

HUBLI ELECTRICITY SUPPLY COMPANY LIMITED



Annual Accounts
FY 2023-24



M/s. HUBLI ELECTRICITY SUPPLY COMPANY LIMITED
PB ROAD, NAVANAGAR, HUBBALLI - 580 025.
CIN: U31401KA2002SGC030437

Balance Sheet as at 31st March 2024

Rs. in Lakh

Sl. No.	Particulars	Note No.	As at 31st Mar, 2024	As at 31st Mar, 2023
I	EQUITY AND LIABILITIES:			
1	Shareholders funds			
	(a) Share Capital	3	2,17,242.35	2,15,194.35
	(b) Reserves and Surplus	4	(7,51,716.10)	(4,88,847.70)
			(5,34,473.75)	(2,73,653.35)
2	Share Application money pending allotment	3A	7,898.00	-
3	Non-Current Liabilities			
	(a) Long-Term Borrowings	5	8,89,401.82	6,75,610.06
	(b) Other Long-Term Liabilities	6	3,14,662.42	1,14,116.27
	(c) Long-Term Provisions	7	23,798.81	19,831.44
			12,27,863.05	8,09,557.77
4	Current Liabilities			
	(a) Short-Term Borrowings	8	1,43,837.76	1,24,677.38
	(b) Trade Payables	9	7,06,727.82	7,12,176.05
	(c) Other Current Liabilities	10	1,09,392.88	1,21,143.37
	(d) Short-Term Provisions	11	3,865.56	3,691.85
			9,63,824.02	9,61,688.66
	TOTAL		16,65,111.31	14,97,593.08
II	ASSETS:			
1	Non-Current Assets			
	(a) Property, Plant and Equipment and Intangible Assets:			
	(i) Property, Plant and Equipment	12A	9,75,782.89	7,51,272.74
	(ii) Intangible Assets	12B	304.14	570.19
	(iii) Capital Work-in-Progress	12C	35,878.95	34,465.55
	(b) Non-Current Investments	13	887.67	1,041.00
	(c) Deferred Tax Assets (Net)	13A	-	37,679.91
	(d) Long-Term Loans and Advances	14	7,332.79	6,988.38
	(e) Other Non-Current Assets	15	4,540.73	1,00,619.65
			10,24,727.17	9,32,637.41
2	Current Assets			
	(a) Current Investments	16	-	-
	(b) Inventories	17	19,589.94	19,638.30
	(c) Trade Receivables	18	1,59,975.77	2,35,295.68
	(d) Cash and Cash Equivalents	19	9,621.51	9,103.36
	(e) Short-Term Loans and Advances	20	835.36	608.62
	(f) Other Current Assets	21	4,50,361.57	3,00,309.71
			6,40,384.14	5,64,955.67
	TOTAL		16,65,111.31	14,97,593.08

See Notes from '1' to '32' forming part of the Financial Statements.

For and on behalf of the Board of Directors

Raghavendra Kotemane
(Company Secretary)
FCS: 11736

Patil Prakash
(CFO & Director (Finance))
DIN:09697097

Vyshali M.L., IAS)
(Managing Director)
DIN:10734683

As per our Audit Report of even date.

**CONTROLLER (A & R),
HESCOM, Hubballi.**



**Director (Finance),
Corporate Office,
HESCOM, Hubballi.**

Place :
Date :

367



M/s. HUBLI ELECTRICITY SUPPLY COMPANY LIMITED
PB ROAD, NAVANAGAR, HUBBALLI - 580 025.
CIN: U31401KA2002SGC030437

Profit and Loss statement for the year ended 31st March, 2024

Rs. in Lakh

Sl. No.	Particulars	Note No.	For the year ended 31st Mar, 2024	For the year ended 31st Mar, 2023
I	Revenue from Operations	22	13,76,514.40	11,00,023.01
II	Other Income	23	34,616.00	21,990.02
III	Total Income (I + II)		14,11,130.40	11,22,013.02
IV	Expenses			
	(a) Purchase of Power	24	11,05,197.44	9,11,648.78
	(b) Employee Benefits Expense	25	1,40,170.60	1,19,652.97
	(c) Finance Costs	26	98,627.27	1,43,828.00
	(d) Depreciation and Amortization Expense	27i	53,760.64	34,347.90
	(e) Other Expenses	27ii	41,289.24	41,229.71
	Total Expenses (a+b+c+d+e)		14,39,045.20	12,50,707.36
V	Profit / (Loss) before exceptional and extraordinary items and tax (III - IV)		(27,914.80)	(1,28,694.34)
VI	Less: Exceptional Items	28	1,16,911.74	-
	Add: Prior Period Income	28	23,386.52	10,820.31
	Less: Prior Period Expenses	28	8,306.85	5,474.39
VII	Profit / (Loss) before extraordinary items and tax (V - VI)		(1,29,746.86)	(1,23,348.41)
VIII	Add: Regulatory Asset	28a	(96,593.43)	40,177.32
IX	Profit / (Loss) before tax (VII +/- IX)		(2,26,340.30)	(83,171.10)
X	Add: Deferred tax (Asset)	28b	(37,679.91)	(451.46)
XI	Profit / (Loss) for the year (X +/- XI)		(2,64,020.21)	(83,622.56)
XII	Earnings Per Share (of Rs. 10/- each):			
	Basic & Diluted	30	(12.15)	(3.89)

See Notes from '1' to '32' forming part of the Financial Statements.

For and on behalf of the Board of Directors

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 (Company Secretary)
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Patil Prakash
 (CFO & Director (Finance))
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 (Managing Director)
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As per our Audit Report on even date

CONTROLLER (A & R),
HESCOM, Hubballi.



Director (Finance),
Corporate Office,
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Place:
 Date:

368



M/s. HUBLI ELECTRICITY SUPPLY COMPANY LIMITED
PB ROAD, NAVANAGAR, HUBLI - 580 025.
CIN: U31401KA2002SGC030437
Cash Flow Statement for the year ended 31st March 2024

Rs. in Lakh

Sl. No.	Particulars	For the year ended 31st Mar,2024	For the year ended 31st Mar,2023
1	Cash flow from Operating activities		
1-1	Net Loss before tax	(2,26,340.30)	(83,171.10)
1-2	Depreciation and amortisation	54,466.63	34,347.90
1-3	Provision for Bad and Doubtful Debts	745.51	(570.93)
1-4	Loss on sale of assets	4.42	23.76
1-5	Finance costs	98,627.27	1,43,828.00
1-6	Provision for Leave Encashment & FBF	5,544.95	5,745.07
1-7	Bonus/Exgratia Payable	736.78	706.88
1-8	Provision for Retirement Benefits	38,961.56	25,370.02
1-9	Material Cost Variance	1,249.51	-
1-10	Interest income	(6,450.66)	(229.02)
	Operating profit / (loss) before working capital changes (I)	(32,454.02)	1,26,050.59
2	Changes in Working Capital:		
	Adjustments for (increase) / decrease in operating assets:		
2-1	Inventories	48.36	(3,328.10)
2-2	Trade receivables	74,574.40	(30,798.11)
2-3	Short-term loans and advances	226.74	128.19
2-4	Long-term loans and advances	344.42	14,455.03
2-5	Other current assets	(1,50,050.91)	(82,542.07)
2-6	Other non-current assets	(96,078.92)	(58,022.57)
	Adjustments for increase / (decrease) in operating liabilities:		
2-7	Trade payables	(5,448.23)	1,40,351.51
2-8	Other current liabilities	(11,750.49)	23,621.13
2-9	Other long-term liabilities	2,00,546.14	12,266.83
2-10	Short-term provisions	173.71	437.30
2-11	Long-term provisions	3,967.37	3,817.76
	Total (II)	16,552.59	20,386.90
	Net cash flow from / (used in) operating activities A = (I + II)	(16,901.42)	1,46,437.49
3	Cash flow from Investing activities		
3-1	Capital expenditure on fixed assets, including capital advances	(1,47,452.30)	(80,869.78)
3-2	Increase in Capital WIP	(1,413.40)	(10,478.05)
3-3	Proceeds from sale of fixed assets	211.64	277.07
3-4	Current investments not considered as Cash and cash equivalents	153.33	360.00
	Net cash flow from / (used in) investing activities (B)	(1,48,500.74)	(90,710.76)
4	Cash flow from Financing activities		
4-1	Proceeds from shares Deposits	9,946.00	9,460.00
4-2	Proceeds from long-term borrowings	5,17,645.90	2,29,627.05
4-3	Repayment of long-term borrowings	(2,63,803.22)	(1,56,816.33)
4-4	Deposits and contributions from consumers	20,650.36	24,879.85
4-5	Preliminary Expense	(0.95)	(10.23)
4-6	Net increase / (decrease) in working capital / Short Term Borrowings	(20,890.53)	(17,071.95)
4-7	Finance cost	(98,627.27)	(1,43,828.00)
	Net cash flow from / (used in) Financing activities (C)	1,64,920.31	(53,759.61)
	Net increase / (decrease) in Cash and Cash equivalents D = (A + B + C) = (F - E)	518.14	1,967.12
5	Cash and Cash Equivalents at the beginning of the year (E)	9,103.36	7,136.24
	Cash and Cash equivalents at the end of the year (5+7+8) (F)	9,621.51	9,103.36
6	Cash on hand	1,105.18	1,152.29
7	In current accounts	2,018.92	2,222.44
8	In deposit accounts	6,497.41	5,728.64
		9,621.51	9,103.36

See Notes from '1' to '32' forming part of the Financial Statements.

For and on behalf of the Board of Directors

Raghavendra Kotamane
(Company Secretary)
FCS: 11736

Patil Prakash
(CFO & Director (Finance))
DIN:09697097

Vyshali M.L., IAS
(Managing Director)
DIN:10734683

As per our Audit Report given dated

**CONTROLLER (A & R),
HESCOM, Hubballi.**



**Director (Finance),
Corporate Office,
HESCOM, Hubballi.**

Place:
Date:

Note No.	Significant Accounting Policies
1	<p>Corporate information: Hubli Electricity Supply Company Limited ("HESCOM" or "the Company") is a premier power distribution Company in the state of Karnataka and wholly owned undertaking of Government of Karnataka. The Company is engaged in distribution of power in seven Revenue Districts of Karnataka, viz. Dharwad, Gadag, Haveri, Uttara Kannada, Belagavi, Vijayapur and Bagalkot. The Company is registered under the Companies Act, 1956 incorporated on 30th April 2002 vide Registration number U31401KA2002SGC030437 and commenced its operations from 1st June 2002. The Company is a distribution licensee under Section 14 of the Electricity Act, 2003. It is domiciled and incorporated in India having its registered office at HESCOM, Navanagar, Hubballi, Dharwad – 580 025.</p> <p>Earlier, the power sector in the state of Karnataka was serviced by Karnataka Electricity Board. In the year 1999, the State Government initiated the reforms process of the power sector to meet the needs of the burgeoning economy. As a first step, in 1999, the Karnataka Electricity Board was bifurcated into two Companies, viz. Karnataka Power Transmission Corporation Limited (KPTCL) and Vishweswaraiah Vidyut Nigama Limited (VVNL). The Karnataka Electricity Regulatory Commission (KERC) was also setup in 1999. In the subsequent stage of reforms, the transmission and distribution activities are carried out by KPTCL were unbundled and four power distribution companies were formed in June 2002 and another power distribution company was formed on April 2005. HESCOM is one of the companies thus formed, with its headquarters at Hubballi.</p>
2	Significant Accounting Policies:
2.1	<p>Basis of preparation of Financial Statements: The Financial Statements have been prepared on accrual basis of accounting under historical cost convention except as otherwise provided in the policy and in accordance with the Accounting Standards as notified by the Ministry of Corporate Affairs and subsequent amendments thereof as set forth in the Companies Act, 2013 and the provisions of the Electricity Act, 2003 to the extent applicable.</p> <p>All items having a material bearing on the financial statements are recognized on accrual basis except the following:</p> <ul style="list-style-type: none"> • Grants and subsidies from the Government in respect of capital assets, which are accounted on actual receipt basis. • Interest on delayed payments to power producers, which are accounted for as and when intimated by them. <p>The financial statements have been prepared on a historical cost basis, except for the Lands classified as Property, Plant and Equipment are revalued in FY-22.</p> <p>The financial statements are presented in Lakh and all values are rounded to the nearest Lakh, except when otherwise indicated.</p> <p>Since, the Net worth of the Company is negative; Ind AS is not applicable to the Company.</p>
2.2	<p>Use of Estimates and Judgements: The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the reported amount of assets, liabilities, revenue and expenses during the reporting period. Although such estimates and assumptions are made on reasonable and prudent basis taking into account all available information, actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on an on-going basis and revisions to accounting estimates are recognized prospectively.</p> <p>Key source of judgements, assumptions and estimation in the preparation of the financial statements which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are in respect of useful lives of property, plant and equipment, employee benefit obligations, provision of income tax, provision of inventories, contingencies and commitments and measurement of deferred tax.</p>
2.3	<p>Inventories: 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). The differences between realizable value (Purchase cost) and scheduled standard rates are charged to P&L Account under Material Cost Variance account (both Debit and Credit).</p> <p>Scrap is valued at cost or net realizable value whichever is less.</p>

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HESCOM, Hubballi.
370

2.4	<p>Statement of Cash flows:</p> <p>Cash and cash equivalents in the balance sheet comprise of cash on hand / at banks and short term deposits which are subject to an insignificant risk of changes in value. Cash and cash equivalents include balances with banks which are unrestricted for withdrawal and usage.</p> <p>For the purpose of the statement of cash flows, cash and cash equivalents consist of cash on hand / at banks and short-term deposits with an original maturity of three months or less, as defined above, net of outstanding bank overdraft as they are considered an integral part of the Company's management.</p> <p>Cash flows are reported using indirect method prescribed in Accounting Standard-3, whereby profit / (loss) before tax is adjusted for the effect of transactions of non-cash nature, any deferral or accounts of part or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The Cash flows are segregated into operating, investing and financing activities.</p>																				
2.5	<p>Property, Plant and Equipment:</p>																				
	<p>a. Property, Plant and Equipment are stated at cost (except Land Assets), net of accumulated depreciation. Such cost comprises purchase price, non-refundable taxes and duties, borrowing costs on qualifying assets and any cost directly attributable to bring the asset into location and condition necessary for fit to be capable of operating in the manner intended by the management. It does not include any estimate of the cost of dismantling and removing the item and restoring the site on which it is located as the nature of overwhelming assets of the company are such that the dismantling is seldom called for. Freehold land is not depreciated. The company depreciates property, plant and equipment using straight line method and depreciation is charged at the rate approved by KERC time to time and in case of revision of rates prescribed by the KERC, the Company applies the revised rates prospectively from the date of change notified by the KERC. The Company does not charge depreciation as per the rates prescribed under Schedule II of the Companies Act, 2013. Depreciation on additions of assets is provided on pro-rate basis from the month immediately following the one in which the assets become available for use. Depreciation on released/de-commissioned assets is provided up to the end of the previous month immediately preceding the month of decommissioning of the asset. The residual value of all the assets is taken at 10% as per the KERC guidelines as against 5% as per the Companies Act, 2013. Depreciation rates used are as follows:</p> <table border="1" data-bbox="284 1137 1463 1451"> <thead> <tr> <th>Asset type</th><th>Depreciation rate</th></tr> </thead> <tbody> <tr> <td>Buildings</td><td>3.34%</td></tr> <tr> <td>Hydraulic Works</td><td>5.28%</td></tr> <tr> <td>Other Civil Works</td><td>3.34%</td></tr> <tr> <td>Plant & Machinery</td><td>5.28%</td></tr> <tr> <td>Lines, Cables & Network</td><td>5.28%</td></tr> <tr> <td>Vehicles</td><td>9.50%</td></tr> <tr> <td>Furniture & Fixtures</td><td>6.33%</td></tr> <tr> <td>Office Equipment</td><td>6.33%</td></tr> <tr> <td>IT Equipment</td><td>15.00%</td></tr> </tbody> </table> <p>b. Depreciation on leasehold land is provided for the years on amortization rates arrived at on the basis of the lease period.</p> <p>c. Released assets intended for re-use are continued to be depreciated in accordance with depreciation percentage of its classification i.e., Lines, Cables, Networks, Plant & Machinery & Vehicles, etc., to which it pertains.</p> <p>d. An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit and loss.</p> <p>e. The Company has the practice of capitalizing the Assets after receipt of final completion report and final bill from the Contractor and are accepted / approved / certified by the competent authority. The borrowing costs attributable to such acquisition / construction of qualifying assets are capitalized as part of cost of such assets up to the date when such assets are ready for its intended use.</p> <p>f. In respect of assets shared with KPTCL, the ownership and title vests with KPTCL and as such, they are not reflected in the books of accounts of the Company. But, the share of maintenance expenditure in respect of such assets is charged to the statement of profit and loss and the accounts system was not enabled to monitor the same.</p>	Asset type	Depreciation rate	Buildings	3.34%	Hydraulic Works	5.28%	Other Civil Works	3.34%	Plant & Machinery	5.28%	Lines, Cables & Network	5.28%	Vehicles	9.50%	Furniture & Fixtures	6.33%	Office Equipment	6.33%	IT Equipment	15.00%
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HESCOM, Hubballi.
 371

	<p>g. Major capital spares are capitalized as property, plant and equipment and depreciated over the shorter of its useful life and the remaining expected useful life of the asset to which it relates and written down value of the spares is charged to the statement of profit and loss as and when replaced.</p> <p>h. Fixed Assets other than those classified as 'Furniture & Fixtures' and 'Office Equipment' costing individually up to Rs.500 are written off to the statement of profit and loss during the year.</p> <p>i. Advance paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as Capital advance under Other Non-current assets. Subsequent costs on renovation and modernization of fixed assets resulting in increased life and/or efficiency of an existing asset is added to the cost of replaced assets or recognized as a separate asset as appropriate when it is probable that future economic benefits will flow to the Company.</p> <p>j. Land Assets were being Revalued at current market price through a Registered Valuator as on 31.03.2022. The Accounting Policy towards accounting of Land Assets has been changed from Historical Cost to Current Market Value duly getting approval at the 99th Board of Directors meeting held in Corporate Office, HESCOM, Hubballi on 11th Feb, 2022.</p>
2.6	<p>Capital Work-In-Progress: Materials issued to Capital Work-in-progress are valued at Standard Rate, which is determined by the Company from time to time based on previous purchase price and prevailing market rates (published as O&M Schedule of Rates) except in respect of capital works under taken on total turnkey and partial turnkey basis where materials are accounted on purchase price.</p>
2.7	<p>Receivables Against Supply of Power: Receivables against supply of power activity relates to Sale of Power under various categories of LT, HT Consumer.</p>
2.8	<p>Revenue Recognition: Sale of power is accounted on accrual basis at the tariff rates approved by the Karnataka Electricity Regulatory Commission (KERC) from time to time. Revenue dues from consumers whose ledger accounts are yet to be opened are accounted on an estimated basis. The Company accounts revenue net of electricity taxes in its statement of profit and loss.</p> <p>Revenue from contracts with consumers are recognized on supply of electricity or when services are rendered to the consumers at an amount that reflects the consideration to which the Company is entitled under appropriate regulatory framework.</p> <p>The Tariff/Rural Electrification subsidy released by the Government of Karnataka is recognized as part of Revenue in accordance with the Government of Karnataka order no.: EN 48 PSR 2006, Bangalore Dtd: 13th June 2007.</p> <p>The Tariff subsidy is claimed from the Government of Karnataka as per the Commission Determined Tariff (As per the prevailing Tariff Order) on the consumption of Bhagya Jyoti/Kuteera Jyoti (BJ/KJ) up to 40 units per month (up to 58 units under Gruha Jyoti Scheme), IP Set category up to and inclusive of 10 HP. Further, the tariff subsidy claimed for Amrut Jyoti up to 75 units (83 units under Gruha Jyoti Scheme) and Gruha Jyoti for Domestic consumers up to 200 units are based on the average consumption.</p> <p>Revenue for the year is adjusted by estimating un-billed revenue demand appropriately. Provision for Unbilled Revenue in respect of LT installations are recognized to the extent of 50% of the demand raised in the month of April and in respect of HT installations are recognized to the extent of 100% of the demand raised in the month of April.</p> <p>Rebates and Incentives to consumers for prompt payment are shown as deductions from Revenue.</p> <p>Other operating revenues from rendering services are accounted on the basis of stage of completion method except for inspection charges, testing charges, consultancy charges on Deposit Contribution Works and rent received from others for letting out Company's other properties (Machineries and Equipment) which are accounted for on cash basis.</p>



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2.9	<p>Other Income: Income from services rendered is accounted based on the agreements / arrangements with the parties concerned.</p> <p>Interest income is recognized on a time proportion basis taking into account the amount outstanding and rate applicable.</p> <p>In respect of amount recovered from Contractors / Suppliers towards delay in execution of works / supplies, the amount is recognized as Income upon rejection of the delay condonation request of the Contractors / Suppliers submitted within twelve months from the date of Commissioning of the work/Supply of materials, by the competent authority. Until such time the same is accounted under Current Liabilities. In the absence of any such request, the amount so recovered would be treated as penalty and credited to miscellaneous income. Further with respect to Security Deposit and Retention Money collected from Contractors / Suppliers is recognized as income after 3 years from the date of commissioning of the work/completion of supply/service.</p> <p>Rebate earned on power purchase prompt payments are accounted as and when the related dues are settled.</p> <p>Interest income arising from financial assets is accounted for using effective interest method.</p> <p>Contributions by consumers towards items of Property, Plant and Equipment, which require an obligation to provide electricity connectivity to the consumers, are recognized as a credit to deferred revenue. Such revenue is recognized over the useful life of the Property, Plant and Equipment.</p> <p>Works executed/assets created out of contribution received from the third parties vest in the Company under the Regulation for Condition of supply of electricity by the KERC and they are incorporated as assets in books at the fair value. Consumer contribution towards cost of Capital Assets are treated as Deferred Income and are grouped under Non-Current liabilities which are subsequently adjusted as Income in the same proportion as the depreciation is charged during the year on assets acquired out of the Contribution/Grant.</p>
2.10	<p>Grants and subsidies: Revenue Grants: Revenue grants/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 presented within other income.</p> <p>Capital Grants & Contributions towards Capital Expenditures: Grants/Subsidies received from the government or other authorities towards capital expenditure as well as consumers' contribution to capital works are treated initially under deferred income and are included in non-current liabilities and taken to income based on the depreciation on straight-line basis that is charged to the class of assets for which such Grants/subsidies are received and presented within other income.</p>
2.11	<p>Investments: Investments are classified into current investments and Non-Current investments.</p> <p>Non-Current investments on Quoted Equity shares are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Cost of investments includes acquisition charges such as brokerage, fees and duties.</p> <p>Long-term investments (excluding investment properties), are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments includes acquisition charges such as brokerage, fees and duties. Investment properties are carried individually at cost less accumulated depreciation and impairment, if any. Investment properties are capitalised and depreciated (where applicable) in accordance with the policy stated for Tangible Fixed Assets. Impairment of investment property is determined in accordance with the policy stated for Impairment of Assets.</p>




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2.12	<p>Employee Benefits:</p> <p>Short-term employee benefits:</p> <p>The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognized during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.</p> <p>The cost of short-term compensated absences is accounted as under:</p> <ul style="list-style-type: none"> • In case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and • In case of non-accumulating compensated absences, when the absences occur. <p>Long-term employee benefits:</p> <p>Long-term employee benefits comprising of earned leave scheme and family benefit fund are recognized based on the present value of defined benefit obligation and computed using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period and same is recognized in statement of Profit and Loss.</p> <p>Post-employment benefits:</p> <p>Defined contribution plans</p> <p>Employee benefit under defined contribution plans comprising of pension fund for employees enrolled on or after 01.04.2006 are recognized based on the amount of obligation of the Company to contribute to the plan (Employee's contribution is 10% of the Basic Pay + Dearness Pay + Dearness Allowance, whereas Employer's Contribution is 14% of the Basic Pay + Dearness Pay + Dearness Allowance with effect from 01.04.2019). The same is paid to KPTCL/ESCOMs NDCPS Trust and expensed during the year through statement of Profit and Loss.</p> <p>Further in respect of employees who have joined HESCOM after 01.04.2006, provision for Family Pension & Gratuity is made on the formula evolved by the KPTCL/ESCOMs NDCPS Family Pension & Gratuity Trust based on the actuarial valuation undertaken by the Trust. Any revision in contribution rates due to actuarial valuation by the Trust is accounted by the Company.</p> <p>In respect of employees who have joined HESCOM before 01.04.2003, provision for contribution to KPTCL/ESCOMs Pension & Gratuity Trust is made on the formula evolved by the Trust based on the actuarial valuation undertaken by the Trust. Any revision in contribution rates due to actuarial valuation by the Trust is accounted by the Company.</p> <p>As the HESCOM contribution is collected and administered by the Trust and the benefits are paid to the beneficiaries on a pay as you go basis.</p>
2.13	<p>Segment Reporting:</p> <p>a) The Company is engaged in the activity of distribution of electricity.</p> <p>b) The Chief Operating Decision Maker ("CODM") of the Company after Considering the Geographical Area of Operations, Economic and political conditions affecting the operations of the company there is no identifiable reporting segment. Hence no Segment wise report is furnished.</p>
2.14	<p>Earnings Per Share:</p> <p>The earnings considered in ascertaining the Company's Earnings per Share ('EPS') comprise the net profit after tax attributable to equity shareholders. The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares).</p> <p>The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity shares including adjustments for Share Application Money.</p>



**CONTROLLER (A & R),
HESCOM, Hubballi.**

374

2.15	<p>Taxes on Income: Income tax expense represents the sum of the tax currently payable and deferred tax.</p> <p>Current tax: The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.</p> <p>Deferred tax: Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.</p> <p>Deferred tax liabilities are generally recognized for all taxable temporary differences to the extent that it is probable that taxable profits will be available against those deductible temporary differences can be utilised. Deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. The carrying amount is reviewed as at end of each reporting period and are reduced to the extent that it is no longer probable that the related tax benefit will be realised. No Deferred Tax Asset/Liability is created for temporary timing differences when the income is exempt from tax if the timing difference is expected to be set off within the tax holiday/exempt period.</p> <p>Current and deferred tax are recognised in statement of profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.</p> <p>Deferred tax assets and liabilities are off set when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.</p> <p>Minimum Alternative Tax (MAT) is recognised to the extent payable as current tax and simultaneously credit is taken in the Statement of Profit & Loss to the extent it can be measured and is likely to give future benefits in the form of set off against future income tax liability.</p>
2.16	<p>Research and development expenses: Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs of products are also charged to the Statement of Profit and Loss unless a product's technological feasibility has been established, in which case such expenditure is capitalised. The amount capitalised comprises expenditure that can be directly attributed or allocated on a reasonable and consistent basis to creating, producing and making the asset ready for its intended use. Fixed assets utilised for research and development are capitalised and depreciated in accordance with the policies stated for Tangible Fixed Assets and Intangible Assets.</p>
2.17	<p>Provisions, Contingent Liabilities and Contingent Assets: A provision is recognized when the company has a present obligation as a result of a past event 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 based on technical valuation and past experience.</p> <p>The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.</p> <p>When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). Where discounting is used, the increase in the provision due to the passage of time is recognized as finance cost.</p> <p>Contingent assets are disclosed in the financial statements by the way of notes to accounts when inflow of economic benefits is probable.</p> <p>Contingent liabilities are disclosed in the financial statements by way of notes to accounts, unless possibility of an outflow of resources embodying economic benefit is remote based on judgment of Management and reviewed as at the end of reporting date and adjusted to reflect current estimate of the Management.</p>



2.18	Provisions For Bad & Doubtful Debts: Provision for bad and doubtful debts is made on the actual amount of arrears considered as bad & doubtful on case-to-case basis.
2.19	Share issues expenses: Share issue expenses and redemption premium are adjusted against the Securities Premium Account as permissible under Section 52(2) of the Companies Act, 2013, to the extent balance is available for utilisation in the Securities Premium Account. The balance of share issue expenses is charged to Statement of Profit and loss during the year of issue of shares.
2.20	Intangible Assets: Intangible assets are recorded at the consideration paid for acquisition of such assets. Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment of losses, if any. Amortisation is recognised on a straight-line basis over their estimated useful lives i.e., period of agreement or license term and in absence of license (Software) the cost is amortised in 4 years period. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment of losses, if any. An intangible asset is de-recognized on disposal or when no future economic benefits are expected from its use or disposal. Gain or loss arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset is recognised in statement of profit and loss when the asset is de-recognized. Intangible assets under development represent amount paid towards development of software intended for future use and will be capitalized on receipt of completion/commissioning. These are valued at cost.
2.21	Regulatory Asset: The Company is engaged in operation of Supply of Electricity to the consumers covered under its jurisdiction. The rates are regulated by the Hon'ble Karnataka Electricity Regulatory Commission (KERC). As per Section 62 of the Electricity Act 2003, the Company is filing tariff application yearly with Regulatory Commission for determination of tariff. The Regulatory Commission determines the tariff as per procedures laid under Section.64 of the Electricity Act 2003. The Company collects tariff from consumers as approved in the tariff order issued by the Regulatory Commission. The Hon'ble KERC through its tariff orders allow recovery of deficits in subsequent periods through true up orders. Expenses/Income recognized as Regulatory Income/Expenses in the statement of Profit and Loss to the extent recoverable or payable in subsequent periods based on the Company's understanding of the provision of the applicable regulations framed by the KERC and/or their pronouncements/orders, with corresponding balances shown in the Balance Sheet as Regulatory Asset.
2.22	Leases: Companies lease asset primarily consist of lease for land and for buildings. Hitherto, the company was accounting for lease by including leasehold lands as part of Property, Plant and Equipment and depreciated over the useful life of asset. Further, rent paid for building taken on lease was accounted as expenses in the statement of profit & loss. Thereby right of use of asset has been recognised and amortised over the useful life of such asset. Lease liability has been accounted based on the net present value of future outflows of consideration towards lease determined using the incremental cost of borrowing. Also finance cost for such lease liability has been considered and accounted based on such incremental cost of borrowing.



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HESCOM, Hubballi.

2.23	<p>Purchase of Power:</p> <p>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 HESCOM by the Government of Karnataka. The Company recognizes the quantum of power exported at the generating plant as per allocation given by GOK.</p> <p>The transmission cost on power purchase is recognized on the basis of total generating capacity allocated to HESCOM as per Government of Karnataka.</p> <p>The Company has recognized the following as interface points for transmission of power.</p> <ul style="list-style-type: none"> • For EHT consumers, consumption recorded at EHT consumer installation (66 KV and above). • Readings recorded at 11 KV banks (interface points) existing in various sub-stations. <p>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.</p> <p>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.</p> <p>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.</p> <p>Any change in purchase cost due to revision of tariff will be treated as cost of the year in which it is revised.</p>
2.24	<p>Dividend:</p> <p>Dividend paid/payable are recognized in the year in which the related dividends are approved by the shareholders or Board of Directors as appropriate.</p>
2.25	<p>Exceptional items:</p> <p>When items of income or expense are of such nature, size and incidence that their disclosure is necessary to explain the performance of the Company for the year, the Company makes a disclosure of the nature and amount of such items separately under the head "Exceptional Items".</p>



2

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**CONTROLLER (A & R),
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M/s. HUBLI ELECTRICITY SUPPLY COMPANY LIMITED
PB ROAD, NAVANAGAR, HUBLI - 580 025.

Note 3 Share Capital:

SI No	Particulars	A/C Code	As at 31st Mar, 2024		As at 31st Mar, 2023	
			Number of shares in Lakh	Amount in Lakh	Number of shares in Lakh	Amount in Lakh
3 -1	Authorised Share Capital: Equity shares of Rs.10 each with voting rights	52.301	55,000.00	5,50,000.00	55,000.00	5,50,000.00
3 -2	Issued Share Capital: Equity shares of Rs.10 each with voting rights		21,724.24	2,17,242.35	21,519.44	2,15,194.35
3 -3	Subscribed and fully paid up Share Capital: Equity shares of Rs.10 each with voting rights		21,724.24	2,17,242.35	21,519.44	2,15,194.35
Total			21,724.24	2,17,242.35	21,519.44	2,15,194.35

Notes:

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Sl No	Particulars	As at 31st Mar, 2024		As at 31st Mar, 2023	
		Number of shares in Lakh	Amount in Lakh	Number of shares in Lakh	Amount in Lakh
3-1-1	Equity Shares				
	Issued, Subscribed and Fully Paid up:				
	At beginning of the year	21,519.44	2,15,194.35	20,504.24	2,05,042.41
	Issued during the year				
	Fresh Issue	204.80	2,048.00	1,015.19	10,151.94
	Bonus				
	ESOP				
	At end of the year	21,724.24	2,17,242.35	21,519.44	2,15,194.35

(ii) Details of shares held by each shareholder holding more than 5% shares:

Sl No	Class of shares / Name of shareholder	As at 31st Mar, 2024		As at 31st Mar, 2023	
		Number of shares held in Lakh	% holding in that class of shares	Number of shares held in Lakh	% holding in that class of shares
3-2-1	Equity shares with voting rights Governor of Karnataka	21,723.74	99.9977%	21,518.94	99.9977%

Board of Directors of HESCOM at its 107th meeting held on 10.08.2023 accorded its approval to allot 204.80 Lakhs of shares of Rs.10/- each amounting to Rs.2,048 Lakhs being the equity given by Govt. of Karnataka towards capital projects of HESCOM in favor of his Excellency, Governor, State of Karnataka duly approving stamp duty, for issue of shares, amounting to Rs.1.02 Lakhs.

(iii) Details of Shareholding pattern of promoters:

Shares held by Promoters at the end of the year:

Sl. No.	Promoter Name	As at 31st Mar, 2024		As at 31st Mar, 2023	
		No. of Shares	Percentage of Total Shares	No. of Shares	Percentage of Total Shares
1	His Excellency Governor of Karnataka	2,17,23,73,500	99.9977%	2,15,18,93,500	99.9977%
2	Sri. Kapil Mohan, IAS Additional Chief Secretary to Government, Energy Department, (Representative of His Excellency, GoK) & Chairman, HESCOM	-	-	49,994	0.0023%
3	Sri. Gaurav Gupta, IAS Additional Chief Secretary to Government, Energy Department, (Representative of His Excellency, GoK) & Chairman, HESCOM	49,994	0.0023%		
4	Sri. Mohammad Roshan, IAS Managing Director	1	0.0000%	1	0.0000%
5	Smt. Apama Pavate, Independent Director	1	0.0000%	1	0.0000%
6	Sri. Shrikant M. Sasalatti, Director (Technical)	1	0.0000%	1	0.0000%
7	Sri. Patil Prakash, Director (Finance)	1	0.0000%	1	0.0000%
10	Sri. R. H. Lakshmipathy, Director	1	0.0000%	1	0.0000%
11	Sri. K. Shivana, Director	1	0.0000%	1	0.0000%
Total		2,17,23,73,500	100.0000%	2,15,19,43,500	100.0000%

CONTROLLER (A & R)
HESCOM, Hubballi.

378

(iv) Details of Authorised Share Capital:

Sl.No	Year	Authorised Share Capital in Lakh	Reference
1	From 2002-03 to 2003-04	100	Company was incorporated with a share capital of Rs.100 Lakh as part of transfer scheme approved by GOK vide: GO No: DE 8 PSR 2002 DT: 31.05.2002 & DE 48 PSR 2003 DT: 31.05.2003
2	From 2004-05 to 2010-11	25,000	2nd AGM held on 24th Dec 2004 at 1:00 PM at Registered Office of the Company Hubli increased by Rs.24,900 Lakh.
3	From 2011-12 to 2015-16	1,00,000	9th AGM held on 28th Sep 2011 at 1:00 PM at Registered Office of the Company Hubli increased by Rs.75,000 Lakh.
4	From 2016-17 to 2020-21	2,00,000	Extraordinary General Meeting of the Share holders of the company held on 2nd Feb 2017 at 12:00 noon at Corporate office HESCOM., Hubli increased by Rs.1,00,000 Lakh.
5	From 2021-22 to 2023-24	5,50,000	19th AGM held on 12th Nov 2021 at 3:00 PM at Registered Office of the Company Hubli increased by Rs.3,50,000 Lakh.

Scheme wise Share Capital contribution by the Government of Karnataka including Share pending for allotment:

Sl.No.	Scheme	(Rs. in Lakh)	
		31.03.2024	31.03.2023
1	Nirantara Jyothi Yojane (NJY)	18,881.00	18,881.00
2	Equity contribution GoK	1,55,719.83	1,50,301.83
3	SDP	22,983.73	22,983.73
4	Flood Affected	2,543.00	2,543.00
5	UNIP	4,400.00	4,400.00
6	SCP/TSP	18,647.41	14,119.41
7	Implementation of Distribution and Automation system in Municipal Corporation area of Karnataka State	450.00	450.00
8	Development of Software	1,500.00	1,500.00
9	Proposed Adjustment to Net Worth	15.38	15.38
Total		2,25,140.35	2,15,194.35

Note: Rs.7,898 Lakh Share pending for allotment as on 31.03.2024.

Note 3A Share Application money pending allotment:

Sl No	Particulars	A/C Code	Rs. in Lakh	
			As at 31st Mar, 2024	As at 31st Mar, 2023
3A-1	Share Application money pending allotment	52.302	7,898.00	-
Total			7,898.00	-

Note: Due to procedural / Stamp duty issues, the allotment of Shares has been delayed and pending for allotment as on 31.03.2024.



2

 CONTROLLER (A & R),
 HESCOM, Hubballi.

CONTROLLER (A & R),
 HESCOM, Hubballi.

379



M/s. HUBLI ELECTRICITY SUPPLY COMPANY LIMITED
PB ROAD, NAVANAGAR, HUBLI - 580 025.

Note 4 Reserves and Surplus:

Rs. in Lakh

SI No	Particulars	A/C Code	As at 31st Mar, 2024	As at 31st Mar, 2023
.4 -1	Reserve for Material Cost Variance			
	Opening balance		-	-
	Add: Transferred to P&L Account during the year	56.610	1,249.51	-
	Closing balance		1,249.51	-
.4 -2	Proposed Adjustments to Networth Reserve			
	Opening balance		4,760.68	4,760.68
	Add: Additions / Transfers during the year	52.307,52.308	-	-
	Closing balance		4,760.68	4,760.68
.4 -3	Surplus / (Deficit) in Statement of Profit and Loss			
	Opening balance		(7,25,809.19)	(6,42,186.64)
	Add: Profit / (Loss) for the year	58.200	(2,64,020.21)	(83,622.56)
	Closing balance		(9,89,829.40)	(7,25,809.19)
.4-4	Reserve for Revaluation of Land Assets			
	Opening balance		2,32,200.81	2,32,184.59
	Add: Additions / Transfers during the year	56.201	(97.72)	16.23
	Closing balance		2,32,103.10	2,32,200.81
Total			(7,51,716.10)	(4,88,847.70)

Note:

- 1) 4-1: Reserve for Material Cost Variance represents the difference between Standard Rate and Purchase rate of Materials. During the year 2023-24, the Material Cost Variance (Credit balance) of Rs.1,249.51 Lakh is transferred to Reserve for Material Cost Variance.
- 2) 4-2: The Company had accounted certain transactions pertaining to the period prior to unbundling of the KPTCL which had been accounted as 'Proposed Adjustment to Net Worth' pending approval of the GoK. A sum of Rs.4,760.68 Lakh had been accounted under Proposed Adjustment to Net Worth.
- 3) 4-4: The company had revalued the Land Assets (excluding Buildings) during FY 2021-22 (Sl. No.: 4-4) by engaging an Independent valuation specialist to assess fair value as at 31.03.2022 using comparable prices adjusted for specific market factors such as nature, location and condition of the land.



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HESCOM, Hubballi.



M/s. HUBLI ELECTRICITY SUPPLY COMPANY LIMITED
PB ROAD, NAVANAGAR, HUBLI - 580 025.

Note 5 Long-Term Borrowings:

Rs. in Lakh

Sl No	Particulars	A/C Code	As at 31st Mar, 2024	As at 31st Mar, 2023
5-1	Term Loans (Refer Note (1) & (2) below)			
	From Banks			
	Secured	53.3, 53.9	3,54,412.28	3,29,581.03
	Unsecured	53.3, 53.9	-	-
	Sub-Total		3,54,412.28	3,29,581.03
	From Financial Institutions / Government of Karnataka			
	Secured	53.3, 53.9	4,89,994.54	2,85,785.03
	Unsecured	53.3, 53.9	44,995.00	60,244.00
	Sub-Total		5,34,989.54	3,46,029.03
	Total		8,89,401.82	6,75,610.06

(1) Details / Break-up of Secured / Unsecured Loan Balances:

Rs. in Lakh

Sl No	Particulars	As at 31st Mar, 2024		As at 31st Mar, 2023	
		Secured	Unsecured	Secured	Unsecured
	Term loans from banks:				
5-1-1	Loan from Canara Bank, Hubli(53.981) - Secured by Govt. Guarantee & Receivables	65,676.93	-	52,358.36	-
5-1-2	Loan from SBI, Hubli(53.978) - Secured by Assets & Receivables	70,842.20	-	23,098.20	-
	COVID - 19 Loans secured by GoK Guarantee:				
5-1-3	Loan drawn from Bank of India (COVID-19)(53.988)	82,111.07	-	95,216.33	-
5-1-4	Loan drawn from Punjab National Bank (COVID-19)(53.989)	55,423.84	-	64,264.14	-
5-1-5	Loan drawn from State Bank of India (COVID-19)(53.990)	39,283.24	-	47,024.24	-
5-1-6	Loan drawn from Canara Bank (COVID-19)(53.991)	41,075.00	-	47,619.76	-
	Total term loans from banks	3,54,412.28	-	3,29,581.03	-
	Term loans from Financial Institutions / Government of Karnataka:				
5-1-7	Loan from Power Finance Corporation LTD - R-APDRP Scheme(53.961) - Secured by Assets created	631.02	-	716.62	-
5-1-8	Loans drawn from M/s Rural Electrification Corporation Ltd. (53.314) - Secured by Assets created	3,27,340.13	-	2,09,284.26	-
5-1-9	Loans drawn from GoK towards payment of power purchase cost and transmission charges(53.984)	-	44,995.00	-	60,244.00
5-1-10	Loans drawn from M/s Rural Electrification Corporation Ltd. towards DDUGJY Scheme(53.986) - Secured by Assets created	9,600.29	-	12,279.44	-
5-1-11	Loan drawn from M/s Power Finance Corporation Ltd. towards IPDS Scheme(53.987) - Secured by Assets created	3,719.94	-	4,072.14	-
5-1-12	Loan drawn from REC (LPS) (53.992) - Secured by Govt. Guarantee & Receivables	74,351.58	-	29,716.28	-
5-1-13	Loan drawn from PFC (LPS) (53.993) - Secured by Govt. Guarantee & Receivables	74,351.58	-	29,716.28	-
	Total term loans from Financial Institutions / Government of Karnataka:	4,89,994.54	44,995.00	2,85,785.03	60,244.00

(2) Details of long-term borrowings guaranteed by the Government of Karnataka: (included under (1) above)

Rs. in Lakh

Sl No	Particulars	A/C Code	As at 31st Mar, 2024	As at 31st Mar, 2023
5-2-1	Term loans of Rs.20,000 Lakh from Canara bank is guaranteed by the GoK to the extent of Rs.15,000 Lakh	53.981	52,352.93	54,034.36
5-2-2	COVID - 19 Loan of Rs.2,67,500 Lakh from Banks is guaranteed by the GoK	53.988, 989, 990 & 991	2,17,893.15	2,54,124.47
5-2-3	Late Payment Surcharge (LPS) Loan from REC	53.992	74,351.58	29,716.28
5-2-4	Late Payment Surcharge (LPS) Loan from PFC	53.993	74,351.58	29,716.28
	Total		4,18,949.24	3,67,591.40

Note:

- Special Long Term Loan amount of Rs.2,17,893.15 Lakh (PY Rs.2,54,124.47 Lakh) Guaranteed by GoK vide Order No's.: ENERGY 308 PSR 2020 Bengaluru, Dtd: 01-10-2020 and Dtd: 09-12-2020.
- For the current maturities of long-term borrowings, refer Note 8 "Short Term Borrowings"
- The company has not defaulted payment of Principal and Interest. There are no overdues to Banks and Financial Institutions as on 31.03.2024.
- The Assets secured for Loans are Lines, Cables and Networks.

381

**CONTROLLER (A & R),
HESCOM, Hubballi,**

STATEMENT SHOWING THE DETAILS OF LOAN BALANCES AS ON 31.03.2024

Sr. No.	Name of the Bank/Financial Institution	A/C Code	Charge Creation ID & Date	Tenure of Loan	No. of Installments	Repayment terms	Rate of Interest	Opening Balance as on 01.04.2023	Loans Overdue during 2023-24	Total Loans	Repayment of Loan during 2023-24	Closing Balance as on 31.03.2024
1)	Term Loan Secured											
A	Loans from Commercial Banks											
1	Canara Bank-Capex (Secured by Hypothecation of against related asset)	53.981778.567	10153335/31.03.2009	3+12	48	Qly repayment & Last installment due on 31.03.2024	11.65	226.72	-	226.72	226.72	-
2	Canara Bank-Capex (Secured by Hypothecation of against related asset)	53.981778.567	10240180/20.09.2010	3+12	48	Qly repayment & Last installment due on 31.03.2025	12.2	4,034.36	-	4,034.36	1,681.44	2,352.93
3	CANARA BANK -PP (Secured by Receivables against HESCOM Revenue)	53.977778.563	10578552/25.06.2015	1 Years	Bullet	Monthly	11.55	-	3,000.00	3,000.00	-	3,000.00
4	CANARA BANK -PP (Secured by Receivables against HESCOM Revenue)	53.977778.563	10578552/25.06.2015	1 Years	Bullet	Monthly	11.55	3,000.00	-	3,000.00	3,000.00	-
5	CANARA BANK 500 Cr (A/C No.1730004049341)	53.977778.563	100591134/23.06.2022	3+7	84	Monthly	9.5	50,000.00	-	50,000.00	-	50,000.00
5	CANARA BANK 500 Cr (A/C No.173000642482)	53.977778.563	100881661/13.03.2024	3+7	84	Monthly	9.4	-	15,000.00	15,000.00	-	15,000.00
6	CANARA BANK STATE BANK OF INDIA -Over Draft (Secured by Receivables against HESCOM Revenue)	50.140/50.110/78.568	-			Overdraft Account	11.25	7,908.94	31,504.97	39,413.91	37,523.74	1,890.17
7	SBI STL 150 Cr (40853067841) 15.03.2022	53.978778.564	80013837/01.12.2023	1	1	BULLET	11.25	14,871.77	-	14,871.77	14,871.77	-
8	SBI STL 150 Cr (42000700718) 11.03.2023	53.978778.564	80013837/01.12.2023	1	1	BULLET	11.25	-	15,000.00	15,000.00	4.58	14,995.42
9	SBI 300 Cr (A/C No. 41071621088)	53.978778.564	80013837/01.12.2023	8 Years	96	Monthly	11.4	27,167.20	-	27,167.20	4,069.00	23,098.20
9	SBI 600 Cr (A/C No. 41071621088)	53.978778.564	80013837/01.12.2023	10 Years	120	Monthly	9.75	-	60,000.00	60,000.00	2,500.00	57,500.00
10	SBI STL 100 Cr (39663780086)	53.978778.564	80013837/01.12.2023	3	36	Monthly	11.2	2,493.99	-	2,493.99	2,493.99	-
11	Canara Bank LTL Rs 500 A/C No.5005 Covid Loan	53.978778.564	100403308/19.12.2020	3	3+7	Monthly	8.85	50,000.00	-	50,000.00	1,785.00	48,215.00
12	SBI LTL 500 Cr COVID Loan (39835536303)	53.978778.564	100393109/30.11.2020	3	3+7	Qly	9.3	49,999.24	-	49,999.24	3,572.00	46,427.24
13	Bank Of India 1000 Cr LTL 844955410000074 Covid Loan	53.978778.564	100403484/24.12.2020	3	3+7	Monthly	9.1	99,978.25	-	99,978.25	3,581.42	96,396.83
14	Punjab National Bank 500 Cr LTL 227300C00000550 Covid Loan	53.978778.564	100404179/22.12.2020	3	3+7	Monthly	9	49,982.32	-	49,982.32	1,787.11	48,195.21
15	Punjab National Bank 175 Cr LTL 227300C00000569 Covid Loan	53.978778.564	100403490/22.12.2020	3	3+7	Monthly	9	17,493.81	-	17,493.81	825.49	16,668.32
B								3,77,156.61	1,24,594.97	5,01,651.58	77,722.26	4,23,929.32
LOANS FROM OTHER FINANCIAL INSTITUTIONS												
1	IFC IPDS	53.960778.584	100148500/01.01.2018		60	Qly	10.85	4,424.34	-	4,424.34	352.20	4,072.14
2	PFICRA-APDRP Part B)	53.961778.585	10280697/29.03.2011		64	Monthly	11.5	796.64	-	796.64	85.60	711.03
3	PFIC LPS 32674001	53.961778.585	Loan is secured by Govt guarantee, Hence charge not created.	2 Yr 10 months MRT+10 Yrs	120	Monthly	10.25	29,716.28	44,635.29	74,351.58	-	74,351.58
4	ACSR Capex (Secured by Hypothecation of against Created Asset)	53.314/78.540	100027946/25.04.2016	3+10	120	Monthly	11	404.16	-	404.16	404.16	0.00
5	DTC Metering -Capex (Secured by Hypothecation of against Created Asset)	53.314/78.540	10514081/07.07.2014		120	Monthly	11	4,768.36	-	4,768.36	866.98	3,901.39



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6	Additional DTG -Capex (Secured by Hypothecation of against Created Asset)	53.314/78.540	1001408117.07.2014	3+10	120	Monthly	11	2,622.22	-	2,622.22	476.77	2,145.45
7	REC NJY I -Capex (Secured by Hypothecation of against Created Asset)	53.314/78.540	10027359113.12.2011	3+10	120	Monthly	11	4,134.79	-	4,134.79	1,503.56	2,631.23
17	REC NJY II -Capex (Secured by Hypothecation of against Created Asset)	53.314/78.540	1044453729.07.2013	3+10	120	Monthly	11	4,537.23	-	4,537.23	1,234.75	3,302.47
18	REC NJY III -Capex (Secured by Hypothecation of against Created Asset)	53.314/78.540	10514059117.07.2014	3+10	120	Monthly	11	8,041.02	-	8,041.02	1,283.38	7,347.64
19	Reconducting -Capex (Secured by Hypothecation of against Created Asset)	53.314/78.540	1046040622.10.2013	3+10	120	Monthly	11	6,688.00	-	6,688.00	1,381.28	5,297.72
20	BUKJ-Capex (Secured by Hypothecation of against Created Asset)	53.314/78.540	1046040622.10.2013	3+10	120	Monthly	11	696.73	-	696.73	146.68	550.05
21	UNIP -Capex (Secured by Hypothecation of against Created Asset)	53.314/78.540	10002800225.04.2016	3+10	120	Monthly	11	97,562.16	20,431.52	1,18,023.68	10,694.80	1,07,328.87
22	UG CABLE -Hubl Capex (Secured by Hypothecation of against Created Asset)	53.314/78.540	1052591626.09.2014	3+10	120	Monthly	11	10,326.99	-	10,326.99	1,721.16	8,605.82
23	UG CABLE BELGAVI -Capex (Secured by Hypothecation of against Created Asset)	53.314/78.540	1052591626.09.2014	3+10	120	Monthly	11	21,514.70	-	21,514.70	3,585.78	17,928.92
24	REC THERMOGRAPHY-Capex (Secured by Hypothecation of against Created Asset)	53.314/78.540	10004922018.08.2016	3+10	120	Monthly	11	781.32	-	781.32	97.67	683.65
25	REC NUMERICAL RELAYS IP SETS-Capex (Secured by Hypothecation of against Created Asset)	53.314/78.540	10015582629.01.2018	3+10	120	Monthly	11	772.69	-	772.69	96.59	676.10
26	REC STATIC METER -Capex (Secured by Hypothecation of against Created Asset)	53.314/78.540	1055171131.01.2015	3+10	120	Monthly	11	15,574.22	-	15,574.22	1,929.56	13,644.66
27	REC GANGA KALYANA IP SETS 2016-17 -Capex (Secured by Hypothecation of against Created Asset)	53.314/78.540	10017139626.03.2018	3+10	120	Monthly	11	4,911.69	-	4,911.69	613.96	4,297.73
28	REC GANGA KALYANA IP SETS 2017-18-Capex (Secured by Hypothecation of against Created Asset)	53.314/78.540	10017139626.03.2018	3+10	120	Monthly	11	5,821.24	-	5,821.24	727.65	5,093.58
29	REC 33/11 KV Sub Station and Construction Athani Raibag Bagalkot District Rural	53.314/78.540	10017139626.03.2018	3+10	120	Monthly	10.85	2,807.28	-	2,807.28	160.45	2,646.83
30	REC DOUGLY	53.314/78.540	10015682629.01.2018	3+10	120	Monthly	10.5	12,279.44	-	12,279.44	1,339.58	10,939.86
31	REC PMREA	53.314/78.540	10025667527.09.2019	3+10	120	Monthly	11	6,439.16	-	6,439.16	877.81	5,561.35
31	REC CAPEX 2020-21	53.314/78.540	10048939108.10.2021	3+10	120	Monthly	9.58	13,101.00	-	13,101.00	-	13,101.00
31	REC RAM	53.314/78.540	10055024103.03.2022	3+10	120	Monthly	9.58	13,723.92	-	13,723.92	-	13,723.92
31	REC UG Cable Gokak	53.314/78.540	10055024103.03.2022	3+10	120	Monthly	9.58	3,146.61	-	3,146.61	-	3,146.61
31	REC 11 KV LINK LINE	53.314/78.540	10069054704.03.2023	3+10	120	Monthly	9.58	5,171.24	-	5,171.24	-	5,171.24
31	REC-SCHMES-LTL 33/11 KV Substation-35.75 CRS	53.314/78.540	10080765910.10.2023	3+10	120	Monthly	10.25	2,211.88	-	2,211.88	-	2,211.88

383



S. Suresh Kumar
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31	REC LPS	53.31478.540	Loan is secured by Govt guarantee, Hence charge not created.	2 Yr 10 months MRT+10 Yrs	120	Monthly	9.58	29,716.28	44,635.28	74,351.58	74,351.58
31	REC-Special Term Loan 500Cr September-23 8018048	53.31478.540	100807659/10.10.2023	3+10		Monthly	10.5	-	50,000.00	50,000.00	50,000.00
31	REC-Special Term Loan 500 Cr, 8018052 March-23	53.31478.540	100890452/22.03.2024	3+10		Monthly	10.5	-	50,000.00	50,000.00	50,000.00
43	REC MTL Rs.150 Crs. 30.08.2021 42816361 Capex (Secured by Hypothecation of Asset)	53.31478.540	100416674/31.12.2020	3	36	Monthly	8.5	3,125.00	-	3,125.00	-
	REC MTL Rs.12.06 Cr A/C No:46115847 moratorium period 4615001358	53.31478.540	100416674/31.12.2020	3 months	3 months	Monthly	12.75%	1,187.75	-	1,187.75	-
	REC-Medium Term Loan 17.57Cr - 46115847 (461002803) 31.08.2020 II nd mt	53.31478.540	100416674/31.12.2020	3 months	3 months	Monthly	12.75%	1,748.16	-	1,748.16	-
	REC-SLT-RBPF LOAN A/C NO:42817219 (05.08.2022)	53.31478.540	100810572/16.09.2022	5 Years		Monthly	10.00%	30,000.00	1,44,155.14	1,74,155.14	20,744.05
	REC-Medium Term Loan 400Cr July-23 (46117876)	53.31478.540	100744753/05.07.2023			Monthly	10.25%	-	40,000.00	8,888.89	31,111.11
45	GOK APDRP SCHEME	53.35078.591	Loan from the GOK	20	20	YEARLY	11.5	405.21	-	405.21	-
46	GOK LOAN FOR POWER PURCHASE Rs1500 cr	53.864778.5977	Loan from the GOK	3+7	14	YEARLY	Interest free loan	43,493.14	-	43,493.14	36,244.14
47	GOK LOAN FOR POWER PURCHASE Rs400 cr	53.864778.5977	Loan from the GOK	2+5	10	YEARLY	Interest free loan	31,999.86	-	31,999.86	23,999.86
48	KRED. 16.02.2024	53.865778.5987	Unsecured loan	1 months	1	BULLET	8.55	-	25,000.00	25,000.00	-
								4,23,130.83	4,34,845.90	8,47,776.73	8,09,300.26
								8,00,287.44	5,49,150.87	13,49,438.31	10,33,239.58

Note: Of the above outstanding of Rs.10,33,239.58 Lakh, Rs.1,43,637.76 Lakh is being payable within a year is shown as Current Liability and the balance of Rs.8,89,401.82 Lakh is shown under Non-Current Liability.

Abstract

Sl. No.	Name of the Bank/Financial Institution	Opening Balance as on	Loans Drawn during 2023-24	Total Loans	Repayment of Loan during 2023-24	Closing Balance as on 31.03.2024
1	Rural Electrification Corporation (REC)	01.04.2023 3,12,235.36	3,55,010.80	6,67,245.96	1,97,324.45	4,69,921.51
2	Power Finance Corporation (PFC)	34,937.26	44,635.29	79,572.55	437.80	79,134.75
3	Canara Bank	1,07,261.09	18,000.00	1,25,261.09	6,693.16	1,18,567.93
4	State Bank of India (SBI)	79,560.43	75,000.00	1,54,560.43	12,639.58	1,42,020.85
5	Punjab National Bank (PNB)	67,476.14	-	67,476.14	2,412.60	65,063.53
6	Bank of India (BoI)	99,978.25	-	99,978.25	3,581.42	96,396.83
7	Government of Karnataka (GoK)	75,958.21	-	75,958.21	15,714.21	60,244.00
8	Karnataka Renewable Energy Development Limited (KREDL)	-	25,000.00	25,000.00	25,000.00	-
9	SBI & Canara (Working Capital)	22,780.70	31,504.97	54,285.67	52,395.51	1,890.17
TOTAL		8,00,287.44	5,49,150.87	13,49,438.31	3,16,198.73	10,33,239.58

Note: Aggregate to Note No.: 5 and Note No.:8.



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M/s. HUBLI ELECTRICITY SUPPLY COMPANY LIMITED
PB ROAD, NAVANAGAR, HUBLI - 580 025.

Note 6 Other Long-Term Liabilities:

Rs. in Lakh

SI No	Particulars	A/C Code	As at 31st Mar, 2024	As at 31st Mar, 2023
6-1	Miscellaneous Deposits	46.966 & 47.601	203.56	282.56
6-2	Security Deposit from consumers	47.6 & 48.1	1,22,022.02	1,13,522.62
6-3	Security Deposit from Employees	46.920	0.20	0.19
6-4	Payable to GOK - BRP II from Consumers	46.204 to 46.207	40.20	40.20
6-5	Subsidy Receivable from GOK towards waiver of BJ/KJ arrears as on 13.05.2013	28.618	270.70	270.70
6-6	Consumer contribution towards cost of Capital assets:			
	Opening Balance*		2,21,528.94	-
	Add: Additions during the year	55.1	20,650.38	-
	Less: Reversal of Depreciation		91,079.74	-
	Closing Balance		1,51,099.58	-
6-7	Government grants towards cost of Capital assets:			
	Opening Balance*		82,696.01	-
	Add: Additions during the year	55.3	-	-
	Less: Reversal of Depreciation		41,669.85	-
	Closing Balance		41,026.16	-
	Total	55.1 & 55.3	1,92,125.74	-
	Total		3,14,662.42	1,14,116.27

* Previously the balances held under the Accounts were being deducted from Property, Plant and Equipment (Note No.12).

Note:

1) 6-2: The balance of Security Deposits from consumers held as per Accounts and Consumer Ledger accounts are subject to reconciliation. Balance as per Consumer Ledger is Rs.1,16,775.63 Lakh (PY Rs.1,01,274.30 Lakh).

2) 6-6 & 6-7: The Accounting policy for Capital Grants received from the Government and consumer contributions towards the cost of capital assets has been revised during FY 2023-24. Consequently, Grants / Subsidies received from the Government or other Authorities for capital expenditure as well as consumers' contribution to capital assets, are now shown under Deferred Revenue Income and included in non-current liabilities.

Deferred revenue income is accounted to income of respective year based on the depreciation on straight-line basis that is charged to the class of assets for which such Grants/subsidies/Contribution are received and shown under other income of respective year.

The depreciation expenses on these assets are accounted as deferred revenue expenditure of respective year.

As Deferred revenue income and Deferred revenue expenditure for the respective year is revenue neutral, there is no impact on Profit & Loss Account.

The Deferred revenue income and expenses are equal to the corresponding depreciation on these assets provided at respective Division Offices, calculated @ 5.28% on the respective assets. For the year 2023-24 this works out to Rs.16,882.23 Lakh plus accumulated depreciation amount of Rs.1,15,867.36 Lakh on these assets. Aggregate amount of 6-6 & 6-7 is Rs.1,32,749.59 Lakh. Please refer Note No.: 12-6.

3) 6-6: Capital grants and consumer contributions are accounted on receipt basis except - (i) amount spent on 2019 flood related capital works (Refer Note No.: 21-1-12) and (ii) Ganga Kalyan works (Refer Note No.: 21-1-13) are accounted on accrual basis.

Note 7 Long-Term Provisions:

Rs. in Lakh

SI No	Particulars	A/C Code	As at 31st Mar, 2024	As at 31st Mar, 2023
	Provision for employees benefit:			
7-1	Provision for compensated absences	46.430	22,648.00	18,812.07
7-2	Provision for employees benefit (FBF)	44.142	1,150.81	1,019.37
	Total		23,798.81	19,831.44

Note:

1) The provision for Liability in respect of Earned Leave Encashment(Compensated Absences) and Family Benefit Fund is created on the basis of Actuarial valuation as per AS 15 (revised 2005) as prescribed in the Companies (Accounting Standards) Rules, 2006. The assumptions adopted for valuation for 10,097 (PY 9,531) employees with salary increase of 6% (PY 6%) and RoI @ 7.20%p.a. (PY 7.45% p.a.). The Current cost on these items are shown in Note No.: 11.

2) No separate fund and Bank balance is maintained by the company for 7-1 & 7-2.

3) Amount charged to P&L Account during the year 2023-24 on account of these obligations Rs.4,141.09 Lakh (PY Rs.4,255.06 Lakh) (long-term and short-term) included under Note No.: 25-9 and Note No.: 25-12.



385

**CONTROLLER (A & R),
HESCOM, Hubballi.**



M/s. HUBLI ELECTRICITY SUPPLY COMPANY LIMITED
PB ROAD, NAVANAGAR, HUBLI - 580 025.

Note 8 Short-Term Borrowings:

Rs. in Lakhs

SI No	Particulars	A/C Code	As at 31st Mar, 2024	As at 31st Mar, 2023
8-1	Loans repayable on demand from Banks			
8-1-1	Secured(CC) - Canara Bank / State Bank of India - Over Draft	50.1	1,890.17	7,908.94
8-1-2	Secured - State Bank of India	53.978	14,995.42	14,871.77
8-1-3	Secured - Canara Bank	53.981	3,000.00	3,000.00
8-1-4	Secured - REC - RBPF	53.314	20,744.05	30,000.00
8-1-5	Current maturities of long-term debt		1,03,208.12	68,896.68
	Total		1,43,837.76	1,24,677.38

8-1-5: The Current maturities (payable during FY 2024-25) of long-term debt:

Rs. in Lakhs

SI No	Particulars	A/C Code	As at 31st Mar, 2024	As at 31st Mar, 2023
I	Term loans From banks Secured			
1	Loan from State Bank of India Hubli by HESCOM	53.978	9,756.00	6,562.99
2	Loan from Canara Bank, Hubli by HESCOM	53.981	1,676.00	1,902.72
3	Loan drawn from Bank of India (COVID-19)	53.988	14,285.76	4,761.92
4	Loan drawn from Punjab National Bank (COVID-19)	53.989	9,639.69	3,212.00
5	Loan drawn from State Bank of India (COVID-19)	53.990	7,144.00	2,975.00
6	Loan drawn from Canara Bank (COVID-19)	53.991	7,140.00	2,380.24
	Sub-Total		49,641.45	21,794.87
II	Term loans from other parties Secured			
1	Loan from Power Finance Corporation LTD - R-APDRP Scheme.	53.961	80.01	80.01
2	Loans drawn from REC in respect of ongoing SPA Scheme works by KPTCL for HESCOM.	53.314	30,545.89	30,955.38
3	APDRP - GOK Loan Payable to KPTCL	53.350	-	465.21
4	Loan from Power Finance Corporation Ltd., - IPDS-TL	53.987	352.20	352.20
5	Loan from GOK towards Power purchase	53.984	15,249.00	15,249.00
6	Loans drawn from REC towards DDUGJY Scheme	53.986	1,339.57	-
	Sub-Total		53,566.67	47,101.80
	Total		1,03,208.12	68,896.68





M/s. HUBLI ELECTRICITY SUPPLY COMPANY LIMITED
PB ROAD, NAVANAGAR, HUBLI - 580 025.

Note 9 Trade Payables:

Rs. in Lakh

SI No	Particulars	A/C Code	As at 31st Mar, 2024	As at 31st Mar, 2023
9-1	Trade Payables for Purchase of Power	41 series	1,46,443.69	2,57,206.01
9-1-1	Provision for Liability for Purchase of Power*	41.200	1,67,204.82	1,36,717.08
9-1-2	Provision for Liability for Interest on belated Payment of Purchase of Power*	41.200	77,513.59	1,52,395.73
9-2	Trade Payables for Purchase of Power - (ESCOMs) Receivable/Payable (Net):			
9-2-1	Payable to ESCOMs - Purchase of Power	42.2	5,19,264.20	3,54,141.03
9-2-2	Less: Receivable from ESCOMs - Purchase of Power	28.8	2,03,698.47	1,88,283.79
	Net Payable to ESCOMs - Purchase of Power		3,15,565.73	1,65,857.23
	Total		7,06,727.82	7,12,176.05

* Unbilled Power Generators Invoices as on 31.03.2024.

Notes on Trade payables for purchase and Late Payment Surcharge/Interest:

- 1) Interest on belated payments payable is accounted on receipt of Invoices for supply of power from the Power Generators.
- 2) Trade payable balances are subject to confirmation.

3) The matter regarding the payment of principal towards purchase cost of power and interest on certain dues claimed by KPCL was disputed by the Company. In this regard, as per the Government Order No. Energy/468/PSR/2023, Dtd: 30-03-2024, the dues payable by the Company to KPCL (cost pertaining to Power) was crystallized. Accordingly, the Company liability towards KPCL is Rs.2,29,176.03 Lakh (Principal of Rs.1,44,541.52 Lakh and Interest of Rs.84,634.51 Lakh).

The Company had already accounted Rs.1,67,406.30 Lakh (Principal of Rs.1,20,784.28 Lakh and Interest of Rs.46,622.02 Lakh) upto 31.03.2023, and further, Rs.23,757.25 Lakh is debited to Profit & Loss Account for the current FY 2023-24 towards purchase cost and Interest of Rs.38,012.49 Lakh upto FY 2019-20 and Rs.30,577.17 Lakh interest for the FY 2020-21 to FY 2023-24 is pending to be accounted due to the representation given to the GoK for waiver-off of Interest.

(Rs. in Lakh)

SI. No	Particulars	Power Cost	Interest	Total Dues
1	Dues as per GO dtd: 30-03-2024 for 2005-06 to 2019-20	1,44,541.52	84,634.51	2,29,176.03
2	Already accounted upto 31-03-2023	1,20,784.28	46,622.02	1,67,406.30
3	Power cost accounted as per GO in 2023-24 (1 - 2)*	23,757.25	38,012.49	61,769.74
4	Interest from 2020-21 to 2023-24*	-	30,577.17	30,577.17
5	Total amount accounted in 2023-24 (3 + 4)	23,757.25	68,589.66	92,346.91

* Interest as per the GO of Rs.38,012.49 Lakh and Interest from FY 2020-21 to FY 2023-24 amounting to Rs.30,577.17 Lakh is shown under Contingent Liability (Refer Note No.:29-1-1-1-9)

4) Letter of Credit from banks (non-fund based):

In accordance with terms of power purchase agreements entered with various power generators, the company has provided LC's to Generators as a payment security and availing rebate as per the rebate clause. The obligations under LC were honored by HESCOM promptly and there was no LC devolvement. The status of LC's availed as on 31.03.2024 & 31.03.2023 are furnished as below:

Rs. in Lakh

SI.No	Name of the Bank	Comprehensive LC Limit	Amount of LC availed	Balance of LC limit available as on 31-03-2024
1	State Bank of India (against 10% Cash margin)	30,000.00	29,191.58	808.42
2	Canara Bank (against 15% Cash margin)	15,000.00	7,175.11	7,824.89
	Total	45,000.00	36,366.69	8,633.31

LC availment position during previous year ended 31.03.2023:

Rs. in Lakh

SI.No	Name of the Bank	Comprehensive LC Limit	Amount of LC availed	Balance of LC limit available as on 31-03-2023
1	State Bank of India (against 10% Cash margin)	30,000.00	28,693.53	1,306.47
2	Canara Bank (against 15% Cash margin)	15,000.00	2,666.00	12,334.00
	Total	45,000.00	31,359.53	13,640.47



387

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M/s. HUBLI ELECTRICITY SUPPLY COMPANY LIMITED
PB ROAD, NAVANAGAR, HUBLI - 580 025.

Note 10 Other Current Liabilities:

Rs. in Lakh

Sl No	Particulars	A/C Code	As at 31st Mar, 2024	As at 31st Mar, 2023
10-1	Interest accrued and due on borrowings	51.200	1,581.22	1,134.90
10-2	Interest accrued but not due on borrowings	46.710	680.16	434.81
10-3	Interest accrued but not due on Consumers Security Deposits	46.340 & 46.350	6,596.43	3,892.64
10-4	Other payables:			
10-4-1	Liability for Supplies / Works	42.101,201,301,401, 501 & 701 and 46.984, 985 & 986	26,002.83	35,234.79
10-4-2	Security deposit, Retention money and Penalty from Suppliers / contractors	46.101,102,103,104, 107,108 & 109	12,462.36	10,621.41
10-5	Employee related liabilities and provisions			
10-5-1	Provision for payment and receivable to/from P&G Trust (Pension & Gratuity)(Net)			
10-5-1a	Pension & Gratuity - Payable to P&G Trust	44.122	7,773.43	6,430.02
10-5-1b	Less: Pension & Gratuity - Receivable from P&G Trust	26.907	422.23	(964.38)
	Pension & Gratuity - Net Payable to P&G Trust		7,351.21	7,394.40
10-5-2	Provision for payment and receivable to/from NDCPS Family Pension Trust and Gratuity Trust (Net)			
10-5-2a	Payable to NDCPS Family Pension Trust and Gratuity	44.123 & 44.124	6,909.01	6,454.38
10-5-2b	Less: Receivable from NDCPS Family Pension Trust and Gratuity	26.909 & 26.910	807.15	190.53
	Net Payable to NDCPS Family Pension Trust and Gratuity		6,101.86	6,263.85
10-5-3	Unpaid Bonus	44.220	0.68	1.23
10-5-4	Salary payable	44.310,311,312	654.66	2,081.01
10-5-5	Bonus payable	44.320	28.23	26.50
10-5-6	Ex-gratia payable	44.330	708.54	680.39
10-6	Statutory remittances:			
10-6-1	Electricity tax and other levies payable to the Government including old balances	46.300	11,884.36	7,705.27
10-6-2	Compounding Fee payable to the Government	46.301	173.40	183.39
10-6-3	ESI payable	46.991 & 46.992	1.56	1.39
10-6-4	Taxes such as Sales Tax, Income Tax, Service Tax, etc., deducted at source and payable to the Government.	(46.921,924,925,926,927,930,931 & 942)	1,762.27	978.10
10-6-5	Goods and Service Tax (GST) payable	(46.932,933,934,987,988,989,990,993,994,995,996,997)	746.80	670.99
10-6-6	Amount recoverable from salaries of company employees & payable to other departments	46.928	114.72	127.53
10-6-7	NDCPS Contribution from Employees/Employer	46.952 & 44.150	352.92	2,178.78
10-6-8	Amount recovered from Employees & payable to Employees welfare Trust towards Employees contribution	46.956	85.81	85.63
10-6-9	Contract employees PF and Company's Share of PF payable account	46.957 & 46.958	1.13	0.10
10-6-10	TCS Collected from Consumers	46.936	10.83	5.12
10-6-11	IT deducted at Source on purchase of electricity	46.937	113.39	123.78
10-7	Others			
10-7-1	Expenses Payable	46.400,410,411,430,440,441,450,460,470	10,358.74	26,123.62
10-7-2	Advance received for sale of stores/scrap etc.,	46.922	32.74	60.44
10-7-3	State Cheques	46.910 & 46.911	9.79	11.95
10-7-4	On Billing Finance under DELP Programme.	46.302	0.08	0.05
10-7-5	Free Power supply to BPL consumers (SC/ST) under Amrut Jyoti scheme	46.303	530.75	530.90
10-7-6	Encashment of Bank Guarantee pending disposal of Court case against Liquidated damages	56.202	523.00	523.00
10-7-7	Deposits for Electrification / Service Connection	47.300, 301, 303, 305, 306, 307, 309, 311, 313, 314 & 319	16,520.39	14,067.41
	Total		1,09,392.88	1,21,143.37



Notes:

1) 10-3: In accordance with the Hon'ble KERC Regulation (2005), interest on consumer security deposit/meter security deposits are payable to LT & HT consumers during first quarter of succeeding year. The interest rate is aligned with Bank rate notified by the Reserve Bank of India (which was 6.75% (PY 4.25%)) prevailing as on 1st day of the financial year for which interest is payable.

2) 10-6-1: The Electricity tax demanded from consumers for the year amounts to Rs.34,300.14 Lakh (PY Rs.29,956.74 Lakh). The tax collected from consumers including arrears and payable to the GoK during FY 2023-24 is Rs.30,673.88 Lakh (PY Rs.29,754.38 Lakh).

Out of the above, the GoK has adjusted Rs.30,121.05 Lakh (PY Rs.28,603 Lakh) to tariff subsidy receivable from the GoK during the year.

The remaining balance payable is Rs.11,884.36 Lakh (PY Rs.7,705.27 Lakh).

3) 10-7-5: **Amrut Jyothi Scheme** - The Government of Karnataka vide Order dated:18.05.2022 introduced 'Amrut Jyothi Scheme' for free supply of power to the domestic consumers under Scheduled Caste and Scheduled Tribe categories upto a maximum of 75 units per month. Subsequently, the GoK vide order dated 17.07.2023, increased the consumption limit by 10% of 75 units. To avail the benefit of free power, consumers need to initially pay the monthly electricity charges to the Company for getting reimbursement through Direct Benefit Transfer (DBT). Pending receipt of reimbursement claim from the beneficiaries by the Company, the amount received from the GoK for reimbursement held is Rs.530.75 Lakh (PY Rs.530.90 Lakh).

4) 10-7-6: During the previous year 2022-23, Bank Guarantee was encashed against Liquidated damages. Pending disposal of Court case in the matter the amount encashed is held under Other Current Liabilities.

5) 10-7-7: Upon completion of works of Electrification / Service Connection for which deposits have been collected, these deposits will be transferred to Grants / Contributions account from consumers.

Note 11 Short-Term Provisions:

Rs. in Lakh

Sl No	Particulars	A/C Code	As at 31st Mar, 2024	As at 31st Mar, 2023
11-1	Provision for employees benefit (Leave Encashment)	46.430	3,781.57	3,612.27
11-2	Provision for other employees benefit - FBF	44.142	83.32	78.91
11-3	<u>Provision - Others:</u>			
11-3-1	Provision for loss on written off of cash found short	46.965	0.67	0.67
Total			3,865.56	3,691.85

Note: For Long-term provisions of the above refer Note No.: 7.

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M/s. HUBBLI ELECTRICITY SUPPLY COMPANY LIMITED
PB ROAD, NAVANAGAR, HUBBALLI - 580 025.
Note 12 A Property, Plant and Equipment:

Sl No	Property, Plant and Equipment	A/C Code	Gross block			A/C Code	Accumulated depreciation					Net block	
			Balance as at 1st April, 2023	Additions	Disposals		Balance as at 1st April, 2023	Depreciation expense for the year	Eliminated on disposal of assets	Balance as at 31st March 2024	Balance as at 31st March 2024	Balance as at 31st March 2024	Balance as at 31st March 2024
12-1	Land Freehold	10.1	2,34,930.58	106.96	-	12.1	-	-	-	-	2,34,937.55	2,34,930.58	
12-2	Buildings	10.2	30,543.47	3,036.19	-	12.2	5,649.86	1,131.97	-	6,781.83	26,767.83	24,893.61	
12-3	Hydraulic Works	10.3	815.19	33.16	-	12.3	302.01	40.64	-	342.65	505.89	513.18	
12-4	Other Civil Works	10.4	1,119.23	26.73	-	12.4	206.19	37.37	-	243.55	902.41	913.04	
12-5	Plant and Equipment	10.5	1,58,923.49	48,654.04	31,054.56	12.5	40,732.36	10,704.35	5,415.42	46,021.29	1,30,501.68	1,18,191.13	
12-6	Line Cable Networks	10.6	8,26,421.92	73,829.21	4,393.93	12.6	1,58,809.68	1,58,542.67	2,031.48	3,15,320.86	5,80,536.34	6,67,612.25	
12-7	Vehicles	10.7	1,126.38	23.57	27.44	12.7	637.69	48.56	1.20	685.05	437.46	488.68	
12-8	Furniture and Fixtures	10.8	925.84	74.21	0.21	12.8	455.99	44.37	0.15	500.21	499.63	469.85	
12-9	Office equipment	10.9	1,055.30	37.85	309.23	12.9	131.88	9.37	0.02	141.23	642.68	923.42	
12-10	Land Leasehold	10.102	22.63	-	1.02	12.1	-	-	-	-	21.61	22.63	
Total			12,55,784.03	1,25,821.93	35,786.39		2,06,925.66	1,70,559.29	7,448.27	3,70,036.88	9,76,782.89	10,48,858.37	
Less: Contribution and Grants towards cost of Capital Assets.													
Previous year			11,72,173.98	1,20,733.56	37,123.51		1,80,545.14	51,178.36	24,797.84	2,06,925.66	7,51,272.74	2,97,565.62	

Note:-

1) Please refer Note No. 6-6 & 6-7, Till FY 2022-23, the amount equal to Capital Grants received from Government and consumer contribution towards cost of capital assets was being deducted from the gross / net block of assets and corresponding depreciation charged on these assets at Division level was reversed at Corporate Office such that there was no charge to the Profit & Loss Account on account of depreciation on these assets. The Accounting policy towards Capital Grants received from Government and consumer contribution towards cost of capital assets has been revised during FY 2023-24. Accordingly, Grants / Subsidies received from the government or other authorities towards capital expenditure as well as consumers' contribution to capital assets are shown under Deferred revenue income and are included in non-current liabilities. Deferred revenue income is taken to income of respective year based on the depreciation on straight-line basis that is charged to the class of assets for which such Grants/subsidies are received and shown under other income. The depreciation expenses on these assets are shown as Deferred revenue expenditure of the year. (Refer Note No.27 H-6) The accumulated depreciation on these assets are included under 12-6 - Line, Cable Networks. Of which Rs.1,15,867.36 Lakh is towards Deferred revenue expenditure and the balance of Rs.42,675.31 Lakh is accounted as accumulated depreciation of the Company as on 31.03.2024.

2) 12-6: A provision for Loss of Assets (included under 12-6 above) in respect of Rural Load Management System Units (RLMS) is made from 2012-13 at Corporate Office level on estimated basis. Pending write-off of the asset, the provision of Rs.3,167 Lakh held as on 31.03.2024 is squared-off in the capital cost of asset.

3) Revaluation of Land Assets (SI. No.: 12-1):
Cost of Land include revalued amount of Rs.2,32,200.81 Lakh done during FY 2021-22.

Depreciation relating to continuing operations:

Sl No	Particulars	Rs. in Lakh	
		For the year ended	31-Mar-23
12-11	Depreciation for the year on tangible assets as per Note 12 A		
	Less: Utilised from revaluation reserve	1,70,559.29	51,178.36
	Depreciation relating to continuing operations	1,70,559.29	51,178.36



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12 B. Intangible Assets:

Sl No	Intangible Assets	A/C Code	Gross block			A/C Code	Rate %	Accumulated amortization			Net block	
			Balance as at 1st April, 2023	Additions	Disposals			Balance as at 1st April, 2023	Amortization for the year	Eliminated on disposal of assets	Balance as at 31st March, 2024	Balance as at 31st March, 2023
12-B-1	Software acquired / Purchased for internal use	18.1	2,584.01	50.37	-	12.801	25	2,013.82	316.42	-	304.14	570.19
	Total		2,584.01	50.37	-			2,013.82	316.42	-	304.14	570.19

Note: There are no Intangible Assets under development.

12 C. CAPITAL WORK IN PROGRESS:

Sl No	Particulars	A/C Code	Gross block			A/C Code	Rate %	Accumulated amortization			Net block	
			Balance as at 1st April, 2023	Additions	Disposals			Balance as at 1st April, 2023	Amortization for the year	Eliminated on disposal of assets	Balance as at 31st March, 2024	Balance as at 31st March, 2023
12-C-1	Capital Work In Progress CWIP Categorised - R-APDRP works Sub-Total											
12-C-2	Completed works pending for categorization Written down value of Faulty / Dismantled Assets for re-use Less: Consumers contribution towards cost of capital assets											
	Total											

Note: 1) 12-C-2: On revision of the accounting policy from FY 2023-24, in the matter of accounting Consumers contribution towards cost of capital assets is shown under Other Long-term liabilities. (Refer Note No. 6-6, 6-7, 12-6, 23-15 & 27-16)

2) 12-C-1: The irregular works observed in Athani Division during earlier years due to illegal works amounting to Rs.8,060.44 Lakh are not dealt with / withdrawn from the CWIP/Capital Assets (PY Rs.8,060.44 Lakh). Regarding the financial loss of Rs.3,403.22 Lakh estimated as on 31.03.2023, on completion of enquiry in the matter, an amount of Rs.3,167.40 Lakh is crystallized to be recovered from the Contractors. The balance of Rs.235.82 Lakh is not provided in the accounts.

Land owned under full titles (A/C Code 10.101) include the following lands which are under dispute and pending before the Court. The details are as under:

Sl. No.	Divisions	Name of the place	Survey / CTS No.	Area	W.P.No./Year	Remarks
1	Gadag	Unachageri village, Ron taluk	64/2 & 64/3	03A-30G	NC-2024-KHC-D-3380 MFA No.: 25807 of 2012	Order passed for additional Compensation of Rs.35,000 per acre.
2	Ranebennur	Division office premises Ranebennur	794A/9B+10/B, 795/1	05A-30, 14G	104529/2018	Land Encroachment, matter with Hon'ble High Court, Dharwad.
3	Ranebennur	Sub-Division Office Premises Byadagi	180/A/1	01A- 9.0G	100088/2023	Refund of excess amount to HESCOM, Order since passed by Hon'ble High Court, Dharwad..
4	Belagavi Urban	Gandhi nagar, Belagavi	1046/3A	00A-18G	FR No.: 100098/2023, MSA No.: 100110/2023 (LAC)/(LAC Appeal 143/2015)	Additional Compensation, matter with Hon'ble High Court, Dharwad.
5	Athani	Athani	CTS No: 4356	02A-00G	OS 293/2019	Land Encroachment, matter with Audi. 3rd District Court, Athani.
6	Vijayapura	Jurnal	418/2+3+4	01A-12G	OS/673/2018	Additional Compensation, matter with District Court, Vijayapura.
7	Indi	Almel	765/B	03A-03G	WP No. 202039/2021	Land Encroachment, matter with Hon'ble High Court, Kalaburgi.
8	Indi	Naad B K	214+1	02A-00G	EP 23/2016	Additional Compensation, matter with District Court, Indi.
9	Basavana Bagewadi	Malagthan	137	05A-00G	WP No. 203453/2017	Additional Compensation, matter with Hon'ble High Court, Kalaburgi



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M/s. HUBLI ELECTRICITY SUPPLY COMPANY LIMITED
PB ROAD, NAVANAGAR, HUBLI - 580 025.

Note 13 Non-Current Investments:

Rs. in Lakh

Sl No	Particulars	As at 31st Mar, 2024			As at 31st Mar, 2023		
		Quoted	Unquoted	Total	Quoted	Unquoted	Total
13-1	Investments (At cost):						
	Non Trade Investments						
13-1-1	Investment in equity instruments						
	Controlled special purpose entities						
13-1-1	i) M/s. Power Company of Karnataka Ltd (PCKL) (PTC-20.271) (100 Equity Shares of Rs. 1000 Each)	-	1.00	1.00	-	1.00	1.00
13-1-2	ii) Other Investments - M/s. Priyadarshini Jurala Hydro Electric Project (PTC-20.272)	-	886.67	886.67	-	1,040.00	1,040.00
	Total	-	887.67	887.67	-	1,041.00	1,041.00
	Aggregate amount of unquoted investments			887.67			1,041.00

Note:

13-1-2: The Company's share of allocation by the GoK out of total payment of Rs.7,000 Lakh made to M/s Priyadarshini Jurala Hydro Electric Project Limited through M/s PCKL as an investment in Power Utilities was Rs.1,400 Lakh. This amount is held under Non-Current Assets. PCKL vide its letter dtd: 04.04.2022, 30.05.2022 and 30.11.2022 has directed to amortize this amount over a period of 35 years commencing from 2011-12 from the Commercial Operation Date of the project as per the terms of PPA. Hence, an amount of Rs.40 Lakhs per annum for a period of 9 years (from 2014-15 to 2022-23) which amounts to Rs.360 Lakh. The same is debited to Profit & Loss Account for the year 2022-23. Further for 2023-24, an amount of Rs.153.00 Lakh is debited to Profit & Loss Account for the year 2023-24, out of which Rs.40 Lakh pertains to 2023-24 and Rs.113 Lakhs for 2011-12 from June-2011 to 2013-14.

Note 13A Deferred Tax (Asset):

Rs. in Lakh

Sl. No.	Particulars	A/C code	As at 31st Mar, 2024	As at 31st Mar, 2023
13A-1	Deferred Tax (Asset)	46.801	-	37,679.91
	Total		-	37,679.91

Note:

During the year, as a prudent practise, the Deferred Tax Asset existing in the Balance Sheet has been reversed to the Profit and Loss Account. Also, since the Company has huge accumulated Depreciation/Business losses to be set-off against future profits (DTA) and also Deferred Tax Liability pertaining to Property Plant & Equipment, but due to uncertainty of time of set-off, the Company has not recognised DTA/DTL in its books.

Break-up of Deferred Tax Asset / Liability

Rs. in Lakh

Particulars	Opening balance as at 31.03.2023	Closing balance as at 31.03.2024	Debit to Profit & Loss Account
1	2	3	4 = 3 - 2
Deferred Tax Liabilities (DTL) (A)	31,031.63	-	(31,031.63)
Deferred Tax Assets (DTA) (B)	68,711.54	-	(68,711.54)
Deferred Tax Asset / Liability (C = A - B)	(37,679.91)	-	37,679.91



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M/s. HUBLI ELECTRICITY SUPPLY COMPANY LIMITED
PB ROAD, NAVANAGAR, HUBLI - 580 025.

Note 14 Long-Term Loans and Advances:

Rs. in Lakh

SI No	Particulars	A/C Code	As at 31st Mar, 2024	As at 31st Mar, 2023
	(Unsecured, considered good unless otherwise stated)			
14 -1	Capital advance to Suppliers - Interest free	25.501	106.77	6.75
14 -2	Capital advance to Contractors - Interest free	26.601, 602 & 603	105.83	504.38
14 -3	Material Advance to Contractors	26.605	6,508.28	5,969.55
	(Secured, considered good)			
14 -4	Deposits made with Courts, Telephone connections, etc.,	28.930,933,935	611.91	507.70
	Total		7,332.79	6,988.38

Note 15 Other Non-Current Assets:

Rs. in Lakh

SI No	Particulars	A/C Code	As at 31st Mar, 2024	As at 31st Mar, 2023
15 -1	Subsidy receivable from GOK Unsecured, considered good	28.611,617 & 621	2,760.97	2,760.97
15 -2	Amount receivable from Karnataka Power Loom Development Board – GOK towards Special Nekar Package Scheme.	28.619	80.20	2,176.12
15 -3	Regulatory Asset	28.908	-	96,593.43
15 -4	Advance paid to SPPCC towards UI Charges/Administrative charges	28.946	0.13	(2,787.85)
15 -5	Receivable from Inter Company Transactions - Receivable/Payable (Net):			
15 -5-1	Receivable from KPTCL & ESCOMs	28.9 series	8,392.07	8,601.32
15 -5-2	Less: Payable to KPTCL & ESCOMs	42.2 series	6,692.64	6,724.35
	Net Receivable from KPTCL & ESCOMs		1,699.43	1,876.97
	Total		4,540.73	1,00,619.65

Note:

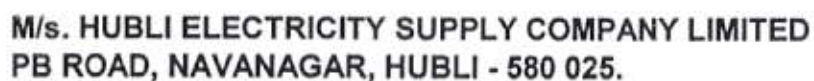
- 1) 15 -1 includes Rs.2,702.37 Lakhs Subsidy Receivable from GoK with respect to Hukkeri Co-Operative Society.
- 2) 15-3: The Regulatory Asset balance of Rs.96,593.43 Lakh has been reversed during the year on realization of regulatory asset through revenue in tariff hike and FPPCA.
- 3) 15-5-2: Liability with respect to Arms length arrangement for sharing of maintenance cost and payment of rent in respect to assets of common use between KPTCL and HESCOM are pending for reconciliation with KPTCL.

Note 16 Current Investments:

SI No	Particulars	A/C Code	As at 31st Mar, 2024	As at 31st Mar, 2023
			Rs. in Lakhs	Rs. in Lakhs
16-1	-----	-	Nil	Nil
			Nil	Nil



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Note 17 Inventories:

Rs. in Lakh

SI No	Particulars	A/C Code	As at 31st Mar, 2024	As at 31st Mar, 2023
17 -1	Stores and spares (As per details below)	22 series and 16.1 series	19,589.94	19,638.30
	Total		19,589.94	19,638.30

Details of Inventories are as below:

Rs. in Lakh

SI No	Particulars	A/C Code	As at 31st Mar, 2024	As at 31st Mar, 2023
17 -1-1	Materials Stock Account	22.610	18,221.83	18,320.96
17 -1-2	Materials imprest Account	22.641	440.05	335.81
17 -1-3	Materials pending Inspection	22.660	217.25	80.39
17 -1-4	Materials Account - Temporary works	22.731	109.38	99.02
17 -1-5	Less: Obsolete Materials Account	22.760	1,511.81	2,337.12
	Materials stock Excess / Shortage Pending Investigation.			
17 -1-6	Less: Stock Excess pending Investigation.	22.810	202.19	72.19
17 -1-7	Stock Shortage pending Investigation.	22.820	192.35	172.08
	Sub-Total		17,466.85	16,598.96
	Assets not in use, held for sale			
17 -1-8	Obsolete / Scrapped assets.	16.1	2,123.09	3,039.35
	Total		19,589.94	19,638.30



394



M/s. HUBLI ELECTRICITY SUPPLY COMPANY LIMITED
PB ROAD, NAVANAGAR, HUBLI - 580 025.

Note 18 Trade Receivables against Supply of Power:

Rs. in Lakh

SI No	Particulars	A/C Code	As at 31st Mar, 2024	As at 31st Mar, 2023
18-1	Outstanding for a period less than six months from the date they were due for payment			
18 -1-1	Unsecured, considered good	23.1, 23.2, 23.3 & 23.7	1,71,635.22	2,39,056.80
18 -1-2	Less: Revenue Suspense, Revenue collection Pending Classification	47.607, 47.609	1,719.69	1,415.71
	Less: Receipts in Bank accounts pending adjustments to A/c's	46.97	2,059.87	1,757.14
18-2	Outstanding for a period exceeding six months from the date they were due for payment			
18 -2-1	Unsecured against disconnected installations	23.5	4,702.42	4,429.78
	Sub-Total		1,72,558.07	2,40,313.73
18 -3	Less: Provision for withdrawal of Revenue demand	23.8	9,020.69	1,784.04
18 -4	Less: Provision for doubtful trade receivables	23.9	3,561.61	3,234.01
	Sub-Total		12,582.30	5,018.05
	Total (As per Note below)		1,59,975.77	2,35,295.68

Details of Trade Receivables are as below:

Rs. in Lakh

SI No	Particulars	A/C Code	As at 31st Mar, 2024	As at 31st Mar, 2023
	RECEIVABLES AGAINST SUPPLY OF POWER:			
	Unsecured Considered Good			
18 -1	Trade Receivables for sale of Power – LT	23.1	41,157.66	1,25,874.46
18 -2	Trade Receivables for sale of Power - HT	23.2	56,682.41	18,783.90
18 -3	Trade Receivables for Electricity Tax	23.3	10,565.94	6,878.11
18 -4	Dues from Permanently disconnected consumers	23.5	4,702.42	4,429.78
18 -5	Trade Receivables for sale of Power - Interest	23.700	41,158.29	74,747.79
18 -6	Trade Receivables for sale of Power - Hukkeri Rural Electric Co-Operative Society	23.275	22,070.91	12,772.54
	Sub-Total		1,76,337.63	2,43,486.58
	Less:			
18 -7	Provision for withdrawal of Revenue demand	23.800, 801, 802	9,020.69	1,784.04
18 -8	Provision for Doubtful Dues from consumers (Credit Account)	23.9	3,561.61	3,234.01
18 -9	Revenue Suspense, identified revenue collection pending credit to consumers	47.607, 47.609	1,719.69	1,415.71
18 -10	Receipts in Bank accounts, un-identified revenue collection pending credit to consumers	46.971, 972, 974, 975, 979, 980 & 981	2,059.87	1,757.14
	Sub-Total		16,361.86	8,190.90
	Total (Net Receivables against Supply of Power)		1,59,975.77	2,35,295.68

Note:

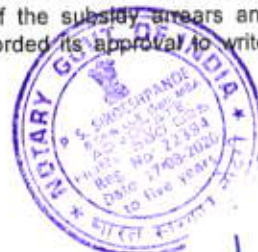
(i) 18-5: Include Rs.16,543.47 Lakh (PY Rs.14,094.31 Lakh) towards interest receivable from HRECS.

(ii) 18-1: As per G.O.No.: Energy/123/PSR/2022 Bangalore, Dated: 11.03.2022, GoK extended the financial support to the Company by releasing arrears of subsidy from FY-17 till FY-22 of Rs.3,46,308 Lakh (Cash Support Rs.2,47,050 Lakh and Interest free loan adjusted Rs.99,258 Lakh) and remaining subsidy balance from FY-03 till FY-16 of Rs.2,19,603 Lakh had been advised for write-off duly obtaining approval from the Board.

In this regard, the company had made representation to GoK for reconsideration. The GoK vide their letter No.: Energy/46/PSR/2024 Bangalore, Dated: 22.02.2024, had instructed to write-off the subsidy arrears and to submit the Board Resolution copy. The Board in its 114th meeting held on 07.03.2024 has accorded its approval to write-off subsidy arrears of Rs.2,19,603 Lakh in phased manner as stated below.

SI. No.	Financial Year	Amount (Rs. in Lakh)
1	2023-24	1,09,800.00
2	2024-25	65,882.00
3	2025-26	43,921.00
	Total	2,19,603.00

Accordingly, the Company has written-off Rs.1,09,800 Lakh during FY 2023-24 and reduced the balance recoverable under 18-1.



395
CONTROLLER (A & R),
HESCOM, Hubballi.

(ii) 18-1: The dues recoverable as on 31.05.2023 under BJ/KJ above 40 units amounting to Rs.4,182 Lakh was released on 02.02.2024 vide the GoK Order No.: Energy/258/PSR/2023 Bangalore, Dated: 02.02.2024.

(iii) 18-1 & 18-5:

18-1: Securitization of Gram Panchayat dues: Pursuant to G.O. No.: Energy/61/PSR/2024 Bangalore, Dated: 30.03.2024. Accordingly on 30.03.2024, the Company has transferred the reconciled balance dues from 01.04.2015 to 31.03.2023 from Rural Local Bodies amounting to Rs.45,131.75 Lakh (Note No.: 21-1-8) to PCKL for securitization of the receivables by PCKL in order to get loans from Banks and utilise the proceeds of such loans to clear the dues of KPCL and KPTCL. The amount receivable from PCKL is shown under A/c code 28.856. Further, in June-2024 70% i.e., Rs.31,592.23 Lakh has been adjusted towards KPCL dues, 10% i.e., Rs.4,513.17 Lakh has been adjusted towards KPTCL dues and remaining 20% i.e., Rs.9,026.35 Lakh cash has been received by the Company.

18-5 & 18-7: The interest on the dues from Rural Local Bodies as included under Note No.: 18-5 from 01.04.2015 to 31.03.2023 of Rs.7,111.74 Lakh (Note No.: 18-7) has been advised by the GoK to waive off. In this regard, the company has made representation to the GoK and also made a provision of the equal amount by debiting Profit & Loss Account during current year 2023-24 (Refer Note No.: 28b-2).

(iv) 18: Trade Receivables for sale of power includes Rs. 3579.02 Lakh (PY Rs.3,524.47 Lakh) pertaining to disputes raised by consumers and which are pending before various authorities and courts, as detailed below:

SI No	Name of the Appellate Authority	Rs. in Lakh			
		2023-24		2022-23	
		Number of Cases	Amount	Number of Cases	Amount
1	Corporate Office, HESCOM, Hubballi.	2	10.06	2	10.06
2	Chief Engineer (Ele), O & M Zones, HESCOM.	3	86.32	1	75.69
3	Superintendent Engineer (Ele.), O & M Circles, HESCOM.	30	20.10	33	20.20
4	Superintendent Engineer (Ele.), Appeals.	57	19.58	53	13.89
5	Executive Engineer (Ele.), O & M Divisions, HESCOM.	4	2.52	3	2.19
6	Various Courts.	60	3,403.00	62	3,365.00
7	Hon'ble KERC, Bengaluru.	7	37.44	7	37.44
	Total	163	3,579.02	161	3,524.47




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HESCOM, Hubballi.**



M/s. HUBLI ELECTRICITY SUPPLY COMPANY LIMITED
PB ROAD, NAVANAGAR, HUBLI - 580 025.

Note 19 Cash and Cash Equivalents:

Rs. in Lakh

SI No	Particulars	A/C Code	As at 31st Mar, 2024	As at 31st Mar, 2023
19-1	Balances with Banks:			
19-1-1	Collecting Bank Accounts (Non-operative)	24.302, 304, 311, 315, 316 & 323	1,160.34	1,094.33
19-1-2	Disbursement Bank Accounts (Operative)	24.402, 404, 415, 416, 423, 425, 426 & 428	699.26	1,125.65
19-1-3	Transit accounts	24.502 & 24.602	159.33	2.46
	Sub-Total		2,018.92	2,222.44
19-2	Cash on hand	24.110	616.46	490.46
19-3	Cheques on hand	24.110	472.23	645.40
19-4	Postage stamps on hand	24.120	3.21	3.18
19-5	Imprest with staff	24.210	13.28	13.25
19-6	Fixed Deposits in Banks			
19-6-1	Cash and Cash Equivalent (maturity less than 3 months)	28.935	18.94	-
	Cash and Cash Equivalents Total		3,143.04	3,374.73
19-7	Other Bank Balances			
19-7-1	Deposits provided as margin money for letter of credit and Bank Guarantee (maturity more than 3 months but less than 12 months)	28.935	6,478.47	5,728.64
	Total		9,621.51	9,103.36

Note: Bank Fixed deposits include Rs.5,250 Lakh towards Deposits under lien towards Letter of Credit Limits availed from Banks for Purchase of Power amounting to Rs.45,000 Lakh (i.e., 10% and 15% Cash Margin) (PY Rs.45,000 Lakh) and Rs.934 Lakh towards BG issued against 100% Cash margin.

Note 20 Short-term Loans and Advances:

Rs. in Lakh

SI No	Particulars	A/C Code	As at 31st Mar, 2024	As at 31st Mar, 2023
	Loans and Advances to Employees			
	Secured, considered good			
20-1	Festival advance	27.203	557.81	395.86
20-2	Medical advance	27.204	125.65	89.14
20-3	Advances to staff against expenses	27.201, 28.202 & 27.205	151.90	123.62
	Total		835.36	608.62

Note:

20-2: Medical advance and staff advance to employees is given based on the KPTCL circular: CYS-611/Dt:15.06.2012.



397

CONTROLLER (A & R),
HESCOM, Hubballi.



M/s. HUBLI ELECTRICITY SUPPLY COMPANY LIMITED
PB ROAD, NAVANAGAR, HUBLI - 580 025.

Note 21 Other Current Assets:

Rs. in Lakh

Sl No	Particulars	A/C Code	As at 31st Mar, 2024	As at 31st Mar, 2023
21 -1-1	Un-Billed Revenue	23.4	79,691.39	1,37,002.72
21 -1-2	Preliminary expenses on survey/feasibility studies of project not yet sanctioned	17.301	41.99	42.93
21 -1-3	Transformers / meters etc., issued to contractors / suppliers for repairs / replacement	26.604	1,887.35	2,315.94
21 -1-4	Advance paid to PCKL towards Purchase of Energy from Energy Exchanges	27.822	16,035.92	-
21 -1-5	Interest accrued on Bank Deposits	28.210 & 28.285	154.90	128.72
21 -1-6	Amount Recoverable from Employees & others	28.1, 28.4 & 46.978	390.42	286.56
21 -1-7	Claims for Loss/Damage to Assets/Material	28.724, 729, 743, 744, 749	26.99	25.22
21 -1-8	Receivables from PCKL (Power Company of Karnataka Limited) (Refer Note No.:18, Sl. No.iii)	28.856	45,131.75	-
21 -1-9	Other Receivable towards other ESCOMs receivable, etc.,	28.8, 28.901 & 902	3,105.82	344.93
21-1-10	Receivable from the GoK towards BJ/KJ above 40 units arrears as on 31.05.2023	28.615	51.60	-
21 -1-11	Subsidy receivable from the GoK	28.627, 28.638 & 28.639	1,59,594.28	23,640.36
21-1-12	Subsidy receivable from GoK to be written-off during FY 2024-25 (Balance - 30%) & FY 2025-26 (Balance - 20%)	28.614, 28.620 & 28.627	1,09,803.00	1,02,617.57
21 -1-13	Amount receivable from GoK towards waiver of Demand/Fixed Charges of MSME COVID 19 welfare measures	28.626	0.69	9.17
21 -1-14	Sundry Debtors - Government Department	28.110	14,032.78	16,453.49
21 -1-15	Amount Receivable from Departments towards Ganga Kalyan Works	28.628 to 28.636 & 28.640 to 28.646	2,190.80	1,330.93
21 -1-16	Service Tax claim settled by HESCOM to be recovered from Consumer/Contractor	28.852	613.37	619.95
21 -1-17	Inter Unit Accounts	31 to 37	5,017.30	3,026.33
21 -1-18	Receivable from the GoK towards Electrification / Service Connection (Ganga Kalyan - Old balances)	47.101, 308, 310 & 315	12,137.04	12,078.54
21 -1-19	Trade amount receivable by the Company from the Energy Exchanges towards Renewable Energy Certificates (RECs) sale.	28.857, 28.858	15.66	37.51
21 -1-20	Tax Deducted at Source	27.410, 27.425 & 28.821	214.01	124.79
21 -1-21	TCS paid to the suppliers on Purchase of Electricity/Goods	28.822 & 28.823	224.51	223.86
21 -1-22	GST TCS Collected by electronic commerce operator on the trade obligation of Renewable Energy Certificates (RECs) sale.	28.818, 824 & 825	0.00	0.19
Total			4,50,361.57	3,00,309.71

Note:

1) 21-1-4 pertains to Advance paid to PCKL towards purchase of energy from energy exchanges.

2) 21-1-11 includes Gruha Jyothi Scheme: The GoK vide order dated: 05.06.2023, 15.06.2023 & 17.07.2023 introduced Gruha Jyothi Scheme for providing one of the basic facility of electricity with free of cost to the citizens of the state with effect from 01.07.2023 with following certain conditions:

Allowing 10% higher consumption limit on units of monthly average consumption (based on consumption of FY 2022-23) of each consumer under Gruha Jyothi Scheme upto a maximum consumption limit of 200 units per month for each household in the state. In this regard, the Government has released subsidy of Rs.1,09,291.47 lakh during FY 2023-24. After setting-off dues of Rs.97,833.56 Lakh under Gruha Jyothi upto 31.03.2024, the balance of Rs.11,457.91 Lakh is held in credit balance.

3) 21-1-14 includes the amount related to 2019 flood, related to Capital works which are claimed as refunds from the GoK to extent of Rs.13,684.67 Lakh (PY Rs.13,791.60 Lakh).

4) 21-1-15: The amount of Rs.2,190.80 Lakh (PY Rs.1,330.93 Lakh) is related to Ganga Kalyan works which are receivable from various Government Departments.

5) 21-1-16: Rs.1,109 Lakh Service Tax liability was paid by the Company during the month of March 2018 towards Supervision Charges collected from the consumers for the period from 01.04.2011 to 30.06.2017 in respect of electrical connections as per the Summons issued by Senior Intelligence Officer, Bengaluru on 08.06.2017. The recovery of service tax from the consumers upto 31.03.2024 is Rs.495.63 Lakh (Rs.6.57 Lakh recovered during the year) and outstanding recoverable amount is Rs.613.37 Lakh (PY Rs.619.95 Lakh). No provision is made towards this amount.



398

**CONTROLLER (A & R),
HESCOM, Hubballi.**



M/s. HUBLI ELECTRICITY SUPPLY COMPANY LIMITED
PB ROAD, NAVANAGAR, HUBLI - 580 025.

Note 22 Revenue from Operations:

Rs. in Lakh

SI No	Particulars	A/C Code	For the year ended 31st Mar,2024	For the year ended 31st Mar,2023
22 -1	Sale of Power comprises: (Refer Note below)			
22 -1-1	Revenue from Sale of Power - LT	61.1 & 61.3	10,19,482.00	7,68,598.40
22 -1-2	Revenue from Sale of Power - HT	61.2	2,08,495.93	1,79,464.49
22 -1-3	Revenue from Sale of Power - HRECS	61.275	28,626.33	22,111.02
22 -1-4	Fuel and Power Purchase Cost Adjustment (FPPCA) (LT, HT & HRECS)	61.4 & 61.5	98,613.92	1,14,960.45
			13,55,218.18	10,85,134.36
22 -2	Other Operating Revenue	61.9	21,898.63	15,559.60
			13,77,116.81	11,00,693.95
	Less:			
22 -3	Rebates and Incentives	78.822, 78.823, 78.826, 78.827	226.88	483.63
22 -4	Provision for withdrawal of Revenue Demand	83.830, 831 & 832	375.53	187.32
	Total		13,76,514.40	11,00,023.01

Breakup of Revenue from Operations consumers wise:

Rs. in Lakh

SI No	Particulars	A/C Code	For the year ended 31st Mar,2024	For the year ended 31st Mar,2023
	Sale of Power comprises :			
	Revenue from Sale of Power - LT			
22 -1-1-1	Bhagya / Kuteera jyothi Scheme above 40 units	61.101	2,106.92	2,653.45
22 -1-1-2	Lighting/Combined Lighting, Heating and Motive Power--Installations of Residential houses- applicable to all areas.	61.102	94,614.95	1,28,549.42
22 -1-1-3	Gruha Jyothi Scheme upto 200 units	61.105	79,874.60	-
22 -1-1-4	Lighting/ Combined Lighting, Heating and Motive - private professional and other private educational institutions-applicable to all areas	61.113	3,193.03	2,574.22
22 -1-1-5	Commercial Lighting, Heating and Motive power - applicable to all areas.	61.116	78,311.84	66,194.05
22 -1-1-6	Temporary Power Supply on permanent connection basis(Hoardings and Advertisement boards)	61.118	52.35	60.64
22 -1-1-7	Irrigation Pump sets (above 10 HP)	61.121	938.98	801.69
22 -1-1-8	IP Sets Up to and inclusive of 10HP	61.122	6,56,233.48	4,64,158.02
22 -1-1-9	Private Horticultural Nurseries, Coffee Nurseries of forest and Horticultural Depts, Grass Farms and Gardens, Tea and Rubber plantations- applicable to all areas	61.127	104.32	75.24



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Sl No	Particulars	A/C Code	For the year ended 31st Mar,2024	For the year ended 31st Mar,2023
22 -1-1-10	Industrial, Non-Industrial, Heating and Motive Power including Lighting -applicable to all areas.	61.129	40,463.09	34,542.48
22 -1-1-11	Water supply and sewerage pumping installations	61.143	34,404.52	28,520.28
22 -1-1-12	Public Street lights	61.144	16,328.53	15,220.80
22 -1-1-13	Temporary Power Supply -applicable to all areas	61.145	7,917.95	12,761.46
22 -1-1-14	Electric Vehicle Charging Station and Battery Swapping Stations - LT-6 (c)	61.147	17.92	0.76
22 -1-1-15	Bhagya / Kuteera jyothi Scheme Subsidy upto 40 units	61.300	4,919.52	12,485.88
22 -1-1-16	FPPCA (LT)	61.4	79,675.99	95,713.98
	Revenue from Sale of power - LT		10,99,157.99	8,64,312.38
	Revenue from Sale of Power – HT			
22 -1-2-1	Public Water Supply & Sewerage Pumping	61.250	28,341.22	23,898.51
22 -1-2-2	Industrial.	61.255	1,06,832.63	1,02,477.83
22 -1-2-3	Commercial.	61.256	17,494.28	15,859.58
22 -1-2-4	Government Hospitals and Hospitals run by Charitable Institutions	61.257	5,856.55	4,836.15
22 -1-2-5	Educational Institutions and Hostels of Educational Institutions	61.258	3,350.98	2,683.54
22 -1-2-6	Lift Irrigation schemes & Lift Irrigation societies.	61.262	36,590.64	21,881.30
22 -1-2-8	Irrigation and Agricultural Farms, Govt horticultural farms, Private Horticultural nurseries, Coffee.	61.264	1.67	3.64
22 -1-2-10	Residential Apartments and colonies, areas - applicable to all areas.	61.272	1,506.91	1,340.36
22 -1-2-11	Temporary HT Installations	61.274	8,521.06	6,483.58
22 -1-1-12	FPPCA (HT)	61.5	15,665.31	15,512.31
	Revenue from Sale of Power – HT		2,24,161.23	1,94,976.80



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HESCOM, Hubballi.**

400

Sl No	Particulars	A/C Code	For the year ended 31st Mar,2024	For the year ended 31st Mar,2023
22 -1-1-13	Bulk power supply to Hukkeri Rural Electric Co-Operative Society- HRECS.	61.275	28,626.33	22,111.02
22 -1-1-14	FPPCA (HRECS)	61.575	3,272.63	3,734.16
	Revenue from Sale of Power – HRECS		31,898.95	25,845.18
	Other operating revenues comprise:			
22 -2-1	Reconnection Fee (D & R)	61.901,61.902	2.50	37.49
22 -2-2	Service Connection (Supervision charges)	61.904	2,274.54	2,070.29
22 -2-3	Delayed payment charges from consumers.	61.905	18,290.26	12,344.39
22 -2-4	Other Receipts from consumers	61.906,61.600	515.27	465.10
22 -2-5	Registration fee towards SRTPV	61.907	12.43	21.48
22 -2-6	Facilitation fee towards SRTPV	61.908	4.46	2.71
22 -2-7	Supervision Charges for self Execution works	61.909	529.81	447.41
22 -2-8	Maintenance charges for the layouts created by the Developers	61.910	269.35	170.73
			21,898.63	15,559.60
	Less: Rebates and Incentives:			
22 -3-1	Rural & Solar Rebate allowed to consumers	78.821 & 78.822	77.04	345.30
22 -3-2	Incentives for prompt payment	78.823, 824 & 825	62.17	77.92
22 -3-3	Time of day (TOD) Tariff Incentive	78.826	4.78	60.41
22 -3-3	Rebate to MSME consumers	78.827	82.89	-
			226.88	483.63
22 -4	Less: Provision for withdrawal of Revenue Demand	83.830 & 83.831	375.53	187.32
Grand Total			13,76,514.40	11,00,023.01

The details of sale of energy and distribution losses during the current year are as follows:

Sl.No.	Particulars	Energy in M.U	
		2023-24	2022-23
a	Total energy available for sale	18,307.54	14,637.16
b	Total metered sales	6,288.62	5,549.63
c	Total un-metered sales	8,806.69	6,408.12
d	HRECS Sales	501.67	378.62
e	Total sales (excluding Wheeled Units)	15,596.98	12,336.37
f	Distribution loss	2,710.56	2,300.79
g	Percentage of Distribution loss	14.81%	15.72%

Note: The above sales excludes the Wheeled energy of 877.64 Mus in FY 2023-24 and 760.15 Mus in FY 2022-23.



401

**CONTROLLER (A & R),
HESCOM, Hubballi.**



M/s. HUBLI ELECTRICITY SUPPLY COMPANY LIMITED
PB ROAD, NAVANAGAR, HUBLI - 580 025.

Note 23 Other Income:

Rs. in Lakh

SI No	Particulars	A/C Code	For the year ended 31st Mar,2024	For the year ended 31st Mar,2023
.23 -1	Interest on Bank Fixed Deposits & Others	62.222, 270	415.82	229.02
.23 -2	Profit on Sale of scrap	62.330, 62.340 & 62.400	211.64	331.55
.23 -3	Reactive energy charges demanded on IPPs	62.361	84.59	116.08
.23 -4	Meter Readings and Calibration of meter - charges of Wind Mill Project.	62.363	77.31	87.69
.23 -5	Rental from Staff Quarters	62.901	155.27	94.42
.23 -6	Rental from others	62.902	27.34	6.61
.23 -7	Excess found on physical verification of Materials Stock.	62.905	10.85	1.70
.23 -8	Trade Income from the Energy Exchanges towards Renewable Energy Certificates (RECs) sale. (Refer Note 24, Sl. No.:4)	62.907	6,034.83	10,158.59
.23 -9	Incentive Income from the Energy Exchanges towards RECs	62.908	0.02	64.13
.23 -10	Income from Cables on HESCOM infrastructure.	62.913	3.15	89.86
.23 -11	Rebate for collection of Electricity Duty.	62.916	-	148.78
.23-12	Other Recoveries	62.917,918	4,222.46	5,760.02
.23-13	NEF Interest Subsidy	62.917	-	2,434.57
.23-14	Rebate from Power Generators	62.919	6,490.49	2,466.98
.23-15	Grants and Consumer contribution related to PPE apportioned for the year (Deferred revenue income)	62.920	16,882.23	-
	Total		34,616.00	21,990.02

Note:

1) 23-8: Refer Note No.:5 A&B of Note No.: 24.

2) 23-11: As per the GoK letter No.: Energy/294/PSR/2023 Bangalore, Dated: 14.03.2024, the GoK has directed to not to claim the rebate on collection of Electricity tax. Hence, during the year no claim for rebate has been raised.

3) 23-15: The deferred revenue income towards Grants and Consumer contribution related to Property, Plant and Equipment have been accounted as per AS-12. (Refer Note Nos.:6-6, 6-7, 12-6 & 27 i-6).



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402



M/s. HUBLI ELECTRICITY SUPPLY COMPANY LIMITED
PB ROAD, NAVANAGAR, HUBLI - 580 025.

Note 24 Purchase of Power:

Sl No	Particulars	A/C Code	For the year ended 31st Mar,2024	For the year ended 31st Mar,2023
24 -1	Purchase of Power from various Generators	70.000	7,48,025.03	7,55,895.29
24 -2	O & M Expenses to SLDC.	70.165	3,165.74	2,458.16
24 -3	Power purchased cost in respect of Inter ESCOM Energy exchange.	70.281	43,292.00	(51,415.27)
24 -4	Energy Balancing	70.801	1,62,816.31	40,824.69
24 -5	Power Transmission Charges	70.113 & 70.161	1,47,898.37	1,64,085.91
	Total		11,05,197.44	9,11,648.78

Note:

1) 24-5: Transmission charges towards M/s. KPTCL has been accounted amounting to Rs.1,06,981.15 lakh (PY Rs.96,539.52 Lakh) including incentive charges of Rs.358.88 lakh (PY Rs.471.11 Lakh) and towards M/s. CTUIL (M/s. PGCIL) amounting to Rs.40,917.21 lakh (PY Rs.67,546.29 Lakh) for April-2023 to March-2024.

2) 24-5: As per the Hon'ble APTEL Order Dated: 05.10.2020 pertaining to payment of Tannirbhavi Power Purchase Cost of earlier years amounting to Rs.33,791 Lakh (including HRECS of Rs.798 Lakh), the Company shall account this expenditure over the period of 5 years. Accordingly, the Company has accounted Rs.6,758 Lakh by debiting to KPTCL Power Transmission charges during the current year (included in Sl. No. 24-5). The balance amount to be paid over the remaining period is Rs.10,700 Lakh. The liability is not accounted in the books.

3) The Energy Department, GoK has approved Energy allocation of their respective production from different sources towards Purchase of Power as follows for FY-24 & FY-23 as follows:

Source	2023-24	2022-23
KPCL Hydel	45.00%	25.33%
KPCL Thermal	6.00%	11.69%
CGS	20.60%	19.33%
UPCL	8.00%	26.00%

The purchase of energy to the Company includes EHT purchase at more than 33 KV voltages at the interconnection points for transfer of power for billing by the Company.

The rates followed for the allocated/assigned power purchase is based on the commercial rates/predetermined rates as approved by the PPA/ KERC/ Government of Karnataka.

The Transmission losses on account of Power Purchase from Generation Point till interface point of Transmission are accounted by the Company as per the power purchase bills based on the proportionate allocated energy and adjusted after energy balancing among ESCOMs.

The Company accounts the import /export of energy among ESCOMs as net energy either as a sale/purchase and also accounts energy at 11KV Inter ESCOM flow.

Statement showing the Energy Balancing accounted for the Year 2023-24 as follows:						
ESCOMs	Energy Balancing at SLDC, Bengaluru		Energy Balancing 11KV/ 33 KV Inter ESCOMs flow			
	Energy (in MUs)	Amount (Rs. in Lakh)	Energy (in MUs)	Amount (Rs. in Lakh)	Energy (in MUs)	Amount (Rs. in Lakh)
1	2	3	4	5	6(2+4)	7(3+5)
MESCOM	1,383.57	93,676.10	(26.69)	(1,236.79)	1,356.88	92,439.31
BESCOM	766.11	49,339.60	(21.66)	(979.12)	744.45	48,360.48
GESCOM	211.06	12,127.40	(2.32)	(90.82)	208.74	12,036.58
CESC	191.71	9,979.94	-	-	191.71	9,979.94
Total	2,552.44	1,65,123.03	(50.66)	(2,306.73)	2,501.78	1,62,816.31

Statement showing the Energy Balancing accounted in Previous Year 2022-23 as follows:						
ESCOMs	Energy Balancing at SLDC, Bengaluru		Energy Balancing 11KV/ 33 KV Inter ESCOMs flow			
	Energy (in MUs)	Amount (Rs. in Lakh)	Energy (in MUs)	Amount (Rs. in Lakh)	Energy (in MUs)	Amount (Rs. in Lakh)
1	2	3	4	5	6(2+4)	7(3+5)
MESCOM	19.39	855.48	(1.48)	(87.71)	17.91	767.77
BESCOM	483.25	31,264.62	(20.77)	(1,078.88)	462.48	30,185.74
GESCOM	(61.03)	(3,166.76)	(24.51)	(1,272.77)	(85.54)	(4,439.53)
CESC	287.83	14,310.70	-	-	287.83	14,310.70
Total	729.44	43,264.05	(46.76)	(2,439.35)	682.68	40,824.69

Note: Positive figures indicates that payable by HESCOM and Negative figures indicates Receivable by HESCOM. The expenditure is included in Sl. No.: 24-4.



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4) 23-8: RENEWAL ENERGY AND ENERGY SAVING CERTIFICATES CREDITS, SALES AND CLOSING STOCK POSITION AS ON 31.03.2024:

A) Renewable Energy Certificates (RECs):

As per CERC, Renewable Energy Certificate Regulation 2022 dtd: 09-05-2022, the Distribution Licensee are eligible for certification from the concerned State Commission about purchase of electricity from Renewable Energy Sources in excess of the Renewable Purchase Obligation (RPO) as determined by the concerned State Commission.

As such, for the Renewable Energy over and above the RPO, KERC has issued Format 1.4 for 2019-20, 2020-21 and the same was uploaded in NLDC Portal, accordingly RECs were issued to HESCOM. These certificates are held in DEMAT Form in NLDC Portal. The details are as below:

(in MWh)					
Sl. No	Source	Period	Issue Date	Balance as on 01.04.2023	Balance as on 31.03.2024
1	Non-Solar	2019-20	03-08-2022	15,10,172	10,19,147
2	Solar	2019-20	04-08-2022	6,23,672	-
3	Non-Solar	2020-21	21-09-2022	18,15,435	18,15,435
4	Solar	2020-21	22-09-2022	8,14,992	4,48,888
Total				47,64,271	32,83,470

As per the procedure, the RECs were submitted to M/s. PCKL for trading through IEX, PXIL, HPX Energy Exchange on behalf of HESCOM.

For the year 2021-22, NLDC has issued 3,30,009 Solar RECs and 4,02,383 Non-Solar RECs on 01-08-2024.

Details of RECs traded during 2023-24 are as below:

Sl. No.	Month	Balance as on 01.04.2023 in MWh	RECs Traded in MWh 2023-24	Amount Realised (Rs. in Lakh)	Balance as on 31.03.2024 in MWh
		47,64,271			
1	Apr-2023, May-2023		-	-	47,64,271
2	Jun-2023		907	8.15	47,63,364
2	Jul-2023		4,600	34.27	47,58,764
3	Aug-2023		2,674	17.26	47,56,090
4	Sep-2023		3,95,119	1,975.60	43,60,971
5	Oct-2023		13,847	62.31	43,47,124
6	Dec-2023		6,62,202	2,470.39	36,84,922
7	Feb-2024		4,01,452	1,445.23	32,83,470
8	Mar-2024		-	-	32,83,470
Total			14,80,801	6,013.21	

RE Certificates were traded on an average at Rs.406 /REC during 2023-24 as against average of Rs.1,000 /REC during 2022-23.

The amount realized during 2023-24 is accounted under income account code 62.907.

For the year 2022-23, Hon'ble KERC has recommended that HESCOM has procured 17,80,496 Mwh of Renewable energy which is equivalent to 17,80,496 RECs.

For the year 2023-24, SLDC, KPTCL has certified the fulfillment of RPO of HESCOM. According to this report, HESCOM is eligible for 13,91,213 MWh of Renewable Energy, which is equivalent to 13,91,213 RECs. HESCOM vide letter dtd: 02-07-2024 has requested Hon'ble KERC for issuance of recommendation to HESCOM for the Renewable Energy purchased by HESCOM over and above RPO requirement during 2023-24.

Further, HESCOM has submitted these details to National Load Despatch Centre (NLDC) to get the RECs for HESCOM for the years 2022-23 and 2023-24 and the same is pending for issue of certificates and hence not included in the Stock of Renewable Energy Certificates (RECs) as on 31.03.2024.

B) Energy Savings Certificate (ESCerts):

As per the Bureau of Energy Efficiency (BEE) Notification No. SO1264 (E), dtd: 31-03-2016, the Distribution Companies (DCs) under Perform Achieve Target (PAT) Cycle-II are eligible for certification for achieving energy savings in excess of the determined target set by BEE.

Energy Savings Certificate (ESCerts) issued by BEE to HESCOM for the years 2017-18, 2018-19, 2020-21 is 3,614 ESCerts in aggregate.

As per the procedure, the ESCerts were submitted to M/s. PCKL for trading through IEX, PXIL, HPX Energy Exchange on behalf of HESCOM.

The ESCerts are being traded from February-2023. (Trade on every Tuesday). Details of ESCerts traded during 2023-24 are as below:

Sl. No.	Month	Balance as on 01.04.2023 in units	ESCerts Traded in units 2023-24	Amount Realised Rs. in Lakh	Balance as on 31.03.2024 in units
1	OB of ESCerts	2,564			
2	Apr-2023		116	2.13	2,448
3	May-2023		126	2.32	2,322
4	Jun-2023		603	11.10	1,719
5	Jul-2023		26	0.46	1,693
6	Aug-2023		196	3.61	1,497
7	Sep-2023		106	1.95	1,391
8	Oct-2023		2	0.04	1,389
9	Nov-2023 to Mar-2024		-	-	1,389
Total			1,176	21.62	

Energy Savings Certificates were traded on an average at Rs.1,840 /ESCert during 2023-24 as against average of Rs.1,840 /ESCert during 2022-23.

The amount realized during 2023-24 is accounted under income account code 62.907.

The ESCerts for the years 2022-23 to 2024-25 will be issued after the end of 2024-25 and hence not in the closing stock of Energy Savings Certificates.

The closing stock of RECs is 40,15,862 MWh and of ESCerts is 1,389 units. Pending realization, on account of price volatility and uncertainties involved in trading, the company had not accounted these certificates in the books of accounts as on 31-03-2024, as in the previous year ended 31-03-2023.



404
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M/s. HUBLI ELECTRICITY SUPPLY COMPANY LIMITED
PB ROAD, NAVANAGAR, HUBLI - 580 025.

Note 25 Employee Benefits Expenses:

Rs. in Lakh

Sl No	Particulars	A/C Code	For the year ended 31st Mar,2024	For the year ended 31st Mar,2023
25 -1	Salaries	75.1	58,467.79	57,131.41
25 -2	Overtime	75.2	1,004.33	749.16
25 -3	Dearness Allowance	75.3	22,226.03	17,521.77
25 -4	Other Allowances	75.4	7,911.69	7,130.91
25 -5	Bonus / Ex-Gratia	75.5	736.94	706.88
25 -6	Medical expenses reimbursement	75.611	697.81	702.83
25 -7	Earned Leave Encashments - Employees covered under Contributory Pension Scheme	75.616	2,541.88	1,976.86
25 -8	Earned leave encashment - Regular Employees.	75.617	1,598.47	2,113.75
25 -9	Earned leave encashment - Retired / Deceased Employees	75.618	5,461.93	5,703.14
25 -10	Payment to helpers/employees of Monsoon gang	75.630	165.40	98.66
25 -11	Staff Welfare expenses (includes 25-11-4 below)	75.7	269.40	380.12
25 -12	Terminal Benefits	75.8	39,088.94	25,437.46
	Total		1,40,170.60	1,19,652.97

Note:

1) Earned leave benefit

- Maximum accrual is 30 days per year and maximum accumulation allowed is 300 days.
- EL accumulated in excess of 15 days is allowed for encashment while in service provided the EL encashed is not less than 15 days in case of "A"&"B" group employees and 30 days in case of "C"&"D" group employees.
- The liability for leave encashment is recognized on the basis of Actuarial valuation and provided in the accounts.

2) 25-12: Family Benefit Fund

Rs.83.03 Lakh (PY Rs.41.93 Lakh) accounted towards Employees family benefit fund scheme for the year 2023-24. The fund was introduced with effect from 01.07.1978. INR 200/- is deducted from each employee and paid to this fund. In case of death of an employee while in service, INR 2,00,000/- is being paid to the family. The company contributes to this fund as per the terms of the scheme in case of death/retirement of the employees.

The liability for Family Benefit Fund is being recognized on the basis of Actuarial valuation.

- The company do not maintain separate fund/investments for the above two schemes.

4) Disclosures under Accounting Standard - 15

Sl. No.	Employee benefit plans
	Defined contribution plans
25-12-1	The funds towards Pension and Gratuity to the employees appointed before 01.04.2006 is managed by KPTCL/ESCOMs Pension and Gratuity Trust - Pension contribution @87.42% and Gratuity contribution @11.28% was paid during 2023-24 on as you go basis. The Company recognised Rs.26,786.32 Lakh (PY Rs.15,699.58 Lakh) for Pension & Rs.2,493.33 Lakh (PY Rs.1,896.40 Lakh) for Gratuity contributions in the Statement of Profit and Loss for the year 2023-24. Actuarial Valuation as on 31.03.2024 is yet to be obtained.
25-12-2	The employees/officers who have joined/joining on or after 1.4.2006 are covered under New Defined Contributory Pension Scheme (NDCPS). As per this scheme, the employees/officers have to contribute 10% and Employer has to contribute 14% of the Basic Pay & Dearness Allowance. The Company has made a payment of Rs.7,669.18 Lakh (PY Rs.6,725.42 Lakh) as NDCPS contributions and accounted in the Profit and Loss Account.
25-12-3	The Company has introduced Family Pension and Gratuity Scheme to NDCPS Employees approved vide G.O. No.: AE 34 PEN 2018 Dated: 23.06.2018. The funds are managed by the KPTCL/ESCOMs Family Pension and Gratuity Trust. The contributions are based on Actuarial Valuation. The liability of Rs.6,322.43 Lakh as per Actuarial Valuation at the time of introduction of the scheme is payable by the Company (Note No.: 10-5-2a). The company accounted Rs.1,415.85 Lakh (PY Rs.844.89 Lakh) towards Gratuity contribution liability and Rs.596.88 Lakh (PY Rs.203.74 Lakh) towards Family Pension provisionally during the year 2023-24. Actuarial Valuation as on 31.03.2024 is yet to be obtained.
25-11-4	The Company makes Provident Fund contributions to defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised Rs. 26.46 Lakh (PY Rs.27.38 Lakh) for Provident Fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.



405
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M/s. HUBLI ELECTRICITY SUPPLY COMPANY LIMITED
PB ROAD, NAVANAGAR, HUBLI - 580 025.

Note 26 Finance Costs:

Rs. in Lakh

SI No	Particulars	A/C Code	For the year ended 31st Mar, 2024	For the year ended 31st Mar, 2023
26 -1	Interest on Loan from REC	78.540	31,473.78	27,678.87
26 -2	Payment of Interest on loan drawn by HESCOM from SBI, Hubli	78.564	7,015.72	4,161.30
26 -3	Interest on loan from Canara Bank	78.567	5,402.75	4,106.51
26 -4	Interest on short-term loan/ Interest on working capital C.C	78.568	365.37	558.80
26 -5	Interest on Loan drawn from M/s Rural Electrification Corporation Ltd. towards DDUGJY Scheme.	78.571	1,127.92	1,320.10
26 -6	Interest on loan drawn from M/s Power Finance Corporation Ltd. towards IPDS Scheme.	78.572	433.54	473.58
26 -7	Interest on Loan drawn from Bank of India (COVID-19)	78.573	8,583.43	7,769.81
26 -8	Interest on Loan drawn from Punjab National Bank (COVID-19)	78.574	5,792.16	5,257.03
26 -9	Interest on Loan drawn from State Bank of India (COVID-19)	78.575	4,043.05	4,333.87
26 -10	Interest on Loan drawn from Canara Bank (COVID-19)	78.576	4,208.22	3,766.10
26 -11	Interest on Loan drawn from REC (LPS)	78.577	5,286.13	123.37
26 -12	Interest on Loan drawn from PFC (LPS)	78.578	5,246.68	134.94
26 -13	Payment of interest on PFC loan drawn by KPTCL on behalf of HESCOM	78.584	-	1,483.73
26 -14	Interest on loan from Power Finance Corporation Ltd. In respect of R.APDRP Scheme	78.585	131.62	178.16
26 -15	Interest on APDRP - GOK Loan	78.591	53.50	116.06
26 -16	Interest on Pradhan Mantri Gramodaya Yojana Scheme (PMGY) Loan	78.546	-	11.17
26 -17	Interest on Loans drawn from KREDL for working capital requirements.	78.598	104.11	280.28
26 -18	Less: Interest and finance charges capitalised during the year pertaining to CWIP	78.900	2,866.95	3,573.72
	Total Interest on Loans		76,401.02	58,179.96
26 -19	Interest on Security Deposits to Consumers	78.640 & 78.650	6,950.84	4,001.80
26 -20	Other Interest and Finance Charges	78.822 To 78.899	5,106.09	4,304.16
26 -21	Letter of Credit (LC) charges paid to Banks	78.843	914.03	-
26 -22	Interest on belated payments to IPPs	80 series	9,255.29	77,342.09
	Total		98,627.27	1,43,828.00



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PB ROAD, NAVANAGAR, HUBLI - 580 025.

Note 27 (i) Depreciation and Amortisation Expenses:

Rs. in Lakh

SI No	Particulars	A/C Code	For the year ended 31st Mar,2024	For the year ended 31st Mar,2023
27 i -1	Amortization of Lease Hold Assets	77.110	1.02	0.91
27 i -2	Depreciation on Buildings	77.120	1,147.59	834.72
27 i -3	Depreciation on Hydraulic Works	77.130	39.68	36.80
27 i -4	Depreciation on Civil Works	77.140	36.60	34.91
27 i -5	Depreciation on Plant and Machinery	77.150 + 77.151	10,722.55	9,030.25
27 i -6	Depreciation on lines, cable, network etc.,	77.160 + 77.161	41,391.39	24,009.20
27 i -7	Depreciation on Vehicles	77.170 + 77.171	48.56	46.55
27 i -8	Depreciation on Furniture & Fixtures	77.180	46.22	169.03
27 i -9	Depreciation on Office Equipments	77.190 + 77.191	12.01	10.79
27 i -10	Amortization on Intangible Assets	77.801	313.97	150.74
			53,759.60	34,323.91
27 i -11	Small & Low value items Written off	77.610	1.04	23.99
	Total		53,760.64	34,347.90

Note:

1) 27 i-6: Depreciation on Lines, Cables and Networks includes charge on Capital Grants and Consumer contribution towards cost of capital assets accounted as deferred revenue expenditure. (Current year Rs.16,882.23 Lakh) (Refer Note No.: 23-15).

2) 27 i-10: As per the revised Accounting Policy from the year 2023-24, the amortization expenditure on Intangible asset shall be provided equally over a period of 4 years. Accordingly, the differential carry forwarded residual value of 10% is provided during the current year (Refer Note No.: 12-B).



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HESCOM, Hubballi.

407



M/s. HUBLI ELECTRICITY SUPPLY COMPANY LIMITED
PB ROAD, NAVANAGAR, HUBLI - 580 025.

Note 27 (ii) Repairs & Maintenance, Administrative and Other expenses:

Rs. in Lakh

Sl No	Particulars	A/C Code	For the year ended 31st Mar,2024	For the year ended 31st Mar,2023
.27 -1	(i) Repairs & Maintenance to:			
.27 -1-1	Plant and Machinery	74.1	12,773.77	9,923.42
.27 -1-2	Buildings	74.2	727.70	599.24
.27 -1-3	Civil Works	74.3	453.91	436.78
.27 -1-4	Lines, Cables & Network, etc.,	74.5	5,535.64	6,697.21
.27 -1-5	Vehicles	74.6	21.06	22.72
.27 -1-6	Furniture and Fixtures	74.7	1.06	0.20
.27 -1-7	Office Equipments	74.8	4.79	5.85
	Total Repairs & Maintenance Expenses (i)		19,517.93	17,685.42
.27 -2	(ii) Administrative Expenses:			
.27 -2-1	Rent, Rates & Taxes	76.101, 76.102 & 78.861	459.16	370.34
.27 -2-2	Pagers cellular phones E-mail, Telephone, Trunk call, Telegrams and Telex Charges	76.110,111,112	101.18	107.16
.27 -2-3	Postage	76.113	23.48	24.99
.27 -2-4	Mobile phone	76.114	83.65	59.40
.27 -2-5	Legal Charges	76.120 & 76.121	244.03	173.10
.27 -2-6	Payment to Statutory Auditors : Audit Fees	76.122	10.62	8.37
.27 -2-7	Consultancy charges	76.123	15.05	20.87
.27 -2-8	Other Professional Charges	76.125	31.44	31.20
.27 -2-9	Conveyance & Travel expenses	76.130 To 76.139	6,133.00	5,144.26
.27 -2-10	Remuneration Paid to Contract Agencies engaged in Computerisation activities/Others.	76.126 + 76.127 + 76.128 + 76.129 + 76.140	11,051.36	10,701.84
.27 -2-11	Amount paid to service provider for obtaining IT related Web services, SMS services and Broadband charges etc.	76.142	408.94	470.73
.27 -2-12	Fees & Subscriptions	76.151	256.35	251.61
.27 -2-13	Books, periodicals and diaries	76.152	0.37	0.65
.27 -2-14	Printing & Stationery	76.153	132.37	160.06
.27 -2-15	Amount paid to the Energy Exchanges towards Renewable Energy Certificates (RECs) sale.	76.154	330.89	375.90
.27 -2-16	Advertisement Expenses	76.155	100.05	25.16
.27 -2-17	Computer stationery	76.156	42.56	29.59
.27 -2-18	KPTCL & ESCOMs P&G Trust O&M Expenses	76.157	229.59	150.23
.27 -2-19	Electricity Charges	76.158	316.63	264.92
.27 -2-20	Water Charges	76.160	13.57	40.73
.27 -2-21	Fund towards Consumers Education	76.162 & 76.165	40.69	28.49
.27 -2-22	Miscellaneous expenses	76.190 & 76.191	173.29	205.50
.27 -2-23	Demand Side Management (DSM) Expenses	76.193	10.74	119.94
.27 -2-24	Freight & other material related expenses	76.201 To 76.282	134.61	214.84
	Total Administrative Expenses: (ii)		20,343.62	18,979.88



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Sl No	Particulars	A/C Code	For the year ended 31st Mar,2024	For the year ended 31st Mar,2023
				Rs. in Lakh
.27 -3	(iii) Other Expenses (Debits):			
.27 -3-1	Asset Decommissioning Costs	77.5	397.18	322.22
.27 -3-2	Losses relating to Fixed Assets	77.7	4.42	23.76
.27 -3-3	Material cost variance	79.110	-	2,674.34
.27 -3-4	Provided for Bad & Doubtful Debts Written off	79.4	745.51	(570.93)
.27 -3-5	Miscellaneous losses and Write-offs (Note No.: 1 & 2)	79.5	280.58	2,115.02
	Total of Other Expenses / Debits (iii)		1,427.70	4,564.41
	Grand Total of Repairs & Maintenance, Administrative and Other expenses:(i + ii + iii)		41,289.24	41,229.71

Note:

1) 27-3-5: Miscellaneous Losses and Write-Offs comprises Compensation for injuries, death and damages to Staff Rs.32.29 Lakh (PY Rs.8.09 Lakh) and Compensation for injuries, death and damages -outsiders Rs.789.02 Lakh (PY Rs.991.20 Lakh), Compensation paid to consumers on order of tribunal / consumers Forum / Court due to wrong billing etc Rs.0.22 Lakh (PY Rs.7.78 Lakh), Provision for loss on obsolescence of stores Rs.-825.31 Lakh (PY Rs.675.87 Lakh), Loss on sale of scrap Rs.231.14 Lakh (PY Rs.55.58 Lakh), Compensation paid to consumers for interruption in Distribution Network Rs.13.23 Lakh (PY Rs. Nil), amortization of investment in Jurala project Rs.40 Lakh (PY Rs.360 Lakh).

2) The company has not taken insurance for Cash and its Assets for any loss and also any contingencies that may occur to the life/damages to the staff and others. The company over the years is absorbing such losses by charging to its Profit and Loss Account.

Note: 1 Payments to Statutory Auditor as under:

Rs. in Lakh

Sl No	Particulars	For the year ended 31st Mar,2024	For the year ended 31st Mar,2023
1	Payments to the auditors comprise Audit fees with GST @ 18%	10.62	8.37
	Total	10.62	8.37

Note: 28 Details of Prior period items (net)

Rs. in Lakh

Sl No	Particulars	A/C Code	For the year ended 31st Mar,2024	For the year ended 31st Mar,2023
28-1	Prior Period Income:			
28-1-1	Excess provision for Depreciation in prior periods	65.600	1,179.24	537.66
28-1-2	Other Excess provision in prior periods	65.700 & 65.800	7,163.13	9,461.00
28-1-3	Other Income relating to prior periods	65.900	15,044.15	821.65
	Total		23,386.52	10,820.31
28-2	Prior Period Expenses:			
28-2-1	Short provision for power purchased in previous years	83.100	30.38	296.22
28-2-2	Operating Expenses of previous years.	83.300	23.67	4.24
28-2-3	Employee costs relating to previous years	83.500	231.13	10.50
28-2-4	Depreciation under provided in previous years.	83.600	1,885.53	844.85
28-2-5	Interest and other Finance charges relating to previous year includes provision for Interest on Security Deposit	83.700 & 83.800	34.80	8.13
28-2-6	Administrative Expenses - previous years.	83.820	14.45	0.37
28-2-7	Withdrawal of other misc income accounted in previous year	83.834	1,859.17	3,419.56
28-2-8	Other Expenses relating to prior periods	83.850	4,227.73	890.52
	Total		8,306.85	5,474.39
	Net Prior Period Income		15,079.67	5,345.92



409

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HESCOM, Hubballi.



M/s. HUBLI ELECTRICITY SUPPLY COMPANY LIMITED
PB ROAD, NAVANAGAR, HUBLI - 580 025.

Note No.: 28. Exceptional Items:

Rs. in Lakh

SI No	Particulars	For the year ended 31st Mar,2024	For the year ended 31st Mar,2023
1	Withdrawal of subsidy dues amount pertaining to IP Sets for the period from FY 2002-03 to FY 2015-16. (Refer Note No.:ii of Note No.:18)	1,09,800.00	-
2	Provision for withdrawal of Gram Panchayat Interest dues (Refer Note No.:iii of Note No.:18)	7,111.74	-
	Total	1,16,911.74	-

Note 28.a. Regulatory Asset:

Rs. in Lakh

SI No	Particulars	For the year ended 31st Mar,2024	For the year ended 31st Mar,2023
28a -1	Income on account of Regulatory Assets truing of Subsidy (61.911)	(96,593.43)	40,177.32
	Total	(96,593.43)	40,177.32

Note:

The Company has recovered the Regulatory Asset created in the previous years through tariff increase and FPPCA realization. Hence, the regulatory asset balance held is charged to the P&L Account for the year 2023-24.

During FY 2023-24, the Company has opted not to recognise any fresh regulatory asset with a view to comply with the requirements of meeting the eligibility criteria as per the Revamped Distribution Sector Scheme which states that no new regulatory assets recognised during the latest tariff determination cycle.

Note 28.b. Deferred Tax

Rs. in Lakh

SI No	Particulars	For the year ended 31st Mar,2024	For the year ended 31st Mar,2023
28b-1	Deferred Tax	37,679.91	451.46
	Total	37,679.91	451.46

Note: Refer Note No.: 13A.




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PB ROAD, NAVANAGAR, HUBLI - 580 025.

Note 29 Contingent Liabilities:

Rs. in Lakh

SI No	Particulars	As at 31st Mar, 2024	As at 31st Mar, 2023
29 -1	Contingent liabilities and commitments (to the extent not provided for)		
29 -1-1	Contingent liabilities		
29 -1-1-1	Claims against the Company not acknowledged as debt (give details)		
29 -1-1-1-1	Claim of Interest by Nuclear Power Corporation of India Ltd., Kaiga site for delay in payment which is disputed by HESCOM.	4,165.90	4,112.03
29 -1-1-1-2	Dispute cases for compensation from the Company (591 Court Cases as on 31.03.2024 / 502 Court Cases as on 31.03.2023)	3,823.98	2,868.08
29 -1-1-1-3	GST Liability (penalty) towards disputed delayed GST paid on Liquidated/Penalty pertaining to earlier years (Interest not quantified)	-	183.71
29 -1-1-1-4	Dues payable to SPML Pvt. Ltd. (Contractor) towards disputed additional works carried out Vide order Dtd: 29.11.2021 of Commercial Court, Bengaluru. HESCOM had filed Appeal COMAP No.: 354/2022, COMAP No.: 355/2022 before the Hon'ble High Court of Karnataka challenging the judgement and posted for await notice to Respondents.	1,600.00	1,600.00
29 -1-1-1-5	LC Balance against LCs issued by State Bank of India and Canara Bank (Refer Note No.:9)	36,366.69	31,359.53
29 -1-1-1-6	Claim by N-Sure Reliable Power Solutions Pvt. Ltd., towards alleged losses, expenses and damages caused on account of cancellation of contingent contract dated 28-03-2018 on 18-05-2018 (contract amount Rs.28,265 lakh). The work pertaining to Development and facility service and maintenance project for Hubballi, Dharwad and Belagavi cities (Smart metering) which are R-APDRP towns under jurisdiction of HESCOM for Energy System Improvement Implementation on Design, Build, Finance, Operate and Transfer module (DBFOT) basis. The dispute is pending before THE ARBITRAL TRIBUNAL.	64,881.36	22,030.34
29 -1-1-1-7	Tariff rate differential and LPS payable to Vistaara Power Kurtakoti Pvt Ltd vide Review Petition order of Hon'ble KERC Dated: 10.07.2024 against which Appeal is being filed on merits.	391.47	Not quantified
29 -1-1-1-8	Contingent liability towards additional compensation claims against Land purchase. (Refer Note No.:12)	Not quantified	Not quantified
29 -1-1-1-9	The claim of Interest on belated payments by M/s. KPCL from FY 2005-06 to FY 2019-20 (Refer Note No.:9, SI. No.3)	38,012.49	-
	The claim of Interest on belated payments by M/s. KPCL from FY 2020-21 to FY 2023-24 (Refer Note No.:9, SI. No.3)	30,577.17	9,992.40
29 -1-1-1-10	BESCOM demand for reimbursement of shared cost towards various IT related activities under RAPDRP / IPDS - towards IT related Data Centre and Data Recovery Centre, etc.,	10,509.00	6,291.59
29 -1-1-1-11	Disputed interest charged by KPTCL towards Transmission charges unilaterally effective from Feb-2024.	2,492.85	-
29 -1-1-1-12	Contingent liability against BG issued by SBI valid upto 15.08.2024 in favour of JSW Energy Ltd., towards Section 11 power purchase rate difference.	934.00	-
29 -1-1-1-13	Sharavati conductors pvt. Ltd., vs HESCOM Arbitration case - 203/2022, 22/2021 & 119/2023 - Claim for alleged interest for the delayed payment of dues under MSME Act 2006. Matter is pending under arbitration, additional city Civil Session Judge, Bengaluru.	154.07	Not quantified
29 -1-1-1-14	TDS liability	13.10	91.00



411

**CONTROLLER (A & R),
HESCOM, Hubballi.**



M/s. HUBLI ELECTRICITY SUPPLY COMPANY LIMITED
PB ROAD, NAVANAGAR, HUBLI - 580 025.

Note 30 Earnings per Share:

Rs. in Lakh

SI No	Particulars	For the year ended	For the year ended
		31-March-2024	31-March-2023
.30 -1	Earnings per share		
	Basic & Diluted		
	Net profit / (loss) for the year from continuing operations	(2,64,020.21)	(83,622.56)
	Weighted average number of equity shares	21,724.24	21,519.44
	Par value per share (Rs.)	10.00	10.00
	Earnings per share from continuing operations - Basic (Rs.)	(12.15)	(3.89)

Additional information to the financial statements

Note 31 Related Party Transactions:

31-1 Managerial remuneration paid during the financial year : -

Rs. in Lakh

SI No	Particulars	2023-24	2022-23
.31 -1 - 1	Sri. Mohammad Roshan. IAS., MANAGING DIRECTOR:		
i	Salary and allowance	14.17	16.94
ii	Ex-gratia	0.01	0.07
iii	Medical Expenses	-	-
iv	Travelling Expenses	0.24	0.63
	Total	14.42	17.64
.31 -1 - 2	Sri. S. M. Sasalatti. DIRECTOR (TECHNICAL):		
i	Salary and allowance	41.33	25.56
ii	Ex-gratia	0.07	0.07
iii	Medical Expenses	-	-
iv	Travelling Expenses	-	0.91
	Total	41.40	26.54
.31 -1 - 3	Sri. Patil Prakash. DIRECTOR (FINANCE):		
i	Salary and allowance	35.59	29.30
ii	Ex-gratia	0.07	0.13
iii	Medical Expenses	0.39	0.20
iv	Travelling Expenses	0.83	0.80
	Total	36.88	30.43
.31 -1 - 4	Sri. Raghavendra Kotemane. COMPANY SECRETARY:		
i	Salary and allowance	21.69	16.49
ii	Ex-gratia	0.07	0.07
iii	Medical Expenses	-	-
iv	Travelling Expenses	0.42	0.32
	Total	22.18	16.88
	OTHER BENEFITS:		
i	Salary and allowance	112.78	88.29
ii	Ex-gratia	0.22	0.34
iii	Medical Expenses	0.39	0.20
iv	Travelling Expenses	1.49	2.66
.31 -1-5	Sitting fees	1.26	2.08
.31 -1-6	Travelling Expenses	-	1.44
	Grand Total	116.14	95.01

Note 31A Government Grants:

Rs. in Lakh

SI No	Particulars	For the year ended	For the year ended
		31-March-2024	31-March-2023
.31A -1	Details of government grants		
.31A-1-1	Government grants received by the Company during the year towards		
	- Subsidies (recognised under Capital Grants)	Nil	
	- Duty drawback (recognised under Other operating revenues)		

**CONTROLLER (A & R),
HESCOM, Hubballi.**

412



M/s. HUBLI ELECTRICITY SUPPLY COMPANY LIMITED
PB ROAD, NAVANAGAR, HUBLI - 580 025.

Note 32 Other Information to the Financial statements:

SI No	Particulars					
32-1	Earnings in foreign currency - Nil (As at 31st March, 2024 - ` Nil)					
32-2	Expenditure in foreign currency - Nil (As at 31st March, 2024 - ` Nil)					
32-3	Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 - Dues to MSME's not quantified.					
32-4	The Previous year figures have been regrouped / reclassified wherever necessary to confirm the current year presentation.					
32-5	The Company is having large customer base. The balances in respect of Trade Receivables, Trade Payables and Loans and Advances to suppliers and others are subject to confirmation.					
32-6	The Employees appointed by KPTCL are working in the Company on deputation basis. The Company is directly recruiting its employees since 2015.					
32-7	The Company is unable to ascertain the estimated amount of contracts on various projects remaining to be executed on capital works due to the large number of contracts spread over 7 Districts of Karnataka.					
32-8	Segment reporting :Business Segment : Electricity distribution is the Principal business of the Company. There is no other activities which form a reportable segment as per the Accounting Standard 17. Geographical Segment : The operation of the Company are mainly carried out within the seven districts of Karnataka state namely , Dharwad, Haveri, Gadag, Uttara Kannada, Belagavi, Vijayapur & Bagalkot. Therefore geographical segments are not applicable.					
32-9	Deferred Taxation : The company has not recognized Deferred Tax Assets / Liabilities as required by Accounting Standard 22.					
32-10	Audit Trail: The Company has used Microsoft Excel macros software for maintaining its books of accounts which does not has a feature of recording audit trail facility. The functions of revenue collection are automated under N-Soft and Infinite. The audit trail has been preserved by the Company as per the statutory requirements for record retention Rule 3(1) of the Companies (Account) Rules, 2014.					
32-11	Store / Inventory: The Company is having large items of materials & hence material wise quantities impractical to disclose. However, quantity wise records are maintained at various accounting units (Refer Note No.: 17)					
	Opening Stock (Rs. In Lakh)	Receipts (Rs. In Lakh)	Issues (Rs. In Lakh)	Closing Stock (Rs. In Lakh)		
	18,320.96	78,980.77	79,079.91	18,221.83		
32-12	Effect on Accounts: Board has accepted the Accounts on _____ and Statutory Auditors have also certified on _____. In the light of observations of the Comptroller and Auditor General of India during their supplementary audit conducted under Sec.143(6)(b) of the Companies Act 2013. In addition to the AG AEs, the Company has considered to account the Power Purchase Invoices received after the approval of draft Annual Accounts for FY-24 by the Board, necessary entries/corrections have been incorporated.					
	Rs. in Lakh					
	Particulars	Prior to AG's Audit	After AG's Audit (AG AEs)	Increase(+) / Decrease(-)	After AG's Audit & voluntary revision by the Company (Invoices of PP)	Increase(+) / Decrease(-)
	1	2	3	4 = 3 - 2	5	6 = 5 - 2
	Loss after tax	(2,56,729.25)	(2,57,538.90)	(809.65)	(2,64,020.21)	(7,290.96)
	Impact on Reserves and surplus	(7,44,331.10)	(7,45,234.79)	(903.69)	(7,51,716.10)	(7,385.00)
	Trade payables	7,00,102.51	7,00,132.66	30.15	7,06,727.82	6,625.31
	Other current liabilities	1,09,486.08	1,09,506.76	20.69	1,09,392.88	(93.20)
	Total Liabilities	65,257.48	64,404.63	(852.85)	64,404.60	(852.89)
	Property, Plant & Equipment	9,74,427.98	9,75,729.26	1,301.28	9,75,782.89	1,354.91
	Capital work-in-progress	37,652.87	35,932.62	(1,720.25)	35,878.95	(1,773.91)
	Inventories	19,609.13	19,589.94	(19.19)	19,589.94	(19.19)
	Trade Receivables	1,59,975.32	1,59,975.77	0.45	1,59,975.77	0.45
	Cash & Cash Equivalents	9,633.69	9,621.51	(12.19)	9,621.51	(12.19)
	Other current assets	4,50,764.52	4,50,361.57	(402.95)	4,50,361.57	(402.95)
	Total Assets	16,52,063.51	16,51,210.66	(852.85)	16,51,210.62	(852.89)



**CONTROLLER (A & R),
HESCOM, Hubballi.**

413



M/s. HUBLI ELECTRICITY SUPPLY COMPANY LIMITED
PB ROAD, NAVANAGAR, HUBLI - 580 025.

Ratios as per Schedule III

Rs. in Lakh

Sl. No.	Particulars	2023-24			2022-23			Variation
1	Current Ratio	Current Assets	Current Liabilities	Ratio	Current Assets	Current Liabilities	Ratio	
		6,40,384.14	9,63,824.02	0.66	5,06,320.10	9,54,709.83	0.53	0.13
Reason: Increase in Current Asset and Liability.								
2	Debt-Equity Ratio	Total Debt	Shareholder's Equity	Ratio	Total Debt	Shareholder's Equity	Ratio	Variation
		10,33,239.58	(7,58,678.85)	(1.36)	8,00,287.44	(5,05,854.16)	(1.58)	0.22
Reason: Increase in Total Debt.								
3	Debt Service Coverage Ratio	Earnings available for debt service	Debt Service	Ratio	Earnings available for debt service	Debt Service	Ratio	Variation
		22,641.05	3,92,599.75	0.06	54,827.49	2,36,079.05	0.23	(0.17)
Reason: Decrease in the earnings and increase in the debt service requirement.								
4	Return on Equity Ratio	Net Profits after taxes	Average Shareholder's Equity	Ratio	Net Profits after taxes	Average Shareholder's Equity	Ratio	Variation
		(2,64,020.21)	(6,32,266.51)	(0.42)	(83,622.56)	(4,68,772.88)	0.18	(0.60)
Note: Increase in losses.								
5	Inventory Turnover Ratio	Sales	Average Inventory	Ratio	Sales	Average Inventory	Ratio	Variation
		-	-	-	-	-	-	-
Note: The Company is engaged in Distribution of Electricity. Hence, this ratio is not applicable.								
6	Trade Receivables Turnover Ratio	Sales	Average Receivables	Ratio	Sales	Average Receivables	Ratio	Variation
		13,76,514.40	1,97,635.73	6.96	11,00,023.01	2,21,368.30	4.97	2.00
Reason: Decrease in receivables.								
7	Trade Payables Turnover Ratio	Purchases	Average Payables	Ratio	Purchases	Average Payables	Ratio	Variation
		11,05,197.44	7,09,451.94	1.56	9,11,648.78	6,44,543.90	1.41	0.14
Reason: Increase in Liability towards Purchase of Power.								
8	Net Capital Turnover Ratio	Sales	Average Working Capital	Ratio	Sales	Average Working Capital	Ratio	Variation
		13,76,514.40	(3,60,086.43)	(3.82)	11,00,023.01	(4,34,264.92)	(2.53)	(1.29)
Note: The company has negative net working capital in both the years.								
9	Net Profit Ratio	Net Profit	Sales	Ratio	Net Profit	Sales	Ratio	Variation
		(2,64,020.21)	13,76,514.40	(0.19)	(83,622.56)	11,00,023.01	(0.08)	(0.12)
Reason: Negative returns.								
10	Return on Capital Employed	EBIT	Capital Employed	Ratio	EBIT	Capital Employed	Ratio	Variation
		(1,27,713.03)	(7,58,678.85)	(0.17)	60,656.91	(5,05,854.16)	0.12	(0.29)
Note: EBIT moved negative for FY 2023-24.								



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414