture Demand Side Management, WENEXA-USAID:**

- BESCOM has replaced 277 nos of inefficient irrigation pump sets by high energy efficient pump sets on HVDS feeders at metered locations Doddaballapur Sub-Division as a pilot project through ESCO model.
- BESCOM has saved 84,22,089 units (8.4 MU - 39%) from this project between April 2011 to March-2016 at Doddaballapura.
- KERC has issued directions to Scale up this project.
- A contract agreement was signed on 07.08.2013 between BESCOM and M/s. Energy Efficiency Service Ltd., a joint venture company of public sector units (PSU's) of Ministry of Power, New Delhi for Agriculture Demand Side Management i.e., for preparation of DPR to replace one lakh

nos. of less efficient IP sets by highly efficient pump sets without any financial commitment to BESCOM.

- On 14.02.2014, M/s. EESL has submitted a DPR for Pavagada taluk for replacing 10,673 nos. of IP sets along with terms & conditions for its implementation. M/s. EESL, claimed to achieve an energy savings of 31.49% in this project.
- In this regard, BESCOM requested to M/s. EESL prepare a baseline for one complete year by recording the consumption data of DTC meter for review and consideration with EESL and ESCOMs.
- Further, GoK has initiated to replace one lakh IP sets by Energy Efficient pump sets in each ESCOM. Guidelines and policy is awaiting.

#### (7) Implementation of Mandatory use of Solar Water Heaters:

As a Demand Side Management programme, BESCOM is encouraging installation of Solar Water Heaters. No. of Solar Water Heating Systems installed during 2015-16 in BESCOM is 76,628

Energy savings	
Annual Energy savings for 76,628 no.s of SWH	101.15 MU
Per day Energy savings for 76,628 no.s of SWH	0.31 MU

\* By considering average 2KW for 2 hours per day per SWH for 330 days.

#### (8) Providing timer switches to the street lights and Smart Energy saver units:

- BESCOM has requested BBMP and other local municipalities to install timer switches to street lights resulting in energy savings and reduces evening peak hour load on grid. Also, requested to provide Smart Energy Saver Units so as to reduce energy cost of monthly electric bill and energy savings in peak hours and to get good impression from public.

The status of timer switches provided to street lights in BESCOM area is as follows:

Sl. No.	Zone	No. of Street light Ckt. existing as on Mar-16	No. of timer switches fixed as on Mar-16	No. of timer switches in working condition as on Mar-16	No. of timer switches not in working condition as on Mar-16	Balance no. of timer switches to be fixed
1	BMAZ	19587	14524	11779	2745	7808
2	BRAZ	19369	0	341	301	19028
3	CTAZ	14198	137	76	61	14122
<b>Grand Total</b>		<b>53154</b>	<b>14661</b>	<b>12196</b>	<b>3107</b>	<b>40958</b>

#### (9) Projects implemented/undertaken through KREDL:

- **Solar LED lanterns:** GoK has sanctioned Rs. 3.00 crores for supply and distribution of solar LED lanterns to promote renewable energy usage in the economically backward houses in the hilly/forest areas of remote and isolated locations. The project envisages distribution of solar LED lanterns to 3000 beneficiaries in BESCOM with 75% state subsidy and 25% contribution from beneficiary. KREDL is the nodal agency and BESCOM is the implementing agency. BESCOM distributed 3000 nos. of Solar LED lanterns as per the allotment.

- **Belaku Yojana :** Belaku Yojana is an initiative of GoK aims to large scale replacement of 2 nos. of incandescent lamp by 2 nos. of CFLs for Anthyodaya Anna Yojane (AAY) and BPL households. KREDL has allotted 2,46,640 CFLs of 11W capacity and BESCOM has successfully distributed all the CFLs to the beneficiaries during 2015-16.
- **Solar off-grid pump set programme :** For the benefits of farmers, GoK has initiated to provide Solar off-grid pump sets to farmers. The work involves supply, installation, commissioning of IP sets along with the maintenance of 5 years. KREDL has allotted 408 IP sets of capacity 5HP for the following Taluks:

Sl. No.	Taluk	General Category	SC	ST	Total
1	Ramanagara	60	11	04	75
2	Channapatna	80	15	5	100
3	Kanakapura	106	20	07	132
4	Pavagada	60	11	4	75
5	Kunigal	21	4	1	26
<b>Total</b>		<b>327</b>	<b>61</b>	<b>21</b>	<b>408</b>

BESCOM has identified 20 beneficiaries for Kunigal taluk and 3 beneficiaries from Pavagada taluk. Identification of beneficiaries from other taluks is under progress.

In all the above programmes mentioned, KREDL is the nodal agency and BESCOM is the implementing agency.

#### (10) Energy Awareness Program:

##### Communication Modes Utilized through:

- Advertisements in News papers, Magazines, Souvenir etc.
- Through stalls.
- On Hoardings
- Jingles in Doordarshan, AIR, Big FM etc.
- Posters, Pamphlets, Brochures, Car Stickers etc.
- Through Customer Interaction Meetings by Section Officers / Sub Division officers with Grama Panchayath and Zilla Parishat offices.
- Through Interaction meetings at Taluk development / District development meetings.

## XI. IMPORTANT PROJECTS/ TECHNOLOGY ABSORPTION:

### (A) BANGALORE DISTRIBUTION UPGRADATION (DAS) & SMART GRID PROJECTS

#### (1) Bangalore Distribution Upgradation Project

BESCOM has taken up the project of Distribution Automation System (DAS) of 11 KV network in Bangalore Metropolitan Area Zone (BMAZ) under the Bangalore Distribution up-gradation project.

Distribution Automation System (DAS) Project is an integrated remote monitoring & automated control system for 11 KV distribution network in Bangalore Metropolitan area. With two Centralized Distribution Control centers one at HSR Layout and other at Rajajinagar, entire 11 KV network of BMAZ area will be monitored in real time for network management.



The project envisages strengthening of 11 KV network, installing DAS compatible field devices viz., Load Break Switches, Line re-closures Ring Main Units, Remote Terminal Units & reliable communication network (dedicated Microwave network).

#### PROJECT DETAILS:

- The cost of the Project is estimated to be Rs. 563 Crores.
- The Japan International Cooperation Agency (JICA) is extending financial assistance to an extent of Rs.417 Crores. (10,643 Million JPY at the time of sanction) for this project.
- BESCOM has to meet the balance amount of about Rs. 147 Crores.
- M/S DNVGL( Formerly KEMA, USA) and M/S CPRI, Bangalore are the Project Management Consultants.

#### OBJECTIVES & BENEFITS OF DAS:

- Providing assured quality and reliability of power supply.
- Improve quality of service and customers satisfaction.
- Reduce loss of time for fault location and restoration of power supply.
- Enabling of online energy audit (AMR systems).
- Real time control over the energy sales.
- Better network Management.
- Optimizing the network capability.
- Improved efficiency results in lower costs.
- Reduction in losses.

The DAS Project implementation is based on the following separate, but interrelated 7 construction packages.

#### Physical Progress

Sl. No.	Package No.	Package Description	Progress
1	Pkg-I	Distribution Automation System (DAS) Master Stations, Communication System and Control Centre Facilities	<p>1. The construction of DAS Control Center BICC-1 at HSR Layout is completed and the construction of control centre BICC-2 at Rajajinagar is in progress.</p> <p>2. DAS and Communication System Factory Acceptance Test (FAT) completed.</p> <p>3. Construction of Communication tower completed at 9 locations out of 11.</p> <p>4. 799 Nos. of Remote radios installed and RF engineering in progress.</p> <p>5. DAS system design and customization is completed.</p>

Sl. No.	Package No.	Package Description	Progress
			<p>6. Microwave and UHF (Ultra High Frequency) allotted by WPC (Wireless Planning Co-ordination wing).</p> <p>7. Configuration and Development System demonstration (C&amp;DS) equipment's installed in BESCOM Integrated Control Centre-1.</p> <p>8. Point to point testing of field equipment from C&amp;DS (Configuration and Development System) server in control center has commenced.</p>
2	Pkg-II	Remote Terminal Units for RMUs ( IIA, IIB & IIC) RTUs – 1590 Nos .	Installed – 1545, Field Performance Test on RTUs conducted in 1471 locations. Point to point testing in progress.
3	Pkg-III	Sectionalisers & Reclosers (IIIA & IIIB) LRC-795 Nos. LBS-745 Nos.	Erected – LRC- 795, LBS- 745 Site Acceptance Test conducted; LRC- 785, LBS- 737 Point to point testing in progress.
4	Pkg-IV	New Ring Main Units (IVA, IVB & IVC) RMUs – 790 Nos.	Erection completed Commissioned – 790
5	Pkg-V	New Ring Main Units in place of retrofiting (VA & VB) RMUs -800 Nos.	Errected - 789 Commissioned – 789
6	Pkg-VI	Constn. Of Overhead Distribution Lines  Coyote conductor-695 KMs ABC – 500 KMs	Laid – Coyote-698.6 kms, ABC-254.6 kms Charged – Coyote-698.6 kms, ABC-249 kms
7	Pkg-VII	Constn. Of Underground Distribution Lines – 230.5 KMs	Laid – 228 Kms, Charged – 228 kms

#### Financial Details of DAS project:

Amount in Crores.		
Total Project Cost	Total Expenditure for the FY 2015-16	Total Expenditure up to 31.3.2016 from the inception of the project
<b>563.70</b>	<b>50.31</b>	<b>382.32</b>



## (2) SMART GRID PILOT PROJECT

A smart grid is an electricity network using digital technology for supply of electricity to consumers. The smart grid utilises two-way communication between the consumer & utility. Smart Grid will enable BESCOM to manage and measure all power flow across the system continuously. This system allows for monitoring, analysis, control and communication within the supply chain to improve efficiency and maximize the transparency and reliability of the energy supply chain. For consumers this provides users friendly and transparent interface with utilities, Options of ToD (Time of Day) & ToU (Time of usage), "Prosumer" (producer and consumer) enablement.

BESCOM has taken an initiative for implementing Smart Grid technology to explore the utilization of smart grid technology benefits to customers. The BESCOM is embarking on a pilot project in pursuance of its Mission to ensure complete Customer Satisfaction by providing its customers quality, reliable power at competitive rates.

The details of smart grid pilot project of BESCOM are:

Project Area	Funding	Project Cost	Project Status
Indiranagar	BESCOM	Rs.37.45 Crores	Tendering work in progress.
Chandapura	Department of Science & Technology (DST), Govt	Rs. 2.14 Crores	The project is initiated by IIT-(BHU) & CSTEP. Work award issued to the contractor.

### Financial Details of project

Amount in `Cr.

Particulars	Total Expenditure for the FY 2015-16	Total Expenditure upto 31.3.2016 from the inception of the project
Smart Grid Project	0.15	0.15

## (B) STRENGTHENING OF THE NETWORK SYSTEM

- (a) The strengthening of the distribution Network is a continuous process. During the year, HT and LT lines as follows were added to the system.

Particulars	Added during year 2015-16 OH (KMs)	Added during year 2015-16 UG (KMs)	Total added during year 2015-16 (in KMs)	As on 31-03-2016		Total (in KMs)
				OH (KMs)	UG (KMs)	
HT line	2681.80	359.42	3041.22	83993.17	5304.52	89297.69
LT line	1429.57	425.39	1854.96	160475.31	2570.16	163045.47

- (b) The number of Distribution Transformers added during the year and the cumulative number available in the system.

Particulars	25 KVA	50/63 KVA	63 to 100KVA	160 to 250 KVA	300 to 1000 KVA	Compact Sub -Stations			Total
						500 KVA	750 KVA	990 KVA	
Added during FY-15-16	18261	1652	3718	1394	341	1	2	16	25385
Existing in the system as at the end of 31-03-2016	105332	53588	51191	21774	4482	23	93	189	236672

- (c) Details of category wise distribution transformer failed during 2015-16

10/15/25/ 50/63 KVA	100/160 KVA	200/250 KVA	300/400/ 500 KVA	Above 500KVA	Total	% Failure
12782	5678	136	17	2	18615	7.87

- (d) GoK sponsored programme:

➤ **GANGA KALYANA SCHEME:**

- Ganga Kalyana Scheme started during 1983. Ganga Kalyana scheme is one of the social responsibility of Government of Karnataka in which IP set of farmers belonging to SC, ST, Backward class & Minority category are energized.
- During the year 2015-16 BESCOM has energized 2567 Nos. IP sets under Ganga Kalyana Scheme as against target of 3312 Nos. BESCOM has setup a target of energizing 4091 Nos. of IP sets in 2016-17.

➤ **SPECIAL COMPONET PLANS:**

During the year 2015-16 BESCOM has energized 936 Nos. IP sets under Ganga Kalyana scheme as against the target of 1425 Nos. BESCOM has setup a target of energizing 1878 Nos. of IP sets as against 4091 Nos. in 2016-17 under SCP.

➤ **TRIBAL SUB PLANS:**

During the year 2015-16 BESCOM has energized 537 Nos. IP sets under Ganga Kalyana Scheme as against the target of 837 Nos. BESCOM has setup a target of energizing 611 Nos. IP sets as against 4091 Nos. in 2016-17 under TSP

➤ **ENERGISATION OF IRRIGATION PUMP SETS:**

During the year 2015-16, 24030 Nos. of IP sets has been energized.

The breakup details is as below:

- Ganga Kalyana - 2567
- General IP sets - 0
- Regularization of Unauthorized IP sets - 21463

The target for 2016-17 are as below:

- Ganga Kalyana - 4091
- General IP sets - 1431
- Providing infrastructure for Regularized Unauthorized IP sets - 4310

➤ **DRINKING WATER SUPPLY :**

During the year 2015-16 BESCOM has energized 2231Nos. of Drinking Water Supply installations as against the target of 3375 Nos. which is a remarkable achievement. BESCOM has setup a target of energizing 2454 Nos. of Drinking water Supply installation in 2016-17.

➤ **NEW DISTRIBUTION TRANSFORMER CENTRES:**

- To reduce the load on over loaded transformers.
- To improve the voltage at tail ends.
- To minimize the failure of Transformers.
- To maintain the uninterrupted power supply.

During the year 2015-16, 25385 Nos. (15277 Nos. New DTRs added & 10158 Nos. DTRs realized while survey and updation of MDM & N-Soft software) of new distribution transformer Centers were added .

**(C) Restructured Accelerated Power Development and Reforms Programme (R-APDRP) IN KARNATAKA**

**XV. R-APDRP PART-A :**

The Govt. of India has proposed to continue R-APDRP during the XI Plan with revised terms and conditions as a Central Sector Scheme.

**(a) The focus of the programme:**

1. Actual, demonstrable performance in terms of sustained loss reduction.
2. Establishment of reliable and automated systems for sustained collection of accurate base line data.
3. Adoption of Information Technology in the areas of energy accounting will be essential before taking up the regular distribution strengthening projects.

**(b) Programme Coverage:**

It is proposed to cover urban areas – towns and cities with population of more than 30,000 as per the 2001 census.

**(c) Proposed Scheme:**

Projects under the scheme shall be taken up in Two Parts.

Part-A shall include the projects for establishment to baseline date and IT application for energy accounting/auditing & IT based consumer service centres.

Part-B shall include distribution strengthening projects.

**(d) Project Timeline:**

- a. Scheduled Timeline: March 2016 (ESCOMs have declared go live of 98 towns by March 2016).

- b. Commencement of TPIEA(Third Party Independent Evaluation Agency) activity:
- Letter addressed to PFC to depute the IPIEA M/s. PGCIL for verification and validation of the RAPDRP PART-A Projects in Karnataka.
  - Schedule for completion by Sep 2016.

**(e) Milestones achieved under R-APDRP PART-A in Karnataka:**

- a. M/s. RIL were appointed as a common IT Consultant for all the ESCOMs of Karnataka on 29th June 2009 at a total cost of Rs. 2.5 Crores (June 2009 – June 2012).
- b. M/s. E&Y were appointed as a common IT Consultants for all the ESCOMs of Karnataka in March up to March 2017.
- c. M/s. Infosys Technologies Ltd was appointed as a common IT Implementation Agency by all the ESCOMs of Karnataka at a total cost of Rs. 386.68 Crores in Dec 2009.
- d. Co-hosted the Data Centre at Bangalore – M/s. SIFY Technologies to be shared between ESCOMs. Building own Data Centre at HSR layout Bangalore in progress and scheduled to be completed by Dec 2016.
- e. Co-hosted the Disaster recover Centre at Chennai – M/s. Bharathi Airtel to be shared between ESCOMs.

**(f) Status of RAPDRP Part- A :**

- All 98 Towns declared live as on 23rd March 2016.
- HT/DTC metering of all 98 towns completed.
- Modem Installation at all the HT/DTC completed.
- GIS Incremental Update in progress at ESCOMs.
- Release Management Policy formulated and is to be mutually agreed and signed by ITIA, ESCOM's and ITC.
- Change Request Committee formulated to accommodate changes/updates sought by ESCOMs.
- ESCOM's have initiated innovative customer centric programmes viz., tie up with online wallet companies, waiving of transaction fees for HT customers, introducing early payment initiatives etc.
- ESCOM's are involved in advertising about 1912 and WSS platform to increase the consumer awareness about these initiatives.
- WSS platform emphasizes on the Online services and Online payments provisioned to consumers.
- Energy audit at towns monitored by Top Management Level in ESCOM's.
- BESCOM on behalf of all ESCOMs has re-tendered for primary NBSP due to the tenure closure of the existing primary NBSP.
- Secondary network provider M/s. Airtel boarded to provide better connectivity. Hughes terminated due to performance issues.

- Training provided to end users by ITIA and super users. Administrative training to be provided by ITIA during handover.
- ONLINE FEEDER MONITORING SYSTEM (OFMS), being developed by NIC (National Informatics Centre) for NATIONAL POWER PORTAL (NPP) under IPDS. The reports are based on online data of feeders, boundary meters. HT/LT consumers, Customer Care Centre, etc., First time it would be integrated by NIC(ESCOMs would also provide IP address to NIC) and then in successive months it is to be done by ESCOMs. As per schedule, Karnataka ESCOMs data integration with NPP is completed and updating data in progress.
- Scheduled outage information of ESCOMs updated in website as an input to the Urjha app provide by PFC.
- Video Conferencing Reviews meetings chaired by ACS Energy/MD BESCOM conducted to review the projects progress at ESCOMs.
- Project closure activities:
  - I. Completion report of IT projects under R-APDRP Part-A for establishment of baseline data system for revenue & energy and IY applications for energy accounting & IT based customer care services town wise/DC/DRC/CCC in progress.
  - II. ITIA and ITC assisting ESCOMs on the same.
  - III. Town wise Documentation of the Verification and Completion reports of the following along with supporting annexures in progress:
    - (a) IT system hardware and other equipment's Supply & installation report.
    - (b) Report on list of Software / Applications supplied /developed/ installed by ITIA.
    - (c) Consumer Indexing & Asset Mapping Report.
    - (d) Integrated System Working Report.
    - (e) Acceptance test reports.
    - (f) Report Generation for automated collection of Baseline data for Energy accounting and auditing.
    - (g) Helpdesk functioning Report.

**(g) Financial progress under R- APDRP PART-A (March 2016)**

Escom	No. of Towns	Total Project Cost (Rs. in Crs.)	Loan Sanctioned (Convertible To Grant ) (Rs. in Crs.)	PFC Disbursement Details (Rs. in Crs.)	Total Expenditure Incurred (Rs. in Crs.)		
					From PFC Funds	From Own Funds	Total
BESCOM	25	272.80	252	155.41	155.41	29.34	184.65

**XVI. RAPDRP Part-B :**

The Govt. of India proposed to continue Restructured Accelerated Power Development and Reforms Programme (R-APDRP) during the XI Plan with revised terms and conditions as a Central Sector Scheme.

**(a) Program Coverage:**

It is proposed to cover urban areas –towns and cities with population of more than 30,000 as per the 2001 census and AT & C losses should be more than 15%.

**(b) Objectives:**

To reduce annually overall AT&C losses of ESCOMs:-

- By 3% if the existing AT&C Losses are more than 30%.
- By 1.5% if the existing AT&C Losses are less than 30%

**(c) Details of RAPDRP Part B Physical/Financial progress :**

➤ Date of sanction of project	= 19.03.2010.
➤ Revised date of completion of the project as per GOI/MOP	= 30.06.2016.
➤ Total No. of towns covered	= 24 towns.
➤ Total No. of packages issued to cover 24 towns (District wise)	= 07 Nos.
➤ Total No. of towns completed for the FY 2015-16	= 11 towns.
➤ Total No. of towns completed as on 31.03.2016	= 23 towns.
➤ Total No. of towns will be completed before 30.06.2016	= 01 town.
➤ Total cost of award for 7 packages	= Rs.292.41 Crores.
➤ Total expenditure booked for the year 2015-16	= Rs.13.290 Crores.
➤ Total expenditure booked up to 31.05.2016	= Rs.231.250 Crores.

**XVII. Niranthara Jyothi Scheme :**

**Bifurcation of Agricultural loads from existing 11kV feeders:**

BESCOM has taken up Niranthara Jyothi scheme for segregating agricultural loads from the existing 11 KV feeders, a scheme to provide 24X7 uninterrupted power supply to non-agricultural loads in rural areas in 3 phases as follows:

Sl.No.	Details	Phase-I	Phase-II	Phase-III
a	No. of Taluks covered	20	23	41
b	No. of Villages covered	4691	4607	4838
c	Cost in Rs. Crores	349.66	633.18	842.35
d	Number of Feeders	271	281	380

Phase-1 : 271 feeders proposed.

- During FY 11-12, 267 feeders are completed & 154 feeders are commissioned.
- During FY 12-13, 83 feeders in phase-1 are commissioned.
- During FY 13-14, 4 feeders are completed & 34 feeders are commissioned.

Phase-II-281 feeders proposed,

- During FY 12-13, 15 feeders have been completed and 1 feeder commissioned.
- During FY 13-14, 111 feeders have been completed and 76 feeders commissioned.
- During FY 14-15, 110 feeders have been completed and 152 feeders commissioned.
- During FY 15-16, 43 feeders have been completed and 49 feeders commissioned.

Phase- III- LOI has been issued in FY 15-16 and work is under progress.

## XVIII. Integrated Power Development Scheme (IPDS) :

Government of India, Ministry of Power, have sanctioned the IPDS for implementation of the scheme for strengthening of Distribution Network in Urban areas in the interest of Supplying good quality of Power to the consumers of Urban area.

### Objectives are:

1. Providing reliable and quality power supply in an efficient manner in urban areas.
2. Efficient management of Distribution sector with adequate metering arrangements in urban areas.
3. AT & C loss reduction as per trajectory finalized by MOP.

### Scope of works:

- Strengthening of distribution networks in the urban areas.
- Metering of feeders, DTC & all category consumers in the urban areas.
- Providing Solar roof top on the Government buildings.

### Financing:

The Central Government is funding 60% of the total sanctioned project cost as grant, 30% of the total sanctioned cost as loan from financial Institutions and remaining 10% of the total sanctioned cost from BESCOM own funds. The details as below.

Agency	Nature of support	Quantum of support (Percentage of project cost)
		Other than Special Category States
Govt. of India	Grant	60%
Discom Contribution	Own Fund	10%
Lender (REC/FIs/Banks)/ Discom's own fund	Loan	30%
<b>Additional Grant</b> from GOI on achievement of prescribed mile-stones	Grant	50% of total loan component (30%) i.e., 15%
<b>Maximum Grant by GOI (including additional grant) on achievement of prescribed mile stones)</b>	Grant	75%



### Time Schedule:

The time target fixed for completion of the project is 24 months from the date of issue of Detailed Work Award.

### Abstract of DPRs Submitted to M/s. PFC under IPDS scheme in BESCOM area.

Amount in Crores			
Sl.No.	Circle	District	DPR cost
1	BMAZ	BMAZ Total	200.03
2	Davanagere	Davanagere	102.11
		Chitradurga	
3	Tumkur	Tumkur	51.00
4	BRC	BRC	10.01
5	Ramanagara	Ramanagara	41.99
6	Kolar	Kolar	52.02
		Chikkaballapura	
Total			457.16

- M/s. RECPDCL, have been appointed as the Project Monitoring Agency (PMA) & after field survey from M/s. RECPDCL tenders have been floated for System Strengthening works including BEE 3 star rated distribution transformers, but as per committee-B report of MOP, BEE 4 star rated distribution transformers shall be proposed for IPDS scheme. As such, directions were issued to drop the earlier called tenders and to re-tender duly adopting the technical specifications for BEE 4 star rated distribution transformers as per SBD/Committee-B report of MoP/Gol(along with the modifications stated there on).

Accordingly, earlier called tenders were dropped and process of re-tendering is under process.

- In respect of Solar Roof Top and Metering works under IPDS Scheme, the tenders will be floated and finalized by GM (DSM section) & GM (Metering section) respectively.

### XIX. High Voltage Distribution System (HVDS) :

- ❖ HVDS is a technology where the Electricity is distributed to the consumers at Higher Voltage Level (11KV) instead of Low Voltage (400V/240V).
- ❖ Normally in the present distribution network, the 11KV HT line goes to the DTC (Distribution Transformer Centre) and from there lengthy LT Lines (400V/240V) are drawn to give supply to different installations.
- ❖ In HVDS System the HT lines are run up to the installation premises and there it is stepped down through a Transformer before giving supply through service main.
- ❖ The Karnataka Electricity Regulatory Commission has issued various directives with a view to reduce high levels of technical and commercial losses in the distribution system. Implementing High Voltage Distribution System by replacing the existing LT distribution is one of the important directives issued by the Commission.
- ❖ Government of Karnataka decided to provide 25% equity support for HVDS in one pilot Taluk via G.O No. EN 53 PSR 2013, Dated: 03.10.2013.
- ❖ BESCOM issued DWAs for implementation of HVDS in following taluks:



- ❖ Chikkaballapura RSD (6 Feeders) sub-division.
- ❖ Tumkur RSD-1 & RSD-2 (25 Feeders) sub-divisions.
- ❖ Doddaballapura (9 feeders) sub-division.
- ❖ Out of the above, Tumkur RSD-2 (i.e Tumkur Taluk) was decided to be taken as pilot.
- ❖ Rate contracts issued in respect of Doddaballapura sub division for 22 feeders have been short closed and 6 feeders of Kengeri has been terminated and re-designated to Tumkur Taluk.
- ❖ Tumkur RSD-1 (25 feeders), RSD-2 (23 feeders) and Kyathsandra (5 feeders) works completed.
- ❖ Doddaballapura(9 feeders) and Chikkaballapur (6 feeders) works completed after re-designation.
- ❖ In respect of HVDS schemes in Tumkur RSD-1, RSD-1, Kyathsandra, Doddaballapura and Chikaballapura Works for 68 feeders has been completed and commissioned.
- ❖ In addition Government of Karnataka has directed to implement HVDS in Kanakapura Division
- ❖ Implementation of HVDS in Kanakapura taluk the DPRs are prepared and total cost of the implementation of the scheme is Rs.136.88 Crs. for 49 feeders and Huliurdurga Hobli in kunigal RSD the DPRs are prepared and cost of the project is Rs.25.90 Crs. for 12 feeders. M/s. CPRI, Bangalore has carried out vetting and validation.
- ❖ In respect of Kanakapura urban, Kanakapura Rural, Harohally, Sathnur of Kankapura Taluk & Huliurdurga Hobli in kunigal taluk DWA has been issued, material procurement, erection of DTC's structures and transformers are under progress.
- ❖ TPIA in respect of Kanakapura Division (49 feeders) and Tumkur division (12 feeders) LOI has been issued, DWA under progress.
- ❖ TPIA in respect of completed feeders in Tumkur, Nelamangala & Chikaballapura division tenders are floated in e-portal.

**Physical and Financial progress of HVDS as on 31.05.2016 is listed below:**

Sl. No.	Name of the Sub Division	Project Cost of LOI in Cr. DWA/ Date	No. of feeders Proposed for HVDS originally	Re-designated feeders from D.B pura & Kengeri	No. of feeders revised in order to take up one taluk as pilot project.	Revised Project Cost as per RC in Cr.	No. of Feeders Work Completed	No. of Feeders Work Commissioned	No. of feeders work under progress	Expenditure incurred in crores
1	Tumkur RSD 1	146.25	17	8	25		25	25	-	
2	Tumkur RSD 2		8	15	23	389.27	23	23	-	364.05
3	Kyathsandra	0	0	5	5		5	5	-	
4	Chikkaballapura	34.8	6	-	6	74.62	6	6	-	52.17
5	Doddaballapura	193	31	-22	9	84.79	9	9	-	87.64
6	Kengeri	34.8	6	-6	0	0	-	-	-	-
<b>Total</b>		<b>408.85</b>	<b>68</b>	<b>0</b>	<b>68</b>	<b>548.68</b>	<b>68</b>	<b>68</b>		<b>503.86</b>

Sl. No.	Name of the Sub Division	Project Cost of LOI in Cr. DWA/ Date	No. of feeders Proposed for HVDS originally	Re-designated feeders from D.B pura & Kengeri	No. of feeders revised in order to take up one taluk as pilot project.	Revised Project Cost as per RC in Cr.	No. of Feeders Work Completed	No. of Feeders Work Commissioned	No. of feeders work under progress	Expenditure incurred in crores
7	Kanakapura Urban	24.14/04.12.2015	14	-	-	-	0	0	2	0.59
8	Kanakapura Rural	20.37/20.11.2015	10	-	-	-	0	0	1	-
9	Harohally	20.03/06.10.2015	14	-	-	-	0	0	2	-
10	Sathnur	17.05/06.10.2015	11	-	-	-	0	0	2	-
11	Huliyurdurga	16.65/06.10.2015	12	-	-	-	0	0	1	-
<b>Total</b>		<b>98.24</b>	<b>61</b>						<b>8</b>	<b>0.59</b>

## XX. Rajiv Gandhi Grameena Vidyuthikarana Yojana (RGGVY) XII plan:

This is a central government scheme for rural electrification where in electrification of BPL households (free of cost) is carried out by creating infrastructure like extension of HT/LT lines, installation DTC. M/s. REC, New Delhi is the nodal agency for the scheme. The execution of the project has to be completed within a period of 24 months from the date of issue of LOA from the agency.

### Objective:

1. To complete spillover works of projects sanctioned in X and XI Plans.
2. Providing free electricity connections to remaining Below Poverty Line (BPL) households and providing access to electricity to rural households.
3. Under XII plan, only those habitations having **population 100** and above are eligible to be covered.
4. Access to electricity to un-electrified public places like Schools, Panchayath Offices, Community Centres, Govt. Health Centres/ Dispensaries etc.

### Scope of work:

Electrification of rural BPL households by extending HT / LT lines and installation of distribution transformers centers.

### Time Period:

The time target fixed for completion of the project is 24 months from the date of issue of Detailed Work Award.

### Financing:

The central Government is funding 90% of the total sanctioned project cost as grant and remaining 10% amount has to be borne by the utility/ESCOs. The amount sanctioned to BESCOM for execution of the project is Rs.52.55 crores as detailed under:

**District wise details of re-casted DPRs accepted under RGGVY XII plan**

Sl. No.	Name of the District	DPR submitted by BESCOM		DPR sanctioned by M/s REC		Revised DPR sanctioned by M/s REC	
		Amount	BPL House holds in No's	Amount	BPL House holds in No's	Amount	BPL House holds in No's
1	Bangalore Rural	554.85	6167	380.41	6167	400.48	6167
2	Davanagere	1631.99	21294	1042.49	7370	1196.12	21294
3	Kolar	1312.16	13041	1280.83	13041	1307.26	13041
4	Chikkaballapura	1478.21	15460	1198.47	15460	1227.64	15460
5	Ramanagara	1124.06	4569	1124.06	4569	1124.06	4569
<b>Total</b>		<b>6101.27</b>	<b>60531</b>	<b>5026.26</b>	<b>46607</b>	<b>5255.56</b>	<b>60531</b>

**PHYSICAL PROGRESS REPORT OF RGGVY XII PLAN SCHEME (As on May-2016)**

Sl. No.	Name of the work	Unit	Qty. as per DWA	Qty. as per Survey	Cumulative Progress (As on May-2016)	% Physical progress against Survey Qty.
1	11 KV 3 phase overhead Line	KM's	269.80	78.60	35.46	45.11%
2	LT single phase 3 wire overhead Line	KM's	422.55	431.89	110.88	25.67%
3	Erection New DTC 25 KVA	No's	961	580	364	62.76%
4	Erection New DTC 63 KVA	No's	23	0	0	0.00%
5	DP Structure	No's	589	0	0	0.00%
6	Servicing of BPL Households	No's	60531	101494	55566	54.75%

**Financial Progress under RGGVY XII Plan Scheme in BESCOM as on May-2016** (Amount in Rs.Crores)

Sl. No.	Name of the district	REC Sanctioned Amount	DWA Amount	REC Released Amount	Name of Division	Expenditure booked	% Financial progress against DWA Cost	% Financial progress against REC Released Amount
1	2	3	4	5	6	7	8=7-4	9=7-5
1	Davanagere	11.9612	15.745	2.89	Davanagere Harihara SUB TOTAL	0.3435 1.5975 1.9410	12.33%	67.16%
2	Chikka ballapura	12.2764	15.742	3.35	Chikkaballapura Chintamani SUB TOTAL	1.8062 1.0139 2.8201	17.91%	84.18%
3	Bangalore Rural	4.0048	5.1941	1.07	Nelamangala Yelahanka SUB TOTAL	0.8966 0.00 0.8966	17.26%	83.79%
4	Ramanagara	11.2406	13.8937	3.1	Ramanagara Kanakapura SUB TOTAL	0.5121 1.0479 1.5600	11.23%	50.32%
5	Kolar	13.0726	16.5542	3.56	Kolar K.G.F SUB TOTAL	1.2517 0.00 1.2517	7.56%	35.16%
<b>Total</b>		<b>52.5556</b>	<b>67.129</b>	<b>13.97</b>		<b>8.4694</b>	<b>12.62%</b>	<b>60.63%</b>

**NOTE: Expenditure incurred shown above is exclusive of Rs.134.21 Lakhs paid to M/s. REC PDCL towards charges for preparation & submission of DPR pertaining to RGGVY XII plan & Rs.11.07 Lakhs is paid as an advance amount to M/s. RECPDCL towards TPIA charges.**

## **XXI. Deena Dayal Upadhyaya Grama Jyothi Yojana (DDUGJY):**

Central government has introduced new scheme DDUGJY for rural electrification. The main objective of the scheme is as follows,

1. Providing access to all.
2. 24 x 7 power for all.
3. AT & C loss reduction as per trajectory finalized by MoP.

The main objective is to electrification of rural households by creating infrastructure (like extension of HT/LT lines, installation of new DTCs).

### **Scope of works:**

- a) Feeder Separation
- b) Strengthening of sub-transmission and distribution system
- c) Rural electrification - Already sanctioned projects under RGGVY to be completed
- d) Micro-grid and off-grid distribution network
- e) Metering

### **Financing:**

The Central Government is funding 60% of the total sanctioned project cost as grant and remaining 40% amount has to be borne by the utility/ESCOMs.

Amount allocated to all the states in India by MoP/REC for the scheme is approximately **Rs.33,500 Crores.**

### **Time Period:**

The time target fixed for completion of the project is 24 months from the date of issue of Detailed Work Award.

Hon'ble Additional Chief Secretary, Energy Department, GoK has given the revised allocation for BESCOM under DDUGJY projects for an amount of **Rs.235.36 crores out of Rs.1754.32 crores** allocated to all DISCOMs in Karnataka state by MoP/REC and requested M/s. REC to re-appropriate the funds for varying from one component to another.

Accordingly, the Executive Director, REC, New Delhi has accorded approval to re-appropriate the funds for varying from one component to another as detailed under:

Sl. No.	Name of the District	Name of the Works				Total
		Rural Electrification (With Infrastructure)	System strengthening	SAGY	Metering	
1	Anekal (Bangalore Urban)	4.45	4.00	6.99	2.82	18.26
2	Bangalore Rural	4.21	10.00	4.22	2.06	20.49
3	Ramanagara	5.11	12.00	6.97	2.64	26.72
4	Kolar	4.68	11.79	5.08	1.22	22.77
5	Chikkaballapur	2.24	11.00	0.00	0.69	13.93
6	Tumkur	46.45	13.00	10.10	1.85	71.40
7	Davanagere	2.05	12.00	2.68	1.82	18.55
8	Chitradurga	26.75	13.00	2.47	1.02	43.24
<b>TOTAL</b>		<b>95.94</b>	<b>86.79</b>	<b>38.51</b>	<b>14.12</b>	<b>235.36</b>

The field survey work is completed by PMA, M/s. RECPDCL and the quantity and cost of work is arrived. The supplementary DPRs are to be uploaded only after the approval of revised re-allocation/re-appropriation as recommended by Hon'ble ACS, Energy Department, GoK to REC.

For Metering works under DDUGJY scheme, the tenders will be floated & finalized by GM (Meters & Commercial) section as per BESCOM norms.

For the remaining works under DDUGJY scheme, Tenders have been floated for BEE 3 star rated distribution transformers but as per committee-B report of MoP, BEE 4 star rated distribution transformers shall be proposed for DDUGJY scheme. As such, directions were issued to drop the earlier called tenders and to re-tender duly adopting the technical specifications for BEE 4 Star rated Distribution Transformers as per SBD/Committee-B report of MoP/Gol (along with the modifications stated there on).

Accordingly, earlier called tenders were dropped and process of re-tendering is under progress.

**Statement Showing the Amount released for creation of Infrastructure for regularization of unauthorized IP Sets (GO.No. EN 09 PSR 2011 dated 11.03.2011).**

Sl. No.	Govt. Order No. Date	Account Head	Amount Released	Remarks
1	EN 09 PSR 2011 09.09.2011	4801-01-190-0-09-211 (Plan)	35.00 Crores	2011-12
2	EN 67 PSR 2012 06.09.2012	4801-01-190-0-09-211 (Plan)	20.00 Crores	2012-13
3	EN 67 PSR 2012 18.10.2012	4801-01-190-09-211 (Plan)	4.00 Crores	2012-13
<b>Total</b>			<b>59.00 Crores</b>	

**XXII. Various Consumer Initiatives were taken during this financial year. The details are:**

**(a) Integrated 24 X 7 Helpline and Public Grievance Redressal System:**

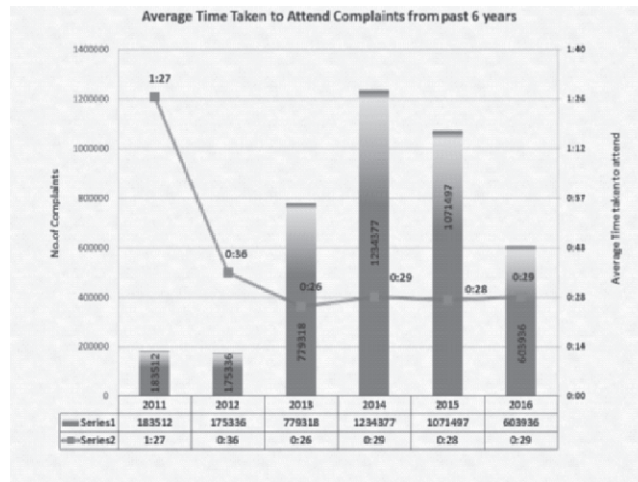
To facilitate consumers, BESCOM has established an integrated 24 X 7 Customer Help Line through the latest technology & software developments. Consumers are calling Customer Help Line Number 1912 which has 30 concurrent lines with Multi Channel Complaint Registration Facility (Phone, SMS, Online, e-mail & Facebook).

All the consumer complaints are being registered in the Web enabled IPGRS (Integrated Public Grievance Redressal System) application. Whenever any consumer registers complaint, they will be provided with the Docket Number, using which they can track their complaint status through Help Line or BESCOM Website. For the speedy redressal of complaints, BESCOM has established Circle control rooms in all the 9 Circles. In Circle Control Rooms, the executives follow up the complaints pertaining to their Circle till resolution.

In order to facilitate consumers to register their complaints through SMS, BESCOM has developed and deployed a SMS Complaint Management System. Consumer can send SMS to 58888. Once the SMS is received, consumer gets an acknowledgment message along with docket number. The application forwards complaint message to the concerned Sub-Divisional AEE, EE for necessary action. After resolving the complaints, the concerned field staff will inform the circle control room to close the complaint docket. The executives at the circle control rooms close the docket only after obtaining confirmation from the Complainant.

The well Customized IPGRS application generates various MIS reports indicating the number of complaints, nature of complaints received, complaints attended, complaint pending and reasons for not attending the complaints. The IPGRS application also includes Escalation Matrix, Technical Dash Board & SMS Gateway Facility.

**Graph showing Average time taken to attend complaints from past 6 years**



Note: Only Category A Complaints have been taken (till May -2016)

**(b) Electrical Safety and Energy Savings Awareness Program:**

In order to create awareness among the public on Electrical Safety to avoid electrical accidents and also to create awareness on Energy savings, BESCO has empaneled four technically qualified and professionally managed NGOs/ Non-Profit Organizations. These NGOs are conducting workshops and street plays in 201 hoblis of BESCO area.

The objectives of this awareness program are:

- The consumers to know about the need for Safety while using electric gadgets.
- Consumers rights and responsibilities as users of Electricity.
- To inform consumers about the initiatives taken by BESCO to improve quality of power supply and consumer grievance redressal machinery and other projects.
- To make consumers to know about the evils of malpractice/ theft of electricity and motivate them to take legal connections.
- To encourage consumers about installation of meters, payment of bills in time.
- Educate and promote consumers to save energy by the use of energy saving devices/ renewable energy resources etc.
- To establish cordial relationship between the cutting edge employees of BESCO and the consumers.

Since, all activities require proactive participation of various stakeholders, the NGOs are conducting Workshops with the support of the civil society representatives: (i) community influencers and other civil society representatives; (ii) community-based organizations (CBOs) in villages/Taluk and women's groups at Taluk level (iii) vendor associations and labor union federations; (iv) ward councilors, ward members and citizen forums; and (v) the public at large.

Till May 2016, the NGOs have conducted 168 Workshops and street plays in Hoblis.

**(c) Grahaka Salaha Samithi and Customer Interaction Meeting:**

As per the directions of KERC, BESCO has started conducting Customer Interaction Meetings in all the sub divisions every month regularly from November 2011.



To facilitate all the consumers, a schedule has been prepared for conducting CIM in each sub division on a particular date and time for the whole year. CIM will be held once in a month in all the Sub Divisions for better consumer service and timely disposal of consumer complaints

In CIM, once consumer registers complaint, complaint will be heard at the Sub Divisional level. Consumers can also give their feedback and suggestions about the services rendered by BESCOM.

If the complaint is not addressed within the stipulated time by the concerned, the complaint will be escalated to the next authority. In case, the consumer is not satisfied with the service, consumer can also appeal to Consumer Grievance Redressal Forum (CGRF), which is a quasi-judicial body

If the consumer is not satisfied with the orders of the CGRF, he/ she can make a representation to the Ombudsman.

To address consumer grievances at the ground level, the Energy Department, GoK has nominated Constituency and O&M wise consumer representatives named as Grahaka Salaha Pratinidhis. Along with Consumer Interaction Meetings, the Grahaka Salaha Samithi meetings are also being held every month in the sub divisions by inviting Grahaka Salaha Samithi Members.

**(d) Branding of Service Station Vehicles:**

To attend consumer complaints, break downs & emergency works, there is 24X7 Service Station facility. The Service Stations are provided with a Maruthi OMNI vehicle along with well-equipped men & materials. The BESCOM Service stations work 24X7, so that during nights, service station line men attend to the consumer complaints. To facilitate consumers/ public to identify the BESCOM vehicles and to co-operate with them, it was decided to brand the Service Station vehicles by painting it in particular colours and designs. Accordingly, all the Service Station Vehicles are branded.

**(e) Release of Quarterly In-house Magazine:**

BESCOM has provided a platform to its employees to express their talent, achievements through its In-house Magazine "BESCOM Snehi". The employees can publish their articles, poems, suggestions and any achievements in the in-house magazine. The magazine is being released on quarterly basis.

**(f) Integration of Payment Gateway with BESCOM website:**

BESCOM has made provision of online payment for its consumers to pay their electricity bills using BESCOM website [www.bescom.org](http://www.bescom.org). Online payments are being collected from both RAPDRP and Non-RAPDRP areas. The payment application for RAPDRP consumers is developed by M/s. Infosys and for Non-RAPDRP consumers by M/s. N-Soft. Infosys provides Account IDs and N-Soft provides Customer IDs for the users. While making payments, the Consumers had to pass through 5 different levels of procedures. Consumers were finding it complicated and difficult to land on their respective pages. To solve this problem, some changes have been made in the online payment page of the website and provided common login page for both RAPDRP and Non-RAPDRP consumers so that consumers can directly land on their respective pages by entering either Account id or Customer id.

**(g) Web enabled Line Clear System:**

Earlier all the LC requests of KPTCL were made through e-mail, letter correspondence and fax. Most of the LC requests sent were in haphazard manner without complete information and giving short notice for taking decision. As a result, we were not able to reach the consumers well in advance. To solve this problem, a web enabled LC application was developed and implemented. In this application LC request from CE, KPTCL will be forwarded to the concerned CE of the BESCOM zone, who in turn enters the details such as the areas affected, the number of consumers affected, alternate power supply arrangement made, etc. The application forwards the request to CGM (Operations) to verify the details and then the request will be forwarded to GM (CR) for concurrence. After that, the request will be forwarded to MD for final approval.

**(h) Redesigning and Maintenance of BESCOM website:**

Website is an excellent medium to reach out our consumers, to interact with them, to explain them

how BESCOM works for consumers, the initiatives taken up by BESCOM etc. In view of this BESCOM website was re-designed to make it consumer friendly and to provide maximum information to the consumers through the website. The maintenance of the website includes regular updation, associated activities like updation in English and Kannada, design changes, promotion plans based on the new trends and market status etc.

**(I) Social Media Network:**

The official Facebook page “BESCOM” and twitter handle “Namma bescom” has been linked and followed by many consumers. The increase in Social media presence has also helped BESCOM to address the consumer base which is actively using online mode.

**XXIII. QUALITY & SAFETY :**

In order to provide continuous power supply to Agricultural feeders under NJY, BESCOM has installed state of art Numerical Relays to limit the loads during single phase power supply period. So far 678 Nos. of Agricultural feeders have been provided with Numerical Relay protection. The balance 378 nos. under phase 1 and 2, for which the work is under progress, is targeted to be completed before March 2017.

BESCOM is committed to safety of public. In this view, in order to make footpath free for pedestrians and to mitigate inconvenience to the pedestrians from GOS operating angles, BESCOM has initiated a project of modification mechanism. Total 57682 nos. of 11KV GOS operating mechanism have been modified in BESCOM, BMAZ jurisdiction.

BESCOM is also committed safety of workmen in the organization. BESCOM has providing all the safety equipment's to its maintenance staff viz., Safety rubber hand gloves, safety gears like hand gloves, safety belts, safety eye wear, safety helmets with electronic induction testers, reflective jackets etc., to perform their duties and confidence. Also safety advertisements are being displayed in the Railway reservation counters and action is being taken to advertise the safety advertisement in Railway Stations.

**XXIV. HRD WING :**

**(a) Recruitment in BESCOM during FY 2015-16:**

Sl.No.	Cadre	Nos.
1	Assistant	228
2	Junior Assistant	257
3	Assistant Lineman, I.T.I.,	628
4	Junior Lineman	1222
5	Assistant Engineer (Ele.,)	14
6	Assistant Engineer (Civil)	1
7	Assistant Accounts Officer	3
8	Junior Engineer (Ele.,)	18
9	Junior Engineer (Civil)	1
<b>Total</b>		<b>2372</b>

**(b) Human Resource Development Centre:**

Cadre wise Training conducted during the year 2015-16 HRD Centre

EEs and Above DCAs and Above	AEs and Above AAOs and Above	Other (C&D Group)	Total
21	716	2373	3110



**DETAILS OF TRAINING PROGRAMS CONDUCTED BY AND AT HRD CENTRE DURING 2015-16**

Sl. No.	Code No.	Name of the Training Programme	Cadre	Apr.15	May15	Jun15	Jul 15	Aug15	Sep15	Oct15	Nov15	Dec15	Jan15	Feb15	Mar15	Total
1	B1 (2 Days)	Two day training program on "KERC Guidelines, Electricity Act 2003 & Legal Issues"	AEs & above AAOs & above	21	17	37	12	32	30	-	-	-	-	-	-	149
2	B2 (1 Days)	Orientation program on "Customer Relationship Management, Behavioural, Time Management and communication Skills"	Meter Reader	-	9	7	18	15	-	-	-	-	-	-	-	49
3	B3 (3 Days)	CPRI Training on "Enhancement of O&M Skills"	AEs, AEs & JEs	18	54	27	32	-	25	18	35	25	51	-	-	310
4	B4 (30 working Days)	Pre-promotional training for Linemen	Linemen	-	39(May to June)	-	39 (Jul to Aug)	-	42(Sep to Oct)	-	30 (Nov to Dec)	38 (Dec to Jan)	-	40(Feb to Mar)	-	228
5	B5 (30 working Days)	Pre-promotional training for Meter reader	Meter Reader	37 (April to May)	-	-	-	-	-	41(Oct to Dec)	-	-	-	-	-	78
6	B6 (4 Days)	National training programme (NTP) for Linemen Ver-II (Variant-I)	Linemen	-	-	-	55	32	17	-	18	36	27	58	14	257
7	B7 (3 Days)	National Training Program (NTP) on "Energy Metering	Meter Reader	-	-	-	-	-	14	-	-	-	13	-	-	27
8	B8 (3 Days)	National Training Program (NTP) on "Operation & Maintenance of Distribution Transformer" Variant-VII	Junior Engineer	-	-	-	-	-	-	-	-	-	-	-	11	11

# DETAILS OF TRAINING PROGRAMS CONDUCTED BY AND AT HRD CENTRE DURING 2015-16

Sl. No.	Code No.	Name of the Training Programme	Cadre	Apr.15	May15	Jun15	Jul 15	Aug15	Sep15	Oct15	Nov15	Dec15	Jan15	Feb15	Mar15	Total
9	B9 (3 Days)	National Training Program (NTP) on "Financial Management, Stores Accounting & Office Admn. "Variant-IV	Asst. Jr. Asst. and Sr. Asst.	-	-	-	38	20	-	15	15	14	28	21	-	153
10	B10 (2 Days)	National Training Program on "Safety, Accident Prevention & Disaster Management" Variant-V	Linemen	-	-	-	-	21	20	-	-	-	-	-	17	58
11	B11 (30 Days) working days)	a) Pre-employment training for JMFRs	Junior Meter Readers	-	-	46 (June to July)	-	42 (Aug to Sep)	-	-	-	-	-	-	-	88
12	B11	a) Pre-employment training for AEs / JEs	Assistant Engineers /Junior Engineers	-	-	-	-	-	79	-	-	-	-	-	-	79
13	B12 (1 Day)	"Training on "Managing stress and Dual responsibilities Skills and Behavioural Training"	A,B,C,D Category women Employees	9	10	18	15	18	11	17	14	12	9	-	-	133
14	B13 (3 Days)	Technical Training program for Newly recruited ALMs	C & D	25	59	-	-	-	-	-	-	-	-	-	-	84
15		U.G. Cable Training for Linemen	C & D	-	-	-	11	-	-	-	-	-	-	-	-	11
16	B14 (1 year)	Apprenticeship Training for ITI Electrician trade as per Apprenticeship Act 1961	ITI Candidates	-	-	-	-	-	-	79	-	-	-	-	-	79

**DETAILS OF TRAINING PROGRAMS CONDUCTED BY AND AT HRD CENTRE DURING 2015-16**

Sl. No.	Code No.	Name of the Training Programme	Cadre	Apr.15	May15	Jun15	Jul 15	Aug15	Sep15	Oct15	Nov15	Dec15	Jan15	Feb15	Mar15	Total
17	B15 (1 year)	Graduate Apprenticeship Trainees	BE Graduates	-	-	-	-	72	-	-	-	-	-	-	-	72
18	B16 (1 year)	Diploma Holders Apprenticeship Trainees	Diploma holders	-	-	-	-	11	-	-	-	-	-	-	-	11
19		M/s. CESC Ltd., Kolkotta (Module A1, A2, A3, A4 & A5)	Officers	66	66	37	60	-	-	-	-	-	-	-	-	229
20		M/s. CESC Ltd., Kolkotta (Module A6, A7 & A8)	C&D	72	109	84	28	-	-	-	-	-	-	-	-	293
21		A9 : Advanced Level Training by M/s. CESC Ltd., Kolkatta	for 30 Engineers	-	-	29	-	-	-	-	-	-	-	-	-	29
22		A10 : Overseas Training by M/s. CESC Ltd., Kolkatta	for 5 Engineers & 10 Employees	-	-	15	-	-	-	-	-	-	-	-	-	15
24		Training related to R-APDRP Project	BMAZ & BRAZ Officers	-	-	48	-	-	-	-	-	-	-	-	-	48
25		Workshop on "Understanding self, Interpersonal relationships and self esteem"	For BESCOM Officers	-	-	23	-	-	-	-	-	-	-	-	-	23
26		Workshop training	Officers	-	-	-	68	-	-	-	-	-	-	-	-	68
27		Safety training for Newly Recruited ALMs	ALMs	-	-	-	-	-	-	-	-	-	134 (August Session)	309	85	528
<b>TOTAL</b>				<b>248</b>	<b>363</b>	<b>371</b>	<b>376</b>	<b>265</b>	<b>238</b>	<b>177</b>	<b>95</b>	<b>135</b>	<b>236</b>	<b>479</b>	<b>127</b>	<b>3110</b>

## XXV. INTERNAL AUDIT :

Internal Audit wing of BESCO was headed by General Manager (Internal Audit) up to 17.01.2016. W.e.f., 18.01.2016, Internal Audit wing in BESCO is headed by CGM(I/A) and functioning Independently under the control of Managing Director, BESCO. The CGM (I/A), DGM (I/A) & 6 AGMs (I/A) are functioning at Corporate office and looking after the audit of Purchase orders, power purchase bills, pre audit of establishment matter, correspondence relating to AG Paras & COPU paras. Supervision/ Monitoring the audit work related to Revenue/ Cash/ Stores etc., of the audit sections of Division/ Circle/Zone. Verification of Purchase orders, Establishment related issues, Stores audit, Revenue/ Cash/Voucher audit will be done at Divisions, Circles and Zonal offices. All the activities relating to the accounting aspects of the company as stated above will come under the purview of internal audit and is working as per the guidelines prescribed in Audit manual/other codal rules/ circulars/orders issued periodically from the company.

### Activities of Internal audit wing :

- (a) **Revenue Audit:** The Internal Audit section will verify the Revenue accounts of all categories of consumers billing accuracy and the procedural lapses, if any, in maintaining the consumer accounts.

Due to shortage of staff, the services of Retired Senior Assistants and Graduate Assistants are being utilized to conduct audit work as per action plan and to complete the same.

The internal audit has pointed out Rs.25.81 crores of Audit Short Claim during the FY 2015-16.

- (b) **Cash Audit:** The Internal Audit will verify the collections from consumers and posting to their ledger accounts and remittance of cash/cheques to the bank account of the concerned sub-division and transfer of the same to the head office bank account and make sure that no misappropriation has taken place. The bank transactions/cash transactions will be verified, irregularities if any, will be reported to the competent authorities for necessary action.

- (c) **Voucher Audit:** Every month, the voucher audit is being carried out at Corporate, Zone, Circle and Division level. Excess payment of Rs.2.21 crores has been pointed out during this year and out of that Rs.1.26 crores has been recovered. Similarly, Rs.1.74 crores of irregular expenditure is pointed out and Rs.2.45 crores is regularized including the amount from O.B of Rs.2.65 crores.

- (d) **Store Audit:** The test audit of stores transactions will be conducted in each quarter and report will be issued to the concerned Divisional officer duly noting the irregularities if any, observed during the audit. i.e., excess issue of materials, un-accounting of materials received, difference in balances as per of pricing and numerical ledgers etc.

At the time of audit of stores, it will be verified whether the annual counting of stores is done during every December/January and the final orders are passed and differences if any, will be reported for necessary action.

- (e) **AG Paras:** There are 10 paras pending relating to COPU as at the end of financial year 2015-16.

- (f) **Special Audit:** 11 No.s of special audit proposals have been received during FY 2015-16. During the year 6 cases of cash misappropriation amounting to Rs.36.54 lakhs pertains to FY 2014-15 and 5 cases of cash misappropriation amounting to Rs.16.49 lakhs pertains to FY 2015-16 have been finalized in audit and reports sent to concerned authorities to initiate disciplinary action.

One case pertains to FY 2014-15 and 6 cases pertain to 2015-16, totally 7 cases are pending for which special audit yet to be conducted.

## XXVI. VIGILANCE :

The Vigilance wing is working with one Superintendent of Police, One Deputy General Manager (Ele), One Deputy Superintendent of Police, One Assistant General Manager (F&C) and Eleven Inspectors and more than eighty staff and officers directly under the control of Hon'ble Managing Director.

The activity of Vigilance wing is to find out the power theft, pilferage, misuse of power, un-authorized usage of power and the complaints pertaining to power misuse and any other abnormal activities of BESCOM by the customer or office staff.

The progress for the Financial Year 2015-2016 are detailed below:

Sl. No.	No. of installations inspected	No. of cognizable cases	Preferred amount (BBC & CC) (Rs.in Lakhs)	No. of Non-Cognizable Cases	BBC Preferred (Rs.in Lakhs)
1	24852	1953	1493.41	1414	3483.96

During the year 2015-16, 675 Cognizable Cases amounting to Rs. 8.31 Crores was settled in Lokadalath Court in respect of government installations.

## XXVII. CORPORATE GOVERNANCE :

Corporate Governance is a set of systems and practices to ensure that the affairs of the company are being managed in a way which ensures accountability, transparency and fairness in all its transactions in the widest sense and meet its stakeholders aspirations and societal expectations. It is the companies constant endeavor to adopt the best Corporate Governance practices. The Board of BESCOM believes and supports Corporate Governance practices of a high standard, ensuing observance of these principles in all its dealings. All the Directors take active part in the proceedings of Board and Sub-Committee meetings which add value in the decision making process. The non-functional directors receive sitting fees for Board/Sub-Committee meetings attended by them. Company has complied with various statutory requirements prescribed under the Companies Act 1956 and 2013, labour laws and other Corporate laws wherever applicable for the FY 2015-16.

### a) Board of Directors:

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 in advance.

Following are the names of Directors and Company Secretary of BESCOM as on the date of AGM:

Sl.No.	Sriyuths/Smt	Board
1	P.Ravi Kumar,I.A.S.,	Chairman
2	P.Rajendra Cholan,I.A.S.,	Managing Director
3	Jawaid Akhtar,I.A.S.,	Director
4	H.Nagesh, B.E., F.I.E.,	Director (Technical)
5	Dr.R.C.Chetan,I.R.S.,	CFO & Director (Finance)
6	T.H.M.Kumar,I.A.S.,	Director
7	B.Sindhu,I.A.S.,	Director
8	M.Shanthi, B.E.,	Director

Sl.No.	Sriyuths/Smt	Board
9	G.R.Chandrasekharaiah, B.E.,	Director
10	M.Nagaraju	Director
11	A.N.Jayaraj, B.E.,	Director
12	J.Gangadhara Murthy	Director
13	Mohammed Zakaulla	Director
14	Venkatesh T	Director
15	M.Venkatesh	Director
16	K.Narasinga Rao	Director
17	A.Madalai Muthu	Director
18	B.S.Vasantha Kumar	Director
19	B.V.Jayaramu	Director
20	Sabdar Hussain	Director
21	K.T.Hiriyanna, F.C.S.,	Company Secretary

During 2015-16 and 2016-17(upto AGM date) Seven Board meetings took place as detailed below:

Sl.No.	Meeting No.	Held on
1	71st	30.09.2015
2	72nd	14.10.2015
3	73rd	30.11.2015
4	74th	14.01.2016
5	75th	02.03.2016
6	76th	09.06.2016
7	77th	11.08.2016

**(b) Board Sub-Committees:**

The Sub-Committees of the Board were constituted to give more focused attention on important issues.

**(1) Central Purchase Committee:**

Central Purchases Committee was formed to consider all cases of purchases whether for Projects or award of Station/Line works or any other works and all matters relating to such purchases as per prevailing delegation of financial powers. The composition of the Central Purchases Committee as on date of AGM is as below:

1. Managing Director, BESCOM	Chairman
2. Director(Technical), BESCOM	Member
3. Director(Finance), BESCOM	Member
4. CEE, Tr. Zone, KPTCL, Bengaluru	Member
5. Company Secretary, BESCOM	Convener

During 2015-16 and during 2016-17(up to the date of AGM) CPC met on the following dates:

Sl.No.	Meeting No.	Held on
1	87th	1.10.2015
2	88th	25.11.2015
3	89th	31.12.2015
4	90th	17.02.2016
5	91st	30.03.2016
6	92nd	31.05.2016
7	93rd	27.08.2016

**(2) Borrowing Sub Committee:**

The Borrowings Sub-Committee has been delegated certain specific powers to borrow Long term Loans from Banks/financial institutions on behalf of the Board from time to time subject to ceiling approved by the Shareholder at the General Meeting. Composite of Borrowings Sub-Committee as on date of AGM is as below:

1. Managing Director, BESCOM	Chairman
2. Director(Finance), BESCOM	Member
3. CEE, Tr. Zone, KPTCL, Bengaluru	Member
4. Company Secretary, BESCOM	Convener

During the year under report (FY 2015-16), the Borrowing Sub-Committee held its meetings as below:

For availing Finance from	Amount in Crores	Held on
M/s. State Bank of India	450.00	01.02.2016

**(3) Audit Committee:**

An Audit Committee was formed on 21st April 2005 in accordance with the provisions of the Companies Act. The Composition of the Audit Committee as on date of AGM is as below:

1. Managing Director, KPTCL	Chairman
2. Director (Technical), BESCOM	Member
3. CEE, Tr. Zone, KPTCL, Bengaluru	Member
4. Company Secretary, BESCOM	Convener

Audit Committee considers and recommends the financial results to the Board. Statutory Auditors & Cost Auditors are invited to attend the meeting. The committee also invites the Chief General Manager (F&C) and Chief General Manager (I/A) to be present at the meeting.

Audit Committee has adequate powers and terms of reference to play an effective role as mentioned in Companies Act which includes:

- 1) Discussion with the Auditors periodically about Internal Control System and the scope of audit including observations of the Auditors.

- 2) Review of the Annual Financial statements before submission to the Board.
- 3) Ensure compliance of internal control systems.
- 4) Investigation into any of the matters as may be referred to by the Board.
- 5) Financial and Risk Management Policies and Fraud and Fraudulent Risks.
- 6) Review of annual capital, revenue and store budgets before being placed before the Board for approval.
- 7) Review of programmes of finalization of annual accounts for timely completion of audit and approval.
- 8) Review of adequacy of internal controls to review reports on inventory, completion reports of capital works, standard and specifications wherever applicable.
- 9) Review of Internal Audit paras.
- 10) Review of AG Audit paras.
- 11) Review of disciplinary cases.
- 12) Review of vigilance activities. MRT, TAQC Wings and write offs
- 13) Review of power purchase cost.
- 14) Review of borrowings.
- 15) Discussions with Statutory Auditors and cost Auditors regarding their reports.
- 16) Any other matters as may be referred to by the Board.

During 2015-16 and 2016-17 (up to the date of AGM), the Audit Committee met thrice as below:

Sl.No.	Meeting No.	Held on
1	28th	30.09.2015
2	29th	29.07.2016

**(4) Nomination and Remuneration committee:**

The Composition of the Nomination and Remuneration Committee constituted under section 178 of Companies Act 2013 as on date of AGM is as below:

1. Managing Director, KPTCL	Chairman
2. Managing Director, BESCO	Member
3. Director(Technical), BESCO	Member
4. CFO & Director (Finance), BESCO	Member
5. MD, PCKL	Member
6. Dy Secretary, B & R, GoK	Member
7. CEE, Tr. Zone, KPTCL	Member
8. Company Secretary, BESCO	Convener

The Nomination and Remuneration committee formed on 29.07.2016. During 2015-16 and 2016-17 (up to the date of AGM), the Nomination and Remuneration Committee met as below:

SI No.	Meeting No.	Held on
1	1st	29.07.2016



**(5) Corporate Social Responsibility committee:**

As stipulated under section 135 of the Companies Act 2013 every Company having a net worth of rupees five hundred crores or more, or turnover of rupees one thousand crores or more or net profit of rupees five crores or more during any financial year shall constitute a Corporate Social Responsibility Committee of the Board consisting of three or more Directors, out of which at least one director shall be an independent director. According to the said provisions under Companies Act 2013, BESCOM is required to constitute the CSR Committee since the net worth of BESCOM at the end of financial year 2015-16 is Rs.1671.26 crores and the turnover is Rs. 14855.35 crores. Board at its 77th meeting held on 11.08.2016 re-constituted the CSR Committee with the members comprising the following Directors:

1. P. Ravi Kumar. IAS., Addl. Chief Secretary	Chairman
2. Sri P. Rajendra Cholan. IAS., MD, BESCOM	Member
3. H. Nagesh, B.E., F.I.E., Director (Technical), BESCOM	Member
4. Dr. R.C. Chetan, IRS., CFO & Director (Finance), BESCOM	Member
5. T.H.M. Kumar, IAS.,	Member
6. K.T.Hiriyanna, FCS.,	Company Secretary

The Board of every company referred to in section 135 sub-section(1), shall ensure that the company spends, in every financial year, at least two percent of the average net profits of the company made during the three immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy. However, since in the past years except during FY 2013-14, FY 2014-15 and during FY 2015-16 the Company (BESCOM) has incurred loss to an extent of Rs. 665.31 crores and accumulated loss still to be set off to an extent of Rs.367.76 crores as on 31.03.2016 [profit during FY 2013-14 ,2014-15 and 2015-16 is Rs. 76.10 crores, Rs. 113.44 crores and Rs. 108.01 crores respectively]. In view of this Board of Directors has decided not to recommend for declaration of any dividend for the financial year 2015-16 and the profit component will be transferred to 'reserve'

**(6) Staff Welfare & Industrial relations:**

Several steps were taken in the area of staff welfare during the year. The Company had taken up a number of initiatives for ensuring health of the employees and their dependants by a way of inclusion of reputed hospitals in its approved list of hospitals and health awareness is created among the employees. The Company also maintained cordial and harmonious relations at all levels.

**(7) Disclosure under Sexual Harassment of Woman at Workplace (Prevention, Prohibition & Reddressal) Act 2013:**

The Company has put in place Anti Sexual Harassment Policy in linewith the requirements of the Sexual Harassment of Women at Workplace ( Prevention, Prohibition & Reddressal) Act 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees ( Permanent, contractual, temporary, trainees are covered under that policy). During the FY 2015- 16, complaints received were ' Nil '.

**(8) Statutory Auditors:**

The C & AG of India has appointed M/s V.K.Niranjan & Co., Kurubara sangha Building, 202 and 204 Kanakadasa Circle, Kalidasa marga, Gandhi Nagar, Bengaluru as Statutory Auditors for auditing the accounts of BESCOM for the Financial Year 2015-16 as per the provisions of Companies Act 2013. The said auditors have completed the audit and have submitted their report as per statutory requirement.

**(9) Cost Auditors:**

The Board of BESCOM has appointed M/s. Rao, Murthy & Associates, Bengaluru as Cost Auditors for auditing the cost accounts of BESCOM for the Financial Year 2015-16 as per the provisions of Companies Act 2013. The said auditors have completed the audit and have submitted their report as per statutory requirement.

**(10) Secretarial Auditors:**

The Board of BESCOM has continued M/s P.K.Pande & Associates, a firm of Company Secretaries. No.139, Shalimar Galaxy, 1st Main Road, Sheshadripuram, Bengaluru-560020 as Secretarial Auditors for auditing the accounts of BESCOM for the Financial Year 2015-16 as per the provisions of Companies Act 2013. The said auditors have completed the audit and have submitted their report as per statutory requirement.

**(11) Directors' Responsibility Statement:**

Pursuant to the requirement under Section 134 sub section (3) of the Companies Act 2013 with regard to "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 the proper explanation relating to material departures:
- (2) Accounting policies have been selected and applied consistently and judgments and estimates are made that are responsible and prudent so as to give a fair view of the state of affairs of the company at the end of the Financial Year and of the profit or loss 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.
- (5) All the returns/ e-filing which are required to be made under various provisions laid down under relevant, applicable sections of Companies Act 2013 have been filed with Registrar of Companies, Government of India within the stipulated time frame.
- (6) Mandatory requirement to publish various informations related to company in Company's Website is fulfilled and transparency is maintained in the affairs of the Company.
- (7) The Directors have devised proper system to ensure compliance with the provisions of all applicable laws and those systems are adequate and operating effectively.

**GENERAL:**

Board would like to place on record its appreciation for all the assistance and guidance extended by the Government of India, Government of Karnataka, Karnataka Power Transmission Corporation Limited, CERC, KERC, Ministry of Corporate Affairs, Registrar of Companies, Karnataka and Consumers of BESCOM for their Co-operation and support to BESCOM in its endeavor to serve the public. Board would also like to place on record its appreciation for the dedicated and committed service rendered by the employees of the company and co-operation extended by the Union and Associations.

**For & on behalf of the Board of Directors**

**Sd/-  
CHAIRMAN**

**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF BANGALORE ELECTRICITY SUPPLY COMPANY LIMITED, BANGALORE, FOR THE YEAR ENDED 31 MARCH 2016**

The preparation of financial statements of **Bangalore Electricity Supply Company Limited, Bangalore** for the year ended **31 March 2016** in accordance with the financial reporting framework prescribed under Companies Act, 2013 is the responsibility of the management of the Company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139(5) or 139(7) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated **20.09.2016**.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under section 143(6) (a) of the Act of the financial statements of **Bangalore Electricity supply Company Limited, Bangalore** for the year ended **31 March 2016**. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records. In view of the revisions made in the financial statements by the management, as a result of my audit observations highlighted during supplementary audit as indicated in the Note No. 30.24 financial statements, I have no further comments to offer upon or supplement to the statutory auditors' report, under section 143(6) (b) of the Act.

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

Sd/-

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

Bangalore.  
Date: 26 September 2016.

## P K Pandey & Associates

Company Secretaries.

No 139,"Shalimar Galaxy", 3rd Floor, Seshadripuram,  
1st Main Road, Bangalore-560020  
Ph: +91 80 23465808(O), +91 80 23465807 (T-Fax),  
Mobile: +91 9448089774,  
Email Id: pande@pkpandeassociates.com,  
Web site: www.pkpandeassociates.com

Form No. MR-3

### *Secretarial Audit Report*

#### **FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2016**

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies  
(Appointment and Remuneration Personnel) Rules, 2014]

To:

The Members,

Bangalore Electricity Supply Company Limited

Registered Office: K R Circle, Bangalore

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Bangalore Electricity Supply Company Limited (hereinafter called the "Company"). Secretarial Audit was conducted in the manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2016 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minutes' books, forms and returns filed and other records made available to me and maintained by the Company for the Financial Year ended 31st March, 2016 according to the applicable provisions of:

1. The Companies Act, 2013 (the Act) and the rules made there-under;
2. This being a unlisted, public, Government Company, wholly owned by the Government of Karnataka, the following Acts will not apply to it:
  - (i) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there-under;
  - (ii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there-under;
3. For the reasons stated to in point No.2, the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') will not apply to this Company:
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;



- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
4. The Company has not done any foreign exchange related transactions during the period under review and, therefore, there is nothing to report under the Foreign Exchange Management Act, 1999 and the rules and regulations made there under.
  5. The Specific Act applicable to the Company is Karnataka Electricity Act and the Company has complied with the provisions of the Act.
  6. During the course of audit it was informed to me that, among other Acts applicable to the Company, the information and documents relating to the following Acts have not been provided to me; nor the Company has shown any exemptions granted to it by the respective regulatory authorities and, therefore, I am unable to comment about the compliance of these Acts.
    - (a) Workmen's Compensation Act, 1923
    - (b) The Payment of Wages Act, 1936
    - (c) Industrial Disputes Act, 1948
    - (d) Minimum Wages Act, 1947
    - (e) Factories Act, 1948
    - (f) Employee's State Insurance Act, 1948
    - (g) Employee's Provident Funds & Miscellaneous Provisions Act, 1952
    - (h) Payment of Bonus Act, 1965
    - (i) Contract Labour (Regulation and Abolition) Act, 1970
    - (j) Maternity Benefit Act, 1961
    - (k) Employment Exchanges Act, 1959
    - (l) Equal Remuneration Act, 1976
    - (m) Property Tax

I have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

**I further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Having gone through the proceedings of the Board and Committee meetings, I observe that all the decisions at these meetings were carried through unanimously and there were no dissenting views emanated from the members of the Board and Committee.

I further report that as per the explanations given to me and the representations made by the management, there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines subject to my observations made in points No.3 and 6 above.

Place : Bangalore  
Date : 19th September, 2016

Sd/-  
**P K Pande**  
Practicing Company Secretary  
FCS – 5487; CP No.3984



## ***Independent Auditors' Report***

### **TO THE MEMBERS OF BANGALORE ELECTRICITY SUPPLY COMPANY LIMITED**

Pursuant to the observations made by comptroller and Auditor General of India under section 143(7) of the companies Act, the accounts approved by the Board of Directors on 11.08.2016 have been revised, this report supersedes our earlier report dated 17.08.2016. The report is revised to incorporate the observations made by the Comptroller and auditor general of India on the financial statements and books of account of the company. The impact of the revision in the accounts of the company is stated in note number 30.24

### **Report on the Financial Statements;**

We have audited the accompanying financial statements of BANGALORE ELECTRICITY SUPPLY COMPANY LIMITED ("the company"), which comprise the Balance Sheet as at 31 March 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Financial Statements;**

The Company's Board of Directors and management is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

This responsibility also includes the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility;**

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and order under section 143(11) of the act.

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that

are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

### **Basis for Qualified Opinion**

1. **Remittances and transfers from/to head office:** *There is balance of Rs 111.30 lacs (P.Y. Rs -28.74 lacs) under other current assets as remittances-in-transit. The impact of above stated balance on the financial statement is an overstatement of other current assets/ Revenue.*
2. **Accrual system:** *As per section 128(1) of the Companies Act, 2013, proper books of account shall not be deemed to be kept if such books are not kept on accrual basis and according to the double entry system of accounting. As stated in Significant accounting policy no.2, the company recognizes the transactions pertaining to grants and subsidies from the Government in respect of capital assets on receipt basis, which is contrary to the accrual system of accounting as essential under section 128(1) of the Companies Act, 2013.*
3. **Deviations from Accounting Standards:**
  - a. **Accounting Standard 2 in relation to Valuation of Inventory:** *The Company is required to value its inventories at lower of cost or net realizable value. However, the company values its inventories at standard rates. The company does not consider the net realizable value of its inventories. The impact of such deviation from the accounting standard is not ascertainable.*
  - b. **Accounting standard 6 in relation to Depreciation accounting:** *The Company has charged depreciation as per KERC/CERC rules, i.e. for full month in which assets were put to use. As per accounting standard 6, the statute governing an enterprise may provide the basis for computation of the depreciation. As per companies Act 2013, the depreciation shall be calculated on prorata basis from the date of such addition. The impact of the above deviation from the accounting standard is not ascertainable.*
  - c. **Accounting Standard – 11 in relation to The Effects of Changes in Foreign Exchange Rates :** *Foreign currency assets and liabilities are to be valued on the balance sheet date as per AS 11 paragraph 11 (a), which has not been carried out by the company regarding JICA Loan of Yen 577,36,74,452 outstanding as on 31.03.2016.*
  - d. **Accounting Standard 15 in relation to Employee Benefits:** *The Company has provided provision for retirement benefits as per actuarial valuation made up to 31.03.2009 in the financials year 2012-13 and leave encashment on estimate basis is contrary to Accounting Standard – 15 - Employee Benefits, which requires the actuarial valuation to be made every year. The impact of above deviation from the accounting standard is not ascertainable.*
  - e. **Accounting Standard – 22 in relation to Accounting for Taxes on Income:** *The Company has not provided for deferred tax asset/liability on account of timing differences which would reverse after the expiry of tax holiday period. The impact of such non-provisioning of the timing differences mentioned above on the financial statement of the company is not ascertainable.*



4. ***Depreciation on intangible assets:*** Depreciation on software and software rights has not been charged on opening balance of assets of Rs.2, 82, 76,029 and on additions made during the year of Rs.7, 65, 63,863, as a result there is overstatement profit and asset. The quantum of over statement is not ascertainable.
5. ***Capital Work in progress:*** RAPDRP-A project has been taken up by BESCOM for computerization of all activities. The company has incurred Rs. 170.92 Crores held in CWIP. The company has not capitalized intangible asset due to non-receipt of user acceptance test report, even though revenue module is put to use in the current year. The depreciation has not been charged on such intangible asset. The impact of the above deviation is not ascertainable.

**6. Balance Confirmation/ Reconciliation:**

***The Company has not obtained confirmation and reconciled the balances as on 31.03.2016 from/to KPTCL, KPCL, other ESCOMs and PCKL, sundry debtors, sundry creditors, advances, deposits from/to suppliers / contractors / government authorities/consumers/ employees, loans and other receivables from various parties. The impact of the above is not ascertainable.***

## Opinion

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

- a) In case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2016;
- b) In case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c) In case of the Cash Flow Statement, of the cash flows for the year ended on that date.

## Emphasis of Matters

We draw attention to the following matters in the Notes to the financial statements:

- a. Note no 30.19 significant accounting policy para no. 16.2 modified from the current year "the deferred expenses passed on as "Regulatory Assets" by KERC order is recognition as Revenue on accrual basis." Due to this a sum of Rs 541.79 Crores is recognized as revenue. Had the company continue to follow the earlier year accounting policy, Revenue from operations and profit for the year is lower by Rs. 541.79 Crores
- b. Note no 30.2.1 regarding certain loans availed by KPTCL transferred to BESCOM and are reflected as loans in the books of the company.
- c. Note no. 30.3.5 regarding transfer of certain land and buildings from KPTCL has been recorded on the basis of the notification by GOK but title deeds relating to such assets are not available.
- d. Note no. 30.5.2 regarding non recognition of excesses or shortages found on physical verification of inventories pending for final investigation.
- e. Note no. 30.7.1 regarding accounting of contingent liabilities / assets on contracts remaining to be executed are not ascertained.
- f. Note no. 30.7.3 tariff rates of purchases from BTPS 2 and RTPS of KPCL are provided on the purchases agreements which are pending for approval by the KERC.
- g. Note no. 30.7.6 and 30.7.8 interest claimed by KPCL/UPCL on belated payment is under dispute and is not provided.

- h. Note no. 30.8 Regarding Inter Unit Accounts are subject to reconciliation/adjustments to the extent of Rs.17.69 Crores (Credit), Previous Year Rs. 114.96 Crore (Credit).

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

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

1. As required by section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from the Divisions not visited by us.
  - c) The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards. Prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 Except for the matter described in the 'Basis for Qualified Opinion' paragraph above.
  - e) Section 164(2) companies Act, 2013 regarding disqualifications of board of directors is not applicable to Government companies as per MCA notification F No 1/2 2014-CL.V dated 05.06.2015.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness' of such controls, refer to our separate report in "Annexure A". Our report expresses a modified opinion on the adequacy and operating effectiveness of the company's internal financial controls over financial reporting.
  - g) With respect to the other matters included in the Auditor's Report in accordance with rule 11 of Companies (Audit and Auditors) Rules, 2014. In our opinion and to the best of our information and according to the explanations given to us,
    - i) The company has disclosed pending litigations on its financial positions refer note no.30.7.11.
    - ii) The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii) There were no amounts which required to be transferred to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure B statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
3. Compliance to directions issued by C&AG of India u/s 143(5) of companies Act 2013 are given in the Annexure C of the auditors' report.

**FOR V K NIRANJAN & CO**  
Chartered Accountants  
Firm's Reg. No. 002468S

Sd/-  
**CA NIRANJAN V K**  
PARTNER  
M No. 021432

Place: Bengaluru  
Dated: 20/09/2016



# Addendum to Directors Report

for the year 31st March 2016

**Replies offered on the observation/ comments of the Statutory Auditors on the accounts of the company for the year 2015-16 are as follows**

Sl. No.	Observations of the Statutory Auditors	Management's Reply
1.	Remittances and transfers from/to head office: There is balance of Rs 111.30 lacs (P.Y. Rs -28.74 lacs) under other current assets as remittances-in-transit. The impact of above stated balance on the financial statement is an overstatement of other current assets/ Revenue.	Factual - In the normal course of regular transaction, certain remittances /Transfers made during closure period of Accounts (Last week of Mar) will be transferred to main account by concerned Bank in the first week of Apr, thereby those items are kept under transit and regularised subsequently .
2.	Accrual system: As per section 128(1) of the Companies Act, 2013, proper books of account shall not be deemed to be kept if such books are not kept on accrual basis and according to the double entry system of accounting. As stated in Significant accounting policy no.2, the company recognizes the transactions pertaining to grants and subsidies from the Government in respect of capital assets on receipt basis, which is contrary to the accrual system of accounting as essential under section 128(1) of the Companies Act, 2013.	Factual- Grants and subsidies received from the Government in respect of capital assets is accounted on receipt basis only because company cannot quantify or asses the capital grant /Capital Subsidy for taking into books nor Government is communicating the quantum to account on accrual basis.
3. a.	Deviations from Accounting Standards:  Accounting Standard 2 in relation to Valuation of Inventory: The Company is required to value its inventories at lower of cost or net realizable value. However, the company values its inventories at standard rates. The company does not consider the net realizable value of its inventories. The impact of such deviation from the accounting standard is not ascertainable.	As per prudent practice, the Company values its inventory as per Standard rate arrived by taking present market rate and Standard rates are revised periodically on regular basis. The required accounting treatment for the difference in purchase value and Standard value is dealt in the Books (Material Cost Variance) as per stipulated procedure. Net realizable value of each item cannot be arrived due to largeness of volume of items receipted and issued in the store house. The Company is having a robust system of accounting of difference of Purchase and Standard rate in the books of accounts. Hence, implementation of AS 2 may not be possible due to volume of work involved in day to day receipt and issue which is very high and also involves individual items of the nature of Insulators, Pot Heads, bolts, Nuts, structural, etc., anyhow Company is contemplating for implementation of ERP solutions , as such procedure for implementation of AS 2 will be taken of roll out of ERP under inventory module.

Sl. No.	Observations of the Statutory Auditors	Management's Reply
b.	Accounting standard 6 in relation to Depreciation accounting: The Company has charged depreciation as per KERC/CERC rules, i.e. for full month in which assets were put to use. As per accounting standard 6, the statute governing an enterprise may provide the basis for computation of the depreciation. As per companies Act 2013, the depreciation shall be calculated on a prorata basis from the date of such addition. The impact of the above deviation from the accounting standard is not ascertainable.	<p>The Company is following the method of Depreciation on monthly prorata basis instead of date of asset put into use and governed by CERC guidelines for Depreciation provision since inception and KERC has approved the same while approving the tariff orders regularly.</p> <p>Apart from this, the largeness of transaction relating to Assetisation is voluminous and in the absence of automated system (ERP solutions) for calculation of depreciation on prorata basis corresponding to Asset commissioned will be a daunting task. Company is contemplating for implementation of ERP solutions , as such Company is contemplating for implementation of ERP solutions , as such on implementation of asset module calculation of depreciation on prorata basis will be dealt in asset module of ERP solutions</p>
c.	<p>Accounting Standard – 11 in relation to The Effects of Changes in</p> <p>Foreign Exchange Rates : Foreign currency assets and liabilities are to be valued on the balance sheet date as per AS 11 paragraph 11 (a), which has not been carried out by the company regarding JICA Loan of Yen 577,36,74,452 outstanding as on 31.03.2016.</p>	<p>Factual- Foreign currency assets and liabilities are valued as per AS 11 Paragraph (a) with regards go JICA Loan for the transactions done during respective years (12 months period).</p> <p>Company will carry out the action to re-value the foreign currency assets and liabilities pertaining to JICA loan and requirement treatment will be dealt in next FY.</p>
d.	Accounting Standard 15 in relation to Employee Benefits: The Company has provided provision for retirement benefits as per actuarial valuation made up to 31.03.2009 in the financial year 2012-13 and leave encashment on estimate basis is contrary to Accounting Standard – 15 - Employee Benefits, which requires the actuarial valuation to be made every year. The impact of above deviation from the accounting standard is not ascertainable.	The Company has written to KPTCL & Escoms P&G trust for arrival of Actuarial Valuation with regard to employee benefit. The Trust has appointed professional agency for the purpose and the Company will provide the employee benefits as per its communication.
e.	Accounting Standard – 22 in relation to Accounting for Taxes on Income: The Company has not provided for deferred tax asset/liability on account of timing differences which would reverse after the expiry of tax holiday period. The impact of such non-provisioning of the timing differences mentioned above on the financial statement of the company is not ascertainable.	<p>Factual</p> <p>The Company has not recognized any deferred tax asset/liability as its income is exempt from tax under Section 80IA of the Income Tax Act, 1961. The Company has not provided for deferred tax asset/liability on account of timing differences that would</p>

Sl. No.	Observations of the Statutory Auditors	Management's Reply
		reverse after the tax holiday period. However, the Company will provide for deferred tax subsequent to its tax holiday period. Also, the quantum of such non-provisioning for deferred tax is not readily ascertainable and hence not provided in our books of accounts
4.	Depreciation on intangible assets: Depreciation on software and software rights has not been charged on opening balance of assets of Rs.2,82,76,029 and on additions made during the year of Rs.7,65,63,863, as a result there is overstatement profit and asset. The quantum of over statement is not ascertainable.	Factual; Ascertaining tenure and validity of Software, accounting of Depreciation on software and software rights will be charged proportionately in the Financial year 16-17
5.	Capital Work in progress: RAPDRP-A project has been taken up by BESCOM for computerization of all activities. The company has incurred Rs, 170.92 Crores held in CWIP. The company has not capitalized intangible asset due to non-receipt of user acceptance test report, even though revenue module is put to use in the current year. The depreciation has not been charged on such intangible asset. The impact of the above deviation is not ascertainable.	Factual: Intangible asset is not only limited to Revenue module alone, it is having Intricacies with other sub modules like GIS, MIS & Vigilance etc., pending UAT on this sub modules capitalisation cannot happen. Required accounting treatment will be dealt in FY17
6.	Balance Confirmation/ Reconciliation:  The Company has not obtained confirmation and reconciled the balances as on 31.03.2016 from/to KPTCL, KPCL, other ESCOMs and PCKL, sundry debtors, sundry creditors, advances, deposits from/to suppliers / contractors / government authorities/ consumers/ employees, loans and other receivables from various parties. The impact of the above is not ascertainable.	Transactions pertaining to ESCOMS, KPTCL, PCKL are taken to the books by the Company as a prudent practice based on notifications, orders and letters from notified authorities for the said purposes. Obtaining of confirmation for all the transactions involves certain things that are clearly outside the control of the Company. However, the Company is making consistent effort to obtain the confirmation.  In relation to others i.e sundry creditors, advances, deposits from/to suppliers / contractors / government authorities / consumers /employees, loans and other receivables from various parties , transactions are taken to books based on orders, awards, notification for which correctness is authenticated, checked and counter checked by all the competent authorities. Also it may not be physically possible to obtain the confirmation for such transactions as it involves largeness in its volume.



**Replies offered on the observation/ comments of the Statutory Auditors on the  
INTERNAL FINANCIAL CONTROLS of the company for the year 2015-16  
are as follows:**

Sl. No.	Observations of the Statutory Auditors	Management's Reply
a)	The company did not have an appropriate internal control system with regard to fixed assets up-dation of registers, physical verification and reconciliation to the books of account at regular interval.	Factual: Reconciliation is not happening periodically due to the reason of voluminous task involved for building fixed assets nature (Majority of Asset base created is out of assemblage only – Transformers and Lines) and updating of Register is carried manually. Also significant asset base is obtained by way of transfer notification from KPTCL (GOK notification). Company will initiate action for verification and reconciliation to strengthen IFC of the company with regards to accounting of Fixed asset.
b)	The company did not have an appropriate internal control system with regard to accounting of shortage or excesses noticed during physical verification and reconciliation of inventory.	Factual: Accounting of Excess or shortage is distinctively maintained, Regularization or recovery process is based on the outcome of the investigation. Investigation process will be speeded up to have better IFC on inventory
c)	The company did not have an appropriate internal control system with regard to maintenance of accounts as internal audit has noticed revenue leakage and excess payments and payment without proper approval during the transaction audit of divisions and corporate office due to maintenance of accounts manually except billing and collections.	The existing Internal audit is itself for the internal control. The existing setup is to find out the irregularities and brought to the notice of the Competent authority. The same is being carried out by the internal audit. At head office, divisional internal audit reports are being reviewed by the functional directors and appropriate action is being initiated for excess payment and irregular expenditure.
d)	The company did not have an appropriate internal control system with regard to periodical Reconciliation between collection as per daily cash book and MIS DCB considering huge volume of transactions involved, risk is not ascertainable	Company will initiate periodical Reconciliation control mechanism between daily cash book and MIS DCB collection to ascertain the risk is minimal or not existing to have an appropriate internal control system on collection and accounting aspects.

Sd/-  
Managing Director  
BESCOM

## ANNEXURE II TO THE AUDITORS' REPORT

Directions under section 143(5) of Companies Act 2013

Sl. No.	Directions																														
1	<p>If the Company has been selected for disinvestment, a complete status report in terms of valuation of Assets (including intangible assets and land) and Liabilities (including Committed and General Reserves) may be examined including the mode and present stage of disinvestment process.</p> <p><b><i>There is no disinvestment during the year. Valuation of Assets is accounted on historical Cost on conventional basis. Hence, there is no scope for revaluation.</i></b></p>																														
2	<p>Please report whether there are any cases of waiver/write off of debts/loans/interest etc., if yes, the reasons there for and the amount involved.</p> <p><b><i>There are no cases of Waiver / Write off debts / Loans/ Interest during FY2015-16</i></b></p>																														
3	<p>Whether proper records are maintained for inventories lying with third parties &amp; assets received as gift from Govt. or other authorities.</p> <p><b><i>There is an exclusive account code wherein inventory given to third parties is accounted and controlled by the BESCO.</i></b></p> <p><b><i>There are no assets received as gift from Govt. or other authorities.</i></b></p>																														
4	<p>A report on age-wise analysis of pending legal/arbitration cases including the reasons of pendency and existence/ effectiveness of a monitoring mechanism for expenditure on all legal cases(foreign and local) may be given.</p> <p><b><i>Information is not provided relating to age-wise analysis of pending legal/arbitration cases including the reasons of pendency existence/ effectiveness of a monitoring mechanism for expenditure on all legal cases(foreign and local).</i></b></p> <p>However Revenue appeals statistics are given below:</p> <table><tr><th>Sl. No.</th><th>Particulars</th><th>BMAZ</th><th>BRAZ</th><th>CTAZ</th><th>Total</th></tr><tr><td>1</td><td>CURRENT YEAR No. of Appeal cases pending as on 31-03-2016</td><td>225</td><td>35</td><td>26</td><td>286</td></tr><tr><td>2</td><td>Amount involved (Rs. in Lakhs)</td><td>1022.04</td><td>84.34</td><td>24.96</td><td>1131.34</td></tr><tr><td>3</td><td>PREVIOUS YEAR No. of Appeal cases pending as on 31-03-2015</td><td>348</td><td>83</td><td>31</td><td>462</td></tr><tr><td>4</td><td>Amount involved (Rs. in Lakhs)</td><td>2326.76</td><td>95.88</td><td>39.33</td><td>2461.97</td></tr></table>	Sl. No.	Particulars	BMAZ	BRAZ	CTAZ	Total	1	CURRENT YEAR No. of Appeal cases pending as on 31-03-2016	225	35	26	286	2	Amount involved (Rs. in Lakhs)	1022.04	84.34	24.96	1131.34	3	PREVIOUS YEAR No. of Appeal cases pending as on 31-03-2015	348	83	31	462	4	Amount involved (Rs. in Lakhs)	2326.76	95.88	39.33	2461.97
Sl. No.	Particulars	BMAZ	BRAZ	CTAZ	Total																										
1	CURRENT YEAR No. of Appeal cases pending as on 31-03-2016	225	35	26	286																										
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4	Amount involved (Rs. in Lakhs)	2326.76	95.88	39.33	2461.97																										

Additional Company Specific Directions:

- Report on the efficacy of the system of billing and collection of revenue in the Company. Whether tamper proof meters have been installed for all consumers? If not then, examine how accuracy of billing was ensured.

***As per code on distribution of energy issued by KERC, BESCO is having all the installations are metered except Irrigation Pump sets which is monitored at Feeder/DTC level metering. Meters are of Electromechanical & Electrostatic nature.***

***Billing and Collection is tamper proof with identity management is put into use wherein each and every activity concerning Demand and collection is password protected and system driven, thereby there is a mechanism of validation of billing accuracy with respect to rate validation, sales validation and related issues.***

- b. Whether the reconciliation of receivables and payables between the generation, distribution and transmission companies has been completed. The reasons for difference may be examined.

***There is a periodical reconciliation on power purchase activity. Reconciliation of Inter ESCOM receivables and payables i.e., between BESCO and CESC or BESCO & MESCOM in respect of material and other transfer is not carried out periodically since impact is minimal, confirmation is pending from other ESCOMS.***

- c. Whether the Company recovers and accounts, the State Electricity Regulatory Commission (SERC) approved Fuel and Power Purchase Adjustment Cost (FPPCA)?

***KERC has put in quarterly mechanism for arriving at FAC for each quarter based on sales mix and the Company has maintain separate accounting code for recovers and accounted as approved by KERC.***

- d. How much tariff roll back subsidies have been allowed and booked in the accounts during the year? Whether the same is being reimbursed regularly by the State Government?

***There is no roll back of any subsidy (Both revenue and Capital) for Current Year.***

- e. If the audited entity has computerized its operations or part of it, assess and report, how much of the data in the company is in electronic format, which of the area such as accounting, sales, personnel information, pay roll, inventory etc. have been computerized and the company has evolved proper security policy for data/software/hardware?.

***Presently, all the issues relating to Revenue is computerized up to the level of generation of MIS report. BESCO utilizes this core report for accounting & recognizing the revenue.***

***The other aspects as such payroll, Inventory, Capex, Assetisation, Cash Management etc., are not in the electronic format. Computerization of all these aspects is under process of initial stage.***

***There is a security policy for data/software/hardware protection by exclusive section under IDAM (identity management).***

For **V.K Niranjan and Co.**  
Chartered Accountants  
Firm's Reg. No. 002468S

Sd/-

**C A Niranjan V K**

Partner

Membership No.021432

Bengaluru  
20/09/2016





## ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2 under 'Report on other Legal and Regulatory Requirements' section of our report of even date) to the members of BANGALORE ELECTRICITY SUPPLY COMPANY LIMITED ("the Company") for the year ended 31st March 2016, we report that;

**i) In respect of Fixed Assets:**

a. In the fixed assets records, ***particulars like quantity and locations of all the fixed assets are not maintained. The Company is yet to obtain title deeds/relevant documents of certain lands/buildings reflected in the note 11 in relation to fixed assets.***

b. ***As explained to us, the company has physically verified items falling under category of Office Equipments, T&P materials (Almairahs, Chairs, and Tables etc.), Computer and Peripherals, Vehicles, Buildings and Civil works at regular intervals. The reconciliation between the physical verification and books of account is reported to be pending.***

***The company has not conducted a physical verification in respect of plant & machinery and lines & cables during the year. Hence we are unable to comment on the adequacy or otherwise of the regularity of physical verification of such assets.***

c. ***Regarding transfer of certain land and buildings from KPTCL have been recorded on the basis of the notification by GOK but title deeds relating to such assets are not available.***

**ii) In respect of its inventories:**

As explained to us, inventories lying in the stores of the company have been physically verified by the management during the year. In our opinion, frequency of verification is reasonable.

iii) The company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.

iv) The Company has not given guarantees, and security in respect of section 185 and 186 of the Companies Act, 2013.

v) According to information and explanation given to us, the company has not accepted any deposits under the provisions of Section 73 to 76 of the Companies Act, 2013.

vi) Based on the information and explanations provided to us, maintenance of cost records has been prescribed by the Central Government for the company. We have broadly reviewed the books of account maintained by the company pursuant to the Rules made by the Central Government for the maintenance of cost records under section 148 (1) of the Companies Act 2013 and are of the opinion that prima-facie, the prescribed accounts and records have been made and maintained. We have, however not made a detail examination of the cost records with a view to determine whether they are accurate or complete.

**vii) In respect of statutory dues:**

a. According to the records of the Company, undisputed statutory dues including Provident Fund, Income Tax, Sales Tax, Service Tax, Excise Duty, Cess, and other statutory dues have been regularly deposited with the appropriate authorities.

- b. According to the information and explanations given to us, the company has not deposited the following statutory dues on account of disputes:

Name of the Statute	Nature of the dues	Amount of tax involved (in crore Rs. )	Period to which the amount relates	Forum of dispute
Income tax Act, 1961	Income tax	0.24	AY 2003-04	Hon'ble Supreme Court
Income tax Act, 1961	Income tax	61.07	AY 2005-06	Hon'ble High Court of Karnataka
Income tax Act,	IT & FBT	0.07	AY 2006-07	DCIT, Bangalore.
Income tax Act, 1961	IT & FBT	0.53	AY 2008-09	DCIT, Bangalore.
Income tax Act, 1961	TDS	0.49	AY 2009-10	DCIT, Bangalore.
Income tax Act, 1961	Income tax	17.21	AY2010-11	DCIT, Appeals(I), Bangalore
Income tax Act, 1961	TDS	0.30	AY 2010-11	DCIT, Appeals(I), Bangalore
Income tax Act, 1961	Income tax	0.37	AY 2011-12	DCIT, Appeals(I), Bangalore
Income tax Act, 1961	Income tax	25.54	AY 2012-13	DCIT, Appeals(I), Bangalore
Income tax Act, 1961	TDS	195.78	AY 2004-05 to AY 2008-09	Hon'ble High Court of Karnataka
Income tax Act, 1961	TDS	2.85	AY2009-10 to AY2016-17	CIT (Appeals 13), Bangalore
Karnataka Electricity (Taxation on Consumption) Act 1959	Electricity tax	9.63	FY 2008-09	Chief Electrical Inspector to Government (CEIG), Bangalore

- viii) Based on our audit and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions or banks.
- ix) The company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and term loans were applied for the purposes for which those are raised.
- x) To the best of our knowledge and according to the information and explanation given to us no fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi) Section 197 of companies Act 2013 is not applicable to Government company as per notification F No.1/ 2 2014 – CL. V dated 05.06.2016.
- xii) The company is not Nidhi Company hence this clause is not applicable.

- xiii) To the best of our knowledge and according to the information and explanation given to us there are no related parties' transaction during the year.
- xiv) To the best of our knowledge and according to the information and explanation given to us the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during year.
- xv) To the best of our knowledge and according to the information and explanation given to us the company has not entered into any non-cash transactions with directors or persons connected with him during year.
- xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934

For **V.K Niranjana and Co.**  
Chartered Accountants  
Firm's Reg. No. 002468S

Sd/-  
**C A Niranjana V K**  
Partner  
Membership No.021432

Bengaluru  
20/09/2016

**ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE  
STANDALONE FINANCIAL STATEMENTS OF BANGALORE ELECTRICITY SUPPLY  
COMPANY LIMITED for the year ended 31st March 2016**

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013.

We have audited the internal financial controls over financial reporting of BANGALORE ELECTRICITY SUPPLY COMPANY LIMITED as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about

Whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the Company's internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions

of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Qualified opinion**

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified as at March 31, 2016:

- a) The company did not have an appropriate internal control system with regard to fixed assets updation of registers, physical verification and reconciliation to the books of account at regular interval.
- b) The company did not have an appropriate internal control system with regard to accounting of shortage or excesses noticed during physical verification and reconciliation of inventory.
- c) The company did not have an appropriate internal control system with regard to maintainance of accounts as internal audit has noticed revenue leakage and excess payments and payment without proper approval during the transaction audit of divisions and corporate office due to maintainance of accounts manually except billing and collections.
- d) The company did not have an appropriate internal control system with regard to periodical Reconciliation between collection as per daily cash book and MIS DCB considering huge volume of transactions involved, risk is not ascertainable.

In our opinion, except for the possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Company has maintained, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as of March 31, 2016, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2016 standalone financial statements of the Company, and these material weaknesses does not affect our opinion on the standalone financial statements of the Company.

For **V.K Niranjana and Co.**  
Chartered Accountants  
Firm's Reg. No. 002468S

Sd/-  
**C A Niranjana V K**  
Partner

Membership No.021432

Bengaluru  
20/09/2016



# *Significant Accounting Policies*

## **1. Company overview**

Bangalore Electricity Supply Company Limited ('BESCOM' or 'the company') is a company registered under the Companies Act, 1956 incorporated on 30th April, 2002 and commenced its operations from 1st June, 2002. BESCOM is responsible for power distribution in eight districts of Karnataka (namely Bangalore Urban, Bangalore Rural, Ramanagara, Chickaballapura, Kolar, Tumkur, Chitradurga and Davanagere).

The KERC vide letter dated 30th Sep. 2008 has intimated that as per first provision of section 14 of the Electricity Act 2003, BESCOM has become a Deemed Licensee valid for a period of 25 years from 10th June 2004.

The Government of Karnataka published vide their order No. DE 14 PSR 2002 dated 31-05-2002, the 2nd Transfer Scheme called Karnataka Electricity Reform (transfer of undertakings of KPTCL and its personnel to electricity distribution and retail supply Companies Rules, 2002) giving effect to the approval of distribution undertakings, assets and liabilities and provisional opening Balance Sheet of KPTCL and BESCOM based on the Annual Accounts of KPTCL as on 31-03-2001. As per the provisions of 2nd Transfer Scheme, after the stipulated period of one year i.e., by 31-05-2003, the same became final. Opening Balance Sheet earlier approved and published vide G.O. and Government Notification dated 31-05-2002 read above were provisional and thereafter Government had approved and issued final opening Balance Sheet of BESCOM as at 01-06-2002 vide their order No. DE 48 PSR 2003 dated 31-05-2003/No.DE 48 PSR 2003, dated 07-10-2004. This has been notified and published as final. The changes effected after the audit by KPTCL in the "transfer scheme" have been incorporated in the accounts of the Company as per Annexure – 2 to Government Order NO.DE48 PSR 2003 dated 07-10-2004. BESCOM being successor entity to the erstwhile KEB/KPTCL formed on 01.06.2002 vide G.O. No. DE48 PSR 2003/Dtd 31.05.2003/No.DE48 PSR 2003 dtd 07.10.2004, prudently following the Policies / Practices specified in the Manuals / Volumes / Regulations of KEB/KPTCL in relation to the financial controls and Administrative controls till rescinded or amended.

## **2. Basis of preparation**

The financial statements are prepared on accrual basis of accounting (except in cases as stated below) under historical cost convention in accordance with generally accepted accounting principles in India and the relevant provisions of the revised Schedule III of Companies Act, 2013 including accounting standards notified there under and also in accordance with the provisions of Electricity (Supply) Act, 1948/ Electricity Act, 2003 where ever they are applicable to the company.

All items having a material bearing on the financial statements are recognized on accrual basis except the following, which are accounted on receipt basis:

- Grants and subsidies from Government in respect of capital assets
- Insurance claims.

## **3. Use of estimates**

The preparation of financial statements requires estimates and assumptions that affect the reported amount of assets, liabilities, revenue & expenses during the reporting period. Although such estimates and assumptions are made on a reasonable and prudent basis taking into account all available information, actual results could differ from these estimates and assumptions and such differences are recognized in the period in which the results are crystallized.

Accounting estimates could change from period to period. The management reviews its estimates and assumptions periodically and appropriate changes in estimates are made as the management becomes aware of the changes in circumstances surrounding the estimates.

#### **4 Grants and Subsidies**

- 4.1 Grants/subsidies received from the government or other authorities towards capital expenditure as well as consumers' contribution to capital works are treated initially as capital reserve and subsequently adjusted as income in the same proportion as the depreciation written off on the assets acquired out of the grants.
- 4.2 Revenue grants/Tariff subsidies from the government and other agencies are recognized as income only when there is reasonable assurance that the conditions attached to them shall be complied with, and the grants will be received and accounted on accrual basis.

#### **5 Fixed assets and capital work-in-progress**

##### **A. TANGIBLE ASSETS**

- 5.1 Fixed assets are carried at cost of acquisition or construction less accumulated depreciation and impairment loss, if any. All costs, including finance charges, foreign currency fluctuations till commencement of commercial production/intended use attributable to fixed assets are capitalized.
- 5.2 Expenditure on renovation and modernization of fixed assets resulting in increased life and/or efficiency of an existing asset is added to the cost of related assets.
- 5.3 Released assets are accounted on withdrawal/capitalization at written-down value (WDV).

##### **B. Intangible assets**

- 5.4 Intangible assets are recorded at the consideration paid/incurred for acquisition of such assets and are carried at cost less accumulated amortization and impairment, if any.

##### **5.5 Impairment of Fixed Assets:**

An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is greater of the asset's net selling price and value in use.

##### **5.6. Capital work-in-progress**

- (a) Materials issued to capital work-in-progress are accounted at cost of purchase or scheduled standard rates (standard rates are determined on the basis of previous purchases and prevailing market rates)
- (b) Administrative and general overhead expenses attributable to construction of fixed assets incurred till they are ready for their intended use are identified and allocated on a systematic basis to the cost of the related assets.
- (c) Contracts at divisions are capitalized only on receipt of final completion/technical/commissioning reports.
- (d) The diminution in the value of dismantled assets (re-usable and released assets) is ascertained on review and provided for.

#### **6. Foreign currency transactions and translations**

- 6.1 Foreign currency transactions are initially recorded at the rates of exchange ruling at the date of transaction.
- 6.2 At the balance sheet date, foreign currency monetary items are reported using the closing rate. Non-monetary items denominated in foreign currency are reported at the exchange rate ruling at the date of transaction.



6.3 Exchange differences arising from translation of foreign currency loans relating to fixed assets/ capital work-in-progress to the extent regarded as an adjustment to interest cost are treated as borrowing cost.

## 7 Borrowing costs

Borrowing costs relating to acquisition/construction of qualifying assets are capitalized until the time all substantial activities necessary to prepare the qualifying assets for their intended use are complete. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs not eligible for capitalization are charged to revenue.

## 8 Depreciation

8.1 KERC first amended the tariff regulation in respect of depreciation as per notification No 13/01/2006 dated 31/05/2006.

8.2 Depreciation is charged on straight line method at the rates prescribed and notified by the Central Electricity Regulatory Commission (CERC). The company does not charge depreciation as per the rates prescribed under Schedule II of the Companies Act, 2013.

8.3 Table below Show the rate of Depreciation

As per Schedule II of Companies Act, 2013	% of Depreciation	As per CERC( Notification No. L-7/145/160/2008-CERC Dated 19/01/2009)	% of Depreciation
Land & Rights	Nil		Nil
Buildings		Buildings	
a) Buildings other than Factory Buildings	3.17	a) Hydro Electric/ Stream Electric/ Diesel /Dams/Cooling towers.	5.28
b) Factory Buildings	3.17	b) Offices & Show Rooms	3.34
Civil Works (Pipeline, Sewage, Drainage, Water supply)	3.17	Civil Works (Pipeline, Sewage, Drainage, Water supply)	3.34
Other Civil Works	3.17	Other Civil Works	5.28
Plant & Machinery		Plant & Machinery	
a) Used in Generation , Transmission and Distribution of power	2.71	a) Transformers of 100 KVA above & Below	5.28
b) Computers :		b) Communication Equipment\	6.33
i. Servers and networks	15.83	c) Computers	15.00
ii. End users devices like desktop, Laptop etc.,	31.67		
Lines Cable Networks	2.71	Lines Cable Networks	5.28
Vehicles	11.88	Vehicles	9.50
Furniture & Fixtures	9.50	Furniture & Fixtures	6.33
Office Equipments	19.00	Office Equipments	6.33

Residual value remains at 5% whereas CERC guidelines it is notified as 10%

- 8.4 In case there is a revision in the rates prescribed and notified by the CERC, the company applies the revised rates prospectively from the date of change notified by the CERC without considering the revised useful life of the assets concerned.
- 8.5 Depreciation on leasehold land is amortized over the period of lease.
- 8.6 The residual value of all the assets is 10%.
- 8.7 Assets costing Rs. 500/- or below individually (as against Rs 5,000/- as per the Companies Act, 2013) are fully depreciated in the year of acquisition.
- 8.8 Released assets are depreciated upto the date of dismantling.
- 8.9 Any addition to the asset base or deletion to the asset base, depreciation is charged in proportion to month of addition or deletion
- 8.10 Where the life and/or efficiency of an asset is increased due to renovation and modernization, the expenditure thereon along with the unamortized depreciable amount is charged prospectively over the remaining useful life of the asset.

## **9 Inventories**

- 9.1 Stores, spares and loose tools are valued at scheduled standard rates (standard rates are determined on the basis of previous purchases and prevailing market rates).

## **10 Investments**

- 10.1 Current investments are valued at lower of cost and fair market value determined on an individual investment basis.
- 10.2 Long-term investments are carried at cost. Provision is made for diminution, other than temporary, in the value of such investments.

## **11 Retirement benefits**

- 11.1 Pension & Gratuity are provided based on the revised rates prescribed by 'KPTCL & ESCOMs Pension & Gratuity Trusts' as per Order No. KPTCL & ESCOMs P&G TRUSTS/KCO123/P7/2011-12/CYS 07 dated 27th May-13 which is based on Actuarial Valuation as on 31-03-2012. The rate of contribution is 30.00% of basic and D.A. in the case of pension and 6.01% of basic in the case of Gratuity with effect from 01/04/2011.
- 11.2 Leave encashment is provided on the basis of estimates/accrual made by the company and not on the basis of actuarial valuation.

## **12 Provision for bad and doubtful debts**

- 12.1 The provision for bad & doubtful debts is maintained at 4% on the balance of sundry debtors (exclusive of receivables from BJ/KJ installations and IP sets) for sale of power of LT category outstanding as at the year-end and on HT consumers specifically identified on a case-to-case basis.
- 12.2 The provision for bad and doubtful debts in respect of arrears of IP sets and BJ/KJ installations is maintained in the following pattern:
- |  |   |     |
|--|---|-----|
| a. Dues outstanding for 2 years and above      | - | 75% |
| b. Dues outstanding between 1 year and 2 years | - | 50% |
| c. Dues outstanding less than 1 year           | - | Nil |

## 13 Taxes on income

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961.

Minimum Alternate Tax (MAT) is considered as an asset if there is convincing evidence that the company will pay normal income tax. Accordingly, MAT is recognized as an asset in the balance sheet when it is probable that future economic benefit associated with it will flow into the company.

## 14 Provisions and contingencies

A provision is recognized when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. Contingent liabilities are disclosed on the basis of judgment of the management. These are reviewed at each balance sheet date and are adjusted to reflect the current estimate of the management.

## 15 Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments.

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

## 16 Revenue recognition

### Revenue from Operations:

- 16.1 Sale of power is accounted on accrual basis at the tariff rates approved by the Karnataka Electricity Regulatory Commission (KERC). Revenue dues from consumers whose ledger accounts are yet to be opened are accounted on an estimated basis. The company accounts/ discloses revenues net off electricity taxes in its statement of profit and loss.
- 16.2 Revenue for the year is adjusted by estimating un-billed revenue demand for sale of power to HT category on actual basis and a specified % on LT category for the current year.
- 16.3 The deferred expenses passed on as “Regulatory Assets” by the Hon’ble KERC while determining Annual Revenue requirement for each year is recognized as Revenue on accrual basis.

### Other Incomes:

- 16.4 Income from services rendered is accounted based on the agreements/arrangements with the concerned parties.
- 16.5 Cash discounts on Power Purchases prompt payments are accounted as and when the related dues are settled.
- 16.6 Interest income is recognized on a time proportion basis taking into account the amount outstanding and rate applicable.
- 16.7 Revenue grants and subsidies are accounted as stated in para 4.2 above.

## 17 Leases

Operating lease rentals are recognized as an expense in the statement of profit and loss on accrual basis over the lease term.

## 18 Purchase of power

- 18.1 The Power Purchase cost is recognized based on the Government of Karnataka Order No. EN 131 PSR 2003 Dated 10th May 2005 and subsequent orders issued from time to time for accounting the cost of power based on the billings made by Power Generators Pool allocated to BESCOM by the Government of Karnataka. The Company recognizes the quantum of power exported at the generating plant as per allocation given by Government of Karnataka as per its latest order dated 24.03.2010.
- 18.2 The Transmission cost on power purchase is recognized on the basis of total generating capacity allocated to BESCOM as per Government of Karnataka order dated 24.03.2010.
- 18.3 The Company has recognized the following as interface points for transmission of power:
- 18.3.1 For EHT consumers, consumption recorded at EHT consumer installations (66KV and above).
- 18.3.2 Readings recorded at 11 KV banks (interface points) existing in various sub-stations.
- 18.4 As per policy decision of the Government and in terms of Power Purchase Agreement, KERC and CERC tariff order, the related power purchase cost figures including interest for belated payments, publication charges and income tax paid are shown on the basis of billing on "Delivered Energy" basis.
- 18.5 The supply of energy to the Company includes EHT supply at more than 66 KV voltages at the interconnection points for transfer of power for billing by the Company. The Company does not recognize any transmission loss on EHT power in its books on purchase from KPTCL.
- 18.6 The Company accounts the power purchase from 10-6-2005 directly from Power Generators Pool Account as per the energy allocation/assignment by the Government of Karnataka as per the Government order No. EN 131 PSR 2003 dated 10-05-2005 and subsequent orders issued from time to time. The rates followed for the allocated/assigned power purchases are based on the commercial rates/predetermined rates as approved by PPA/CERC/KERC/Government of Karnataka.
- 18.7 The Transmission losses arising on account of Power Purchase from Generation Point till interface point of Transmission are accounted by the Company as per the information provided by PCKL / SLDC, KPTCL based on the proportionate energy consumed. This is as per the said Government order.

## 19 Earnings per share

Basic earnings per share are computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period.

# Balance Sheet as at 31 March, 2016

(Amount in Rs.)

Sl. No.	Particulars	Note No.	As at 31 March, 2016	As at 31 March, 2015
<b>A</b>	<b>EQUITY AND LIABILITIES</b>			
<b>1</b>	<b>Shareholders' funds</b>			
	(a) Share capital	1	546 91 51 000	546 91 51 000
	(b) Reserves and surplus	2	-	-
	(A) Capital Reserve		2059 75 42 616	1711 89 86 087
	(B) Profit/(Loss)		(367 75 62 184)	(475 76 51 684)
	<b>Sub Total (b)</b>		<b>1691 99 80 432</b>	<b>1236 13 34 403</b>
	(c) Share Deposit Pending allotment		248 10 00 000	151 08 00 000
		A	<b>2487 01 31 432</b>	<b>1934 12 85 403</b>
<b>2</b>	<b>Non-current liabilities</b>			
	(a) Long-term borrowings	3	3142 11 65 794	2509 42 62 421
	(b) Deferred tax liabilities (net)	4	-	-
	(c) Other long-term liabilities	5	3441 69 86 708	3016 35 53 239
	(d) Long-term provisions	6	51 12 74 504	50 08 89 956
		B	<b>6634 94 27 006</b>	<b>5575 87 05 616</b>
<b>3</b>	<b>Current liabilities</b>			
	(a) Short-term borrowings	7	3674 53 78 471	2819 98 89 187
	(b) Trade payables	8	4001 32 30 590	3942 32 11 614
	(c) Other current liabilities	9	332 82 98 207	336 51 31 917
	(d) Short-term provisions	10	69 84 16 694	36 89 58 283
		C	<b>8078 53 23 962</b>	<b>7135 71 91 001</b>
	<b>TOTAL</b>	<b>(A+B+C)</b>	<b>17200 48 82 400</b>	<b>14645 71 82 020</b>
<b>B</b>	<b>ASSETS</b>			
<b>1</b>	<b>Non-current assets</b>			
	(a) Fixed assets			
	(i) Tangible assets	11	6529 62 14 226	5057 49 89 102
	(ii) Intangible assets	11	6 53 54 664	4 86 53 306
	(iii) Capital work-in-progress	12	1153 99 66 831	1373 85 10 546
	(iv) Intangible assets under development	13	-	-
	(v) Fixed assets held for sale		-	-
	(b) Non-current investments	14	10 01 00 000	10 01 00 000
	(c) Deferred tax assets (net)	4	-	-
	(d) Long-term loans and advances	15	717 43 44 015	624 45 03 225
	(e) Other non-current assets	16	-	-
		A	<b>8417 59 79 736</b>	<b>7070 67 56 179</b>
<b>2</b>	<b>Current assets</b>			
	(a) Current investments	17	-	-
	(b) Inventories	18	185 69 42 729	251 64 83 287
	(c) Trade receivables	19	4496 05 96 267	4371 29 99 389
	(d) Cash and cash equivalents	20	143 08 26 377	170 15 68 735
	(e) Short-term loans and advances	21	34 17 02 805	39 65 41 739
	(f) Other current assets	22	3923 88 34 486	2742 28 32 691
		B	<b>8782 89 02 664</b>	<b>7575 04 25 841</b>
	<b>TOTAL</b>	<b>(A+B)</b>	<b>17200 48 82 400</b>	<b>14645 71 82 020</b>

General note (Note No.30) form an integral part of these financial statements

This is the Balance sheet referred to in our report dated

**For V.K.Niranjan & Co.**

Chartered Accountants

FRN: 2468S

Sd/-

**(CA Niranjan. V.K)**

Partner

M.No: 21432

For and on behalf of the Board of Directors

Sd/-

**(K.T.Hiriyanna)**

Company Secretary

Sd/-

**(Dr.Chetan R C)**

CFO& Director (Finance)

Sd/-

**(P. Rajendra Cholan)**

Managing Director

Place : Bangalore

Date : 20 - Sep - 2016



**Bangalore Electricity Supply Company Ltd.**

## Statement of Profit and Loss

(Amount in Rs.)

Sl. No.	Particulars	Note No.	For the year ended 31 March, 2016	For the year ended 31 March, 2015
1	<b>Revenue from operations</b>	23	14148 23 49 967	13479 60 46 742
1A	Income on Account of Regulatory Asset / Truing up subsidy	23A	541 97 00 000	-
2	<b>Other Income</b>	23B	167 20 62 263	205 24 39 266
	<b>TOTAL REVENUE</b>		<b>14857 41 12 230</b>	<b>13684 84 86 008</b>
3	<b>Expenses</b>			
	Purchase of Power	24	12601 00 97 553	11685 02 83 737
	Other operating expenses	25	83 36 85 368	54 94 02 861
	Employee Benefits Expense	26	855 26 69 655	802 35 29 384
	Other expenses	27	483 33 83 521	397 07 21 062
	Finance costs	28	454 50 72 925	397 66 20 444
	<b>TOTAL EXPENSES</b>		<b>14477 49 09 022</b>	<b>13337 05 57 488</b>
4	<b>Profits before Depreciation, Prior period items, exceptional items, extraordinary items, Income Tax (1+2-3)</b>		<b>379 92 03 208</b>	<b>347 79 28 519</b>
5	Depreciation	29	290 59 59 893	199 78 51 796
6	Profit / (Loss) before Prior period items, exceptional and extraordinary items and Income Tax (4-5)		<b>89 32 43 315</b>	<b>148 00 76 723</b>
7	Exceptional items {Expenses(+)/Income(-)}	31	(54 77 40 663)	22 85 07 802
8	<b>Profit / (Loss) before Prior period items, extraordinary items and Tax (6-7)</b>		<b>144 09 83 978</b>	<b>125 15 68 921</b>
9	Prior period Items - {Expenses (+) / Income (-)}	32	11 57 20 787	-14 03 67 373
10	Extraordinary & Prior period items {Expenses (+) / Income (-)}	33	-	-
11	<b>Profit / (Loss) before Tax (8-9-10)</b>		<b>132 52 63 191</b>	<b>139 19 36 294</b>
12	Income Tax Expense:			
	(a) Current tax expense		24 51 73 690	25 75 00 000
	(b) Less: MAT credit		-	-
	(c) Deferred tax		-	-
	(d) Tax expenses relating to prior years		-	-
13	Profit / (Loss) from continuing operations (11-12)		<b>108 00 89 501</b>	<b>113 44 36 294</b>
14	Profit / (Loss) from discontinuing operations		-	-
15	Profit / (Loss) for the year (13+14)		<b>108 00 89 501</b>	<b>113 44 36 294</b>
16	Earnings per equity share of Rs. 10 each.			
	(1) Basic		1.97	2.07
	(2) Diluted		-	-
General note (Note No.30) form an integral part of these financial statements				

This is the Profit & Loss account referred to in our report dated

**For V.K.Niranjan & Co.**

Chartered Accountants

FRN: 2468S

Sd/-  
**(CA Niranjan. V.K)**

Partner  
M.No: 21432

For and on behalf of the Board of Directors

Sd/-  
**(K.T.Hiriyanna)**  
Company Secretary

Sd/-  
**(Dr.Chetan R C)**  
CFO& Director (Finance)

Sd/-  
**(P. Rajendra Cholan)**  
Managing Director

Place : Bangalore

Date : 20 - Sep - 2016



# CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2016

(Amount in Rs.)

Sl.No.	Particulars	Current Year 2015-16		Previous Year 2014-15	
<b>A</b>	<b>Cash Flow from Operating Activities</b>				
	<b>Net Profit before Tax</b>	<b>132 52 63 191</b>		<b>139 19 36 294</b>	
	<b>Adjustments for:</b>				
	Depreciation	290 59 59 892		199 78 51 796	
	Finance cost	454 50 72 925		397 66 20 444	
	Extraordinary items- Trueup Subsidy	-		-	
	Change in Provision for Debtors	(54 07 16 260)		7 74 81 224	
	Change in Provision for Employee advances	-		-	
	Change in Provision for Dismantled Assets	-		-	
	Reversal of Depreciation on Grants Asset	-		-	
	(Other Income )	(128 96 16 783)		(110 50 38 514)	
	Prior period charges(+) or credits(-)	11 57 20 787		(5 92 61 598)	
	Income Tax	(24 51 73 690)		(25 75 00 000)	
	<b>Operating Profit before working capital changes</b>	<b>681 65 10 062</b>		<b>602 20 89 646</b>	
	Adjustments for				
	Changes in Inventories	65 95 40 558		(45 67 17 173)	
	Changes in Sundry Debtors	(70 68 80 618)		(786 93 02 033)	
	Changes in Short term Loans and Advances	5 48 38 934		(8 41 12 449)	
	Changes in Long term Loans and Advances	(92 98 40 790)		53 34 67 788	
	Changes in Other Current Assets	(1181 60 01 795)		141 29 34 353	
	Changes in Current Liabilities				
	Trade Payable	59 00 18 976		442 90 01 602	
	Other current liabilities	(63 51 48 803)		(250 31 28 964)	
	Changes in Short term Provisions	32 94 58 411		26 82 55 800	
	Changes in Long term Provisions	1 03 84 548		7 38 26 724	
	Changes in Other Long-Term Liabilities	425 34 33 469		446 58 46 726	
	<b>Operating Profit after working capital changes</b>	<b>(137 36 87 048)</b>		<b>629 21 62 020</b>	
	Prior period charges(+) or credits(-)	11 57 20 787		5 92 61 598	
	Extraordinary items- Trueup Subsidy				
	<b>Net Cash inflow from Operating Activities</b>		<b>(148 94 07 835)</b>		<b>635 14 23 618</b>
<b>B</b>	<b>Cash Flow from Investment Activities</b>				
	Changes in Fixed Assets (Net )	(1764 38 86 375)		(1426 98 20 164)	
	Changes in Capital Work in Progress	219 85 43 715		(137 83 39 279)	
	Investments				
	<b>Net Cash Outflow from Investment Activities</b>		<b>(1544 53 42 660)</b>		<b>(1564 81 59 443)</b>
<b>C</b>	<b>Cash Flow from Financing Activities</b>				
	Changes in Capital/Share Deposit Account	97 02 00 000		18 00 00 000	
	Changes in Secured Loans				
	Changes in Unsecured Loans				
	Changes in Long-Term Borrowings	632 69 03 373		138 73 05 976	
	Changes in Short-Term Borrowings	854 54 89 284		801 14 90 100	
	<b>Change in Current maturities of long term debts/Current liabilities</b>	<b>59 83 15 093</b>		<b>(397 66 20 444)</b>	
	Finance cost	(454 50 72 925)			
	Contributions from Consumers/Reversal of Depreciation on Grants Asset (Other Income )	476 81 73 312		396 12 17 596	
	<b>Net Cash available from Financing Activities</b>		<b>1666 40 08 137</b>		<b>956 33 93 228</b>
<b>D</b>	<b>Net Change in Cash and Cash equivalents- Surplus Cash [(A) + (B) + (C)]</b>		<b>(27 07 42 358)</b>		<b>26 66 57 403</b>
	Add: Opening Cash and Cash equivalents		<b>170 15 68 735</b>		<b>143 49 11 332</b>
			<b>143 08 26 377</b>		<b>170 15 68 735</b>
<b>E</b>	<b>Closing Cash and Cash equivalent :</b>		<b>143 08 26 377</b>		<b>170 15 68 735</b>

**For V.K.Niranjan & Co.**

Chartered Accountants

FRN: 2468S

Sd/-  
**(CA Niranjan. V.K)**

Partner  
M.No: 21432

For and on behalf of the Board of Directors

Sd/-  
**(K.T.Hiriyanna)**  
Company Secretary

Sd/-  
**(Dr.Chetan R C)**  
CFO& Director (Finance)

Sd/-  
**(P. Rajendra Cholan)**  
Managing Director

Place : Bangalore  
Date : 20 - Sep - 2016





## NOTES TO THE FINANCIAL STATEMENTS

### Note 1A : Share Capital

(Amount in Rs.)

Sl. No.	Particulars	A/c CODE	As at 31 March, 2016		As at 31 March, 2015	
			Number of shares	Rs.	Number of shares	Rs.
<b>A</b>	<b>Authorised Share Capital</b>					
	Equity Shares of Rs.10/- each		100 00 00 000	1000 00 00 000	100 00 00 000	1000 00 00 000
<b>B</b>	<b>Issued Capital</b>					
	Equity shares of Rs.10/- each		54 69 15 100	546 91 51 000	54 69 15 100	546 91 51 000
<b>C</b>	<b>Subscribed Capital</b>					
	Equity shares of Rs.10/- each		54 69 15 100	546 91 51 000	54 69 15 100	546 91 51 000
<b>D</b>	<b>Paid Up Capital*</b>					
	Equity shares of Rs.10/- each	52.301	54 69 15 100	546 91 51 000	54 69 15 100	546 91 51 000
<b>TOTAL</b>			<b>54 69 15 100</b>	<b>546 91 51 000</b>	<b>54 69 15 100</b>	<b>546 91 51 000</b>

### Note 1B : Reconciliation

(Amount in Rs.)

Sl. No.	Particulars	A/c CODE	As at 31 March, 2016		As at 31 March, 2015	
			Number of shares	Rs.	Number of shares	Rs.
A	Equity Shares of Rs 10 each					
	Opening Balance		54 69 15 100	546 91 51 000	54 69 15 100	546 91 51 000
	Add: Fresh Issue					
<b>Closing Balance</b>			<b>54 69 15 100</b>	<b>546 91 51 000</b>	<b>54 69 15 100</b>	<b>546 91 51 000</b>

### Note 1C : Percentage of Holding

(Amount in Rs.)

Sl. No.	Particulars	A/c CODE	As at 31 March, 2016		As at 31 March, 2015	
			Number of shares	%	Number of shares	%
1	Hon'ble Governor, State of Karantaka		54 68 65 100	99.99	54 68 65 100	99.99
2	Principal Secretary Energy Department, GoK		-	-	-	-

# NOTES TO THE FINANCIAL STATEMENTS

## Note 2 : Reserves & Surplus

(Amount in Rs.)

Sl. No.	Particulars	A/c CODE	Current Year 2015-16		Previous Year 2014-15	
<b>A</b>	<b>Capital Reserve</b>					
1	<u>Contributions and grants towards cost of Capital assets</u>	55.1				
	Opening Balance		1488 80 95 736		1198 75 68 695	
	Add: Additions during the year		369 21 96 481		386 16 38 080	
			1858 02 92 217		1584 92 06 775	
	Less: Reversal of depreciation		115 05 77 819		96 11 11 039	
	<b>Closing Balance</b>		<b>1742 97 14 398</b>	<b>1742 97 14 398</b>	<b>1488 80 95 736</b>	<b>1488 80 95 736</b>
2	<u>Subsidies received from REC towards RGGVY scheme</u>	55.210				
	Opening Balance		98 11 05 683		104 43 96 086	
	Add: Additions during the year		18 55 73 833		-	
			116 66 79 516		104 43 96 086	
	Less: Reversal of depreciation		6 06 32 331		6 32 90 403	
	<b>Closing Balance</b>		<b>110 60 47 185</b>	<b>110 60 47 185</b>	<b>98 11 05 683</b>	<b>98 11 05 683</b>
3	<u>Grants towards cost of Capital Assets/ regularisation of unauthorised IP set installations received from Government</u>	55.3				
	Opening Balance		124 97 84 668		123 08 42 223	
	Add: Additions during the year		8 80 00 482		9 95 79 517	
			133 77 85 150		133 04 21 740	
	Less: Reversal of depreciation		7 84 06 633		8 06 37 072	
	<b>Closing Balance</b>		<b>125 93 78 517</b>	<b>125 93 78 517</b>	<b>124 97 84 668</b>	<b>124 97 84 668</b>
4	<u>Subsidies / Grants released by GOI through REC for executing RGGVY scheme (12th Plan)</u>	55.211				
	Opening Balance		-			
	Add: Additions during the year		12 58 02 516			
			12 58 02 516			
	Less: Reversal of depreciation		-			
	<b>Closing Balance</b>		<b>12 58 02 516</b>	<b>12 58 02 516</b>		
5	<u>Grant received from GOI for implementation of Solar rooftop units on government buildings in BESCOM area.</u>	55.310				
	Opening Balance		67 66 00 000			
	Add: Additions during the year		67 66 00 000			
	Less: Reversal of depreciation		-			
	<b>Closing Balance</b>		<b>67 66 00 000</b>	<b>67 66 00 000</b>		
	<b>Total Capital Reserves</b>			<b>2059 75 42 616</b>		<b>1711 89 86 087</b>
<b>B</b>	<b>Surplus/(Deficit) in Statement of Profit and Loss</b>					
	Opening Balance		(475 76 51 684)		(589 20 87 978)	
	Add/(Less): Net Profit / (Net Loss) for the year		108 00 89 501		113 44 36 294	
	<b>Closing Balance</b>			<b>(367 75 62 184)</b>		<b>(475 76 51 684)</b>
	<b>Total</b>			<b>1691 99 80 432</b>		<b>1236 13 34 403</b>
<b>C</b>	<b>Share Deposit Pending allotment</b>					
1	Share deposit					
	Opening Balance		151 08 00 000		133 08 00 000	
	Add: Additions during the year		97 02 00 000		18 00 00 000	
			248 10 00 000		151 08 00 000	
	Less: Fresh issue of equity shares		-		-	
	Less: Excess transferred to income		-		-	
	<b>Closing Balance</b>		<b>248 10 00 000</b>	<b>248 10 00 000</b>	<b>151 08 00 000</b>	<b>151 08 00 000</b>

# NOTES TO THE FINANCIAL STATEMENTS

## Note 3 : Long-Term Borrowings

(Amount in Rs.)

Sl. No.	Particulars	A/c CODE	Current Year 2015-16		Previous Year 2014-15	
<b>A</b>	<b>SECURED LOANS</b>					
	Term Loans From					
	-Banks (Refer Note 3A below)		1563 00 54 778		1179 50 00 794	
	-Others (Refer Note 3A below)		1543 31 59 407		1289 85 57 663	
	<b>Sub-Total</b>			<b>3106 32 14 185</b>		<b>2469 35 58 457</b>
<b>B</b>	<b>UNSECURED LOANS</b>					
	Term Loans From					
	-Banks (Refer Note 3B below)					
	-Others (Refer Note 3B below)		35 79 51 609		40 07 03 964	
	<b>Sub-Total</b>			<b>35 79 51 609</b>		<b>40 07 03 964</b>
<b>Total</b>				<b>3142 11 65 794</b>		<b>2509 42 62 421</b>

## Note 3 A : Secured Loans

(Amount in Rs.)

Sl. No.	Particulars	A/c CODE	Current Year 2015-16		Previous Year 2014-15	
<b>A</b>	<b>Term Loans from Banks</b>					
<b>1</b>	<b>State Bank of India loan</b>					
	Repayment within 10 years (including moratorium period of two years) payable in quarterly installment of Rs. 6.25 Crore each. Interest to be paid as & when due. ROI for Rs. 200 crs. base rate + 0.50% p.a.	53.500	518 50 00 001		-	
	"Repayment within 10 years (including moratorium period of two years) repayable in quarterly installment of Rs. 14.06 Crore each. Interest to be paid as & when due. ROI for Rs. 318.50 crs. base rate + 0.40% p.a. Floating 1st installment due on 03/2018."Securities : Exclusive charge on fixed assets of BESCOM @ 135% of T.L"					
<b>2</b>	<b>Bank of India</b>					
	In 28 Quarters, 27 quarterly installments of Rs.7.15 Crore per quarter commencing from 3 years from the date of first disbursement . 28th Installment will be of Rs.6.95 Crores. Interest to be serviced monthly. Secured by way of hypothecation of assets financed by the Bank (218.11 Crs.) First installment will be due on 30.06.2013	53.500	85 60 00 000		114 18 46 017	
<b>3</b>	<b>Canara Bank</b>					
	"For Rs.400 cr. repayment within 13 years (including moratorium period of three years) payable in 40 quarterly installment of Rs. 10 Crore each. Interest to be paid as & when due. ROI for Rs.200 crs. base rate + 0.5% pa (floating	53.500	610 74 54 777		659 99 54 777	

Sl. No.	Particulars	A/c CODE	Current Year 2015-16		Previous Year 2014-15	
4	<p>without spread reset) &amp; ROI for Rs.200 crs base rate + 0.1%pa (floating without spread reset). Hypothecation of fixed assets of the company valued at Rs.457.62 Crs. <b>First installment due on 23.09.2013</b> &amp; For Rs.370 crs. Repayment in 40 quarterly installment of Rs.9.25 crs. each Interest to be paid as when due. ROI for Rs.370 crs. base rate +1% presently 11.10% <b>first installment due on 24.01.2017</b>. Hypothecation of Fixed assets of the Company valued at Rs.417.09 crs."</p> <p><b>Bank of Maharashtra</b></p> <p>For Rs.125 Cr The term of repayment in 28 quarter, 27 quaterly installment of Rs.4.47 Crs. per quarter and Rs.4.31 Crs. in 28th quarter after initial moratorium period &amp; for Rs.275.00 crs. repayment of Rs.9.28 crs. per quarter &amp; for 28th quarter Rs.9.86 crs. after initial moratorium period of 18 months.</p> <p>Securities : Exclusive 1st charge on all fixed assets to be purchased out of the loan</p>	53.500	248 16 00 000		305 32 00 000	
5	<p><b>State Bank of Mysore</b></p> <p>"Repayment within 13 years (including moratorium period of three years) payable in 33 quarterly installment of Rs. 3.3 Crore each. at the end of 30 th installment will be of Rs.3.43 Crs. Interest to be paid as &amp; when due. ROI for Rs 100crs base rate + 0.25% pa (floating without spread reset). "Hypothecation of fixed assets of the Company valued at Rs. 110 Crs."</p>	53.5	100 00 00 000		100 00 00 000	
<b>Sub-Total</b>				<b>1563 00 54 778</b>		<b>1179 50 00 794</b>
<b>B</b>	<b>Term Loans from Others</b>					
1	<p><b>Loans from Rural Electrification Corporation Limited, New Delhi. -APDRP Counter part funding</b></p> <p>(Secured by Hypothecation of all existing unencumbered moveable properties including machinery, equipments, machinery spares, tools, implements, and accessories installed / created / erected and all future moveable including machinery, equipments, machinery spares, tools, implements, and accessories installed / created / erected in future and its stock of materials equipments bought or to be bought out of the loan amount at 8.5% &amp; 11.70% interest rates. )</p>	53.337	2 41 49 710		22 07 74 100	
2	<p><b>PFC - RAPDRP (Part A)</b></p> <p>The tenure of loan will be 10 years from the date of disbursement including moratorium period of 3 years for both Principal and interest. Interest to be paid as notified by Ministry of Finance from time to time.</p>	53.347	146 64 80 900		146 64 80 900	

Sl. No.	Particulars	A/c CODE	Current Year 2015-16		Previous Year 2014-15	
3	<b>RAPDRP PFC (B)</b> <b>PFC-RAPDRP (Part-B)</b> The tenure of loan will be 20 years including moratorium period of 5 years. The interest and interest tax on the said loan shall be borne by the Utility and shall begin to accrue from the date of release of loan by Ministry of Power to PFC. If the distribution utilities achieve the target of 15% AT&C loss on a sustained basis for a period of 5 years in the project area and the projected is completed with in time schedule fixed by the steering committee loan will be convertible into grant	53.347	43 54 20 000		43 54 20 000	
3(a)	<b>RAPDRP PFC (B) (Counter part Funding)</b> The loan shall be repaid in 60(SIXTY) equal quarterly installments. The first installments become due on 15th day of october 2015 the subsequent installments will become due for payment on the 15th day of January , 15th day of April , 15th day of July , 15th day of October Every year	53.347	140 54 87 239		150 95 97 409	
4	<b>PFC DRUM PROJECT</b> The Loan shall be repaid by the Disribution Company in 40 equal quarterly installments. The first installment will become due on 15th day of April 2008 Interest on the said loan at the rate of interest prevailing on the date of each disbursement. 'Secured by way of hypothecation of all assets created under the loan. <b>The Repayment to be made in 12 monthly equal installments together with rate of interest @12.50% in the outstanding balance.</b>	53.337	2 05 32 870		4 10 65 742	
5	<b>JICA (Japan International Co-Operative Agency)</b> The bank agrees to lend the company an amount not exceeding YEN 10643000000 as Principal for DAS under relevance laws & Regulation of Japan. The Company repay principal amount in accordance with amortization schedule setforth in the agreement. The Company shall pay the interest semi annually at the rate of three- fourth of one percent (0.75%) p.a	53.340	327 84 86 126		276 97 27 679	
6	<b>REC (TL) NJY Phase 2</b> Repayment with in 13 years (including moratorium period of 3 years) principle installment is payable in equal annual installments and on 15th of the month in which the first disbursement was made. The rate of interest @ 11.5 % PA 'Secured by way of hypothecation of all assets created under the loan.	53.335	226 24 50 910		230 10 64 644	

Sl. No.	Particulars	A/c CODE	Current Year 2015-16		Previous Year 2014-15	
7	<b>REC (TL) DTC Metering</b> Repayment with in 13 years (including moratorium period of 3 years) principal installment is payable in equal annual installments and on 15th of the month in which the first disbursement was made. The rate of interest @ 11.5 % p.a 'Secured by way of hypothecation of all assets created under the loan.	53.335	136 48 27 341		136 49 34 209	
8	<b>REC (TL) HVDS</b> Repayment with in 13 years (including moratorium period of 3 years) principle installment is payable in equal annual installments and on 15th of the month in which the first disbursement was made. The rate of interest @ 11.5 % p.a 'Secured by way of hypothecation of all assets created under the loan.	53.335	93 41 14 549		93 41 14 549	
9	<b>REC (TL)UAIP</b> Repayment with in 13 years (including moratorium period of 3 years) principal installment is payable in equal annual installments and on 15th of the month in which the first disbursement was made. The rate of interest @ 11.5 % P.A 'Secured by way of hypothecation of all assets created under the loan.	53.335	195 10 73 292		74 86 59 018	
10	<b>REC (TL) General Capex</b> Repayment with in 13 years (including moratorium period of 3 years) principal installment is payable in equal annual installments and on 15th of the month in which the first disbursement was made. The rate of interest @ 11.5 % p.a 'Secured by way of hypothecation of all assets created under the loan.	53.335	126 36 91 208		110 67 19 413	
11	<b>REC (TL) Static meter</b> Repayment with in 13 years (including moratorium period of 3 years) principal installment is payable in equal annual installments and on 15th of the month in which the first disbursement was made. The rate of interest @ 10.90 % p.a 'Secured by way of hypothecation of all assets created under the loan.	53.335	101 24 67 205		--	
12	<b>REC RGGVY 12th Plan</b> Repayment with in 20 years (including moratorium period of 3 years) principal installment is payable in equal annual installments and on 15th of the month in which the first disbursement was made. The rate of interest @ 10.75 % & 11.25% p.a 'Secured by way of hypothecation of all assets created under the loan.	53.335	1 39 78 057		--	
	<b>Sub-Total</b>			1543 31 59 407		1289 85 57 663
	<b>TOTAL</b>			3106 32 14 185		2469 35 58 457

# NOTES TO THE FINANCIAL STATEMENTS

## Note 3 B : Un Secured Loans

(Amount in Rs.)

Sl. No.	Particulars	A/c CODE	Current Year 2015-16		Previous Year 2014-15	
1	<b><u>Loan from Government</u></b> <b>Loans from Government - PMGY</b> (The repayments to be made in 20 annual equal installments together with interest at the rate 12% on the outstanding balance commencing from 2002-2003 pertaining to Rs.45,33,130 and commencing from 2005-06 pertaining to Rs.87,50,000. However, 50% of loan will enjoy 5 years initial grace period after which repayment of these loans will be effected in 15 annual equal installments	53.3077	55 12 590		66 15 110	
2	<b>Loans from Government - APDRP</b> (The repayments to be made in 20 annual equal installments together with interest at the rate 12% on the outstanding balance commencing from 2003-2004. However, 50% of loans will enjoy 5 year initial grace period after which repayment of these loans will be effected in 15 annual equal instalments	53.3317	25 02 51 756		29 19 60 383	
3	<b>GOK Interest free Loan</b> "Government of Karnataka has released interest free loan to BESCOM towards payment to power suppliers for supply of power to State Grid during 2008-09."Repayment: No terms & Conditions given"	53.3317	94 09 719		94 09 719	
4	<b>Loan from Government (through REC) - RGGVY</b> "(The Total repayment period will be 15 years inclusive of 5years moratorium period together with interest @ 5% - 11.75% with quarterly interest) "Repayment begun from 15/03/2012."	53.3357	9 13 07 544		8 97 78 752	
5	Loan from GoK for Power Sector Automation - No specific Terms & conditions given. However as per Go No. FD 014 BLA 2002 dated 10.07.2003 Loan for a period of ten years & first installment begun in the month of Mar-2009 at the rate of 9% p.a  <b>Sub-Total</b>	53.3417	14 70 000		29 40 000	
				35 79 51 609		40 07 03 964
	<b>TOTAL</b>			35 79 51 609		40 07 03 964



## NOTES TO THE FINANCIAL STATEMENTS

### Note 5 : Other Long-Term Liabilities

(Amount in Rs.)

Sl. No.	Particulars	Account CODE	Current Year 2015-16		Previous Year 2014-15	
1	Others					
A	Service Line and Security Deposits					
1	i) Deposit Contribution Work	47.301 to 47.303, 47.305, 47.307 to 47.317, 47.321,	203 93 32 475		179 20 90 773	
	ii) Deposit Works	47.306	4 41 95 366	208 35 27 841	5 28 56 609	184 49 47 382
	(a) Deposit Contribution Work	47				
2	Other Deposits from Consumers	47.6	92 76 54 693		85 51 45 780	
3	Security Deposit from consumers:	48.1+48.2 +48.3	3140 58 04 174		2746 34 60 077	
	(b) Security Deposit from consumers			3233 34 58 867		2831 86 05 857
	<b>TOTAL</b>			<b>3441 69 86 708</b>		<b>3016 35 53 239</b>

### Note 6 : Long Term Provisions

(Amount in Rs.)

Sl. No.	Particulars	Account CODE	Current Year 2015-16		Previous Year 2014-15	
1	Provision for Employee Benefits					
	Provision for Gratuity, Pension, Leave encashment, PF & Family Benefit Fund	44.122, 130, 140 to 142		51 12 74 504		50 08 89 956
	<b>TOTAL</b>			<b>51 12 74 504</b>		<b>50 08 89 956</b>

# NOTES TO THE FINANCIAL STATEMENTS

## Note 7 : Short-Term Borrowings

(Amount in Rs.)

Sl. No.	Particulars	Account CODE	Current Year 2015-16	Previous Year 2014-15
<b>A</b>	<b>Unsecured</b>			
<b>1</b>	<b>Short term loan</b>			
1.1	<b>Vijaya Bank</b> STL for a period of 270 days. To be repayed on 271st day of first drawal and interest to be serviced as and when debited at 10.45% p.a (floating) i.e., base rate of the bank. Securities: Floating charge on Book debts of the Company with 10% Margin for 150 Crs. <b>Repayment due starts on 13/06/2012"</b>  STL for a period of 6 Months & tenure for repayment is to be closed of six month from the date of first disbursement that is repaid on 04/08/2012, Interest to be serviced as and when debited at 10.70% p.a (floating) i.e., base rate of the bank. Securities: Floating charge on Book debts of the Company with 10% Margin for 200 Crs. "	53.500	550 00 00 000	500 00 00 000
1.2	<b>Corporation Bank</b> "Line of Credit to meet mismatch in cashflow for working capital (security Nil) interest to be specified at the each availment present rate is 11.50% p.a .+ base rate +1%."	53.500	350 00 00 000	350 00 00 000
1.3	<b>State Bank of Mysore</b>  STL for a period of 1 year and to be closed by the end of 1 year from the date of drawal and interest to be serviced as and when debited at 10.60% p.a. (floating) i.e., base rate +0.10% .Securities : Floating charge on debts of the Company with 10% Margin.	53.500	100 00 00 000	100 00 00 000
1.4	<b>Bank of Maharastra</b>  STL for a period of 1 year to be repaid 12 monthly installments interest to be serviced as and when debited at 10.25% p.a. i.e., base rate (floating). Securities : Floating charge on Book debts of the Company with 10% Margin	53.500	343 70 00 000	133 32 00 000
1.5	<b>Loan from REC (STL)</b>  The repayment to be made in 12 monthly equal installment together with interest at the rate 12.75% in the outstanding balance.	53.3357	--	--
1.6	<b>Syndicate Bank</b>	53.5007	56 25 00 000	131 25 00 000
<b>2</b>	<b>Overdrafts</b>			
2.1	Bank of Baroda - OD limit Rs. 150 crore	24.420	150 16 25 818	75 23 53 213
2.2	Vijaya Bank - OD limit Rs. 400 crore	24.409	404 07 13 568	299 38 13 098
2.3	Canara Bank - OD limit Rs. 850 crore	24.414	885 51 59 955	743 39 89 968
2.4	Syndicate Bank - OD limit Rs. 200 crore	24.415	264 74 95 819	99 79 10 282
2.5	Bank of India - OD limit Rs. 170 crore	24.428	170 81 39 391	194 75 78 745
2.6	State Bank of Mysore - OD limit Rs. 300 crore	24.411	297 31 40 752	192 85 43 881
2.7	State Bank of India - OD limit Rs. 100 crore  Secured by receivables specifically Hypothecated	24.412	101 96 03 168	--
<b>TOTAL</b>			<b>3674 53 78 471</b>	<b>2819 98 89 187</b>

## NOTES TO THE FINANCIAL STATEMENTS

### Note 8 : Trade Payables

(Amount in Rs.)

Sl. No.	Particulars	A/c CODE	Current Year 2015-16		Previous Year 2014-15	
1	Sundry Creditors for Purchase of Power	41 Series		3300 30 29 487		3230 76 02 277
2	Inter ESCOM, Cost of Banked Energy, SLDC Charges & PCKL Revenue Expenditure					
3	Creditors/Liabilities for supplies / works	42.1 to 42.5, 42.6		562 03 35 658		594 95 51 677
<b>B</b>	<b>Payable for other services</b>					
1	Levies / fees payable to GoK	46.300+ 46.301+ 46.441		21 28 81 214		30 66 89 928
2	Outstanding Liability - for Expenses	46.103, 410,470, 46.929		115 00 46 358		82 58 67 694
3	Payable to other ESCOMs	42.231+ 42.232+ 42.272+ 42.243+ 42.273		2 69 37 873		3 35 00 038
<b>TOTAL</b>				<b>4001 32 30 590</b>		<b>3942 32 11 614</b>

## NOTES TO THE FINANCIAL STATEMENTS

### Note 9 : Other Current Liabilities

(Amount in Rs.)

Sl. No.	Particulars	A/c CODE	Current Year 2015-16		Previous Year 2014-15	
1	Current maturities of long term debts		219 13 58 735	219 13 58 735	159 30 43 642	159 30 43 642
2	Interest accrued but not due on loans	46.710		9 55 07 103		5 84 22 649
3	Deposits from Suppliers, Contractors Etc.					
	Security Deposits in cash from Suppliers / Contractors	46.101	35 69 30 910		29 65 42 981	
	Security deposit other than in cash from suppliers / contractors	46.102	92 25 519	<b>36 61 56 429</b>	92 25 519	<b>30 57 68 500</b>
4	Advance consumption charges LT & HT	23.181& 23.293	(39 46 02 038)	<b>(39 46 02 038)</b>	35 19 12 140	<b>35 19 12 140</b>
5	Revenue Suspense Account & Anywhere payment	47.607, 37.501, 502, 503,504				
6	Other Payables					
	Stale Cheques	46.910	58 15 923		89 74 671	
	Retention Money - Bill amount retained	46.104	67 87 41 966		62 30 03 271	
	Other ESCOM - CESC	42.282	19 15 320		19 15 320	
	Excess credit under reconciliation with Bank	46.972, 976,977	(3 69 24 964)		(4 66 96 841)	
	Draught relief fund.	46.978	88 41 451		89 87 712	
	Miscellaneous Deposits/Other liabilities	46.966, 46.9	41 07 61 082	106 91 50 778	45 90 73 653	105 52 57 786
	Contribution received by BESCOM against compensation to the victims of Electrical accidents .	47.323	7 27 200	7 27 200	7 27 200	7 27 200
7	Advance Retention Money (Delay condon)	28.105				
<b>TOTAL</b>				<b>332 82 98 207</b>		<b>336 51 31 917</b>

### Note 10 : Short-Term Provisions

Sl. No.	Particulars	A/c CODE	Current Year 2015-16		Previous Year 2014-15	
1	Provision for Employee Benefits			14 62 43 004		6 19 58 283
	Unpaid Salaries	44.210	1 34 222		1 18 894	
	Unpaid Bonus	44.220	15 679		61 965	
	Salary payable	44.310	2 76 01 763		2 86 37 917	
	Bonus payable	44.320	98 76 241		21 94 052	
	Ex-gratia payable	44.330	10 86 15 099		3 09 45 455	
2	Provision for Income-Tax	46.800	55 21 73 690	55 21 73 690	30 70 00 000	30 70 00 000
<b>TOTAL</b>				<b>69 84 16 694</b>		<b>36 89 58 283</b>

## NOTES TO THE FINANCIAL STATEMENTS

### Note 11 : Tangible / Intangible Assets

(Amount in Rs.)

Particulars		Fixed Assets			
Asset Group	A/c Code	Opening Balance as at 1-4-2015	Additions	Deductions	Closing Balance as at 31-3-2016
<b>TANGIBLE ASSETS</b>					
Land & Rights	10.1	7 53 78 729	1 32 735	-	7 55 11 464
Buildings	10.2	79 36 20 856	27 41 99 404	82 844	106 77 37 416
Civil Works (Pipeline, Sewage, Drainage, Water supply)	10.3	3 38 65 588	68 64 135	-	4 07 29 723
Other Civil Works	10.4	81 02 951	79 79 636	-	1 60 82 587
Plant & Machinery	10.5	1499 29 18 726	613 89 53 616	126 66 46 652	1986 52 25 690
Lines Cable Networks	10.6	5441 73 33 733	1372 15 50 342	71 72 35 808	6742 16 48 267
Vehicles	10.7	18 68 57 246	6 11 57 601	34 25 234	24 45 89 613
Furniture & Fixtures	10.8	11 63 73 152	2 01 17 450	2 76 780	13 62 13 822
Office Equipments	10.9	11 91 74 036	2 19 35 637	13 80 408	13 97 29 265
<b>Current Year Total</b>		<b>7074 36 25 017</b>	<b>2025 28 90 556</b>	<b>198 90 47 726</b>	<b>8900 74 67 847</b>
<b>Previous Year Total</b>		<b>5605 27 84 043</b>	<b>1645 01 70 858</b>	<b>175 93 29 884</b>	<b>7074 36 25 017</b>

### Note 11 : Tangible / Intangible Assets

(Amount in Rs.)

Particulars		Depreciation						Net Block	
Asset Group	A/c Code	Opening Balance As at 1-4-2015	Additions	Deductions	Short depreciation provided	Excess depreciation withdrawn	Closing Balance As at 31-3-2016	As at 31-3-2016	As at 31-3-2015
TANGIBLE ASSETS									
Land & Rights	12.1	2311317	4 62 374		0	0	27 73 691	7 27 37 773	73067412
Buildings	12.2	17 57 41 863	3 10 82 453	68 01 000	6 94 851	19 92 952	19 87 25 215	86 90 12 202	61 78 78 993
Civil Works (Pipeline, Sewage, Drainage, Water supply)	12.3	1 34 73 252	19 17 579		10 042	3	1 54 00 870	2 53 28 853	2 03 92 336
Other Civil Works	12.4	20 95 038	3 68 789			8	24 63 819	1 36 18 768	60 07 913
Plant & Machinery	12.5	357 03 30 398	112 02 53 869	26 08 78 570	4 62 53 381	1 20 29 103	446 39 29 975	1540 12 95 715	1142 25 88 328
Lines Cable Networks	12.6	1619 43 30 584	299 55 17 365	48 08 98 815	11 88 47 176	3 59 02 233	1879 18 94 077	4862 97 54 189	3822 30 03 149
Vehicles	12.7	12 00 60 607	1 19 40 612	( 26 63 732)	3 19 328	2 66 826	13 47 17 453	10 98 72 160	6 67 96 639
Furniture & Fixtures	12.8	5 51 31 175	60 49 676	2 48 901	2 17 402	2 79 560	6 08 69 792	7 53 44 030	6 12 41 977
Office Equipments	12.9	3 51 61 681	60 25 756	6 31 675	61 833	1 38 867	4 04 78 728	9 92 50 536	8 40 12 355
Current Year Total		2016 86 35 915	417 36 18 473	74 67 95 229	16 64 04 013	5 06 09 552	2371 12 53 620	6529 62 14 226	5057 49 89 102
Previous Year Total		1772 86 67 340	308 25 43 235	73 92 51 660	11 46 92 613	1 80 15 612	2016 86 35 915	5057 49 89 102	3832 41 16 703

## Note 11 : Tangible / Intangible Assets

(Amount in Rs.)

Particulars	Fixed Assets				
Asset Group	A/c Code	Opening Balance As at 1-4-2015	Additions	Deductions	Closing Balance As at 31-3-2016
<b>INTANGIBLE ASSETS</b>					
Land & Rights	10.1	2 05 54 757			2 05 54 757
Software & Software Rights	18.1	2 82 76 029	2 83 98 429		5 66 74 458
<b>Current Year Total</b>		<b>4 88 30 786</b>	<b>2 83 98 429</b>		<b>7 72 29 215</b>
<b>Previous Year Total</b>		<b>2 12 89 814</b>	<b>7 35 057</b>		<b>2 12 89 814</b>

Particulars	Depreciation							Net Block	
Asset Group	A/c Code	Opening Balance As at 1-4-2015	Additions	Deductions	Short depreciation provided	Excess depreciation withdrawn	Closing Balance As at 31-3-2016	As at 31-3-2016	As at 31-3-2015
INTANGIBLE ASSETS									
Land & Rights	12.1	1 77 480	1 02 06 370	-	-	-	1 18 74 551	86 80 206	2 03 77 277
Software & Software Rights	18.1		14 90 701					5 66 74 458	2 82 76 029
Current Year Total		1 77 480	1 16 97 071	-	-	-	1 18 74 551	6 53 54 664	4 86 53 306
Previous Year Total		1 33 110	44 370	-	-	-	1 77 480	4 86 53 306	3 75 57 336

### NOTE:

- Buildings includes shared assets as per KPTCL's intimation
- Addition includes released assets after reconditioning
- Deduction includes transfer of assets for reconditioning.
- Additions / deletions of assets and depreciation thereon include:
  - Items pending reconciliation relating to inter unit transfers and
  - Prior period adjustments.
- Intangible Assets - 12.1 - Additions includes Rs.68 01 000 of misclassification made in the previous year under Tangible Assets - 12.2 is now rectified



## NOTES TO THE FINANCIAL STATEMENTS

### Note 12 : Capital Work-in-Progress

(Amount in Rs.)

Sl. No.	Particulars	A/c CODE	Current Year 2015-16		Previous Year 2014-15	
1	Capital Work in Progress	14	984 62 66 871		1323 36 35 281	
2	Contracts in Progress	15.128	7 94 26 634		4 96 38 241	
	<b>Capital Work in Progress</b>	14 series		992 56 93 505		1328 32 73 522
3	Provision for works.	15.500		161 42 73 326		45 52 37 024
<b>TOTAL</b>				<b>1153 99 66 831</b>		<b>1373 85 10 546</b>

### Note 14 : Non-Current Investments

(Amount in Rs.)

Sl. No.	Particulars	A/c CODE	Current Year 2015-16		Previous Year 2014-15	
1	Trade Investments					
	Investment in equity instruments					
2	Non-Trade Investments					
	Investment in equity instruments	20.25		10 01 00 000		10 01 00 000
	Company is having a share of 100100					
	No of 1000 Rupees face value					
	as investment made to PCKL					
<b>TOTAL</b>				<b>10 01 00 000</b>		<b>10 01 00 000</b>

## NOTES TO THE FINANCIAL STATEMENTS

### Note 15 : Long-Term Loans & Advances

(Amount in Rs.)

Sl. No.	Particulars	A/c CODE	Current Year 2015-16		Previous Year 2014-15	
<b>A</b>	<b>CAPITAL ADVANCES</b>					
1	Advances to Suppliers	25.1 to 25.5, 27.106	29 16 11 616		16 30 40 424	
2	Advances to Contractors	26.6	291 87 97 321		243 80 58 147	
3	Loans and Advances - Others	27.8 47.308, 309,310, 311	342 39 52 505		314 03 15 414	
				663 43 61 442		574 14 13 985
<b>B</b>	<b>DEPOSITS</b>					
a)	Security Deposits with Railways and Others	28.9	39 99 82 573		36 30 89 240	
b)	Security Deposit from Suppliers & Contractors other than cash.	28.930				
c)	Deposit with Jurala Hydro Electric Project	20.251	14 00 00 000		14 00 00 000	
				53 99 82 573		50 30 89 240
<b>TOTAL</b>				<b>717 43 44 015</b>		<b>624 45 03 225</b>

### Note 18 : Inventories, Stores & Spares

(Amount in Rs.)

Sl. No.	Particulars	A/c CODE	Current Year 2015-16		Previous Year 2014-15	
1	<b>Stores, spares and loose tools</b> (Stocks are valued at standard cost )					
a)	Material Stock Account	22.610	112 02 66 584		197 95 53 048	
	Less : Excess /Shortage	22.810-22.820	40 15 763	112 42 82 347	( 23 91 892)	197 71 61 156
b)	Material imprest Account	22.641		2 15 98 379		1 10 96 579
c)	Other Material Account	22.700		2 36 68 936		2 59 87 117
2	<b>Dismantled assets for reuse</b> (valued at WDV)					
a)	Value of scraped assets	16.1	27 86 53 420		15 35 44 590	
				27 86 53 420		15 35 44 590
b)	Value of Faulty and Dismantled assets for reuse	16.2	42 58 01 778		36 91 57 145	
	Less : Depreciation		1 70 62 131	40 87 39 647	2 04 63 300	34 86 93 845
	<b>Sub-Total</b>			<b>68 73 93 067</b>		<b>50 22 38 435</b>
<b>TOTAL 1 + 2</b>				<b>185 69 42 729</b>		<b>251 64 83 287</b>

# NOTES TO THE FINANCIAL STATEMENTS

## Note 19 : Trade Receivables

(Amount in Rs.)

Sl. No.	Particulars	A/c CODE	Current Year 2015-16		Previous Year 2014-15	
1	Sundry Debtors - Supply of Power					
	a) Sundry Debtors for sale of Power – LT	23.1	3905 81 97 853		3852 40 05 324	
	b) Sundry Debtors for sale of Power - HT	23.2	14 35 92 496	3920 17 90 349	32 18 55 573	3884 58 60 897
	GoK - Tariff subsidy	28.625	524 53 00 000		524 53 00 000	
	c) Amounts Receivable from GoK towards Free Power Supply to IP sets upto 10HP	28.627	734 15 80 738		648 15 44 153	
	d) Tariff subsidy Receivable from GOK towards BJ/KJ installation	28.626		1258 68 80 738	54 63 13 743	1227 31 57 896
	1. Dues from Permanently disconnected installations	23.5	136 98 21 780		119 20 73 439	
	2. Sundry Debtors - miscellaneous receipts from consumers	23.7	12 700		(54 557)	
	3. Provision for withdrawal of Revenue demand	23.8	(11 94 87 392)	125 03 47 088	(4 29 67 369)	114 90 51 513
	4. Revenue Suspense Account & Anywhere payment	47.607, 47.609, 47.611, 47.612	(76 01 89 103)	(76 01 89 103)	(28 59 89 011)	(28 59 89 011)
	<b>Total 1</b>			<b>5227 88 29 072</b>		<b>5198 20 81 295</b>
2	Less : Provision for Doubtful Dues from consumers	23.9	1180 07 93 304		1241 80 29 587	
	<b>Total - 2</b>			<b>1180 07 93 304</b>		<b>1241 80 29 587</b>
3	<b>Net Receivables against Supply of Power (1 -2)</b>			<b>4047 80 35 768</b>		<b>3956 40 51 708</b>
4	Sundry Receivables from					
A	KPTCL	28.826, 831, 836,841	32 23 22 205		32 06 09 650	
	Less : Payable to KPTCL					
a	On accounts of funds received	46.106	--		--	
b	On accounts of funds received and adjusted to receivable from KPTCL	28.881	--		--	
c	On account of Materials, Released Assets, Personnel and others (Cash transactions)	42.276, 277,278, 52.308	19 38 75 090		9 95 81 386	
	<b>Net receivable from KPTCL</b>		<b>12 84 47 115</b>		<b>22 10 28 264</b>	

# NOTES TO THE FINANCIAL STATEMENTS

## Note 19 : Trade Receivables

(Amount in Rs.)

Sl. No.	Particulars	A/c CODE	Current Year 2015-16		Previous Year 2014-15	
B	MESCOM	28.828, 833,838, 28.927	1 59 54 756		1 59 54 756	
C	GESCOM	28.830, 835,840, 928	6 67 92 684		6 67 92 684	
D	HESCOM	28.829, 834,839, 929	3 71 88 878		3 71 88 878	
	KPTCL & Other ESCOMS	28.8		24 83 83 433		34 09 64 582
	Other Receivables-suppliers/Contractors	28.8	(6 28 63 503)		(7 67 43 097)	
	Government and other local bodies receivables	28.1	234 82 34 062		281 20 79 365	
	<b>Sub Total</b>		<b>228 53 70 559</b>	<b>228 53 70 559</b>	<b>273 53 36 268</b>	<b>273 53 36 268</b>
	<b>Total - 5</b>			<b>253 37 53 992</b>		<b>307 63 00 850</b>
5	Sundry Debtors for Electricity Tax	23.3		194 88 06 507		107 26 46 831
<b>TOTAL 4+5+6</b>				<b>4496 05 96 267</b>		<b>4371 29 99 389</b>

## NOTES TO THE FINANCIAL STATEMENTS

### Note 20 : Cash & Cash Equivalents

(Amount in Rs.)

Sl. No.	Particulars	A/c CODE	Current Year 2015-16		Previous Year 2014-15	
1	Cash on hand	24.110+ 24.210	30 93 28 109	30 93 28 109		19 20 75 370
2	Cheques, drafts on hand					
3	Balances with Banks:					
	(i) in current accounts					
	(a) Operative Accounts with scheduled banks	24.400	6 22 40 229			5 33 95 609
	(b) Non-Operative Accounts with scheduled banks (Collection bank)	24.300	41 78 89 085	48 01 29 314		53 63 02 629
	(ii) in deposit accounts *	20.2	64 10 95 388	64 10 95 388		91 95 80 427
4	Stamps on Hand	24.120, 24.130, 24.140		2 73 566		2 14 700
<b>TOTAL</b>			<b>143 08 26 377</b>			<b>170 15 68 735</b>

\* Deposit is margin money serving as security against LC for Central Government Stations (Power Generators)

### Note 21 : Short Term Loans & Advances

(Amount in Rs.)

Sl. No.	Particulars	A/c CODE	Current Year 2015-16		Previous Year 2014-15	
1	Advance to Suppliers					
2	Deposits					
3	Advance Tax (Net of Provision for Tax)					
a	Tax deducted at source - (income Tax)	28.850	2 75 49 421	2 75 49 421		2 75 49 421
b	Income Tax including Advance Tax	28.821	13 59 88 855	13 59 88 855		13 51 94 590
c	Income tax of earlier years					
d	Income tax refund to be received	28.821	--	--		--
4	Advances Recoverable in cash or in kind or for value to be received.					
5	Others.					
a	Amounts recoverable from current employees	28.4	13 38 44 221		14 13 05 917	
b	Amounts recoverable from ex-employees	28.402	3 06 13 983		3 05 79 686	
c	Less : Provision for Doubtful of recovery from ex-employees	28.899	6 18 56 673	10 26 01 531	6 18 56 673	11 00 28 930
6	Loans and Advances to Staff - Interest free	27.2		7 55 62 998		12 37 68 798
<b>TOTAL</b>			<b>34 17 02 805</b>			<b>39 65 41 739</b>

# NOTES TO THE FINANCIAL STATEMENTS

## Note 22 : Other Current Assets

(Amount in Rs.)

Sl. No.	Particulars	A/c CODE	Current Year 2015-16		Previous Year 2014-15	
A	Other Current Assets					
1	Remittance to Head Office -Transit Account	24.5	1 11 29 716		8 12 58 135	
2	Transfers from Head Office In Transit Account	24.6	-	1 11 29 716	-	8 12 58 135
3	Amount paid to IT under protest	28.821	73 79 33 607	73 79 33 607		73 79 33 607
4	Unbilled Revenue - LT	23.4	590 39 61 266		487 85 78 194	
	Unbilled Revenue - HT	23.4	573 50 81 605	1163 90 42 871	533 06 19 761	1020 91 97 955
5	Other Receivables	28.72, 28.74	1 00 71 079	1 00 71 079		1 02 12 735
6	Receivables from Pension / Gratuity Trust	28.9	6 51 10 275	6 51 10 275		8 73 21 354
7	Cash Receivables from Associates - KPTCL / ESCOMS	28.9	447 43 76 612	447 43 76 612		452 64 39 995
8	Inter ESCOMs Energy balancing & Energy charges at IF point	23.6	1694 57 69 658	1694 57 69 658	1279 84 56 498	1279 84 56 498
9	Regulatory asset receivable (KERC)	28.922	541 97 00 000	541 97 00 000		
10	Receivable from GOK refund of meterequipment security deposit	28.710	--	--	--	--
11	Interest accrued but not due on deposits (including Bank Deposits)	28.2 & 3		11 14 31 484		12 05 95 148
12	Prepaid expenses	28.820		12 36 800		10 25 624
1	Inter Unit Accounts- Materials	31	(3 52 31 650)		(8 27 23 693)	
2	IUA - CWIP, Fixed Assets, depreciation provision / obsolete and released assets	32	( 12 51 433)		2 46 35 202	
3	Inter Unit Accounts - (1993) Personnel	36	(13 94 58 378)		(15 14 64 589)	
4	IUA - Other transactions / adjustments	37	12 38 43 936		(94 01 28 340)	
5	IUA-Remittances to HO	33	(12 48 61 055)		23 065	
	IUA-Transfer from HO	34	( 9 036)		49 994	
13	Inter Unit Accounts			(17 69 67 616)		(114 96 08 360)
<b>TOTAL (A + B)</b>				<b>3923 88 34 486</b>		<b>2742 28 32 691</b>

## NOTES TO THE FINANCIAL STATEMENTS

### Note 23 : Revenue from Operations

(Amount in Rs.)

Sl. No.	Particulars	A/c CODE	Current Year 2015-16		Previous Year 2014-15	
1	LT 1(a) I BJ/KJ Up To 18 Units Metered installations	61.101	30 80 77 758		41 40 27 233	
2	LT 1(a) I BJ/KJ Up To 18 Units Un Metered installations	61.102	7 176		1 611	
3	LT 1 II BJ/KJ Above 18 Units having more than one outlet	61.103	31 57 96 632		23 16 50 788	
4	LT 2A I Lighting/combined lighting, heating & motive power installations BBMP (Urban) - LT 2(a)I	61.111	2745 10 30 146		2473 59 34 302	
5	LT 2A II Lighting/combined lighting, heating & motive power installations (Urban Local Bodies other than LT 2(a)i - LT2 (a)ii	61.112	236 10 33 135		206 67 20 610	
6	LT 2A III Lighting/combined lighting, heating & motive power installations (Village Panchayats) - LT 2(a)iii	61.113	11 717		11 02 964	
7	LT 2A FL Lighting/combined lighting, heating & motive power installations (Free Lighting)	61.114	5 40 39 536		6 43 75 703	
8	LT 2B I Lighting/combined lighting, heating & motive power installations of Pvt. Professional including aided educational institutions under Urban Local Bodies including City Corporations LT 2 (B)i	61.115	28 40 58 204		25 32 64 497	
9	LT 2B II Lighting/combined lighting, heating & motive power installations of Pvt. Professional including aided educational institutions under VPs -LT2(b)ii	61.116	3 79 61 722		2 97 90 779	
10	LT 3 I Commercial Lighting, heating & motive power installations of ULBs including City Corporations	61.131	1393 05 86 705		1245 33 62 303	
11	LT 3 II Commercial Lighting, heating & motive power installations VPs - LT3 (ii)	61.132	102 03 68 626		121 04 23 229	
12	LT 3 FL Commercial Lighting, heating & motive power installations - Office Lighting	61.133	4 30 15 603		1 66 30 090	
13	Revenue from sale of power-commercial-applicable to Areas coming under Village Panchayats- LT3(iii)	61.135	-		-	
14	LT 4A IPSets upto and inclusive of 10HP-Unmetered installations till such time, meters are fixed-Rural feeders-LT4(a)i-Free power-Unmetered	61.141	1585 22 29 508		1358 79 09 389	
15	IPSets upto and inclusive of 10HP-where meters are fixed-Rural feeders-LT4(a)i-Free power-Metered	61.142	-		3 34 655	



## NOTES TO THE FINANCIAL STATEMENTS

### Note 23 : Revenue from Operations

(Amount in Rs.)

Sl. No.		Particulars	A/c CODE	Current Year 2015-16		Previous Year 2014-15	
16		IPSets upto and inclusive of 10HP-Urban feeders metered-LT4(a)ii-Free power-metered	61.143	3 71 272		69 368	
17		IPSets upto and inclusive of 10HP-Urban feeders Unmetered-LT4(a)ii-Free power-Unmetered	61.146	-		25 180	
18	LT 4B	I.P.Sets above 10HP-LT4(b)	61.144	1 51 98 092		6 00 00 346	
19	LT 4C	IP sets Pvt. Hortl, Nurseries, Coffee & Tea Plantations irrespective of sanctioned load - LT4( c)	61.145	1 08 51 373		10 66 03 792	
20		Revenue from sale of power - IP sets - hor. Nur. Coffee & Tea above 10HP- LT 4 C(ii)	61.147	50 48 484		26 76 597	
21	LT 5A	Heating & motive power (including lighting) of BBMP area upto & below 5HP - LT5(a)i	61.151	44 23 48 332		56 51 19 295	
22		Heating & motive power (including lighting) of Bangalore Metropolitan area for above 5HP & below 40HP (including demand based tariff) - LT 5(a)ii	61.152	196 01 67 915		173 58 30 620	
23		Heating & motive power (including lighting) of BBMP area for 40HP & above but below 67HP (including demand based tariff) - LT 5(a)iii	61.153	232 55 16 439		203 36 34 048	
24		Heating & motive power (including lighting)-BBMP area for 67HP & above (including demand based tariff) - LT 5(a)iv	61.154	45 60 64 864		53 64 79 333	
25	LT 5B	Heating & motive power (including lighting) of other than BBMP area upto and below 5HP - LT 5(b)i	61.155	27 94 25 162		37 19 32 802	
26		Heating & motive power (including lighting) of other than BBMP area for above 5HP & below 40HP (including demand based tariff )- LT 5(b)ii	61.156	89 81 56 207		92 67 85 396	
27		Heating & motive power (including lighting) of other than BBMP area for above 40HP & below 67HP (including demand based tariff )- LT 5(b)iii	61.157	106 71 80 270		94 72 05 340	
28		Heating & motive power (including lighting) other than BBMP area for 67HP and above (including demand based tariff )- LT 5(b)iv	61.158	10 24 44 314		10 80 20 134	
29	LT 6B I	Water supply installations of VPs/ TP's and TMC/CMCs - LT 6	61.171	363 70 70 861		359 35 52 605	
30	LT 6B II	Public Lighting installations of VPs/ TP's and TMC/CMCs - LT 6	61.172	299 64 74 836		294 74 72 349	

# NOTES TO THE FINANCIAL STATEMENTS

## Note 23 : Revenue from Operations

(Amount in Rs.)

Sl. No.		Particulars	A/c CODE	Current Year 2015-16		Previous Year 2014-15	
31	LT 7	Temporary Power Supply - LT installations - LT7	61.181	208 05 30 892		225 18 42 573	
32	LT 7	Revenue from sale of Power - Power supply on permanent supply to Advertising Hoardings - LT 7(b)	61.182	84 349		-	
<b>I</b>		<b>Sale of Power L T category</b>			<b>7793 51 50 128</b>		<b>7125 27 77 931</b>
33	HT 1	Drainage/Sewerage BWSSB & Local bodies/KUWS & SB-Water supply installations -HT 1	61.250	302 94 93 885		287 48 94 771	
34	HT 2A I	Industries in BBMP area - HT 2(a)i	61.260	1679 43 97 406		1595 23 99 837	
35	HT 2A II	Industries in areas other than BBMP area - HT 2(a)ii	61.261	1720 34 49 088		1717 77 04 142	
	HT 2C I	Revenue from sale of power - Govt. hospitals & Hospitals run by charitable institution, Educational institution	61.263	77 86 79 318		58 69 44 908	
	HT 2C II	Revenue from sale of power - Govt. hospitals & Hospitals run by charitable institution, Educational institution other than those covered under HT2CI	61.264	101 70 87 156		78 16 76 726	
36	HT 2B I	HT Commercial applicable to BBMP area - HT2(b)i	61.270	2214 75 56 097		2186 85 90 304	
		Water Supply Installation of VP's / IP's (TMC / CMC-Lib LT5	61.271	-		29 52 03 781	
37	HT 2B II	HT Commercial applicable to areas other than BBMP area - HT2(b)ii	61.273	173 84 97 285		148 58 30 614	
38	HT 3A I	Lift Irrigation Schemes-Govt Dept & Govt owned Corporations - HT3(a)i	61.280	11 99 67 749		3 82 58 365	
39	HT 3A II	Lift irrigation Schemes - Pvt LI Schemes and LI societies HT 3 a (ii)	61.281	20 64 397		1 35 190	
40	HT 3B	Lift irrigation Govt Horticulture, Coffee, Tea, coconut, Arecant, Etc Agricultural farms HT 3 b	61.282 61.289	17 81 590 -		27 31 111 6 64 776	
41	HT 4A	Residential apartments and colonies of BBMP Area HT 4 (a)	61.290	60 09 43 557		75 77 13 834	
42	HT 4B	Residential apartments and colonies Urban Local Bodies other than HT 4 (a) - HT 4 (b)	61.291	1 77 778		2 50 69 685	
43	HT 4C	Residential apartments and colonies of VPs - HT 4 (c)	61.292	-		60 78 112	
44	HT 5	Temporary Power Supply - HT installations - HT5	61.293	89 92 22 336		74 79 10 398	
<b>II</b>		<b>Sale of Power HT category</b>			<b>64 33 33 17 642</b>		<b>6260 18 06 554</b>
		<b>Total LT+HT</b>			<b>14226 84 67 770</b>		<b>13385 45 84 485</b>

## NOTES TO THE FINANCIAL STATEMENTS

### Note 23 : Revenue from Operations

(Amount in Rs.)

Sl. No.	Particulars	A/c CODE	Current Year 2015-16		Previous Year 2014-15	
<b>III</b>	<b>Other - Operating revenues</b>					
1	Fuse charges	61.901	2 13 721		66 152	
2	Reconnection Fee (D & R)	61.902	1 65 41 605		1 03 09 711	
3	Public Lighting Maintenance Charges	61.903	-			
4	Service Connection	61.904	47 52 71 535		47 14 66 126	
5	Delayed payment charges from consumers.	61.905				
6	Other Receipts from consumers	61.906	32 74 10 744		52 51 88 271	
7	Registration fee towards SRTPV connection (Solar rooftop PV system	61.907	21 04 209		16 83 515	
8	Facilitation fee towards SRTPV connection (Solar rooftop PV system)	61.908	8 51 650		11 000	
9	Recoveries for theft of power	61.710	1 28 47 965		51 15 073	
	<b>Sub Total</b>			<b>83 52 41 429</b>		<b>101 38 39 848</b>
10	Less : Provision for withdrawal of Revenue Demand	83.8		21 35 53 111		7 23 77 591
11	Withdrawal of revenue demand as credit adjustment.	83.835		46 34 83 072		
12	Credit Adjustment through Balance Transfer system	83.836		94 43 23 050		
	<b>TOTAL</b>			<b>14148 23 49 967</b>		<b>13479 60 46 742</b>

### Note 23A : Income on Account of Regulatory Asset / Truing up subsidy

(Amount in Rs.)

Sl. No.	Particulars	A/c CODE	Current Year 2015-16		Previous Year 2014-15	
1	Income on Account of Regulatory Asset / Truing up subsidy	61.910		541 97 00 000		--
	<b>TOTAL</b>			<b>541 97 00 000</b>		--

## NOTES TO THE FINANCIAL STATEMENTS

### Note 23B : Other Income

(Amount in Rs.)

Sl. No.	Particulars	A/c CODE	Current Year 2015-16		Previous Year 2014-15	
	Interest on Bank Fixed Deposits	62.222, 260, 270,240	8 17 10 118		10 22 87 652	
	Interest - Others	62.260 & 62.221	10 82 305		48 85 722	
1	Interest Income :			8 27 92 423		10 71 73 374
2	Other non operating income					
	Profit on sale of stores	62.330 - 79.573	(70 81 760)		98 27 389	
	Rent	62.901	3 55 74 888		1 90 28 905	
	Incentives received	62.907+ 62.361+ 62.911+ 62.922+ 92+923+ 62.361+ 62.918	116 78 07 380		141 29 10 634	
	Excess provision made in prior period which is no longer required	62.325	—		14 48 791	
	Value of materials found excess during physical verification	62.905	23 27 355		41 03 253	
	Miscellaneous	62.917	35 93 70 226		46 82 79 238	
	Rebate at 0.5% for collection of Electricity Duty	62.916	3 04 20 431		2 96 67 682	
	Supervision charges collected from Cable Operators	62.925	8 51 320		--	
	Subsidy received from G.O.K	61.122				
				158 92 69 840		194 52 65 892
	<b>TOTAL</b>			167 20 62 263		205 24 39 266

## NOTES TO THE FINANCIAL STATEMENTS

### Note 24 : Purchase of Power

(Amount in Rs.)

Sl. No.	Particulars	A/c CODE	Current Year 2015-16		Previous Year 2014-15	
I	Power Purchase Cost	70		13885 40 60 946		11936 65 34 184
1	Revenue from sale of power - HESCOM -Energy balancing at IF point and above 33KV	61.310	780 50 08 569		91 71 00 000	
2	Revenue from sale of power - GESCOM - Energy balancing at IF point and above 33KV	61.311	149 56 07 619		110 73 00 000	
		61.312	90 62 48 823		89 56 06 077	
3	Revenue from sale of power - CESC -Energy balancing at IF point and above 33KV	61.313	81 88 36 480		5 94 00 000	
4	Revenue from Inter Escom exchange of energy charges 11KV - LT - HESCOM	61.314				
5	Revenue from Inter Escom exchange of energy charges 11KV - LT - GESCOM	61.315				
6	Revenue from Inter Escom exchange of energy charges 11KV - LT - MESCOM	61.316	44 73 971		1 40 87 965	
7	Revenue from Inter-ESCOM exchange of energy charges 11KV & LT - CESC	61.317	2 42 57 698		1 73 30 416	
	Less : Energy balancing between ESCOMs	61.3		1105 44 33 160		301 08 24 458
	<b>Total</b>			<b>12779 96 27 786</b>		<b>11635 57 09 726</b>
	Add : Short provision for power purchased in previous years	83.100		269 76 72 897		330 00 95 784
	Less : Excess provision for Power purchased in previous years	65.800		28 14 28 301		27 66 36 714
	Less : Rate fluctuation - power purchase	65.900		420 57 74 829		248 35 92 079
	<b>Total</b>			<b>12601 00 97 553</b>		<b>11689 55 76 717</b>
	Less : Excess provision for Others	65.900				4 52 92 980
	<b>Grand Total</b>			<b>12601 00 97 553</b>		<b>11685 02 83 737</b>

## NOTES TO THE FINANCIAL STATEMENTS

### Note 25 : Other Operating Expenses

(Amount in Rs.)

Sl. No.	Particulars	A/c CODE	Current Year 2015-16		Previous Year 2014-15	
1	Repairs and Maintenance - Plant and Machinery	74.1		55 83 26 176		36 99 71 106
	Buildings	74.2	2 30 87 602		3 68 97 266	
	Civil works (Pipeline, Sewage, drainage and water supply)	74.3	50 35 973		56 63 207	
2	Repairs and maintenance - buildings	74.2 & 3		2 81 23 575		4 25 60 473
3	Lines, Cable Network Etc.	74.5	23 59 81 902		12 24 93 805	
	Vehicles	74.6	71 60 877		1 09 51 257	
	Furniture and Fixtures	74.7	1 03 674		5 934	
4	Office Equipments.	74.8	40 20 762		35 34 211	
5	R & M charged to Capital Works (Credit account)	74.9	(31 598)		(1 13 925)	
6	Repairs and maintenance - others	74.3 to 74.8		24 72 35 617		13 68 71 282
7	Computer Rentals/maintenance charges	77.611				
<b>TOTAL</b>				<b>83 36 85 368</b>		<b>54 94 02 861</b>

## NOTES TO THE FINANCIAL STATEMENTS

### Note 26 : Employee Benefits

(Amount in Rs.)

Sl. No.	Particulars	A/c CODE	Current Year 2015-16		Previous Year 2014-15	
1	Salaries and Wages	75.1 to 75.4				
	Salaries	75.1	400 44 01 481		395 23 53 163	
	Over Time	75.2	10 73 76 435		10 78 49 056	
	Dearness Allowance	75.3	124 36 10 376		96 84 32 864	
	Other Allowances	75.4	94 44 18 580	629 98 06 872	94 41 79 228	597 28 14 311
2	Bonus	75.5	14 77 27 860	14 77 27 860		4 84 99 406
3	Terminal Benefits	75.8	150 23 08 840	150 23 08 840		134 31 75 427
4	Staff Welfare					
	Medical Expenses reimbursement	75.611	8 58 68 284		10 12 64 940	
	Leave travel assistance	75.612	10 91 522		7 698	
	Earned Leave Encashment - For employees covered under Contributory Pension Scheme.	75.616	11 09 10 645		9 83 61 982	
	Earned leave encashment	75.617	20 80 09 051		24 79 17 162	
	E.L.Encashment - Retirement / Deceased Employees	75.618	16 37 96 802		16 15 13 485	
	Staff Welfare expenses	75.700	7 52 42 151		8 41 00 342	
	Compensation for injuries, death and damages - Staff	79.530	--	64 49 18 455	--	69 31 65 609
5	Workmen compensation					
	Payment under workmens compensation Act	75.629	3 56 980		28 49 960	
	Payment to helpers/employees of Monsoon gang	75.630	1 29 07 639	1 32 64 619	1 06 07 935	1 34 57 895
6	Employees cost charged to capital works (Credit Account)	75.900		(5 53 56 991)	(4 75 83 264)	(4 75 83 264)
<b>TOTAL</b>				<b>855 26 69 655</b>		<b>802 35 29 384</b>



# NOTES TO THE FINANCIAL STATEMENTS

## Note 27 : Other Expenses

(Amount in Rs.)

Sl. No.	Particulars	A/c CODE	Current Year 2015-16		Previous Year 2014-15	
1	Rent	76.101	16 31 38 935		13 81 70 513	
2	Postage stamps & Telephone charges	76.111, 112,113, 115	7 90 12 553		7 21 80 779	
3	Remuneration to contract agencies	76.116+ 76.126+ 127+128+ 129+130+ 141+142+ 143	118 37 34 818		109 61 08 124	
4	Professional, legal and consultancy	76.122+ 123+124+ 125	3 23 06 511		3 53 75 284	
5	Conveyance & Travel expenses	76.131, 135,137 to 139,	43 66 19 410		38 72 48 347	
6	Vehicle running expenses	76.136	2 66 95 330		3 10 24 634	
7	Fees & Subscriptions	76.151	4 84 86 505		3 92 32 954	
8	Printing & Stationery	76.152 76.153	5 90 14 130		6 19 56 384	
9	Advertisement Expenses	76.155, 76.260	1 59 85 701		2 76 87 173	
10	Computer stationary and floppies	76.156	57 92 419		55 12 913	
11	Contributions	76.157	1 56 43 093		30 44 998	
12	Electricity Charges	76.158	1 92 32 314		2 33 23 495	
13	Freight & other material related expenses	76.201 to 76.282	97 96 232		1 12 06 544	
14	Miscellaneous including provisions					
	Rates & Taxes	76.102	56 34 438		68 14 212	
	Insurance/fee	76.104, 105,106, 103	3 50 975		5 32 450	
	Security Charges	76.103	-		-	
	Water Charges	76.160	46 14 336		35 79 749	
	DSM Expenses	76.193	3 83 46 215		4 77 13 531	
	License Fees	76.154			2 379	

# NOTES TO THE FINANCIAL STATEMENTS

## Note 27 : Other Expenses

(Amount in Rs.)

Sl. No.	Particulars	A/c CODE	Current Year 2015-16		Previous Year 2014-15	
	Miscellaneous expenses	76.152, 162,164, 190,191, 192,79.2	8 61 72 888		4 49 74 857	
15	Details of Payments to Auditors (including legal & Professional charges)					
	a) Audit Fees					
	- Statutory Audit Fees		10 50 000		8 00 000	
	- Tax Audit Fees		2 00 000		1 50 000	
	b) For Re-imbursement of expenses		65 000		40 000	
	c) For Service Tax		1 81 250		1 20 000	
16	Expenses towards CSR- (Corporate Social Responsibilities)	76.194				
17	Other Expenses charged to capital works (Credit Account)	76.900	(8 24 81 605)		(6 36 70 962)	
			214 95 91 448	214 95 91 448	197 31 28 358	197 31 28 358
18	Small & Low value items Written off	77.610	15 50 366		26 72 538	
19	Asset decommissioning cost	77.5	(11 30 725)		(4 19 344)	
			4 19 641	4 19 641	22 53 194	22 53 194
20	Bank charges	78.820 to 78.890	12 74 69 442		10 19 08 018	
21	Interest to Consumers	78.600	245 23 91 360		210 37 60 717	
22	Stamp duty	78.861	1 05 00 600			
			259 03 61 402	259 03 61 402	220 56 68 735	220 56 68 735
23	Provision Against ex-employee recoverable	79.480				
24	Material cost variance	79.110	(1 82 17 501)		(15 09 35 173)	
25	Miscellaneous losses and Write offs including provisions	79.5	10 89 80 951		5 03 10 267	
26	Bad Debts written off	79.410 & 79.430	22 15 596		1 00 926	
22	Loss of materials by pilferage, etc.,	79.511	31 984			
23	Provision for Loss on obsolescence of stores, etc in stock	79.561			(10 98 05 245)	
			9 30 11 030	9 30 11 030	(21 03 29 225)	(21 03 29 225)
24	Interest on belated payment for Power Purchase	80.102 to 80.149	--		-	
<b>TOTAL</b>			<b>483 33 83 521</b>		<b>397 07 21 062</b>	

## NOTES TO THE FINANCIAL STATEMENTS

### Note 28 : Finance Costs

(Amount in Rs.)

Sl. No.	Particulars	A/c CODE	Current Year 2015-16		Previous Year 2014-15	
1	Interest on Loans	78.1+ 78.540+ 78.546		577 84 99 347		465 41 40 664
2	Guarantee Commission to GoK	78.868		9 72 73 077		—
3	Interest capitalised on capital borrowings	78.900		(133 06 99 499)		(67 75 20 220)
<b>TOTAL</b>				<b>454 50 72 925</b>		<b>397 66 20 444</b>

### Note 29 : Depreciation

(Amount in Rs.)

Sl. No.	Particulars	A/c CODE	Current Year 2015-16		Previous Year 2014-15	
1	Depreciation on Buildings	77.110+ 77.120		3 64 40 897		3 02 20 374
2	Depreciation on Civil works (pipeline, sewage, drainage, water supply etc.,)	77.130		19 17 581		13 90 191
3	Depreciation on other Civil Works	77.140		3 68 790		4 66 701
4	Depreciation on Plant and Machinery	77.150+151		113 37 82 224		74 35 71 345
5	Depreciation on lines, cable, network etc.,	77.160+161		299 90 51 576		230 66 08 164
6	Depreciation on Vehicles	77.170+171		1 19 40 613		1 02 24 267
7	Depreciation on furniture, fixtures	77.180		60 49 239		49 05 921
8	Depreciation on Office equipments	77.190+191		60 25 756		55 03 347
	<b>Total (1 to 8)</b>			<b>419 55 76 676</b>		<b>310 28 90 310</b>
9	Less: Depreciation Withdrawn from contributions / subsidies as per AS - 12	62.363		128 96 16 783		110 50 38 514
<b>Depreciation for the year</b>			<b>Total(1to8)-9</b>	<b>290 59 59 893</b>		<b>199 78 51 796</b>

### Note 30 : Exceptional Items

(Amount in Rs.)

Sl. No.	Particulars	A/c CODE	Current Year 2015-16		Previous Year 2014-15	
1	Losses/gain relating to Fixed Assets	77.7-62.4		6 91 46 456		14 10 39 706
2	Impairment of Assets	77.580				
3	Provision for Bad & doubtful debts	79.460		(61 68 87 119)		8 74 68 096
<b>TOTAL</b>				<b>(54 77 40 663)</b>		<b>22 85 07 802</b>

## NOTES TO THE FINANCIAL STATEMENTS

### Note 31 : Prior Period Expenses (+) / Income (-) (Amount in Rs.)

Sl. No.	Particulars	A/c CODE	Current Year 2015-16		Previous Year 2014-15	
<b>A</b>	<b>Credits relating to earlier years :</b>					
	1. Other income relating to prior period	65.900	4 86 94 946			
	2. Excess provision for Depreciation in prior period	65.600	5 06 01 811		1 80 50 957	
	3. Excess/short provision for Interest & Finance charges	65.700			8 66 90 226	
	4. Other excess provision in prior periods	65.800	6 31 737		19 96 28 971	
				<b>9 99 28 494</b>		<b>30 43 70 154</b>
<b>B</b>	<b>Debits relating to earlier years :</b>					
	1. Employee costs relating to previous year	83.500	44 13 589		98 98 776	
	2. Depreciation under provided in previous period	83.600	16 67 07 948		11 46 93 199	
	3. Interest and other finance charges relating to previous years	83.700			2 652	
	4. Materials related expenses - previous years	83.840	27 10 352		1 77 67 124	
	5. Other expenses relating to prior periods	83.850	89 81 221		2 04 80 137	
	6. Operating expenses of previous year	83.300	3 28 36 171		11 60 893	
	<b>Sub-Total</b>			<b>21 56 49 281</b>		<b>16 40 02 781</b>
<b>C.</b>	<b>Net prior period represent - (Credits) / Expenses (A-B)</b>			<b>11 57 20 787</b>		<b>-14 03 67 373</b>

### Note 32 : Extraordinary Items

(Amount in Rs.)

Sl. No.	Particulars	A/c CODE	Current Year 2015-16		Previous Year 2014-15	
1	Additional Tariff subsidy (Trueup) from GOK as per KERC orders	61.122		--		--
<b>TOTAL</b>						

## Note 30 : GENERAL NOTES

### 30.1 Share Capital

30.1.1 Government of Karnataka has disbursed Rs.340.96 crore during the period from 2009-10 to 2011-12 as detailed below which was held as Share Deposit till the time it was converted to Share capital in FY 2011-12:

Year	Amount (in crore)	Reference
2004-05	0.01	GO DE48 PSR 2003/424 dated 15/06/2004
2009-10	32.00	GO EN95 PSR 2008 Dated 01/09/2009
2009-10	118.00	GO EN67 PSR 2009 Dated 01/03/2010
2009-10	60.00	GO EN 67 PSR 2009 Dated 31/03/2010
2010-11	25.00	GO EN 13 PSR 2010 Dated 22/12/2010
2010-11	63.45	GO EN 13 PSR 2010 Dated 30/03/2011
2011-12	22.50	GO EN 20 PSR 2011 Dated 21/09/2011 (P3 Part I)
2011-12	20.00	GO EN 20 PSR 2011 Dated 21/09/2011(P3 Part II)

30.1.2 Government of Karnataka has disbursed certain amount towards equity investment which is kept under Share Deposit which will be converted to Share Capital on completion of procedure. The details of Share Deposit received as on FY 15-16 is as under:

(Amount in Crores)

2012-13	37.50	GO EN 30 PSR 2012 Dated 16/07/2012
(Under share deposit Account)	20.00	GO EN 22 PSR 2012 Dated 29/01/2013
	40.00	GO EN 17 PSR 2012 Dated 30/03/2013
2013-14	21.58	GO EN 10 PSR 2013 Dated 06/09/2013
	14.00	GO EN PSR 2013 Dated 23/09/2013
2014-15	10.00	GO EN 56 PSR 2014 Dated 27.12.2014
	8.00	GO EN 56 PSR 2014 Dated 07.03.2015
2015-16	97.02	Released in various G.O. FY2015-16
<b>Total</b>	<b>248.10</b>	

### 30.2 Loans

30.2.1 Certain secured/unsecured loans received in the earlier years have been accounted based on the intimations received from the KPTCL. The loans are not availed in the name of the company, instead a certain portion of the loans availed by KPTCL from various institutions have been transferred to BESCOM and are reflected in the books of the company. The interests on such loans are also accounted based on intimation by KPTCL. Loans availed from the Company is maintained distinctively and shown separately

### 30.3 Fixed Assets & Depreciation

30.3.1 The fixed assets are accounted vide Government of Karnataka Notification mentioned in the company overview at cost of assets in Gross Block and accumulated depreciation on such assets till the date of transfer and the depreciation has been provided accordingly every year.

- 30.3.2 The company does not consider the period of fixed assets utilized by KPTCL for computing the remaining useful life of the fixed assets transferred from KPTCL.
- 30.3.3 The company has not reassessed the revised useful life of the assets based on the notification of the CERC (Notification no. L-7/145/160/2008-CERC dt.19.01.2009) stipulating the revised depreciation rates. The company charges depreciation based on the rates notified by the CERC prospectively.
- 30.3.4 The Company still is in the process of obtaining details of the identification, location, situation, description and the extent of transfer of titles in its favour in respect of movable, immovable and leased assets.
- 30.3.5 The assets those have been recorded as assigned specifically by KPTCL by transfer order, certain Lands and buildings are notified but title deeds relating to land (Including Lease Hold) are not available / transferred in favour of the company. Further, the related costs that the company may incur with regard to such transfer of titles are not ascertainable and not provided for by the company.
- 30.3.6 Income/expenditure arising out of maintenance cost and payment of rent in respect of assets (land and buildings) of common use is as per Arm's length arrangement between KPTCL and the company.
- 30.3.7 During the year an amount of **Rs.128 96 16 783** representing the amount of depreciation computed on the cost of assets funded through contribution/ from Consumers is adjusted from grants shown under Reserves.

#### 30.4 Sundry Debtors:

- 30.4.1 The break-up of the provision for bad and doubtful debts as against the total receivables as on 31-03-2016 is as under:

Rs. in Crore

Sl. No.	Particulars	2015-16	Particulars	2014-15
1	Provision against permanently disconnected installations	110.22	Provision against permanently disconnected installations	161.91
2	(a) On account of 4% provisioning as per Accounting Policy – LT category and others.	96.30	(a) On account of 4% provisioning as per Accounting Policy – LT category and others.	106.33
3	(b) Provision on account of identified HT-consumers.- Long disconnected installations	-	(b) Provision on account of identified HT - consumers.-Long disconnected installations	-
4	On account of arrears of IP set installations.	973.56	On account of arrears of IP set installations.	973.56
<b>TOTAL</b>		<b>1180.08</b>		<b>1241.80</b>

Company has continued the same quantum for long disconnected installations considered doubtful of realization and provision for doubtful debts is provided accordingly by and as per prudent policy.

#### 30.5 Inventories, Stores and Spares

- 30.5.1 In case of purchase of inventories, if standard rates are adopted, the differences between the purchase rates and standard rates of materials are debited or credited to material cost variance account, which is charged/credited to Statement of Profit and Loss at the end of the year.
- 30.5.2 The Company has accounted separately excesses/shortages found on physical verification of inventories which is pending final investigation and adjustments are yet to be carried out by the company.

### 30.6 Pension, Gratuity and Leave Encashment

30.6.1 All the employees of the Company are on deputation from KPTCL.

30.6.1 As per 'KPTCL and ESCOM's Pension & Gratuity Trusts' Order No. KPTCL & ESCOMs P&G TRUSTS/KCO123/P7/2011-12/CYS 07 dated 27th May-13, provision towards Pension has been calculated at 30.00% of Basic + DP and D.A. and provision towards gratuity has been calculated at 6.01% of Basic + DP for FY 2012-13 based on actuarial valuation made as at 31.03.2009. However, no actuarial valuation has been made from the year 31/03/2009.

30.6.2 In case of leave encashment, the company has estimated on an average of past four years leave salary disbursed and the same has been provided in the books of accounts.

30.6.3 No actuarial valuation has been made in respect of any employee benefits for the financial year 2015-16.

30.6.4 The amounts provided in respect of Pension, Gratuity and leave encashment have not been fully funded during the year.

### 30.7 Contingent Liability/Asset

30.7.1 The company is unable to ascertain the estimated amount of contracts remaining to be executed on capital works due to the large volume of transactions of the company.

30.7.2 Income tax demand disputed in appeals is Rs.304.45 Crs. is shown as under: (Previous year; Rs.91.15 Crs.)

Sl. No.	Pending Before	Period	Amount (In Crs.)
1	Hon'ble Supreme Court (SLP filed) – (Civil) (CC) No 17862 of 2014 and 31797/2014	AY2003-04	0.24
2	Tribunal order issued in favor of IT Department. The company has filed a Writ Petition in the Hon'ble High Court of Karnataka against the Tribunal Order	AY 2005-06	61.07
3	DCIT, Bangalore. In relation to IT & FBT	AY 2006-07	0.07
4	DCIT, Bangalore. In relation to Normal assessment	AY 2008-09	0.53
5	DCIT, Bangalore. In relation TDS on interest payment to REC	AY 2009-10	0.49
6	DCIT, Appeals(I), Bangalore in relation to Normal IT assessment	AY 2010-11	17.21
7	CIT, Appeals(I), Bangalore In relation TDS on interest payment to REC	AY 2010-11	0.30
8	DCIT, Appeals(I), Bangalore in relation to Normal IT assessment	AY 2011-12	0.37
9	DCIT, Appeals(I), Bangalore in relation to Normal IT assessment	AY 2012-13	25.54
10	DCIT, Appeals(I), Bangalore in relation to Normal IT assessment	AY 2013-14	



Sl. No.	Pending Before	Period	Amount (In Crs.)
11	Tribunal order issued in favor of IT Department. The company has filed a Writ Petition in the Hon'ble High Court of Karnataka against the Tribunal Order- in relation to TDS on Transmission Charges and SLDC charges	AY 2004-05 to AY 2008-09	195.78
12	CIT (Appeals 13), Bangalore. In relation TDS on payment of Earned Leave encashment to retired employees in excess of Rs.3 lakhs	AY2008-09 to AY2016-17	2.85
<b>Total</b>			<b>304.45</b>

- 30.7.3 The tariff rates of power purchases from BTPS 2 and RTPS – 8th Unit of KPCL have been provided based on the Power Purchase Agreement (PPA) which is pending for approval by the KERC. Additional liability, if any, shall be accounted on final approval from the KERC.
- 30.7.4 The Tariff of UPCL has been determined by CERC & issued final Tariff order on 20.02.2014. Escoms/PCKL have filed Appeal before Appellate Tribunal for Electricity (APTEL) disputing the Capital cost, Auxillary consumption etc., approved in Final order by CERC. APTEL had disallowed some of the costs approved by CERC and remanded the matter to CERC to re-determine the Tariff. CERC vide order dated 10.07.2015 had revised the tariff. As per the norms and parameters approved in the CERC order dt 10.07.2015 and prevailing CERC tariff regulations 2009 and 2014, the bills are being admitted and accounted. UPCL had filed the truing up petition for the period 11th Nov -2010 to 31st March 2014 as per CERC regulations 2009. It is admitted and it is to be heard and final orders are yet to be passed by CERC. PCKL had filed a civil appeal before Hon'ble Supreme court challenging the some of the costs in respect of capacity charge and variable cost and norms approved by CERC in the order dt 10.07.2015 for the period 11th Nov 2010 to 31st Mar-2016. As the parameters of tariff approved by CERC on 10.07.2015 is under dispute before CERC and Hon'ble Supreme Court, the accounting of the difference amount payable or receivable on account of tariff revisions cannot be quantifiable.
- 30.7.6 Interest claimed by KPCL on belated payments up to FY 2015-16 is under dispute and hence not provided for Rs.835 crore (Previous year Rs.545.12 Crore)
- 30.7.7 Letter of Credits given in favor of power generators remains same at Rs.546.63 Crores (Previous year 423.31Crore)
- 30.7.8 Interest Claims in respect of UPCL is not provided as final orders from CERC is disputed before ATE.
- 30.7.9 BESCOM is allowing Moisture corrections upto the permissible ceiling limit as agreed in PPA & FSA (12% or 15% as per coal calories), over and above the permissible limit is neither admitted nor accounted in the books which is also having the concurrence of KPC.
- 30.7.10 In respect of Global Energy Pvt. Ltd., the Energy over drawn up to March-2016 is 41,603 Mu and energy under drawn up to March-2016 is 92,944 Mu. The applicability of FBMS rate is pending before Appellate Tribunal for Electricity in the Appeal filed by PCKL. The rate for over drawal and under drawal is yet to be finalized. Hence the amount for over drawal and under drawal is not quantifiable.
- 30.7.11 Vigilance cases are pending in respect of customers installations in various forums and the amount is not ascertainable at this stage.
- 30.7.12 The Details of zone-wise appeal cases pending as at 31-3-2016 are as follows:

Sl. No.	Particulars	BMAZ	BRAZ	CZ	Total
1	<b>CURRENT YEAR</b> No. of Appeal cases pending as on 31-03-2016	225	35	26	286
2	Amount involved (Rs. in Lakhs)	1022.04	84.34	24.96	1131.34
3	<b>PREVIOUS YEAR</b> No. of Appeal cases pending as on 31-03-2015	348	83	31	462
4	Amount involved (Rs. in Lakhs)	2326.76	95.88	39.33	2461.97

30.7.13 Transmission Charges payable to KPTCL for FY 2006-07 has been recognized at 19.42 paise per KWH. KPTCL had initially claimed transmission charges at 26.23 paise per KWH and the company had also paid the transmission charges at 26.23 paise. However, KERC has challenged the rights of KPTCL to charge any sum exceeding 19.42 paise towards transmission charges and the matter is pending before the Hon'ble Supreme Court in an appeal filed by KERC against the order of ATE New Delhi. Currently, the company has accounted such excess sum paid to KPTCL of Rs.125 crore as receivables from KPTCL under other current assets pending the decision of the Hon'ble Supreme Court in this regard.

30.7.14 Due to amendment in CERC ( Sharing of interstate Transmission charges and losses) regulations and effected from 01/05/2015, Transmission charges has raised by 256.60 Crores against PGCIL. FY16 – Rs. 491.16 Crs. (Previous year Rs.234.56 Crs.).

30.7.15 Due to paucity of energy, imposition of Sec.11 for procuring short term power has resulted in additional power purchase expenses of Rs.562 Crs. FY16 – Rs.673 Crs.(Previous year 110.67Crs.).

30.7.16 Interest is not charged against Inter Escom Receivable outstanding balance of Rs. 2168 Crores (Previous FY 1733.00 Crs.).

### 30.8 Inter Unit Accounts (IUA)

Inter unit accounts are subject to reconciliation/adjustments to the extent of Rs. 17.69 Crs. (Credit), (Previous year Rs. 114.96 Crore (Credit). The exact impact distinctively on the Statement of Profit and Loss and Balance Sheet is not readily ascertainable.

### 30.9 Free Lighting

Difference between power purchase cost and subsidized rate on free lighting provided to the employees of KPTCL, including employees on deputation to BESCOM in the service area of the Company is treated as expenditure in the books of the Company.

### 30.10 Electricity consumption of Company's offices

Self-consumption in respect of company offices are accounted as Revenue at retail tariff rates and the same is treated as expense, except to the extent of unbilled revenue.

30.11 Rebate for having collected electricity tax from consumers amounting to Rs. 3.04 crore (previous year Rs.2.96 crore) at 0.5% with effect from 01.01.2010 as per G.O No. EN 06 PSR 2009 dated 22.02.2010 has been accounted in Other Non-operating Income, which is to be received from Government of Karnataka.

**30.12 Managerial Remuneration**

Managerial remuneration is included in employee costs and other expenses and the details are as follows:

Expenses	For the year 2015-16			For the year 2014-15		
	Managing Director Rs.	Director (Technical) Rs.	Director (Finance) Rs.	Managing Director Rs.	Director (Technical) Rs.	Director (Finance) Rs.
Salaries and allowances	16 06 542	18 19 689	12 08 464	11 13 372	16 59 783	10 13 112
Ex-Gratia	3 500	3 500	3 500	1 214	3 500	3 500
Others (House Orderly Allowances)	2 81 615	2 81 615	2 81 615	2 61 663	2 66 730	2 65 044
Medical & Other Allowances	4 49 101	2 62 735	11 738	4 12 538	2 37 243	61 577
<b>TOTAL</b>	<b>23 40 758</b>	<b>23 67 539</b>	<b>15 05 317</b>	<b>17 88 787</b>	<b>21 67 256</b>	<b>13 43 233</b>

**30.13 Expenditure in foreign currency:**

Foreign exchange expenses	Current year	Previous year
	NIL	NIL

**30.14 Related Party Transactions**

There are no transactions during the year with related parties (other than the transactions between state-controlled enterprises which is under the control of the Central Government and/or the any State Government(s))

**30.15 Small and Medium Enterprises**

Amount due to Small and Medium Enterprises as required under the Micro, Small and Medium Enterprises Development Act, 2006 are not ascertained due to lack of information. The company has not received any confirmation from registered suppliers as of date, in respect of which disclosures are required to be made under the said Act. Thus, the company has not provided for any interest pertaining to sums that may be payable to SMEs, if any.

**30.16 Segment Reporting**

The company neither has more than one business segment nor more than one geographical segment, hence segment reporting as required under AS – 17 is not applicable for the company.

**30.17 Deferred Tax**

The company has not recognized any deferred tax asset/liability as its income is exempt from tax under sec 80IA of the Income Tax Act, 1961. The company neither provides timing differences that would reverse after the tax holiday period. However, the company shall provide for deferred tax subsequent to its tax holiday period. The quantum of such non-provisioning for deferred tax is not readily ascertainable.

30.18 The revenue from retail consumers are recognized based on KERC Tariff order 2016 dated 02.03.2015.

**30.19 True-up Tariff Subsidy/Regulatory Asset**

A sum of Rs.541.97Cr is accounted as “Regulatory Assets” being the deferred expenses passed on by the Hon’ble KERC while determining Annual Revenue requirement vide Tariff order Dated 30th March 2016 and recognized as Revenue on accrual basis in the current year and shown distinctively under Note .No.23A.

30.20 The company has not obtained confirmation of balances as on 31.03.2016 from other ESCOMS, KPTCL, KPCL, PCKL, sundry debtors, sundry creditors, deposits from suppliers/contractors/ government authorities, etc., advances to contractors/suppliers, deposits and advances from consumers, loans and advances to employees (past and current employees), and other receivables from various parties and are subject to reconciliation/adjustments, if any.

### 30.21 Prior period income

Certain items grouped under prior period items in the previous year which did not involve an act of error or omission are regrouped under other appropriate heads.

30.22 Previous year figures have been regrouped /rearranged wherever necessary to meet the requirement of schedule III of the Companies Act, 2013.

### 30.23 Earnings per Share

Particulars	Current Year	Previous Year
Net Profit /Loss after tax (In Rupees)	108 00 89 501	113 44 36 294
Weighted average no. of equity shares	54 69 15 100	54 69 15 100
Basic Earnings per Share (In Rupees)	1.97	2.07
Diluted Earnings per Share (In Rupees)	-	-

30.24 Pursuant to the observations made by Comptroller & Auditor General of India under relevant section of the Companies Act, 2013, the accounts approved by the Board of Directors on 11/08/2016 have been revised. The Accounts are revised to incorporate the observations made by the Comptroller & Auditor General of India on the financial statements and books of account of the company. The impact of the revision in the accounts of the company is stated below.

### Net impact of revision on the accounts

(Rs. in Lakhs)

Sl.No.	Particulars	Debit	Credit
	<b>P &amp; L Statement</b>		
1	Increase in expenditure / Decrease in Income	11681.73	
2	Decrease in expenditure/ Increase in Income		14207.16
3	<b>Total (1 to 2)</b>	<b>11681.73</b>	<b>14207.16</b>
	<b>Balance Sheet</b>		
4	Net Increase in profit (1-2)		<b>2525.43</b>
5	Increase in liability		4522.21
6	Decrease in liability	14384.37	
7	Increase in assets	22665.48	
8	Decrease in assets		30002.21
9	<b>Total (4 to 8)</b>	<b>37049.85</b>	<b>37049.85</b>

As per our report even date

For and on behalf of the Board of Directors

**For V.K.Niranjan & Co.**  
Chartered Accountants  
FRN: 2468S

Sd/-  
**(K.T.Hiriyanna)**  
Company Secretary

Sd/-  
**(Dr.Chetan R C)**  
CFO& Director (Finance)

Sd/-  
**(P. Rajendra Cholan)**  
Managing Director

Sd/-  
**(CA Niranjan. V.K)**  
Partner  
M.No. 21432

Place : Bengaluru  
Date : 20 - Sep - 2016

**STATEMENT SHOWING CAPITAL WORKS IN PROGRESS FOR THE YEAR 2015-16**

(Amount in Rs.)

Account code	Description	Opening Balance on 01.04.2015	Expenditure incurred	Categorised	Closing Balance on 31.03.2016
14.110	CWIP - Transmission lines -(GP).	29782240.39	46996930.95	65693207.37	11085963.97
14.140	CWIP - Transmission Lines, Transformers etc. - Extension (GP)	1022301.16	24084.00	43656.00	1002729.16
14.142	CWIP-Promoter vanished layouts - 11KV lines, Transformers, LT lines / S.C etc., (G.P)	183152.69	1703502.47	1477226.55	409428.61
14.143	cwip 11kv and below distribution works under APDP works.	23407589.87	160569974.09	124400245.61	59577318.35
14.144	CWIP-Providing additional DTC's enhancement of DTC's	501628395.81	222276435.92	494852061.50	229052770.23
14.145	CWIP- Reconductoring of LT lines & strengthening of UG cable network	117284970.43	178830301.88	209291830.38	86823441.93
14.146	CWIP-Providing of ABB cable	6034493.11	109337994.60	85639697.51	29732790.20
14.147	CWIP -HT reconductoring works (Other than SDP)	4491746.47	84651186.50	43994619.29	45148313.68
14.148	CWIP- Local planning (Safety/Hazardous) related works	45081400.39	152437660.64	154443802.19	43075258.84
14.149	CWIP- Local planning -Capital nature of Extension & improvement works like providing intermediate poles, Spacers & other etc.,	111275566.27	493839714.33	428793015.45	176322265.15
14.150	CWIP - Transmission Lines -Transformers etc. Improvements - (GP)	392960209.25	401073448.29	603252210.24	610943350.30
	Interest capitalisation		420161903.00		
14.151	CWIP - Transmission lines, Transformers etc., Improvements Non-Plan.	173625953.30	49863540.99	68391586.38	155097907.91
14.154	CWIP - Urban Distribution Improvement Scheme ADB	20687.00	0.00	0.00	20687.00
14.155	CWIP - Additional Street Lights / Street Lights in cities / wns / Villages	1659664.80	150975.00	149781.00	1660858.80
14.158	CWIP - metering of existing Sreetlight installation.	1766939.00	0.00	0.00	1766939.00
14.159	CWIP-Metering of DTC's	196122277.20	188145217.50	343097334.52	210139584.18
	Interest capitalisation		168969424.00		
14.160	CWIP - Reduction of Losses in Lines	91573322.82	100434185.23	165496448.05	26511060.00

**STATEMENT SHOWING CAPITAL WORKS IN PROGRESS FOR THE YEAR 2015-16**

(Amount in Rs.)

Account code	Description	Opening Balance on 01.04.2015	Expenditure incurred	Categorised	Closing Balance on 31.03.2016
14.170	CWIP-Replacement of distribution Transformers by similar capacities	104662417.16	955208014.90	1018566736.68	41303695.38
14.172	Construction of feeder through 11 kv feeders from newly formed MUSS	28268205.12	125541144.81	142922745.12	10886604.81
14.173	Developing/Improving the capacity of UG cables along with RMU's	1659197.19	84036.00	339295.32	1403937.87
14.175	All applicable Civil works pertains to restoration.	0.00	402236.00	402236.00	0.00
14.176	CWIP RAPDRP works	24238697.04	1176042.00	0.00	25414739.04
14.177	Replacement of existing electro mechanical meters/faulty meters by Electro static meters.	425612209.84	697617294.84	940191370.97	205109289.71
	Interest capitalisation		22071156.00		
14.178	CWIP- Expenditure incurred on PFC loan for RAPDRP (IT implementation) works - Part -A	1969362066.92	558712344.19	68651732.00	2459422679.11
14.179	CWIP - Expenditure incurred on PFC Loan for RAPDRP (System Improvement) - Part-B	2782291832.77	67945529.40	0.00	3028687527.17
	Interest capitalisation		178450165.00		
14.180	CWIP - Emergency Restoration of Power Supply- Calamity.	10731523.55	23431766.55	22329888.46	11833401.64
14.181	CWIP -Cost incurred for procurement of any materials for creation of Consumer Awareness programmes on safety measures, energy conservation and demand side management - Capital	2282717.00	989938.00	0.00	3272655.00
14.183	CWIP - High Voltage Distribution System (HVDS) works	1751438786.00	2557757672.73	0.00	4413382218.73
	Interest capitalisation		104185760.00		
14.184	CWIP - Technology Innovative Centre	0.00	1127290.00	0.00	1127290.00
14.200	CWIP -REC Plan Schemes.	123881.16	0.00	0.00	123881.16
14.210	CWIP-RGGVY Scheme	1860252904.17	0.00	0.00	1860252904.17
14.215	CWIP-RLMS works M/s. ABB	2449982191.79	0.00	0.00	2449982191.79
14.216	CWIP- Niranthara jyothi yojane	7382325223.02	1774665338.92	0.00	9422382517.94
	Interest capitalisation		265391956.00		
14.217	CWIP - Bangalore Distribution Up gradation Project(DAS) works	3912987483.07	428218158.53	2020874535.16	2320331106.44
14.218	CWIP - RGGVY Scheme under 12th Plan	0.00	21064040.48	0.00	21642239.48
	Interest capitalisation		578199.00		



**STATEMENT SHOWING CAPITAL WORKS IN PROGRESS FOR THE YEAR 2015-16**

(Amount in Rs.)

Account code	Description	Opening Balance on 01.04.2015	Expenditure incurred	Categorised	Closing Balance on 31.03.2016
14.219	CWIP - Smart Grid works	19936407.00	13605480.00	0.00	33541887.00
14.220	CWIP - SPA Schemes	802911.07	20450.00	0.00	823361.07
14.221	CWIP expenditure incurred - One time Maintenance Works	0.00	130037797.34	119757693.34	10280104.00
14.240	CWIP - System Improvement (REC)	2567744.20	0.00	0.00	2567744.20
14.300	CWIP - Village Electrification (G.P)	1209496.14	0.00	0.00	1209496.14
14.320	CWIP - Power Supply IP sets (G.P.)	40702824.80	66471759.55	38771511.50	68403072.85
14.321	CWIP - Power supply IP sets under self financing scheme	145987.08	2275873.00	21286.50	2400573.58
14.322	CWIP - P/S new IP sets submerged IP sets of same consumer under UKP rehabilitation programme	24461.00	187810.00	0.00	212271.00
14.323	CWIP - Power supply IP sets under Tathkal Scheme	2620013.00	4883558.00	5620176.00	1883395.00
14.325	CWIP - Power supply to New IP set under Own your Transformers (OYT) Scheme - ADRP works"	920429.88	4277.00	10449.12	914257.76
14.326	CWIP - Power supply to IP set Regularisation of Unauthorised IP set installation under Own your Transformers" (OYT) Scheme- APDRP works"	375419708.07	1860142610.24	1860718577.21	537438639.10
	Interest capitalisation		162594898.00		
14.327	CWIP - Power supply to existing IP consumers for installing Transformers under Own your Transformers" Scheme (OYT)"	1554097.60	64455.00	64455.00	1554097.60
14.330	CWIP- Energisation of IP set under Dr.B.R.Ambedkar Dev.Corp	13775.00	0.00	0.00	13775.00
14.332	CWIP - Providing 25KVA Transformer to IP set installation serviced under Tatkal scheme	34964928.00	189428798.98	201259552.80	23134174.18
14.340	CWIP - Tribal Area Electrification (G.P.)	102553.49	638840.62	674040.00	67354.11
14.341	CWIP-Energisation of IP set under Karnataka Tribal Dev.Corp. (Ganga kalyana) (TSP)	66107433.77	11762310.61	5808581.00	72061163.38
14.351	CWIP -Metering of existing B.J Installations	21592157.81	1774474.00	0.00	23366631.81
14.360	CWIP - Kuteera jyothi Schemes	1337783.42	0.00	49741.00	1288042.42



**STATEMENT SHOWING CAPITAL WORKS IN PROGRESS FOR THE YEAR 2015-16**

(Amount in Rs.)

Account code	Description	Opening Balance on 01.04.2015	Expenditure incurred	Categorised	Closing Balance on 31.03.2016
14.361	CWIP - Metering of Existing K.J Installations	9676868.00	0.00	0.00	9676868.00
14.365	CWIP - Harijan basthi / Dalith Basthi/ Janta Colonies - Pradhan Manthri Gramodaya Yojana Works.	99913.00	0.00	0.00	99913.00
14.366	CWIP-Kuteera Jyothi schemes State Govern ment's RGRHCL, Ashraya, Ambedkar &EWS Schemes under GOI'S Kutir Jyothi scheme.	1408650.00	0.00	0.00	1408650.00
14.400	CWIP - Service Connections	475075622.87	586441563.60	699965200.79	361551985.68
14.502	CWIP - Buildings	231145208.00	348337884.08	292300099.00	287182993.08
14.607	CWIP - Vehicles	0.00	55189469.47	49983469.47	5206000.00
14.708	CWIP - Furniture and Fixtures	68165.29	7947208.37	7733930.37	281443.29
14.809	CWIP - Office equipment	4340052.12	53538596.01	47546866.23	10331781.90
14.810	CWIP - Tools and Tackles	17367795.82	92266718.30	93092306.21	16542207.91
14.811	CWIP -Mobile phones	0.00	1731311.00	1599748.00	131563.00
14.812	CWIP-Safety measures fund	44096933.79	70208118.33	93643318.36	20661733.76
14.814	CWIP-IT initiatives (Software Only)	140871123.00	133631602.00	76559749.00	197942976.00
14.910	CWIP - Survey and Investigation expenses on projects.	-1854281178.17	0.00	5917556.00	-1860198734.17
14.915	Capital Expenditure Categorized - RLMS works	-2449994925.79	0.00	0.00	-2449994925.79
14.916	CWIP categorized of Niranthara Jyothi Yojane	-4826154338.93	0.00	3147548949.02	-7973703287.95
14.917	Capital expenditure categorized for Bangalore Distribution Up gradation Project (DAS) Works	-5112856.38	0.00	2586452.58	-7699308.96
14.976	Capital expenditure categorized RAPDRA Works.	-55105804.59	0.00	0.00	-55105804.59
14.978	Capital expenditure categorized for expenditure incurred on PFC Loan for RAPDRP (IT implementation)	-548033749.56	-42702205.11	874038789.62	-1464774744.29
14.979	Capital expenditure categorized for PFC Loan for RAPDRP (System Improvement)- Part -B	-1234776533.51	723386.00	476604323.19	-1710657470.70
14.983	Capital Expenditure categorized for High Voltage Distribution System (HVDS) works).	-1691218621.00	0.00	2597487933.03	-4288706554.03
<b>TOTAL</b>		<b>13233635281.05</b>	<b>14315291607.13</b>	<b>17702660016.09</b>	<b>9846266872.09</b>

**Statement showing the details of Ganga Kalyana expenditure incurred for FY2015-16**

(Amount in Rs.)

Account code	Description	Opening Balance on 01.04.2015	Expenditure incurred	Credits/Grants received	Closing Balance on 31.03.2016
47.3087	Ganga Kalyana Scheme - Dr. Devaraj Urs Backward Development Corporation	508531295.82	128754720.73	73451819.55	563834197.00
47.3097	Ganga Kalyana Scheme - Karnataka Minority Development Corporation	170596188.38	256389551.13	228960989.81	198024749.70
47.3107	Ganga Kalyana Scheme - Dr.B.R.Ambedkar Development Corporation	999823067.70	177407418.35	141680082.85	1035550403.20
<b>Sub -Total-2</b>		<b>1678950551.90</b>	<b>562551690.21</b>	<b>444092892.21</b>	<b>1797409349.90</b>
<b>Grand Total</b>		<b>14912585832.95</b>	<b>14877843297.34</b>	<b>18146752908.30</b>	<b>11643676221.99</b>

# **AVERAGE REALISATION RATE FROM SALE OF POWER FOR FY 2015-2016**

Amount in Rupees & Consumption in units (KWH)

DESCRIPTION	TARIFF	No. of Consumers	UNITS SOLD		Average Realisation Rate Per Unit (IN')	Opening Balance	Revenue Demand	Revenue Collection	HO Adjustments & withdrawals	Collection including Adjustments	Closing Balance
			Units (in KWH)	% of Units							
1	2	3	4	5	6=(8/4)*100	7	8	9	10	10a	11
BU/KJ ( Upto 18 Units )	LT 1	557932	57 44 89 23	0.23%	5.36	727374752.83	308084933.83	574615276.14	460844410.52	1035459686.66	0.00
BU/KJ ( Above 18 Units )		214526	71 27 87 19	0.29%		453662654.04	315796631.72	296000000.00	-202924528.79	93075471.21	676383814.55
Lighting and AEH	LT 2	6808445	6027 37 15 26	24.56%	5.01	1180564551.93	30188134459.73	30056859770.00	504490373.23	30561350143.23	807348868.43
Commercial Lighting	LT 3	944611	1754 07 04 47	7.15%	8.51	117868195.13	14927423179.55	14847709525.00	269404571.04	15117114096.04	-71822721.36
"IPSets (10HP & BELOW)" "FREE LIGHTING From 01-08-2008 (Subsidy Due for GOK)"	LT 4A	809170	6189 80 28 38	25.23%	2.56	6481 54 41 53	15852600779.51	14669484723.86	323079470.65	14992564194.51	7341580738.00
IPSets (10HP & BELOW) FREEZED BALANCE Upto 31-07-2008											
I.P.Sets (10HP & Above )	LT 4B	740	3 43 78 42			11630081884.03	15198091.96	1337383.00	-918998440.79	72781573.62	12549080324.82
"Pvt. Hortl, Nuris, Coffee & Tea Plant"	LT 4C	1421	4 61 28 70			164846133.01			71444190.62		107262651.35
LT Industries	LT 5	189452	1150 39 54 81	4.69%	6.55	116713728.90	15899856.59	11546236.00	97366908.00	108913144.00	23700441.49
Water Supply	LT 6A	61667	404 67 57 13	1.65%	8.99	100271791.62	7531303503.97	7563504216.00	67120503.19	7630624719.19	950576.40
Street lights	LT 6 B	59838	366 26 25 28	1.49%	8.18	15064029338.01	3637070860.68	1919518986.00	423073661.08	2342592647.08	16358507551.61
Pending for reconciliation of Sundry debtors -Revenue & tax						8243511456.53	2996474835.91	4339537263.00	-274105575.15	4065431687.85	7174554604.59
LT TOTAL	I	9647802	16029356887	65.29%	4.73	45551863220.03	75787987133.45	74280113379.00	659964720.86	74940078099.86	46399772253.62

# **AVERAGE REALISATION RATE FROM SALE OF POWER FOR FY 2015-2016**

Amount in Rupees & Consumption in units (KWH)

DESCRIPTION	TARIFF	No. of Consumers	UNITS SOLD		Average Realisation Rate Per Unit (In `)	Opening Balance	Revenue Demand	Revenue Collection	HO Adjustments & withdrawals	Collection including Adjustments	Closing Balance
			Units (in KWH)	% of Units							
1	2	3	4	5	6=(8/4)*100	7	8	9	10	10a	11
Water Supply & Sewerage Pumping	HT 1	197	672 75 48 98	2.74%	4.50	506590020.76	3029493885.47	3254179572.00	2309105.14	3256488677.14	279595229.09
HT Industries	HT 2A	6286	4593 20 75 75	18.72%	7.40	3720881.31	33973678659.76	33636389700.00	222550289.75	33858939989.75	118459551.32
HT Commercial	HT 2B	5827	2614 90 38 02	10.66%	9.13	-224912453.34	23886053382.13	23856292903.00	154307611.64	24010600514.64	-349459585.85
HT Hospitals	HT 2C	533	232 53 19 94	0.95%	7.72	32752940.99	1795766474.40	1745370897.00	34283215.98	1779654112.98	48865302.41
HT Lift Irrgtn Societies	HT 3A	23	56 92 41 28	0.23%	2.14	28367104.02	122032145.66	95698644.00	-1277794.72	94420849.28	55978400.40
HT Lift Irrig Schemes & Govt Hort.	HT 3B	11	18 39 50	0.00%	9.69	654411.00	1781590.08	1452647.00	752958.08	2205605.08	230396.00
HT Residential Apartment	HT 4	272	96 58 80 33	0.39%	6.22	-37894898.92	601121335.66	594965258.00	-4120292.56	590844965.44	-27618528.70
HT TOTAL	II	13149	8267094380	33.69%	7.67	309278005.82	63409927473.16	63184349621.00	408805093.31	63593154714.31	126050764.67
LT + HT	III	9660951	24296451267	99%	5.73	45861141225.85	139197914606.61	137464463000.00	1068769814.17	138533232814.17	46525823018.29
Temporary Supply (LT + HT)	IV	485616	241737622	0.99%	12.33	-351912140.15	2979837575.74	3028872734.00	-795555673.16	2233317060.84	394608374.75
TOTAL (LT + HT+Temporary)	V	10146567	24538188889	100.00%	5.79	45509229086	142177752182	140493335734	273214141	140766549875	46920431393
Power Purchase (Auxiliary cons.)	VI	398	17506299			12577567	90715588	85751424		85751424	17541731
Grand Total	VII	10146965	24555695188			45521806653	142268467770	140579087158	273214141	140852301299	46937973124
Unbilled Reversal (-)	VIII		1838357823								
Unbilled Provision (+)	IX		2114764361								
<b>Sales Total (VII - VIII+ IX)</b>	<b>X</b>		<b>24832101726</b>								

Note : Distribution Loss and AT&C Loss is arrived considering LT + HT + Temporary (item.no. V) Total only.

**Subsidy received from GOK in FY 2015-16 towards power supply to IP Sets upto 10 HP & to BJ/KJ upto 18 units**

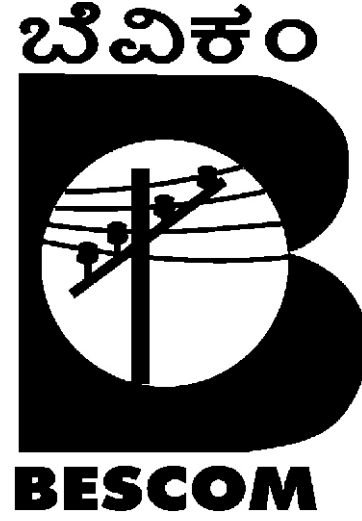
Sl. No.	Particulars	No. of Installation	Consumption (in Mus)	Demand (in Crs.)	Subsidy released for 2015-16 (Rs. In Crs.)
1	IP sets upto 10 HP	809170	6189.80	1585.26	1466.95
2	BJ/KJ upto 18 units	557932	57.45	30.81	57.46
	BJ/KJ upto 18 units waived off received				29.60
<b>Total</b>		<b>1367102</b>	<b>6247.25</b>	<b>1616.07</b>	<b>1554.01</b>

**Progressive Details of IP Sets & BJ/KJ reimbursement by GOK**

Amount in Crores

Sl. No.	Year	Demand		Reimbursement		Balance	
		I.P	B.J	I.P	B.J	I.P	B.J
1	2008-09	169.21	-	94.62	-	74.59	-
2	2009-10	346.44	-	214.39	-	206.64	-
3	2010-11	705.28	28.58	569.78	22.06	342.14	6.52
4	2011-12	709.22	30.7	573.09	34	478.28	3.22
5	2012-13	738.34	35.68	615.3	31	601.32	7.90
6	2013-14	781.81	31.06	948.62	18	434.51	20.96
7	2014-15	1358.83	41.40	1087.61	31.33	648.15	72.74
8	2015-16	1585.26	30.81	1466.95	57.46	734.16	-





# CONSOLIDATED FINANCIAL STATEMENTS

## 2015-16



**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) READ WITH SECTION 129(4) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF BANGALORE ELECTRICITY SUPPLY COMPANY LIMITED, BANGALORE, FOR THE YEAR ENDED 31 MARCH 2016**

The preparation of **consolidated financial statements of Bangalore Electricity Supply Company Limited, Bangalore** for the year ended **31 March 2016** in accordance with the financial reporting framework prescribed under Companies Act, 2013 (Act) is the responsibility of the management of the Company. The statutory auditor appointed by the Comptroller and Auditor General of India under Section 139 (5) or 139 (7) read with section 129 (4) of the Act is responsible for expressing opinion on the financial statements under section 143 read with section 129(4) of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated **20.09.2016**.

I, on behalf of the Comptroller and Auditor General Of India, have conducted a supplementary audit under section 143(6) (a) read with section 129(4) of the Act of the consolidated financial statements of **Bangalore Electricity supply Company Limited, Bangalore** for the year ended **31 March 2016**. We conducted a supplementary audit of the financial statements of Bangalore Electricity supply Company Limited, but did not conduct supplementary audit of the financial statements of the Associate Company, Power Company of Karnataka Limited, for the year ended on the date. This supplementary audit has been carried out independently without access to the working paper of statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

In view of the revision made in the consolidated financial statements by the management, as a result of my audit observations highlighted during supplementary audit as indicated in the Auditors' Report', I have no further comments to offer upon or supplement to the statutory auditors' report, under section 143(6) (b) read with section 129(4) of the Act.

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

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

Bangalore.

Date: 26 September 2016

## **INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS**

### **TO THE MEMBERS OF BANGALORE ELECTRICITY SUPPLY COMPANY LIMITED**

Pursuant to the observations made by comptroller and Auditor General of India under section 143(7) of the companies Act, the accounts approved by the Board of Directors on 11.08.2016 have been revised, this report supersedes our earlier report dated 17.08.2016. The report is revised to incorporate the observations made by the Comptroller and auditor general of India on the financial statements and books of account of the company.

### **Report on the Financial Statements;**

We have audited the accompanying consolidated financial statements of BANGALORE ELECTRICITY SUPPLY COMPANY LIMITED ("hereinafter referred to as "the Holding Company") and its associate PCKL comprising of the Consolidated Balance Sheet as at 31 March 2016, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information(hereinafter referred to as "the consolidated financial statements").

### **Management's Responsibility for the Consolidated Financial Statements;**

The Holding Company's Board of Directors and management is responsible for the preparation of these consolidated financial statements in term of the requirements of the companies Act 2013 (hereinafter referred as the Act) that give a true and fair view of the Consolidated financial position, Consolidated financial performance and Consolidated cash flows including its associates in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective board of directors of the companies included group are responsible for maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation consolidated financial statements by the Directors of the Holding company as aforesaid.

### **Auditor's Responsibility;**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

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

We believe that the audit evidence we have obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the other matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the consolidated state of affairs of the group, its associates as 31. March 2016, and their consolidated profit and their consolidated cash flows for the year ended on that date.

## Other matters

- a. We did not audit the financial statements of PCKL, whose financial statement / financial information reflect total assets of Rs.203,17,29,349/- as at 31st March 2016, total revenue of Rs.2,45,42,806 and net cash flow amounting to Rs.38,15,56,064/- for the year ended on that date, as considered in the consolidated financial statements. The consolidate financial statements also include the groups share of net profit of Rs. 79,25,643/- for the year ended 31st March 2016, as considered in the financial statements, in respect of PCKL associates, whose financial statement / financial information have not been audited by us. These financial statements / financial information have been audited by the other auditors whose reports have furnished to us by the management and our opinion on consolidated financial statement in so far as it relates to the amounts and discourses included in respect of this associate, and our report in term of sub section (3) and (11) of section 143 of the act, in so far as it relates to the aforesaid associate, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on the legal and regulatory requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and report of other auditors.

### Report on other Legal and Regulatory Requirements

1. As required by section 143(3) of the Act, we report, to the extent applicable, that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

- b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from the Divisions not visited by us and the reports of the other auditors.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements.
- d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards Prescribed under Section 133 of the Act, as applicable.
- e) Section 164(2) companies Act, 2013 regarding disqualifications of board of directors is not applicable to Government companies as per MCA notification F No 1/2 2014-CL.V dated 05.06.2015.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in "Annexure A". which is based on the auditors reports of the Holding Company and its associate company Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Holding company and its associate's internal financial controls over financial reporting.
- g) With respect to the other matters included in the Auditor's Report in accordance with rule 11 of Companies (Audit and Auditors) Rules, 2014. In our opinion and to the best of our information and according to the explanations given to us,
  - i) The company has disclosed pending litigations on its financial position of the Group, its associates.
  - ii) The consolidated financial statement did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii) There were no amounts which required to be transferred to the Investor Education and Protection Fund by the Company.

**FOR V K NIRANJAN & CO**  
Chartered Accountants  
Firm's Reg. No. 002468S

Sd/-  
**CA NIRANJAN V K**  
PARTNER  
M No. 021432

Place: Bengaluru  
Dated: 20/09/2016

**ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON  
THE CONSOLIDATED FINANCIAL STATEMENTS OF BANGALORE ELECTRICITY SUPPLY  
COMPANY LIMITED for the year ended 31st March 2016**

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013.

In conjunction with our audited of the consolidated financial statements of the Company as of and for the year ended March 31, 2016, we have audited the the internal financial controls over financial reporting of BANGALORE ELECTRICITY SUPPLY COMPANY LIMITED (hereinafter referred to as "the Holding Company") and its associate company as of March 31, 2016.

**Management's Responsibility for Internal Financial Controls**

The respective Board of Directors and management of the Holding and its associate company are responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained and the other auditor of associate company which is incorporated in India in term of its report to the other matter paragraph below is sufficient and appropriate to provide a basis for our qualified audit opinion on the Company's internal financial controls system over financial reporting.



## Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

## Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## Opinion

In our opinion to the best of our information and according to the explanations given to us, the Consolidated financial statements have in all material aspects, an adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as of March 31, 2016, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

## Other Matter

The aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates an associate company is based on the corresponding report of the audit of such company.

For **V.K Niranjana and Co.**  
Chartered Accountants  
Firm's Reg. No. 002468S

Sd/-  
**C A Niranjana V K**  
Partner  
Membership No.021432

Place: Bengaluru  
Dated: 20/09/2016

# CONSOLIDATED SIGNIFICANT ACCOUNTING POLICIES

## 1. Company overview

Bangalore Electricity Supply Company Limited ('BESCOM' or 'the company') is a company registered under the Companies Act, 1956 incorporated on 30th April, 2002 and commenced its operations from 1st June, 2002. BESCOM is responsible for power distribution in eight districts of Karnataka (namely Bangalore Urban, Bangalore Rural, Ramanagara, Chickaballapura, Kolar, Tumkur, Chitradurga and Davanagere).

The KERC vide letter dated 30th Sep 2008 has intimated that as per first provision of section 14 of the Electricity Act 2003, BESCOM has become a Deemed Licensee valid for a period of 25 years from 10th June 2004.

The Government of Karnataka published vide their order No. DE 14 PSR 2002 dated 31-05-2002, the 2nd Transfer Scheme called Karnataka Electricity Reform (transfer of undertakings of KPTCL and its personnel to electricity distribution and retail supply Companies Rules, 2002) giving effect to the approval of distribution undertakings, assets and liabilities and provisional opening Balance Sheet of KPTCL and BESCOM based on the Annual Accounts of KPTCL as on 31-03-2001. As per the provisions of 2nd Transfer Scheme, after the stipulated period of one year i.e., by 31-05-2003, the same became final. Opening Balance Sheet earlier approved and published vide G.O. and Government notification dated 31-05-2002 read above were provisional and thereafter Government had approved and issued final opening Balance Sheet of BESCOM as at 01-06-2002 vide their order No. DE 48 PSR 2003 dated 31-05-2003/No.DE 48 PSR 2003, dated 07-10-2004. This has been notified and published as final. The changes effected after the audit by KPTCL in the "transfer scheme" have been incorporated in the accounts of the Company as per Annexure – 2 to Government Order NO.DE48 PSR 2003 dated 07-10-2004.

## 2 Basis of preparation

The Consolidated financial statements of the BESCOM (Parent) and PCKL (Associate) are prepared on accrual basis of accounting under historical cost convention in accordance with generally accepted accounting principles in India and the relevant provisions of the revised Schedule III of Companies Act, 2013 including accounting standards notified thereunder and also in accordance with the provisions of Electricity (Supply) Act, 1948/ Electricity Act, 2003 where ever they are applicable to the company.

## 3 Use of estimates

The preparation of Consolidated financial statements requires estimates and assumptions that affect the reported amount of assets, liabilities, revenue & expenses during the reporting period. Although such estimates and assumptions are made on a reasonable and prudent basis taking into account all available information, actual results could differ from these estimates and assumptions and such differences are recognized in the period in which the results are crystallized.

Accounting estimates could change from period to period. The management reviews its estimates and assumptions periodically and appropriate changes in estimates are made as the management becomes aware of the changes in circumstances surrounding the estimates.

### 3.1 Consolidation procedure

CFS of the group comprising one associate have been prepared on the basis of

- (a) Audited Accounts of BESCOM (Parent)
- (b) Long investment in associates are accounted for under the Equity Method as per Accounting Standard (AS -23 – Accounting for Investment in Associates in Consolidated Financial Statement).



The Investors share of results of operation of the Associates is reflected separately in consolidated Profit & Loss Account.

#### **4 Fixed assets and capital work-in-progress**

##### **A. TANGIBLE ASSETS**

- 4.1 Fixed assets are carried at cost of acquisition or construction less accumulated depreciation and impairment loss, if any. All costs, including finance charges, foreign currency fluctuations till commencement of commercial production/intended use attributable to fixed assets are capitalized.
- 4.2 Expenditure on renovation and modernization of fixed assets resulting in increased life and/or efficiency of an existing asset is added to the cost of related assets.
- 4.3 Released assets are accounted on withdrawal/capitalization at written-down value (WDV).

##### **B. Intangible assets**

- 4.4 Intangible assets are recorded at the consideration paid/incurred for acquisition of such assets and are carried at cost less accumulated amortization and impairment, if any.
- 4.5 Impairment of Fixed Assets:

An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is greater of the asset's net selling price and value in use.

#### **5. Cash flow statement**

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments.

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

#### **6. Revenue recognition**

##### **Revenue from Operations:**

- 6.1 Sale of power is accounted on accrual basis at the tariff rates approved by the Karnataka Electricity Regulatory Commission (KERC). Revenue dues from consumers whose ledger accounts are yet to be opened are accounted on an estimated basis. The company accounts/discloses revenues net off electricity taxes in its statement of profit and loss.
- 6.2 Revenue for the year is adjusted by estimating un-billed revenue demand for sale of power to HT category on actual basis and a specified % on LT category for the current year.

##### **Other Incomes :**

- 6.3 Income from services rendered is accounted based on the agreements/arrangements with the concerned parties.
- 6.4 Cash discounts on Power Purchases prompt payments are accounted as and when the related dues are settled.
- 6.5 Interest income is recognized on a time proportion basis taking into account the amount outstanding and rate applicable.
- 6.6 Revenue grants and subsidies are accounted as stated in para 4.2 above.

- 7 BESCOM is having share of 100100 No. of Rs.1000/ face value amounting to Rs.10.01crs as investment made in PCKL which amounts to 49.92% of Share investment existing in PCKL and considered as Associate to BESCOM as per Companies Act 2013.
- 8 The Financial impact of Associate PCKL is as under:

Sl.No.	Particulars	Details
i	a) Description of Associate	Power Company of Karnataka Limited, Bangalore
	b) Proportion of Ownership Interest	49.92%
	c) Proportion of Voting power	49.92%
	d) Date Acquisition date	17.01.2012
ii	a) Long term investments	10.01 crs
	b) Share of Profits or loss of such investments	
	Up to FY14	1.22 crs
	For FY15& FY16	0.91 crs
	Total	2.13 Crs
iii	Capital reserve arising on the acquisition	0.29 crs

#### 9 Earnings per Share

Particulars	Current Year	Previous Year
Net Profit /Loss after tax ( In Rupees)	108 40 45 982	113 96 76 812
Weighted average no. of equity shares	54 69 15 100	54 69 15 100
Basic Earnings per Share (In Rupees)	1.98	2.08
Diluted Earnings per Share (In Rupees)	-	-

for & on behalf of the board/company

As per our report even date

**For V.K.Niranjan& Co.**

Sd/-  
**CA.Niranjan.V.K**  
Partner

Sd/-  
**K.T.Hiriyanna**  
Company Secretary

Sd/-  
**Dr.Chetan R.C**  
CFO&Director (Finance)

Sd/-  
**P.Rajendra Cholan**  
Managing Director

Place: Bengaluru  
Dated: 20/09/2016

# Consolidated Balance Sheet as at 31 March, 2016

(Amount in Rs.)

Sl. No.	Particulars	Note No.	As at 31 March, 2016	As at 31 March, 2015
<b>A</b>	<b>EQUITY AND LIABILITIES</b>			
1	Shareholders' funds			
	(a) Share capital	1	546 91 51 000	546 91 51 000
	(b) Reserves and surplus	2		
	(A) Capital Reserve		2059 75 42 616	1711 89 86 087
	(B) Profit/(Loss)		(366 83 65 184)	(475 24 11 166)
	(C) Revenue Reserve		1 22 23 978	1 22 23 978
	<b>Sub Total (b)</b>		<b>1694 14 01 410</b>	<b>1237 87 98 899</b>
	(c) Share Deposit Pending allotment		248 10 00 000	151 08 00 000
		A	<b>2489 15 52 410</b>	<b>1935 87 49 899</b>
2	<b>Non-current liabilities</b>			
	(a) Long-term borrowings	3	3142 11 65 794	2509 42 62 421
	(b) Deferred tax liabilities (net)	4		
	(c) Other long-term liabilities	5	3441 69 86 707	3016 35 53 239
	(d) Long-term provisions	6	51 12 74 504	50 08 89 956
		B	<b>6634 94 27 005</b>	<b>5575 87 05 616</b>
3	<b>Current liabilities</b>			
	(a) Short-term borrowings	7	3674 53 78 471	2819 98 89 187
	(b) Trade payables	8	4001 32 30 590	3942 32 11 614
	(c) Other current liabilities	9	332 82 98 207	336 51 31 917
	(d) Short-term provisions	10	69 84 16 694	36 89 58 283
		C	<b>8078 53 23 962</b>	<b>7135 71 91 001</b>
	<b>TOTAL</b>	<b>(A+B+C)</b>	<b>17202 63 03 377</b>	<b>14647 46 46 516</b>
<b>B</b>	<b>ASSETS</b>			
1	<b>Non-current assets</b>			
	(a) Fixed assets			
	(i) Tangible assets	11	6529 62 14 226	5057 49 89 102
	(ii) Intangible assets	11	6 53 54 664	4 86 53 306
	(iii) Capital work-in-progress	12	1153 99 66 831	1373 85 10 546
	(iv) Intangible assets under development	13	-	-
	(v) Fixed assets held for sale		-	-
	(b) Non-current investments	14	12 15 20 977	11 75 64 496
	(c) Deferred tax assets (net)	4	-	-
	(d) Long-term loans and advances	15	717 43 44 015	624 45 03 225
	(e) Other non-current assets	16		
		A	<b>8419 74 00 713</b>	<b>7072 42 20 675</b>
2	<b>Current assets</b>			
	(a) Current investments	17	-	-
	(b) Inventories	18	185 69 42 729	251 64 83 287
	(c) Trade receivables	19	4496 05 96 267	4371 29 99 389
	(d) Cash and cash equivalents	20	143 08 26 377	170 15 68 735
	(e) Short-term loans and advances	21	34 17 02 805	39 65 41 739
	(f) Other current assets	22	3923 88 34 486	2742 28 32 691
		B	<b>8782 89 02 664</b>	<b>7575 04 25 841</b>
	<b>TOTAL</b>	<b>(A+B)</b>	<b>17202 63 03 377</b>	<b>14647 46 46 516</b>

This is the Balance sheet referred to in our report dated

**For V.K.Niranjan & Co.**

Chartered Accountants

FRN: 2468S

Sd/-

**(CA Niranjan. V.K)**

Partner

M.No: 21432

For and on behalf of the Board of Directors

Sd/-

**(K.T.Hiriyanna)**

Company Secretary

Sd/-

**(Dr.Chetan R. C.)**

CFO& Director (Finance)

Sd/-

**(P. Rajendra Cholan)**

Managing Director

Place : Bangalore

Date : 20 - Sep - 2016

## Consolidated Statement of Profit and Loss

(Amount in Rs.)

Sl. No.	Particulars	Note No.	For the year ended 31 March, 2016	For the year ended 31 March, 2015
1	<b>Revenue from operations</b>	23	14148 23 49 967	13479 60 46 742
1A	Income on Account of Regulatory Asset / Truing up subsidy	23A	541 97 00 000	-
2	<b>Other Income</b>	23B	167 60 18 744	205 76 79 784
	<b>TOTAL REVENUE</b>		<b>14857 80 68 711</b>	<b>13685 37 26 526</b>
3	<b>Expenses</b>			
	Purchase of Power	24	12601 00 97 553	11685 02 83 737
	Other operating expenses	25	83 36 85 368	54 94 02 861
	Employee Benefits Expense	26	855 26 69 655	802 35 29 384
	Other expenses	27	483 33 83 521	397 07 21 062
	Finance costs	28	454 50 72 925	397 66 20 444
	<b>TOTAL EXPENSES</b>		<b>14477 49 09 022</b>	<b>13337 05 57 489</b>
4	<b>Profits before Depreciation , Prior period items, exceptional items, extraordinary items, Income Tax (1+2-3)</b>		380 31 59 689	348 31 69 037
5	Depreciation	29	290 59 59 893	199 78 51 796
6	Profit / (Loss) before Prior period items, exceptional and extraordinary items and Income Tax (4-5)		89 71 99 796	148 53 17 241
7	Exceptional items {Expenses(+)/Income(-)}	31	(54 77 40 663)	22 85 07 802
8	<b>Profit / (Loss) before Prior period items, extraordinary items and Tax (6-7)</b>		<b>144 49 40 459</b>	<b>125 68 09 439</b>
9	Prior period Items - {Expenses (+) / Income (-)}	32	11 57 20 787	-14 03 67 373
10	Extraordinary & Prior period items {Expenses (+) / Income (-)}	33		
11	<b>Profit / (Loss) before Tax (8-9-10)</b>		<b>132 92 19 672</b>	<b>139 71 76 812</b>
12	Income Tax Expense:			
	(a) Current tax expense		24 51 73 690	25 75 00 000
	(b) Less: MAT credit			
	(c) Deferred tax			
	(d) Tax expenses relating to prior years			
13	Profit / (Loss) from continuing operations (11-12)		<b>108 40 45 982</b>	<b>113 96 76 812</b>
14	Profit / (Loss) from discontinuing operations			
15	Profit / (Loss) for the year (13+14)		<b>108 40 45 982</b>	<b>113 96 76 812</b>
16	Earnings per equity share of Rs. 10 each.			
	(1) Basic		1.98	2.08
	(2) Diluted		-	-

This is the Profit & Loss account referred to in our report dated

**For V.K.Niranjan & Co.**

Chartered Accountants  
FRN: 2468S

Sd/-  
**(CA Niranjan. V.K)**  
Partner  
M.No: 21432

For and on behalf of the Board of Directors

Sd/-  
**(K.T.Hiriyanna)**  
Company Secretary

Sd/-  
**(Dr.Chetan R. C.)**  
CFO& Director (Finance)

Sd/-  
**(P. Rajendra Cholan)**  
Managing Director

Place : Bangalore  
Date : 20 - Sep - 2016

**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2016** (Amount in Rs.)

Sl. No.	Particulars	Current Year 2015-16		Previous Year 2014-15	
<b>A</b>	<b>Cash Flow from Operating Activities</b>				
	Net Profit before Tax	132 92 19 672		139 71 76 812	
	Adjustments for:				
	Depreciation	290 59 59 892		199 78 51 796	
	Finance cost	454 50 72 925		397 66 20 444	
	Extraordinary items- Trueup Subsidy				
	Change in Provision for Debtors	(54 07 16 260)		7 74 81 224	
	Change in Provision for Employee advances				
	Change in Provision for Dismantled Assets				
	Reversal of Depreciation on Grants Asset				
	(Other Income )	(128 96 16 783)		(110 50 38 514)	
	Other Income				
	Prior period charges(+) or credits(-)	11 57 20 787		(5 92 61 598)	
	Income Tax	(24 51 73 690)		(25 75 00 000)	
	<b>Operating Profit before working capital changes</b>	<b>682 04 66 543</b>		<b>602 73 30 164</b>	
	Adjustments for				
	Changes in Inventories	65 95 40 558		(45 67 17 173)	
	Changes in Sundry Debtors	(70 68 80 618)		(786 93 02 033)	
	Changes in Short term Loans and Advances	5 48 38 934		(8 41 12 449)	
	Changes in Long term Loans and Advances	(92 98 40 790)		53 34 67 788	
	Changes in Other Current Assets	(1181 60 01 795)		141 29 34 353	
	Changes in Current Liabilities				
	Trade Payable	59 00 18 976		442 90 01 602	
	Other current liabilities	(63 51 48 803)		(250 31 28 964)	
	Changes in Short term Provisions	32 94 58 411		26 82 55 800	
	Changes in Long term Provisions	1 03 84 548		7 38 26 724	
	Changes in Other Long-Term Liabilities	425 34 33 469		446 58 46 726	
	<b>Operating Profit after working capital changes</b>	<b>(136 97 30 567)</b>		<b>629 74 02 538</b>	
	Prior period charges(+) or credits(-)	11 57 20 787		5 92 61 598	
	Extraordinary items- Trueup Subsidy				
	Net Cash inflow from Operating Activities		(148 54 51 354)		635 66 64 136
<b>B</b>	<b>Cash Flow from Investment Activities</b>				
	Changes in Fixed Assets (Net )	(1764 38 86 375)		(1426 98 20 164)	
	Changes in Capital Work in Progress	219 85 43 715		(137 83 39 279)	
	Investments	( 39 56 481)		(1 74 64 496)	
	Net Cash Outflow from Investment Activities		(1544 92 99 141)		(1566 56 23 939)
<b>C</b>	<b>Cash Flow from Financing Activities</b>				
	Changes in Capital/Share Deposit Account	97 02 00 000		18 00 00 000	
	Changes in Secured Loans				
	Changes in Unsecured Loans				
	Changes in Long-Term Borrowings	632 69 03 373		138 73 05 976	
	Changes in Short-Term Borrowings	854 54 89 284		801 14 90 100	
	<b>Change in Current maturities of long term debts/Current liabilities</b>	<b>59 83 15 093</b>		<b>(397 66 20 444)</b>	
	Finance cost	(454 50 72 925)			
	Contributions from Consumers/Reversal of Depreciation on Grants Asset (Other Income )	476 81 73 312		396 12 17 596	
	Revenue Reserve	--		1 22 23 978	
	<b>Net Cash available from Financing Activities</b>	<b>1666 40 08 137</b>		<b>957 56 17 206</b>	
<b>D</b>	<b>Net Change in Cash and Cash equivalents- Surplus Cash [(A) + (B) + (C)]</b>	<b>(27 07 42 358)</b>		<b>26 66 57 403</b>	
	Add: Opening Cash and Cash equivalents	170 15 68 735		143 49 11 332	
		143 08 26 377		170 15 68 735	
<b>E</b>	<b>Closing Cash and Cash equivalent :</b>	<b>143 08 26 377</b>		<b>170 15 68 735</b>	

**For V.K.Niranjan & Co.**

Chartered Accountants

FRN: 2468S

Sd/-  
(CA Niranjan. V.K)

Partner  
M.No: 21432

For and on behalf of the Board of Directors

Sd/-  
(K.T.Hiriyanna)  
Company Secretary

Sd/-  
(Dr.Chetan R C)  
CFO& Director (Finance)

Sd/-  
(P. Rajendra Cholan)  
Managing Director

Place : Bangalore  
Date : 20 - Sep - 2016

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### Note 1A : Share Capital

(Amount in Rs.)

Sl. No.	Particulars	A/c CODE	As at 31 March, 2016		As at 31 March, 2015	
			Number of shares	Rs.	Number of shares	Rs.
<b>A</b>	<b>Authorised Share Capital</b>					
	Equity Shares of Rs.10/- each		100 00 00 000	1000 00 00 000	100 00 00 000	1000 00 00 000
<b>B</b>	<b>Issued Capital</b>					
	Equity shares of Rs.10/- each		54 69 15 100	546 91 51 000	54 69 15 100	546 91 51 000
<b>C</b>	<b>Subscribed Capital</b>					
	Equity shares of Rs.10/- each		54 69 15 100	546 91 51 000	54 69 15 100	546 91 51 000
<b>D</b>	<b>Paid Up Capital*</b>					
	Equity shares of Rs.10/- each	52.301	54 69 15 100	546 91 51 000	54 69 15 100	546 91 51 000
<b>TOTAL</b>			<b>54 69 15 100</b>	<b>546 91 51 000</b>	<b>54 69 15 100</b>	<b>546 91 51 000</b>

### Note 1B : Reconciliation

(Amount in Rs.)

Sl. No.	Particulars	A/c CODE	As at 31 March, 2016		As at 31 March, 2015	
			Number of shares	Rs.	Number of shares	Rs.
A	Equity Shares of Rs 10 each					
	Opening Balance		54 69 15 100	546 91 51 000	54 69 15 100	546 91 51 000
	Add: Fresh Issue					
<b>Closing Balance</b>			<b>54 69 15 100</b>	<b>546 91 51 000</b>	<b>54 69 15 100</b>	<b>546 91 51 000</b>

### Note 1C : Percentage of Holding

(Amount in Rs.)

Sl. No.	Particulars	A/c CODE	As at 31 March, 2016		As at 31 March, 2015	
			Number of shares	%	Number of shares	%
1	Hon'ble Governor, State of Karantaka		54 68 65 100	99.99	546,865,100	99.99
2	Principal Secretary Energy Department, GoK		-	-	-	-



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## Note 2 : Reserves & Surplus

(Amount in Rs.)

Sl. No.	Particulars	A/c CODE	Current Year 2015-16		Previous Year 2014-15	
<b>A</b>	<b>Capital Reserve</b>					
1	<u>Contributions and grants towards cost of Capital assets</u>	55.1				
	Opening Balance		1488 80 95 736		1198 75 68 695	
	Add: Additions during the year		369 21 96 481		386 16 38 080	
			1858 02 92 217		1584 92 06 775	
	Less: Reversal of depreciation		115 05 77 819		96 11 11 039	
	<b>Closing Balance</b>		<b>1742 97 14 398</b>	<b>1742 97 14 398</b>	<b>1488 80 95 736</b>	<b>1488 80 95 736</b>
2	<u>Subsidies received from REC towards RGGVY scheme</u>	55.210				
	Opening Balance		98 11 05 683		104 43 96 086	
	Add: Additions during the year		18 55 73 833			
			116 66 79 516		104 43 96 086	
	Less: Reversal of depreciation		6 06 32 331		6 32 90 403	
	<b>Closing Balance</b>		<b>110 60 47 185</b>	<b>110 60 47 185</b>	<b>98 11 05 683</b>	<b>98 11 05 683</b>
3	<u>Grants towards cost of Capital Assets/ regularisation of unauthorised IP set installations received from Government</u>	55.3				
	Opening Balance		124 97 84 668		123 08 42 223	
	Add: Additions during the year		8 80 00 482		9 95 79 517	
			133 77 85 150		133 04 21 740	
	Less: Reversal of depreciation		7 84 06 633		8 06 37 072	
	<b>Closing Balance</b>		<b>125 93 78 517</b>	<b>125 93 78 517</b>	<b>124 97 84 668</b>	<b>124 97 84 668</b>
4	<u>Subsidies / Grants released by GOI through REC for executing RGGVY scheme (12th Plan)</u>	55.211				
	Opening Balance		12 58 02 516			
	Add: Additions during the year		12 58 02 516			
	Less: Reversal of depreciation		--			
	<b>Closing Balance</b>		<b>12 58 02 516</b>	<b>12 58 02 516</b>		
5	<u>Grant received from GOI for implementation of Solar rooftop units on government buildings in BESCOM area.</u>	55.310				
	Opening Balance		67 66 00 000			
	Add: Additions during the year		67 66 00 000			
	Less: Reversal of depreciation		-			
	<b>Closing Balance</b>		<b>67 66 00 000</b>	<b>67 66 00 000</b>		
	Total Capital Reserves			2059 75 42 616		1711 89 86 087
<b>B</b>	<b>Surplus/(Deficit) in Statement of Profit and Loss</b>					
	Opening Balance		(475 24 11 166)		(589 20 87 978)	
	Add/(Less): Net Profit / (Net Loss) for the year		108 40 45 982		113 96 76 812	
	<b>Closing Balance</b>			<b>(366 83 65 184)</b>		<b>(475 24 11 166)</b>
	Revenue Reserve			1 22 23 978		1 22 23 978
	<b>Total</b>			<b>1694 14 01 410</b>		<b>1237 87 98 899</b>
<b>C</b>	<b>Share Deposit Pending allotment</b>					
1	Share deposit					
	Opening Balance		151 08 00 000		133 08 00 000	
	Add: Additions during the year		97 02 00 000		18 00 00 000	
				248 10 00 000		151 08 00 000
	Less: Fresh issue of equity shares					
	Less: Excess transferred to income					
	<b>Closing Balance</b>		<b>248 10 00 000</b>	<b>248 10 00 000</b>	<b>151 08 00 000</b>	<b>151 08 00 000</b>



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## Note 3 : Long-Term Borrowings

(Amount in Rs.)

Sl. No.	Particulars	A/c CODE	Current Year 2015-16		Previous Year 2014-15	
<b>A</b>	<b>SECURED LOANS</b>					
	Term Loans From					
	- Banks (Refer Note 3A below)		1563 00 54 778		1179 50 00 794	
	- Others (Refer Note 3A below)		1543 31 59 407		1289 85 57 663	
	<b>Sub-Total</b>			<b>3106 32 14 185</b>		<b>2469 35 58 457</b>
<b>B</b>	<b>UNSECURED LOANS</b>					
	Term Loans From					
	- Banks (Refer Note 3B below)					
	- Others (Refer Note 3B below)		35 79 51 609		40 07 03 964	
	<b>Sub-Total</b>			<b>35 79 51 609</b>		<b>40 07 03 964</b>
<b>TOTAL</b>				<b>3142 11 65 794</b>		<b>2509 42 62 421</b>

## Note 3 A : Secured Loans

(Amount in Rs.)

Sl. No.	Particulars	A/c CODE	Current Year 2015-16		Previous Year 2014-15	
<b>A</b>	<b>Term Loans from Banks</b>					
<b>1</b>	<b>State Bank of India loan</b>					
	Repayment within 10 years (including moratorium period of two years) payable in quarterly installment of Rs. 6.25 Crore each. Interest to be paid as & when due. ROI for Rs. 200 crs. base rate + 0.50% p.a.	53.500	518 50 00 001		-	
	"Repayment within 10 years (including moratorium period of two years) repayable in quarterly installment of Rs. 14.06 Crore each. Interest to be paid as & when due. ROI for Rs. 318.50 crs. base rate + 0.40% p.a. Floating 1st installment due on 03/2018." Securities : Exclusive charge on fixed assets of BESCOM @ 135% of T.L"					
<b>2</b>	<b>Bank of India</b>					
	In 28 Quarters, 27 quarterly installments of Rs.7.15 Crore per quarter commencing from 3 years from the date of first disbursement . 28th Installment will be of Rs.6.95 Crores. Interest to be serviced monthly. Secured by way of hypothecation of assets financed by the Bank (218.11 Crs.) First installment will be due on 30.06.2013	53.500	85 60 00 000		114 18 46 017	
<b>3</b>	<b>Canara Bank</b>					
	"For Rs.400 cr. repayment within 13 years (including moratorium period of three years) payable in 40 quarterly installment of Rs. 10 Crore each. Interest to be paid as & when due. ROI for Rs.200crs. base rate+0.5% p.a. (floating	53.500	610 74 54 777		659 99 54 777	

Sl. No.	Particulars	A/c CODE	Current Year 2015-16		Previous Year 2014-15	
4	without spread reset) & ROI for Rs.200 crs. base rate + 0.1%p.a (floating without spread reset). Hypothecation of fixed assets of the company valued at Rs.457.62 Crs. <b>First installment due on 23.09.2013</b> & For Rs.370 crs. Repayment in 40 quarterly installment of Rs.9.25 crs. each Interest to be paid as when due. ROI for Rs.370 crs. base rate +1% presently 11.10% <b>first installment due on 24.01.2017</b> . Hypothecation of Fixed assets of the Company valued at Rs.417.09 Crs."					
	<b>Bank of Maharastra</b> For Rs.125 Crore, the term of repayment in 28 quarter, 27 quaterly installment of Rs.4.47 Crs. per quarter and Rs.4.31 Crs. in 28th quarter after initial moratorium period & for Rs.275.00 Crs repayment of Rs.9.28 crs per quarter & for 28th quarter Rs.9.86 crs after initial moratorium period of 18 months. Securities : Exclusive 1st charge on all fixed assets to be purchased out of the loan	53.500	248 16 00 000		305 32 00 000	
5	<b>State Bank of Mysore</b> "Repayment within 13 years (including moratorium period of three years) payable in 33 quarterly installment of Rs. 3.3 Crore each. at the end of 30 th installment will be of Rs.3.43 Crs. Interest to be paid as & when due. ROI for Rs.100 crs. base rate + 0.25% pa (floating without spread reset). "Hypothecation of fixed assets of the Company valued at Rs. 110 Crs."	53.5	100 00 00 000		100 00 00 000	
<b>Sub-Total</b>				<b>1563 00 54 778</b>		<b>1179 50 00 794</b>
<b>B</b>	<b>Term Loans from Others</b>					
1	<b>Loans from Rural Electrification Corporation Limited, New Delhi. -APDRP Counter part funding</b> (Secured by Hypothecation of all existing unencumbered moveable properties including machinery, equipments, machinery spares, tools, implements, and accessories installed / created / erected and all future moveable including machinery, equipments, machinery spares, tools, implements, and accessories installed / created / erected in future and its stock of materials equipments bought or to be bought out of the loan amount at 8.5% & 11.70% interest rates.)	53.332	2 41 49 710		22 07 74 100	
2	<b>PFC - RAPDRP (Part A)</b> The tenure of loan will be 10 years from the date of disbursement including moratorium period of 3 years for both Principal and interest. Interest to be paid as notified by Ministry of Finance from time to time.	53.347	146 64 80 900		146 64 80 900	

Sl. No.	Particulars	A/c CODE	Current Year 2015-16		Previous Year 2014-15	
3	<b>RAPDRP PFC (B)</b> PFC-RAPDRP (Part-B) The tenure of loan will be 20 years including moratorium period of 5 years. The interest and interest tax on the said loan shall be borne by the Utility and shall begin to accrue from the date of release of loan by Ministry of Power to PFC. If the distribution utilities achieve the target of 15% AT & C loss on a sustained basis for a period of 5 years in the project area and the projected is completed with in time schedule fixed by the steering committee loan will be convertible into grant.	53.347	43 54 20 000		43 54 20 000	
3(a)	<b>RAPDRP PFC (B) (Counter part Funding)</b> The loan shall be repaid in 60 (Sixty) equal quarterly installments. The first installments become due on 15th day of October 2015 the subsequent installments will become due for payment on the 15th day of January, 15th day of April, 15th day of July, 15th day of October Every year.	53.347	140 54 87 239		150 95 97 409	
4	<b>PFC DRUM PROJECT</b> The Loan shall be repaid by the Distribution Company in 40 equal quarterly installments. The first installment will become due on 15th day of April 2008 Interest on the said loan at the rate of interest prevailing on the date of each disbursement. 'Secured by way of hypothecation of all assets created under the loan. <b>The Repayment to be made in 12 monthly equal installment together with rate of interest @12.50% in the outstanding balance.</b>	53.337	2 05 32 870		4 10 65 742	
5	<b>JICA (Japan International Co-Operative Agency)</b> The bank agrees to lend the company an amount not exceeding YEN 10643000000 as Principal for DAS under relavence laws & Regulation of Japan.The Company repay principal amount in accordance with amortization schedule setforth in the agreement.The Company shall pay the interest semi annually at the rate of three-fourth of one percent (0.75%) p.a	53.340	327 84 86 126		276 97 27 679	
6	<b>REC (TL) NJY Phase 2</b> Repayment with in 13 years (including moratorium period of 3 years) principal installment is payable in equal annual installments and on 15 th of the month in which the first disbursement was made.the rate of interest @ 11.5 % p.a. 'Secured by way of hypothecation of all assets created under the loan.	53.335	226 24 50 910		230 10 64 644	

Sl. No.	Particulars	A/c CODE	Current Year 2015-16		Previous Year 2014-15	
7	<b>REC (TL) DTC Metering</b> Repayment with in 13 years (including moratorium period of 3 years) principal installment is payable in equal annual installments and on 15 th of the month in which the first disbursement was made.The rate of interest @ 11.5 % p.a. 'Secured by way of hypothecation of all assets created under the loan.	53.335	136 48 27 341		136 49 34 209	
8	<b>REC (TL) HVDS</b> Repayment with in 13 years (including moratorium period of 3 years) principal installment is payable in equal annual installments and on 15th of the month in which the first disbursement was made. The rate of interest @ 11.5 % p.a 'Secured by way of hypothecation of all assets created under the loan.	53.335	93 41 14 549		93 41 14 549	
9	<b>REC (TL)UAIP</b> Repayment with in 13years (including moratorium period of 3 years) principal installment is payable in equal annual installments and on 15th of the month in which the first disbursement was made.The rate of interest @ 11.5 % p.a 'Secured by way of hypothecation of all assets created under the loan.	53.335	195 10 73 292		74 86 59 018	
10	<b>REC (TL) General Capex</b> Repayment with in 13 years (including moratorium period of 3 years) principal installment is payable in equal annual installments and on 15th of the month in which the first disbursement was made. The rate of interest @ 11.5 % p.a 'Secured by way of hypothecation of all assets created under the loan.	53.335	126 36 91 208		110 67 19 413	
11	<b>REC (TL) Static meter</b> Repayment with in 13 years (including moratorium period of 3 years) principal installment is payable in equal annual installments and on 15th of the month in which the first disbursement was made. The rate of interest @ 10.90 % p.a 'Secured by way of hypothecation of all assets created under the loan.	53.335	101 24 67 205			
12	<b>REC RGGVY 12th Plan</b> Repayment with in 20 years (including moratorium period of 3 years) principal installment is payable in equal annual installments and on 15th of the month in which the first disbursement was made. The rate of interest @ 10.75 % & 11.25% p.a 'Secured by way of hypothecation of all assets created under the loan.	53.335	1 39 78 057			
<b>Sub-Total</b>				1543 31 59 407		1289 85 57 663
<b>TOTAL</b>				3106 32 14 185		2469 35 58 457

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## Note 3 B : Un Secured Loans

(Amount in Rs.)

Sl. No.	Particulars	A/c CODE	Current Year 2015-16		Previous Year 2014-15	
1	<b>Loan from Government</b> <b>Loans from Government - PMGY</b> (The repayments to be made in 20 annual equal installments together with interest at the rate 12% on the outstanding balance commencing from 2002-2003 pertaining to Rs.45,33,130 and commencing from 2005-06 pertaining to Rs.87,50,000. However, 50% of loan will enjoy 5 years initial grace period after which repayment of these loans will be effected in 15 annual equal installments	53.3077	55 12 590		66 15 110	
2	<b>Loans from Government - APDRP</b> (The repayments to be made in 20 annual equal installments together with interest at the rate 12% on the outstanding balance commencing from 2003-2004. However, 50% of loans will enjoy 5 year initial grace period after which repayment of these loans will be effected in 15 annual equal installments.	53.3317	25 02 51 756		29 19 60 383	
3	<b>GOK Interest free Loan</b> "Government of Karnataka has released interest free loan to BESCOM towards payment to power suppliers for supply of power to State Grid during 2008-09." "Repayment: No terms & Conditions given"	53.3317	94 09 719		94 09 719	
4	<b>Loan from Government (through REC) - RGGVY</b> "(The Total repayment period will be 15 years inclusive of 5 years moratorium period together with interest @ 5% - 11.75% with quarterly interest) "Repayment begun from 15/03/2012."	53.3357	9 13 07 544		8 97 78 752	
5	Loan from GoK for Power Sector Automation - No specific Terms & conditions given. However, as per GO No FD 014 BLA 2002 dated 10.07.2003 Loan for a period of ten years & first installment begun in the month of Mar-2009 at the rate of 9% p.a	53.3417	14 70 000		29 40 000	
	<b>Sub-Total</b>			35 79 51 609		40 07 03 964
	<b>TOTAL</b>			35 79 51 609		40 07 03 964

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### Note 5 : Other Long-Term Liabilities

(Amount in Rs.)

Sl. No.	Particulars	A/c CODE	Current Year 2015-16		Previous Year 2014-15	
1	Others					
A	Service Line and Security Deposits					
1	i) Deposit Contribution Work	47.301 to 47.303, 47.305, 47.307 to 47.317, 47.321,	203 93 32 474		179 20 90 773	
	ii) Deposit Works	47.306	4 41 95 366	208 35 27 840	5 28 56 609	184 49 47 382
	(a) Deposit Contribution Work	47				
2	Other Deposits from Consumers	47.6	92 76 54 693		85 51 45 780	
3	Security Deposit from consumers:	48.1+48.2 +48.3	3140 58 04 174		2746 34 60 077	
	(b) Security Deposit from consumers			3233 34 58 867		2831 86 05 857
<b>TOTAL</b>				<b>3441 69 86 707</b>		<b>3016 35 53 239</b>

### Note 6 : Long Term Provisions

(Amount in Rs.)

Sl. No.	Particulars	A/c CODE	Current Year 2015-16		Previous Year 2014-15	
1	Provision for Employee Benefits					
	Provision for Gratuity, Pension, Leave encashment, PF & Family Benefit Fund	44.122, 130, 140 to 142		51 12 74 504		50 08 89 956
<b>TOTAL</b>				<b>51 12 74 504</b>		<b>50 08 89 956</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## Note 7 : Short-Term Borrowings

(Amount in Rs.)

Sl. No.	Particulars	A/c CODE	Current Year 2015-16	Previous Year 2014-15
<b>A</b>	<b>Unsecured</b>			
<b>1</b>	<b>Short term loan</b>			
1.1	"Vijaya Bank "STL for a period of 270 days. To be repayed on 271st day of first drawal and interest to be serviced as and when debited at 10.45% p.a (floating) i.e., base rate of the bank. Securities: Floating charge on Book debts of the Company with 10% Margin for 150 Crs. <b>Repayment due starts on 13/06/2012</b> "  STL for a period of 6 Months & tenure for repayment is to be closed of six month from the date of first disbursement that is repaid on 04/08/2012, Interest to be serviced as and when debited at 10.70% p.a (floating) i.e., base rate of the bank. Securities: Floating charge on Book debts of the Company with 10% Margin for 200 Crs."	53.500	550 00 00 000	500 00 00 000
1.2	"Corporation Bank "Line of Credit to meet mismatch in cashflow for working capital (security Nil) interest to be specified at the each availment present rate is 11.50% p.a .+base rate +1%."	53.500	350 00 00 000	350 00 00 000
1.3	<b>State Bank of Mysore</b>  STL for a period of 1 year and to be closed by the end of 1 year from the date of drawal and interest to be serviced as and when debited at 10.60% p.a. (Floating) i.e., base rate +0.10% .Securities : Floating charge on debts of the Company with 10% Margin.	53.500	100 00 00 000	100 00 00 000
1.4	<b>Bank of Maharashtra</b>  STL for a period of 1 year to be repaid 12 monthly installment interest to be serviced as and when debited at 10.25% p.a. i.e., base rate (floating). Securities : Floating charge on Book debts of the Company with 10% Margin	53.500	343 70 00 000	133 32 00 000
1.5	<b>Loan from REC (STL)</b>  The repayment to be made in 12 monthly equal installment together with interest at the rate 12.75% in the outstanding balance.	53.3357		
1.6	<b>Syndicate Bank</b>	53.5007	56 25 00 000	131 25 00 000
2	<b>Overdrafts</b>			
2.1	Bank of Baroda - OD limit Rs. 150 crore	24.420	150 16 25 818	75 23 53 213
2.2	Vijaya Bank - OD limit Rs. 400 crore	24.409	404 07 13 568	299 38 13 098
2.3	Canara Bank - OD limit Rs. 850 crore	24.414	885 51 59 955	743 39 89 968
2.4	Syndicate Bank - OD limit Rs. 200 crore	24.415	264 74 95 819	99 79 10 282
2.5	Bank of India - OD limit Rs. 170 crore	24.428	170 81 39 391	194 75 78 745
2.6	State Bank of Mysore - OD limit Rs. 300 crore	24.411	297 31 40 752	192 85 43 881
2.7	State Bank of India - OD limit Rs. 100 crore	24.412	101 96 03 168	-
	Secured by receivables specifically Hypothecated			
<b>TOTAL</b>			<b>3674 53 78 471</b>	<b>2819 98 89 187</b>



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## Note 8 : Trade Payables

(Amount in Rs.)

Sl. No.	Particulars	A/c CODE	Current Year 2015-16		Previous Year 2014-15	
1	Sundry Creditors for Purchase of Power	41 Series		3300 30 29 487		3230 76 02 277
2	Inter ESCOM, Cost of Banked Energy, SLDC Charges & PCKL Revenue Expenditure					
3	Creditors/Liabilities for supplies / works	42.1 to 42.5, 42.6		562 03 35 658		594 95 51 677
<b>B</b>	<b>Payable for other services</b>					
1	Levies / fees payable to GoK	46.300+ 46.301+ 46.441		21 28 81 214		30 66 89 928
2	Outstanding Liability - for Expenses	46.103, 410,470, 46.929		115 00 46 358		82 58 67 694
3	Payable to other ESCOMs	42.231+ 42.232+ 42.272+ 42.243+ 42.273		2 69 37 873		3 35 00 038
<b>TOTAL</b>				<b>4001 32 30 590</b>		<b>3942 32 11 614</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### Note 9 : Other Current Liabilities

(Amount in Rs.)

Sl. No.	Particulars	A/c CODE	Current Year 2015-16		Previous Year 2014-15	
1	Current maturities of long term debts		219 13 58 735	219 13 58 735	159 30 43 642	159 30 43 642
2	Interest accrued but not due on loans	46.710		9 55 07 103		5 84 22 649
3	Deposits from Suppliers, Contractors, etc.					
	Security Deposits in cash from Suppliers / Contractors	46.101	35 69 30 910		29 65 42 981	
	Security deposit other than in cash from suppliers / contractors	46.102	92 25 519	36 61 56 429	92 25 519	30 57 68 500
4	Advance consumption charges LT & HT	23.181& 23.293	(39 46 02 038)	(39 46 02 038)	35 19 12 140	35 19 12 140
5	Revenue Suspense Account & Anywhere payment	47.607, 37.501, 502, 503,504				
6	Other Payables					
	Stale Cheques	46.910	58 15 923		89 74 671	
	Retention Money - Bill amount retained	46.104	67 87 41 966		62 30 03 271	
	Other ESCOM - CESC	42.282	19 15 320		19 15 320	
	Excess credit under reconciliation with Bank	46.972, 976,977	(3 69 24 964)		(4 66 96 841)	
	Draught relief fund.	46.978	88 41 451		89 87 712	
	Miscellaneous Deposits/Other liabilities	46.966, 46.9	41 07 61 082	106 91 50 778	45 90 73 653	105 52 57 786
	Contribution received by BESCOM against compensation to the victims of Electrical accidents .	47.323	7 27 200	7 27 200	7 27 200	7 27 200
7	Advance Retention Money (Delay condon)	28.105				
<b>TOTAL</b>				<b>332 82 98 207</b>		<b>336 51 31 917</b>

### Note 10 : Short-Term Provisions

Sl. No.	Particulars	A/c CODE	Current Year 2015-16		Previous Year 2014-15	
1	Provision for Employee Benefits			14 62 43 004		6 19 58 283
	Unpaid Salaries	44.210	1 34 222		1 18 894	
	Unpaid Bonus	44.220	15 679		61 965	
	Salary payable	44.310	2 76 01 763		2 86 37 917	
	Bonus payable	44.320	98 76 241		21 94 052	
	Ex-gratia payable	44.330	10 86 15 099		3 09 45 455	
2	Provision for Income-Tax	46.800	55 21 73 690	55 21 73 690	30 70 00 000	30 70 00 000
<b>TOTAL</b>				<b>69 84 16 694</b>		<b>36 89 58 283</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## Note 11 : Tangible / Intangible Assets

(Amount in Rs.)

Particulars		Fixed Assets			
Asset Group	A/c Code	Opening Balance as at 1-4-2015	Additions	Deductions	Closing Balance as at 31-3-2016
<b>TANGIBLE ASSETS</b>					
Land & Rights	10.1	75378729	132735		7 55 11 464
Buildings	10.2	79 36 20 856	27 41 99 404	82 844	106 77 37 416
Civil Works (Pipeline, Sewage, Drainage, Water supply)	10.3	3 38 65 588	68 64 135		4 07 29 723
Other Civil Works	10.4	81 02 951	79 79 636		1 60 82 587
Plant & Machinery	10.5	1499 29 18 726	613 89 53 616	126 66 46 652	1986 52 25 690
Lines Cable Networks	10.6	5441 73 33 733	1372 15 50 342	71 72 35 808	6742 16 48 267
Vehicles	10.7	18 68 57 246	6 11 57 601	34 25 234	24 45 89 613
Furniture & Fixtures	10.8	11 63 73 152	2 01 17 450	2 76 780	13 62 13 822
Office Equipments	10.9	11 91 74 036	2 19 35 637	13 80 408	13 97 29 265
<b>Current Year Total</b>		<b>7074 36 25 017</b>	<b>2025 28 90 556</b>	<b>198 90 47 726</b>	<b>8900 74 67 847</b>
<b>Previous Year Total</b>		<b>5605 27 84 043</b>	<b>1645 01 70 858</b>	<b>175 93 29 884</b>	<b>7074 36 25 017</b>

### Note 11 : Tangible / Intangible Assets

(Amount in Rs.)

Particulars	Depreciation						Net Block		
Asset Group	A/c Code	Opening Balance As at 1-4-2015	Additions	Deductions	Short depreciation provided	Excess depreciation withdrawn	Closing Balance As at 31-3-2016	As at 31-3-2016	As at 31-3-2015
TANGIBLE ASSETS									
Land & Rights	12.1	2311317	4 62 374		0	0	27 73 691	7 27 37 773	73067412
Buildings	12.2	17 57 41 863	3 10 82 453	68 01 000	6 94 851	19 92 952	19 87 25 215	86 90 12 202	61 78 78 993
Civil Works (Pipeline, Sewage, Drainage, Water supply)	12.3	1 34 73 252	19 17 579		10 042	3	1 54 00 870	2 53 28 853	2 03 92 336
Other Civil Works	12.4	20 95 038	3 68 789			8	24 63 819	1 36 18 768	60 07 913
Plant & Machinery	12.5	357 03 30 398	112 02 53 869	26 08 78 570	4 62 53 381	1 20 29 103	446 39 29 975	1540 12 95 715	1142 25 88 328
Lines Cable Networks	12.6	1619 43 30 584	299 55 17 365	48 08 98 815	11 88 47 176	3 59 02 233	1879 18 94 077	4862 97 54 189	3822 30 03 149
Vehicles	12.7	12 00 60 607	1 19 40 612	(26 63 732)	3 19 328	2 66 826	13 47 17 453	10 98 72 160	6 67 96 639
Furniture & Fixtures	12.8	5 51 31 175	60 49 676	2 48 901	2 17 402	2 79 560	6 08 69 792	7 53 44 030	6 12 41 977
Office Equipments	12.9	3 51 61 681	60 25 756	6 31 675	61 833	1 38 867	4 04 78 728	9 92 50 536	8 40 12 355
Current Year Total		2016 86 35 915	417 36 18 473	74 67 95 229	16 64 04 013	5 06 09 552	2371 12 53 620	6529 62 14 226	5057 49 89 102
Previous Year Total		1772 86 67 340	308 25 43 235	73 92 51 660	11 46 92 613	1 80 15 612	2016 86 35 915	5057 49 89 102	3832 41 16 703

# **Note 11 : Tangible / Intangible Assets**

(Amount in Rs.)

Particulars	Fixed Assets				
	A/c Code	Opening Balance As at 1-4-2015	Additions	Deductions	Closing Balance As at 31-3-2016
<b>INTANGIBLE ASSETS</b>					
Land & Rights	10.1	2 05 54 757			2 05 54 757
Software & Software Rights	18.1	2 82 76 029	2 83 98 429		5 66 74 458
<b>Current Year Total</b>		<b>4 88 30 786</b>	<b>2 83 98 429</b>		<b>7 72 29 215</b>
<b>Previous Year Total</b>		<b>2 12 89 814</b>	<b>7 35 057</b>		<b>2 12 89 814</b>

Particulars	Depreciation						Net Block	
	A/c Code	Opening Balance As at 1-4-2015	Additions	Deductions	Short depreciation provided	Excess depreciation withdrawn	As at 31-3-2016	As at 31-3-2015
<b>INTANGIBLE ASSETS</b>								
Land & Rights	12.1	1 77 480	1 02 06 370				86 80 206	2 03 77 277
Software & Software Rights	18.1		14 90 701				5 66 74 458	2 82 76 029
<b>Current Year Total</b>		<b>1 77 480</b>	<b>1 16 97 071</b>				<b>6 53 54 664</b>	<b>4 86 53 306</b>
<b>Previous Year Total</b>		<b>1 33 110</b>	<b>44 370</b>				<b>4 86 53 306</b>	<b>3 75 57 336</b>

NOTE:

- Buildings includes shared assets as per KPTCL's intimation
- Addition includes released assets after reconditioning
- Deduction includes transfer of assets for reconditioning.
- Additions / deletions of assets and depreciation thereon include:
  - Items pending reconciliation relating to inter unit transfers and
  - Prior period adjustments.
- Intangible Assets - 12.1 - Additions includes Rs.68 01 000 of misclassification made in the previous year under Tangible Assets - 12.2 is now rectified

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### Note 12 : Capital Work-in-Progress

(Amount in Rs.)

Sl. No.	Particulars	A/c CODE	Current Year 2015-16		Previous Year 2014-15	
1	Capital Work in Progress	14	984 62 66 871		1323 36 35 281	
2	Contracts in Progress	15.128	7 94 26 634		4 96 38 241	
	Capital Work in Progress	14 series		992 56 93 505		1328 32 73 522
3	Provision for works.	15.500		161 42 73 326		45 52 37 024
<b>TOTAL</b>				<b>1153 99 66 831</b>		<b>1373 85 10 546</b>

### Note 14 : Non-Current Investments

(Amount in Rs.)

Sl. No.	Particulars	A/c CODE	Current Year 2015-16		Previous Year 2014-15	
1	<b>Trade Investments</b>					
	Investment in equity instruments					
2	<b>Non-Trade Investments</b>					
	Investment in equity instruments	20.25		10 01 00 000		10 01 00 000
	Company is having a share of 100100 No of 1000 Rupees face value as investment made to PCKL					
3	Post acquisition profit on investment made in PCKL			2 14 20 977		1 74 64 496
<b>TOTAL</b>				<b>12 15 20 977</b>		<b>11 75 64 496</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## Note 15 : Long-Term Loans & Advances

(Amount in Rs.)

Sl. No.	Particulars	A/c CODE	Current Year 2015-16		Previous Year 2014-15	
<b>A</b>	<b>CAPITAL ADVANCES</b>					
1	Advances to Suppliers	25.1 to 25.5, 27.106	29 16 11 616		16 30 40 424	
2	Advances to Contractors	26.6	291 87 97 321		243 80 58 147	
3	Loans and Advances - Others	27.8 47.308, 309,310, 311	342 39 52 505		314 03 15 414	
				663 43 61 442		574 14 13 985
<b>B</b>	<b>DEPOSITS</b>					
a)	Security Deposits with Railways and Others	28.9	39 99 82 573		36 30 89 240	
b)	Security Deposit from Suppliers & Contractors other than cash.	28.930				
c)	Deposit with Jurala Hydro Electric Project	20.251	14 00 00 000		14 00 00 000	
				53 99 82 573		50 30 89 240
<b>TOTAL</b>			<b>717 43 44 015</b>			<b>624 45 03 225</b>

## Note 18 : Inventories, Stores & Spares

(Amount in Rs.)

Sl. No.	Particulars	A/c CODE	Current Year 2015-16		Previous Year 2014-15	
1	<b>Stores, spares and loose tools</b> (Stocks are valued at standard cost)					
a)	Material Stock Account	22.610	112 02 66 584		197 95 53 048	
	Less :Excess /Shortage	22.810- 22.820	40 15 763	112 42 82 347	-( 23 91 892)	197 71 61 156
b)	Mateterial imprest Account	22.641		2 15 98 379		1 10 96 579
c)	Other Material Account	22.700		2 36 68 936		2 59 87 117
2	<b>Dismantled assets for reuse</b> (valued at WDV)					
a)	Value of scraped assets	16.1	27 86 53 420		15 35 44 590	
				27 86 53 420		15 35 44 590
b)	Value of Faulty and Dismantled assets for reuse	16.2	42 58 01 778		36 91 57 145	
	Less : Depreciation		1 70 62 131	40 87 39 647	2 04 63 300	34 86 93 845
	<b>Sub-Total</b>			<b>68 73 93 067</b>		<b>50 22 38 435</b>
<b>TOTAL 1 + 2</b>				<b>185 69 42 729</b>		<b>251 64 83 287</b>



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## Note 19 : Trade Receivables

(Amount in Rs.)

Sl. No.	Particulars	A/c CODE	Current Year 2015-16		Previous Year 2014-15	
1	Sundry Debtors - Supply of Power					
	a) Sundry Debtors for sale of Power – LT	23.1	3905 81 97 853		3852 40 05 324	
	b) Sundry Debtors for sale of Power - HT	23.2	14 35 92 496	3920 17 90 349	32 18 55 573	3884 58 60 897
	GoK - Tariff subsidy	28.625	524 53 00 000		524 53 00 000	
	c) Amounts Receivable from GoK towards Free Power Supply to IP sets upto 10HP	28.627	734 15 80 738		648 15 44 153	
	d) Tariff subsidy Receivable from GOK towards BJ/KJ installation	28.626		1258 68 80 738	54 63 13 743	1227 31 57 896
	1. Dues from Permanently disconnected installations	23.5	136 98 21 780		119 20 73 439	
	2. Sundry Debtors - miscellaneous receipts from consumers	23.7	12 700		(54 557)	
	3. Provision for withdrawal of Revenue demand	23.8	(11 94 87 392)	125 03 47 088	(4 29 67 369)	114 90 51 513
	4. Revenue Suspense Account & Anywhere payment	47.607, 47.609, 47.611, 47.612	(76 01 89 103)	(76 01 89 103)	(28 59 89 011)	(28 59 89 011)
	<b>Total 1</b>			<b>5227 88 29 072</b>		<b>5198 20 81 295</b>
2	Less : Provision for Doubtful Dues from consumers	23.9	1180 07 93 304		1241 80 29 587	
	<b>Total - 2</b>			<b>1180 07 93 304</b>		<b>1241 80 29 587</b>
3	<b>Net Receivables against Supply of Power (1 -2)</b>			<b>4047 80 35 768</b>		<b>3956 40 51 708</b>
4	Sundry Receivables from					
A	KPTCL	28.826, 831, 836,841	32 23 22 205		32 06 09 650	
	Less : Payable to KPTCL					
a	On accounts of funds received	46.106				
b	On accounts of funds received and adjusted to receivable from KPTCL	28.881				
c	On account of Materials, Released Assets, Personnel and others (Cash transactions)	42.276, 277,278, 52.308	19 38 75 090		9 95 81 386	
	<b>Net receivable from KPTCL</b>		<b>12 84 47 115</b>		<b>22 10 28 264</b>	

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## Note 19 : Trade Receivables

(Amount in Rs.)

Sl. No.	Particulars	A/c CODE	Current Year 2015-16		Previous Year 2014-15	
B	MESCOM	28.828, 833,838, 28.927	1 59 54 756		1 59 54 756	
C	GESCOM	28.830, 835,840, 928	6 67 92 684		6 67 92 684	
D	HESCOM	28.829, 834,839, 929	3 71 88 878		3 71 88 878	
	KPTCL & Other ESCOMS	28.8		24 83 83 433		34 09 64 582
	Other Receivables-suppliers/Contractors	28.8	(6 28 63 503)		(7 67 43 097)	
	Government and other local bodies receivables	28.1	234 82 34 062		281 20 79 365	
	<b>Sub Total</b>		<b>228 53 70 559</b>	<b>228 53 70 559</b>	<b>273 53 36 268</b>	<b>273 53 36 268</b>
	<b>Total - 5</b>			<b>253 37 53 992</b>		<b>307 63 00 850</b>
5	Sundry Debtors for Electricity Tax	23.3		194 88 06 507		107 26 46 831
<b>Total 4+5+6</b>				<b>4496 05 96 267</b>		<b>4371 29 99 389</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### Note 20 : Cash & Cash Equivalents

(Amount in Rs.)

Sl. No.	Particulars	A/c CODE	Current Year 2015-16		Previous Year 2014-15	
1	Cash on hand	24.110+ 24.210	30 93 28 109	30 93 28 109	19 20 75 370	19 20 75 370
2	Cheques, drafts on hand					
3	Balances with Banks:					
	(i) in current accounts					
	(a) Operative Accounts with scheduled banks	24.400	6 22 40 229		5 33 95 609	
	(b) Non-Operative Accounts with scheduled banks (Collection bank)	24.300	41 78 89 085	48 01 29 314	53 63 02 629	58 96 98 238
	(ii) in deposit accounts *	20.2	64 10 95 388	64 10 95 388	91 95 80 427	91 95 80 427
4	Stamps on Hand	24.120, 24.130, 24.140		2 73 566		2 14 700
<b>TOTAL</b>				<b>143 08 26 377</b>		<b>170 15 68 735</b>

\* Deposit is margin money serving as security against LC for Central Government Stations (Power Generators)

### Note 21 : Short Term Loans & Advances

(Amount in Rs.)

Sl. No.	Particulars	A/c CODE	Current Year 2015-16		Previous Year 2014-15	
1	Advance to Suppliers					
2	Deposits					
3	Advance Tax (Net of Provision for Tax)					
a	Tax deducted at source - (income Tax)	28.850	2 75 49 421	2 75 49 421		2 75 49 421
b	Income Tax including Advance Tax	28.821	13 59 88 855	13 59 88 855		13 51 94 590
c	Income tax of earlier years					
d	Income tax refund to be received	28.821				
4	Advances Recoverable in cash or in kind or for value to be received.					
5	Others.					
a	Amounts recoverable from current employees	28.4	13 38 44 221		14 13 05 917	
b	Amounts recoverable from ex-employees	28.402	3 06 13 983		3 05 79 686	
c	Less : Provision for Doubtful of recovery from ex-employees	28.899	6 18 56 673	10 26 01 531	6 18 56 673	11 00 28 930
6	Loans and Advances to Staff - Interest free	27.2		7 55 62 998		12 37 68 798
<b>TOTAL</b>				<b>34 17 02 805</b>		<b>39 65 41 739</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## Note 22 : Other Current Assets

(Amount in Rs.)

Sl. No.	Particulars	A/c CODE	Current Year 2015-16		Previous Year 2014-15	
A	Other Current Assets					
1	Remittance to Head Office - Transit Account	24.5	1 11 29 716		8 12 58 135	
2	Transfers from Head Office In Transit Account	24.6		1 11 29 716		8 12 58 135
3	Amount paid to IT under protest	28.821	73 79 33 607	73 79 33 607		73 79 33 607
4	Unbilled Revenue - LT	23.4	590 39 61 266		487 85 78 194	
	Unbilled Revenue - HT	23.4	573 50 81 605	1163 90 42 871	533 06 19 761	1020 91 97 955
5	Other Receivables	28.72, 28.74	1 00 71 079	1 00 71 079		1 02 12 735
6	Receivables from Pension / Gratuity Trust	28.9	6 51 10 275	6 51 10 275		8 73 21 354
7	Cash Receivables from Associates - KPTCL / ESCOMS	28.9	447 43 76 612	447 43 76 612		452 64 39 995
8	Inter ESCOMs Energy balancing & Energy charges at IF point	23.6	1694 57 69 658	1694 57 69 658	1279 84 56 498	1279 84 56 498
9	Regulatory asset receivable (KERC)	28.922	541 97 00 000	541 97 00 000	--	--
10	Receivable from GOK refund of meterequipment security deposit	28.710	--	--	--	--
11	Interest accrued but not due on deposits (including Bank Deposits)	28.2 & 3		11 14 31 484		12 05 95 148
12	Prepaid expenses	28.820		12 36 800		10 25 624
1	Inter Unit Accounts- Materials	31	(3 52 31 650)		(8 27 23 693)	
2	IUA - CWIP, Fixed Assets, depreciation provision / obsolete and released assets	32	( 12 51 433)		2 46 35 202	
3	Inter Unit Accounts - (1993) Personnel	36	(13 94 58 378)		(15 14 64 589)	
4	IUA - Other transactions / adjustments	37	12 38 43 936		(94 01 28 340)	
5	IUA-Remittances to HO	33	(12 48 61 055)		23 065	
	IUA-Transfer from HO	34	( 9 036)		49 994	
13	Inter Unit Accounts			(17 69 67 616)		(114 96 08 360)
<b>TOTAL (A + B)</b>				<b>3923 88 34 486</b>		<b>2742 28 32 691</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## Note 23 : Revenue from Operations

(Amount in Rs.)

Sl. No.	Particulars	A/c CODE	Current Year 2015-16	Previous Year 2014-15
1	LT 1(a) I BJ/KJ Up To 18 Units Metered installations	61.101	30 80 77 758	41 40 27 233
2	LT 1(a) I BJ/KJ Up To 18 Units Un Metered installations	61.102	7 176	1 611
3	LT 1 II BJ/KJ Above 18 Units having more than one outlet	61.103	31 57 96 632	23 16 50 788
4	LT 2A I Lighting/combined lighting, heating & motive power installations BBMP (Urban) - LT 2(a)I	61.111	2745 10 30 146	2473 59 34 302
5	LT 2A II Lighting/combined lighting, heating & motive power installations (Urban Local Bodis other than LT 2(a)i - LT2 (a)ii	61.112	236 10 33 135	206 67 20 610
6	LT 2A III Lighting/combined lighting, heating & motive power installations (Village Panchayats) - LT 2(a)iii	61.113	11 717	11 02 964
7	LT 2A FL Lighting/combined lighting, heating & motive power installations (Free Lighting)	61.114	5 40 39 536	6 43 75 703
8	LT 2B I Lighting/combined lighting, heating & motive power installations of Pvt. Professional including aided educational institutions under Urban Local Bodies including City Corporations LT 2 (B)i	61.115	28 40 58 204	25 32 64 497
9	LT 2B II Lighting/combined lighting, heating & motive power installations of Pvt. Professional including aided educational institutions under VPs -LT2(b)ii	61.116	3 79 61 722	2 97 90 779
10	LT 3 I Commercial Lighting, heating & motive power installations of ULBs including City Corporations	61.131	1393 05 86 705	1245 33 62 303
11	LT 3 II Commercial Lighting, heating & motive power installations VPs - LT3 (ii)	61.132	102 03 68 626	121 04 23 229
12	LT 3 FL Commercial Lighting, heating & motive power installations - Office Lighting	61.133	4 30 15 603	1 66 30 090
13	Revenue from sale of power-commercial-applicable to Areas coming under Village Panchayats- LT3(iii)	61.135	-	
14	LT 4A IPSets upto and inclusive of 10HP-Unmetered installations till such time, meters are fixed-Rural feeders-LT4(a)i-Free power-Unmetered	61.141	1585 22 29 508	1358 79 09 389
15	IPSets upto and inclusive of 10HP-where meters are fixed-Rural feeders-LT4(a)i-Free power-Metered	61.142	-	3 34 655

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## Note 23 : Revenue from Operations

(Amount in Rs.)

Sl. No.		Particulars	A/c CODE	Current Year 2015-16		Previous Year 2014-15	
16		IPSets upto and inclusive of 10HP-Urban feeders metered-LT4(a)ii-Free power-metered	61.143	3 71 272		69 368	
17		IPSets upto and inclusive of 10HP-Urban feeders Unmetered-LT4(a)ii-Free power-Unmetered	61.146	-		25 180	
18	LT 4B	I.P.Sets above 10HP-LT4(b)	61.144	1 51 98 092		6 00 00 346	
19	LT 4C	IP sets Pvt. Hortl, Nurseries, Coffee & Tea Plantations irrespective of sanctioned load - LT4( c)	61.145	1 08 51 373		10 66 03 792	
20		Revenue from sale of power - IP sets - hor. Nur. Coffee & Tea above 10HP- LT 4 C(ii)	61.147	50 48 484		26 76 597	
21	LT 5A	Heating & motive power (including lighting) of BBMP area upto & below 5HP - LT5(a)i	61.151	44 23 48 332		56 51 19 295	
22		Heating & motive power (including lighting) of Bangalore Metropolitan area for above 5HP & below 40HP (including demand based tariff) - LT 5(a)ii	61.152	196 01 67 915		173 58 30 620	
23		Heating & motive power (including lighting) of BBMP area for 40HP & above but below 67HP (including demand based tariff) - LT 5(a)iii	61.153	232 55 16 439		203 36 34 048	
24		Heating & motive power (including lighting)-BBMP area for 67HP & above (including demand based tariff) - LT 5(a)iv	61.154	45 60 64 864		53 64 79 333	
25	LT 5B	Heating & motive power (including lighting) of other than BBMP area upto and below 5HP - LT 5(b)i	61.155	27 94 25 162		37 19 32 802	
26		Heating & motive power (including lighting) of other than BBMP area for above 5HP & below 40HP (including demand based tariff )- LT 5(b)ii	61.156	89 81 56 207		92 67 85 396	
27		Heating & motive power (including lighting) of other than BBMP area for above 40HP & below 67HP (including demand based tariff )- LT 5(b)iii	61.157	106 71 80 270		94 72 05 340	
28		Heating & motive power (including lighting) other than BBMP area for 67HP and above (including demand based tariff )- LT 5(b)iv	61.158	10 24 44 314		10 80 20 134	
29	LT 6B I	Water supply installations of VPs/ TP's and TMC/CMCs - LT 6	61.171	3,637,070,861		359 35 52 605	
30	LT 6B II	Public Lighting installations of VPs/ TP's and TMC/CMCs - LT 6	61.172	299 64 74 836		294 74 72 349	

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## Note 23 : Revenue from Operations

(Amount in Rs.)

Sl. No.		Particulars	A/c CODE	Current Year 2015-16		Previous Year 2014-15	
31	LT 7	Temporary Power Supply - LT installations - LT7	61.181	208 05 30 892		225 18 42 573	
32	LT 7	Revenue from sale of Power - Power supply on permanent supply to Advertising Hoardings - LT 7(b)	61.182	84 349			
<b>I</b>		<b>Sale of Power L T category</b>			<b>7793 51 50 128</b>		<b>7125 27 77 931</b>
33	HT 1	Drainage/Sewerage BWSSB & Local bodies/KUWS & SB -Water supply installations -HT 1	61.250	302 94 93 885		287 48 94 771	
34	HT 2A I	Industries in BBMP area - HT 2(a)i	61.260	1679 43 97 406		1595 23 99 837	
35	HT 2A II	Industries in areas other than BBMP area - HT 2(a)ii	61.261	1720 34 49 088		1717 77 04 142	
	HT 2C I	Revenue from sale of power - Govt. hospitals & Hospitals run by charitable institution, Educational institution	61.263	77 86 79 318		58 69 44 908	
	HT 2 CII	Revenue from sale of power - Govt. hospitals & Hospitals run by charitable institution, Educational institution other than those covered under HT2CI	61.264	101 70 87 156		78 16 76 726	
36	HT 2B I	HT Commercial applicable to BBMP area - HT2(b)i	61.270 61.271	2214 75 56 097		2186 85 90 304 29 52 03 781	
37	HT 2B II	HT Commercial applicable to areas other than BBMP area - HT2(b)ii	61.273	173 84 97 285		148 58 30 614	
38	HT 3A I	Lift Irrigation Schemes-Govt Dept & Govt owned Corporations - HT3(a)i	61.280	11 99 67 749		3 82 58 365	
39	HT 3A II	Lift irrigation Schemes - Pvt LI Schemes and LI societies HT 3 a (ii)	61.281	20 64 397		1 35 190	
40	HT 3B	Lift irrigation Govt Horticulture, Coffee, Tea, coconut, Areca, Etc Agricultural farms HT 3 b	61.282 61.289	17 81 590		27 31 111 6 64 776	
41	HT 4A	Residential apartments and colonies of BBMP Area HT 4 (a)	61.290	60 09 43 557		75 77 13 834	
42	HT 4B	Residential apartments and colonies Urban Local Bodies other than HT 4 (a) - HT 4 (b)	61.291	1 77 778		2 50 69 685	
43	HT 4C	Residential apartments and colonies of VPs - HT 4 (c)	61.292			60 78 112	
44	HT 5	Temporary Power Supply - HT installations - HT5	61.293	89 92 22 335		74 79 10 398	
<b>II</b>		<b>Sale of Power HT category</b>			<b>6433 33 17 642</b>		<b>6260 18 06 554</b>
<b>Total LT+HT</b>					<b>14226 84 67 770</b>		<b>13385 45 84 485</b>



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### Note 23 : Revenue from Operations

(Amount in Rs.)

Sl. No.	Particulars	A/c CODE	Current Year 2015-16		Previous Year 2014-15	
<b>III</b>	<b>Other - Operating revenues</b>					
1	Fuse charges	61.901	2 13 721		66 152	
2	Reconnection Fee (D & R)	61.902	1 65 41 605		1 03 09 711	
3	Public Lighting Maintenance Charges	61.903	-			
4	Service Connection	61.904	47 52 71 535		47 14 66 126	
5	Delayed payment charges from consumers.	61.905				
6	Other Receipts from consumers	61.906	32 74 10 744		52 51 88 271	
7	Registration fee towards SRTPV connection (Solar rooftop PV system)	61.907	21 04 209		16 83 515	
8	Facilitation fee towards SRTPV connection (Solar rooftop PV system)	61.908	8 51 650		11 000	
9	Recoveries for theft of power	61.710	1 28 47 965		51 15 073	
	<b>Sub Total</b>			<b>83 52 41 429</b>		<b>101 38 39 848</b>
10	Less : Provision for withdrawal of Revenue Demand	83.8		21 35 53 111		7 23 77 591
11	Withdrawal of revenue demand as credit adjustment.	83.835		46 34 83 072		
12	Credit Adjustment through Balance Transfer system	83.836		94 43 23 050		
<b>TOTAL</b>				<b>14148 23 49 967</b>		<b>13479 60 46 742</b>

### Note 23A : Income on Account of Regulatory Asset / Truing up subsidy

(Amount in Rs.)

Sl. No.	Particulars	A/c CODE	Current Year 2015-16		Previous Year 2014-15	
1	Income on Account of Regulatory Asset / Truing up subsidy	61.910		541 97 00 000		
<b>TOTAL</b>				<b>541 97 00 000</b>		

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### Note 23B : Other Income

(Amount in Rs.)

Sl. No.	Particulars	A/c CODE	Current Year 2015-16		Previous Year 2014-15	
	Interest on Bank Fixed Deposits	62.222, 260, 270,240	8 17 10 118		10 22 87 652	
	Interest - Others	62.260 & 62.221	10 82 305		48 85 722	
1	Interest Income :			8 27 92 423		10 71 73 374
2	Other non operating income					
	Profit on sale of stores	62.330 - 79.573	(70 81 760)		98 27 389	
	Rent	62.901	3 55 74 888		1 90 28 905	
	Incentives received	62.907+ 62.361+ 62.911+ 62.922+ 92+923+ 62.361+ 62.918	116 78 07 381		141 29 10 634	
	Excess provision made in prior period which is no longer required	62.325			14 48 791	
	Value of materials found excess during physical verification	62.905	23 27 355		41 03 253	
	Miscellaneous	62.917	35 93 70 226		46 82 79 238	
	Rebate at 0.5% for collection of Electricity Duty	62.916	3 04 20 431		2 96 67 682	
	Supervision charges collected from Cable Operators	62.925	8 51 320			
	Profit earned on investment in PCKL for Current year		39 56 481		52 40 518	
				159 32 26 321		195 05 06 410
	<b>TOTAL</b>			<b>167 60 18 744</b>		<b>205 76 79 784</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### Note 24 : Purchase of Power

(Amount in Rs.)

Sl. No.	Particulars	A/c CODE	Current Year 2015-16		Previous Year 2014-15	
I	Power Purchase Cost	70		13885 40 60 946		11936 65 34 184
1	Revenue from sale of power - HESCOM -Energy balancing at IF poit and above 33KV	61.310	780 50 08 569		91 71 00 000	
2	Revenue from sale of power - GESCOM - Energy balancing at IF poit and above 33KV	61.311	149 56 07 619		110 73 00 000	
		61.312	90 62 48 823		89 56 06 077	
3	Revenue from sale of power - CESC -Energy balancing at IF poit and above 33KV	61.313	81 88 36 480		5 94 00 000	
4	Revenue from Inter Escom exchange of energy charges 11KV - LT - HESCOM	61.314				
5	Revenue from Inter Escom exchange of energy charges 11KV - LT - GESCOM	61.315				
6	Revenue from Inter Escom exchange of energy charges 11KV - LT - MESCOM	61.316	44 73 971		1 40 87 965	
7	Revenue from Inter-ESCOM exchange of energy cahrges 11KV & LT - CESC	61.317	2 42 57 698		1 73 30 416	
	Less : Energy balancing between ESCOMs	61.3		1105 44 33 160		301 08 24 458
	<b>Total</b>			<b>12779 96 27 786</b>		<b>11635 57 09 726</b>
	Add : Short provision for power purchased in previous years	83.100		269 76 72 897		330 00 95 784
	Less : Excess provision for Power purchased in previous years	65.800		28 14 28 301		27 66 36 714
	Less : Rate fluctuation - power purchase	65.900		420 57 74 829		248 35 92 079
	<b>Total</b>			<b>12601 00 97 553</b>		<b>11689 55 76 717</b>
	Less : Excess provision for Others	65.900				4 52 92 980
	<b>GRAND TOTAL</b>			<b>12601 00 97 553</b>		<b>11685 02 83 737</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### Note 25 : Other Operating Expenses

(Amount in Rs.)

Sl. No.	Particulars	A/c CODE	Current Year 2015-16		Previous Year 2014-15	
1	Repairs and Maintenance - Plant and Machinery	74.1		55 83 26 176		36 99 71 106
	Buildings	74.2	2 30 87 602		3 68 97 266	
	Civil works (Pipeline, Sewage, drainage and water supply)	74.3	50 35 973		56 63 207	
2	Repairs and maintenance - buildings	74.2 & 3		2 81 23 575		4 25 60 473
3	Lines, Cable Net Work etc.	74.5	23 59 81 902		12 24 93 805	
	Vehicles	74.6	71 60 877		1 09 51 257	
	Furniture and Fixtures	74.7	1 03 674		5 934	
4	Office Equipments.	74.8	40 20 762		35 34 211	
5	R & M charged to Capital Works (Credit account)	74.9	(31 598)		(1 13 925)	
6	Repairs and maintenance - others	74.3 to 74.8		24 72 35 617		13 68 71 282
7	Computer Rentals/maintenance charges	77.611				
<b>TOTAL</b>				<b>83 36 85 368</b>		<b>54 94 02 861</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## Note 26 : Employee Benefits

(Amount in Rs.)

Sl. No.	Particulars	A/c CODE	Current Year 2015-16		Previous Year 2014-15	
1	Salaries and Wages	75.1 to 75.4				
	Salaries	75.1	400 44 01 481		395 23 53 163	
	Over Time	75.2	10 73 76 435		10 78 49 056	
	Dearness Allowance	75.3	124 36 10 376		96 84 32 864	
	Other Allowances	75.4	94 44 18 580	629 98 06 872	94 41 79 228	597 28 14 311
2	Bonus	75.5	14 77 27 860	14 77 27 860		4 84 99 406
3	Terminal Benefits	75.8	150 23 08 840	150 23 08 840		134 31 75 427
4	Staff Welfare					
	Medical Expenses reimbursement	75.611	8 58 68 284		10 12 64 940	
	Leave travel assistance	75.612	10 91 522		7 698	
	Earned Leave Encashment - For employees covered under Contributory Pension Scheme.	75.616	11 09 10 645		9 83 61 982	
	Earned leave encashment	75.617	20 80 09 051		24 79 17 162	
	E.L.Encashment - Retirement / Deceased Employees	75.618	16 37 96 802		16 15 13 485	
	Staff Welfare expenses	75.700	7 52 42 151		8 41 00 342	
	Compensation for injuries, death and damages ? Staff	79.530		64 49 18 455		69 31 65 609
5	Workmen compensation					
	Payment under workmens compensation Act	75.629	3 56 980		28 49 960	
	Payment to helpers/employees of Monsoon gang	75.630	1 29 07 639	1 32 64 619	1 06 07 935	1 34 57 895
6	Employees cost charged to capital works (Credit Account)	75.900		(5 53 56 991)	(4 75 83 264)	(4 75 83 264)
<b>TOTAL</b>				<b>855 26 69 655</b>		<b>802 35 29 384</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## Note 27 : Other Expenses

(Amount in Rs.)

Sl. No.	Particulars	A/c CODE	Current Year 2015-16		Previous Year 2014-15	
1	Rent	76.101	16 31 38 935		13 81 70 513	
2	Postage stamps & Telephone charges	76.111, 112,113, 115	7 90 12 553		7 21 80 779	
3	Remuneration to contract agencies	76.116+ 76.126+ 127+128+ 129+130+ 141+142+ 143	118 37 34 818		109 61 08 124	
4	Professional, legal and consultancy	76.122+ 123+124+ 125	3 23 06 511		3 53 75 284	
5	Conveyance & Travel expenses	76.131, 135,137 to 139,	43 66 19 410		38 72 48 347	
6	Vehicle running expenses	76.136	2 66 95 330		3 10 24 634	
7	Fees & Subscriptions	76.151	4 84 86 505		3 92 32 954	
8	Printing & Stationery	76.152 76.153	5 90 14 130		6 19 56 384	
9	Advertisement Expenses	76.155, 76.260	1 59 85 701		2 76 87 173	
10	Computer stationary and floppies	76.156	57 92 419		55 12 913	
11	Contributions	76.157	1 56 43 093		30 44 998	
12	Electricity Charges	76.158	1 92 32 314		2 33 23 495	
13	Freight & other material related expenses	76.201 to 76.282	97 96 232		1 12 06 544	
14	Miscellaneous including provisions					
	Rates & Taxes	76.102	56 34 438		68 14 212	
	Insurance/fee	76.104, 105,106, 103	3 50 975		5 32 450	
	Security Charges	76.103				
	Water Charges	76.160	46 14 336		35 79 749	
	DSM Expenses	76.193	3 83 46 215		4 77 13 531	
	License Fees	76.154			2 379	

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## Note 27 : Other Expenses

(Amount in Rs.)

Sl. No.	Particulars	A/c CODE	Current Year 2015-16		Previous Year 2014-15	
	Miscellaneous expenses	76.152, 162,164, 190,191, 192,79.2	8 61 72 888		4 49 74 857	
15	Details of Payments to Auditors (including legal & Professional charges)					
	a) Audit Fees					
	- Statutory Audit Fees		10 50 000		8 00 000	
	- Tax Audit Fees		2 00 000		1 50 000	
	b) For Re-imbursement of expenses		65 000		40 000	
	c) For Service Tax		1 81 250		1 20 000	
16	Expenses towards CSR- (Corporate Social Responsibilities)	76.194				
17	Other Expenses charged to capital works (Credit Account)	76.900	(8 24 81 605)		(6 36 70 962)	
			214 95 91 448	214 95 91 448	197 31 28 358	197 31 28 358
18	Small & Low value items Written off	77.610	15 50 366		26 72 538	
19	Asset decommissioning cost	77.5	(11 30 725)		(4 19 344)	
			4 19 641	4 19 641	22 53 194	22 53 194
20	Bank charges	78.820 to 78.890	12 74 69 442		10 19 08 018	
21	Interest to Consumers	78.600	245 23 91 360		210 37 60 717	
22	Stamp duty	78.861	1 05 00 600			
			259 03 61 402	259 03 61 402	220 56 68 735	220 56 68 735
23	Provision Against ex-employee recoverable	79.480				
24	Material cost variance	79.110	(1 82 17 501)		(15 09 35 173)	
25	Miscellaneous losses and Write offs including provisions	79.5	10 89 80 951		5 03 10 267	
26	Bad Debts written off	79.410 & 79.430	22 15 596		1 00 926	
22	Loss of materials by pilferage, etc.,	79.511	31 984			
23	Provision for Loss on obsolescence of stores, etc in stock	79.561			(10 98 05 245)	
			9 30 11 030	9 30 11 030	(21 03 29 225)	(21 03 29 225)
24	Interest on belated payment for power Purchase	80.102 to 80.149				
<b>TOTAL</b>				<b>483 33 83 521</b>		<b>397 07 21 062</b>



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### Note 28 : Finance Costs

(Amount in Rs.)

Sl. No.	Particulars	A/c CODE	Current Year 2015-16		Previous Year 2014-15	
1	Interest on Loans	78.1+ 78.540+ 78.546		577 84 99 347		465 41 40 664
2	Guarantee Commission to GoK	78.868		9 72 73 077		
3	Interest capitalised on capital borrowings	78.900		(133 06 99 499)		(67 75 20 220)
<b>TOTAL</b>				<b>454 50 72 925</b>		<b>397 66 20 444</b>

### Note 29 : Depreciation

(Amount in Rs.)

Sl. No.	Particulars	A/c CODE	Current Year 2015-16		Previous Year 2014-15	
1	Depreciation on Buildings	77.110 +77.120		3 64 40 897		3 02 20 374
2	Depreciation on Civil works (pipeline, sewage, drainage, water supply etc.,)	77.130		19 17 581		13 90 191
3	Depreciation on other Civil Works	77.140		3 68 790		4 66 701
4	Depreciation on Plant and Machinery	77.150+151		113 37 82 224		74 35 71 345
5	Depreciation on lines, cable, network etc.,	77.160+161		299 90 51 576		230 66 08 164
6	Depreciation on Vehicles	77.170+171		1 19 40 613		1 02 24 267
7	Depreciation on furniture, fixtures	77.180		60 49 239		49 05 921
8	Depreciation on Office equipments	77.190+191		60 25 756		55 03 347
	<b>Total (1 to 8)</b>			<b>419 55 76 676</b>		<b>310 28 90 310</b>
9	Less: Depreciation Withdrawn from contributions / subsidies as per AS - 12	62.363		128 96 16 783		110 50 38 514
<b>Depreciation for the year</b>			<b>Total(1to8)-9</b>	<b>290 59 59 893</b>		<b>199 78 51 796</b>

### Note 30 : Exceptional Items

(Amount in Rs.)

Sl. No.	Particulars	A/c CODE	Current Year 2015-16		Previous Year 2014-15	
1	Losses/gain relating to Fixed Assets	77.7-62.4		6 91 46 456		14 10 39 706
2	Impairment of Assets	77.580				
3	Provision for Bad & doubtful debts	79.460		(61 68 87 119)		8 74 68 096
<b>TOTAL</b>				<b>(54 77 40 663)</b>		<b>22 85 07 802</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### Note 31 : Prior Period Expenses (+) / Income (-)

(Amount in Rs.)

Sl. No.	Particulars	A/c CODE	Current Year 2015-16		Previous Year 2014-15	
<b>A</b>	<b>Credits relating to earlier years :</b>					
	1. Other income relating to prior period	65.900	4 86 94 946			
	2. Excess provision for Depreciation in prior period	65.600	5 06 01 811		1 80 50 957	
	3. Excess/short provision for Interest & Finance charges	65.700			8 66 90 226	
	4. Other excess provision in prior period	65.800	6 31 737		19 96 28 971	
				<b>9 99 28 494</b>		<b>30 43 70 154</b>
<b>B</b>	<b>Debits relating to earlier years :</b>					
	1. Employee costs relating to previous year	83.500	44 13 589		98 98 776	
	2. Depreciation under provided in previous period	83.600	16 67 07 948		11 46 93 199	
	3. Interest and other finance charges relating to previous years	83.700			2 652	
	4. Materials related expenses - previous years.	83.840	27 10 352		1 77 67 124	
	5. Other expenses relating to prior periods	83.850	89 81 221		2 04 80 137	
	6. Operating expenses of previous year	83.300	3 28 36 171		11 60 893	
	<b>Sub-Total</b>			<b>21 56 49 281</b>		<b>16 40 02 781</b>
<b>C.</b>	<b>Net prior period represent - (Credits) / Expenses (A-B)</b>			<b>11 57 20 787</b>		<b>-14 03 67 373</b>

### Note 32 : Extraordinary Items

(Amount in Rs.)

Sl. No.	Particulars	A/c CODE	Current Year 2015-16		Previous Year 2014-15	
1	Additional Tariff subsidy (Trueup) from GOK as per KEREC orders	61.122				
<b>TOTAL</b>						