



**KERALA STATE  
ELECTRICITY REGULATORY COMMISSION**

**ANNUAL REPORT  
2018-2019**

(To be placed before the Kerala Legislative Assembly, as per  
Section 105 of Electricity Act, 2003)



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## **1. INTRODUCTION**

The Kerala State Electricity Regulatory Commission, established in the year 2002, entered in to its 17<sup>th</sup> year of service in 2018-19. During this period, this statutory body has taken all efforts to maintain a fair, transparent and objective regulatory system in the Power Sector of the State of Kerala. In this Annual Report, the Commission hereby presents its activities during the financial year 2018-19. As in the previous reports, this annual report also provides an insight into the earnest and concerted efforts made by the Commission for achieving its specified and perceived goals.

## **2. THE COMMISSION**

The Kerala State Electricity Regulatory Commission was constituted as a quasi-judicial body under Sub-section (1) of Section 17 of the Electricity Regulatory Commissions Act, 1998 vide Government Order G.O.(MS).No.34/2002/PD dated 14<sup>th</sup> November, 2002 published in the Government of Kerala Gazette, Extra-Ordinary dated 18<sup>th</sup> November, 2002. The Commission is a body corporate having perpetual succession and a common seal, with power to acquire, hold and dispose of property, both movable and immovable, and to contract and shall, by the said name, sue or be sued. The Commission, came under the purview of the Electricity Act, 2003, with effect from 10<sup>th</sup> June, 2003 as the Electricity Regulatory Commissions Act, 1998 was repealed.

The Commission consists of a Chairperson and two Members. In recognition of the need for a multi-disciplinary approach while addressing issues related to independent regulations, the statute prescribes that the Chairperson and Members shall be persons of ability, integrity and standing who have adequate knowledge, experience and proven capacity in dealing with problems relating to engineering, finance, commerce, economics, law or management. The Chairperson and the Members are appointed by the Government of Kerala on the recommendation of a Selection Committee constituted under the statute. The statute also provides for the appointment of a Secretary to the Commission, whose powers and duties are as delegated by the Commission.

## **3. FUNCTIONS OF THE COMMISSION**

The Commission is vested with the responsibility of performing the following functions under Section 86 and other enabling provisions of the Electricity Act, 2003.

- (a) Determination of the tariff for generation, supply, transmission and wheeling of electricity, wholesale, bulk or retail, as the case may be, within the State;
- (b) Regulating the purchase of electricity and procurement process of distribution licensees including the price at which electricity shall be procured from the generating companies or licensees or from other sources through agreements for purchase of power for distribution and supply within the State;
- (c) Facilitating intra-state transmission and wheeling of electricity;

- (d) Issuance of licences to persons seeking to act as transmission licensees, distribution licensees and electricity traders with respect to their operations within the State;
- (e) Promoting co-generation and generation of electricity from renewable sources of energy by providing suitable measures for connectivity with the grid and sale of electricity to any person, and also specify, for purchase of electricity from such sources, a percentage of the total consumption of electricity in the area of a distribution licensee;
- (f) Adjudication of the disputes between the licensees and generating companies and to refer any dispute for arbitration;
- (g) Levying fee for the purposes of the Electricity Act, 2003;
- (h) Specifying Kerala Electricity Supply Code;
- (i) Specifying State Grid Code;
- (j) Specifying regulations relating to standards of performance and enforcement of standards with respect to quality, continuity and reliability of service by licensees;
- (k) Fixing the trading margin in the intra-State trading of electricity, if considered, necessary;
- (l) Discharging such other functions as may be assigned to it under the Electricity Act, 2003;
- (m) Advising the State Government on all or any of the following matters, namely:—
  - (i) Promotion of competition, efficiency and economy in the activities of the electricity industry;
  - (ii) Promotion of investment in the electricity industry;
  - (iii) Reorganization and restructuring of the electricity industry in the State;
  - (iv) Matters concerning generation, transmission, distribution and trading of electricity or any other matter referred to the State Commission by the State Government.
- (n) Management of Kerala State Electricity Regulatory Commission Fund constituted under Section 103 of the Electricity Act, 2003.

#### **4. CHAIRMAN AND MEMBERS OF THE COMMISSION**

Sri.Preman Dinaraj, IA&AS (Retd.) continued as Chairperson.Sri. K. VikramanNair andSri.S.Venugopal continued as Members. Sri.Santhoshkumar K.B continued as Secretary till 05.12.2018. ThereafterSri.G.Jyothichudan assumed charge as Secretary from 06.12.2018.

## 5. OFFICE OF THE COMMISSION

The Commission's office is located at KPFC Bhavanam on C.V. Raman Pillai Road, Vellayambalam, Sasthamangalam P.O., Thiruvananthapuram – 695010.

## 6. STATE ADVISORY COMMITTEE

The State Advisory Committee constituted as per Section 88 of the Electricity Act, 2003 is entrusted with the task of advising the Commission on major questions of policy, matters relating to quality, continuity and extent of service provided by the licensees; compliance by licensees with the conditions and requirement of their license, protection of consumer interest and electricity supply and overall standards of performance by utilities. The Committee reconstituted as per notification No. 955/ Admn./2013/KSERC dated 03.02.2015 continued during the period also.

**The following were the members of the Committee.**

(i)	Sri.Preman Dinaraj, Chairman Kerala State Electricity Regulatory Commission	:	Ex-officio Chairman
(ii)	Sri. S. Venugopal, Member Kerala State Electricity Regulatory Commission	:	Ex-officio Member
(iii)	Sri. K. Vikraman Nair, Member Kerala State Electricity Regulatory Commission	:	Ex-officio Member
(iv)	The Secretary, Power Department, Government of Kerala, Thiruvananthapuram.	:	Ex-officio Member
(v)	The Secretary, Consumer Affairs Department, Government of Kerala, Thiruvananthapuram.	:	Ex-officio Member
(vi)	The Chairman and Managing Director, Kerala State Electricity Board Ltd, VyduthiBhavanam, Pattom, Thiruvananthapuram.	:	Member
(vii)	The Director (Distribution&Generation-Electrical) Kerala State Electricity Board Ltd,Pattom Thiruvananthapuram	:	Member
(viii)	The Director, Energy Management Centre, Sreekariyam P.O., Thiruvananthapuram.	:	Member
(xi)	The Director, ANERT, Thiruvananthapuram	:	Member
(x)	The General Manager, N.T.P.C., Kayamkulam	:	Member
(xi)	Sri. K. Asokan, Chairman, Friends of Electricity Employees and Consumers, 'Madhavam', Mayanad P.O., (Via.) Medical College, Kozhikode- 673 008	:	Member
(xii)	The President, Kerala State Small Industries Association, Veekay Towers, Beerankunju Road, Kochi- 682 018	:	Member
(xiii)	Fr.Thomas Peelianickal, Executive Director, KuttanaduVikasanaSamithi,Ramankari, Alappuzha	:	Member

(xiv)	The Chairman, Confederation of Real Estate Developers' Association of India (CREDAI), C/o SI Property (Kerala) Private Ltd., 'Silver Oaks', Near Golf Club, Thiruvananthapuram- 695 003	:	Member
(xv)	The President, Chamber of Commerce, T.T.C. Road, Jawahar Nagar, Kowdiar, Thiruvananthapuram	:	Member
(xvi)	The President ,The High Tension & Extra High Tension Industrial Electricity Consumers' Association Productivity House, Kalamassery- 683 104, Ernakulam District	:	Member
(xvii)	Sri T.K.Bhaskara Panicker, President, FRATS (Federation of Residents' Association, Renfrew College,USRA-72,Vellayambalam Thiruvananthapuram	:	Member
(xviii)	Sri. S.Balasubrahmanian, Asst. Director-Projects, Smart City(Kochi) Infrastructure Ltd., Brahmapuram P.O., Kochi.	:	Member [Expired]

## 7. STATE CO-ORDINATION FORUM

In 2006, the Government of Kerala constituted a State Co-ordination Forum under Section 166 (4) of the Electricity Act, 2003, which was reconstituted in 2011. Thereafter, since most of the members of the Forum have retired or been transferred from their position, a proposal for reconstituting the Forum by nominating members by their designation and not by their individual names, was forwarded to Government. As per G.O. (Rt.) No.136/2018/Power dated 24.07.2018 and published as S.R.O No.544/2018 in Kerala Gazette Extraordinary No.2099 dated 06.08.2018, Government of Kerala have reconstituted the Coordination Forum with the following members in their official capacity. The Chairman, Kerala State Electricity Regulatory Commission shall be the Chairman of the State Coordination Forum.

1. Chairman, Kerala State Electricity Regulatory Commission.
2. Member, Kerala State Electricity Regulatory Commission (2).
3. Chairman and Managing Director, Kerala State Electricity Board Limited.
4. Director (Distribution & Generation-Electrical), KSEBL.
5. Director (Transmission & System Operation), KSEBL.
6. Director (Generation-Civil), KSEBL.
7. Independent Director, KSEBL.
8. Secretary, Thrissur Corporation, Thrissur.
9. The Finance Advisor and Chief Accounts Officer, Cochin Port Trust, Kochi.



10. The Chief Executive Officer, Technopark, Trivandrum.
11. The Executive Officer, M/s.Kannan Devan Hills Plantations Co. Pvt. Ltd., KDHPCL House, Munnar.
12. The Chief Executive Officer, KINESCO Power Utilities Ltd., Kakkanad, Kochi.
13. The Managing Director, Rubber Park India (P) Ltd., Valayanchirangara, Ernakulam.
14. Development Commissioner, Cochin Special Economic Zone Authority (CSEZA), Kakkanad, Kochi.
15. Chief Executive Officer, Infopark, Kusumagiri P.O., Kakkanad, Kochi.
16. Chief Executive Officer, Smart City Kochi Infrastructure Bhramapuram P.O., Kochi.
17. Chief Executive Officer, Kerala State IT Infrastructure Ltd.(KSITIL), Technopark Campus, Trivandrum.
18. Director, Energy Management Centre.
19. Director, ANERT.
20. Chief Electrical Inspector.
21. General Manager, NTPC Ltd., Kayamkulam.
22. Chief Manager, Power Grid Corporation of India Ltd., 400 kV Substation, Pallipuram P.O., Thiruvananthapuram.

## **8. LICENSEES**

The Kerala State Electricity Board Ltd. continued to function as the State Transmission Utility and as distribution licensee as per Section 14 of the Electricity Act, 2003. In addition to Kerala State Electricity Board Ltd, the following are the distribution licensees in the State.

- (i) Thrissur Corporation, Thrissur
- (ii) Kannan Devan Hills Plantations Company Private Limited (KDHPCL), Munnar
- (iii) Technopark, Kazhakuttam, Thiruvananthapuram
- (iv) Cochin Special Economic Zone Authority (CSEZA), Kakkanad, Kochi
- (v) KINESCO Power Utilities Private Limited (KPUPL), Kakkanad, Kochi
- (vi) Rubber Park India Private Limited (RPIL), Valayanchirangara, Ernakulam
- (vii) Cochin Port Trust, Willingdon Island, Kochi
- (viii) Infopark, Cochin

- (ix) Smart City Kochi Infrastructure pvt Ltd
- (x) Kerala State Information Technology Infrastructure Ltd, Park Centre, Technopark (Registered officers of Cyber Park area in Kozhikode).

## 9. PROCEEDINGS OF THE COMMISSION

The details of the public hearings and other proceedings of the Commission are furnished in Annexure I.

## 10. REGULATIONS ISSUED BY THE COMMISSION

1. KSERC (Conduct of Business) Second Amendment Regulation, 2018  
Notification date 12.06.2018, Gazette date 11.09.2018
2. KSERC (Terms & Conditions of Service of Officers and other Employees) Amendment Regulations, 2018.  
Notification date 12.06.2018, Gazette date. 28.11.2018
3. KSERC (Terms & Conditions for Determination of Tariff) Regulations, 2018  
Notification date 26.10.2018, Gazette date. 26.10.2018

## 11. Abstract of disposal of petitions received by the Commission.

No. of petitions pending settlement as on 31.03.2018	-	49
No. of petitions received during 2018-19	-	49
No. of petitions disposed of during 2018-19	-	36
No. of petitions pending as on 31.03.2019	-	62

## 12. IMPORTANT ORDERS ISSUED BY THE COMMISSION

### 1) Order dated 10.04.2018 in OP No. 04/2018 in the matter of petition for amending KSERC (Grid Interactive Distributed Solar Energy Systems) Regulations 2014.

General Manager, Mata Amritanandamayi Math has submitted a petition on 22.12.2017 for amending the KSERC (Grid Interactive Distributed Solar Energy Systems) Regulations, 2014, with the following prayers.

- a. To enhance the solar connectivity of captive consumers at 11 kV to 1500 kW.
- b. To formulate new Regulation for solar connectivity at 33 kV level.

The Commission admitted the petition as OP No. 04/2018 and vide the order dated 10.04.2018, disposed the matter with the following decisions. Under the KSERC (Grid Interactive Distributed Solar Energy Systems) Regulations, 2014, the maximum capacity of the solar plant that can be installed by the consumer at his premises is limited to 1 MW, in line with the model regulation issued by Forum of Regulators. At

the same time, KSERC (Renewable Energy) Regulations, 2015, read along with KSERC (Connectivity and Intra State Open Access) Regulations, 2013 provides for connectivity of generating plant including solar plant having capacity upto 12 MVA with the distribution system, and solar plant having capacity above 12 MVA with the intra-state transmission system. As such, there is no requirement for notifying separate Regulations on the prayers of the petitioner.

2) **Order dated 27.04.2018 in OA No 17 of 2017 in the matter of approval of cost data of the rates of materials and labour for the distribution works for the year 2018-19 for K S E B Ltd.**

Kerala State Electricity Board Limited (KSEB Ltd) has submitted an application, on 22.11.2017 as per the provisions of the Kerala Electricity Supply Code, 2014 for the approval of the cost data of the rates of materials and labour for the distribution works for the year 2018-19 for the recovery of expenditure under Section 46 of the Electricity Act 2003.

The Commission vide the order dated 27.04.2018 has approved the cost data of the rates of materials and labour for the distribution works for the year 2018-19 for the recovery of expenditure under Section 46 of the Electricity Act 2003.

3) **Order dated 28.05.2018 in OP No 3/2018, in the matter of application for approval of Capital Investment / Expenditure for the year 2017-18.**

KINESCO Power Utilities Pvt Ltd. had filed an application before the Commission for approval of the Capital Investment / expenditure of KPUPL for the year 2017-18, in its distribution license area at Kakkanad, Kalamassery and Palakkad.

The Commission vide the order dated 28.05.2018, approved the capital expenditure of KPUPL for the year 2017-18, for an amount of Rs.339 lakhs:

4) **Approval of One Time Settlement Scheme of K S E B Ltd. vide letter No 2094/DD(t)/KSERC/2017 dated 30.5.2018.**

The 'One Time Settlement Scheme' proposed by KSEB Ltd was approved by the commission, for a period from 01.06.2018 to 30.09.2018. The Commission vide letter dated 30.10.2018 extended the time of the scheme for period from 30.9.2018 to 31.12.2018, as requested by K S E B Ltd. and also in view of the natural calamity that occurred during the month of August in the State of Kerala

5) **Order dated 26.06.2018 in OP No 1/2018 in the matter of petition under Section 86(1) (f) of the Electricity Act, 2003 seeking kind intervention and appropriate direction in adjudicating the dispute between KSEBL and Maithon Power Ltd.**

KSEB Ltd on 05.12.2017 has filed a petition before the Commission under Section 86(1) (f) of the Electricity Act, 2003 for adjudicating the dispute on the issue of first day of the month becoming holiday for provisional bill payment Power Purchase Agreement (PPA) signed between the KSEB Ltd and Maithon Power Limited (MPL). During the hearing on the subject petition, the petitioner and respondent agreed to settle the issue through negotiation and requested the approval to withdraw the petition. The Commission vide order dated 26.06.2018 allowed KSEB Ltd to withdraw the petition and disposed the matter as withdrawn.

6) **Order dated 20.07.2018 in OP No 02/2018 in the petition filed by M/s Anakkampoil Power Private Limited under Section 86 (1) (e) of Electricity Act 2003 read with Kerala State Electricity Regulatory Commission (Power Procurement from Renewable Sources by Distribution Licensee) Regulations, 2013.**

M/s Anakkampoil Power Private Ltd filed a petition before the Commission on 09.11.2017 with the following prayers:

- (a) Direct the KSEBL to forthwith execute the PPA with the Petitioner in terms of the RFP and the bidding documents;
- (b) Direct KSEBL to construct and ensure completion of the evacuation facilities from the project switchyard of the Petitioner by April, 2018 to ensure that the Petitioner is in a position to generate and supply electricity from the SHP without any delay.
- (c) Determine the generic tariff for the projects to be commissioned in the financial years 2017-18 and 2018-19; and
- (d) Pass such further order(s) as deemed appropriate on the facts and circumstances of the case.

KSEB Ltd confirmed their willingness to purchase power from the 8 MW SHP developed by the petitioner at the tariff and terms and conditions as decided by this Commission and hence the first prayer of the petitioner was addressed.

The Commission vide the order dated 20.07.2018, dispose the petition with the following directions.

- (i) M/s Anakkampoil has to construct the transmission facilities from generator switchyard upto the nearest substation of KSEB Ltd, either on its own or through KSEB Ltd as deposit work at the cost and responsibility of the developer. If the petitioner decides to construct the transmission facilities through KSEB Ltd as deposit work, the developer has to remit the cost of the evacuation facilities.
- (ii) M/s Anakkampoil shall apply for connectivity for the generating stations with the grid of the KSEB Ltd as per the provisions of the KSERC (Connectivity and Open Access) Regulations, 2013 and KSEB Ltd shall grant connectivity as per the provisions of the said Regulations, and the petitioner shall also bear the cost for augmenting the distribution system of KSEB Ltd, if any, as per the Regulation 8 of the KSERC (Connectivity and Intra-State Open Access) Regulations, 2013.
- (iii) KSEB Ltd shall construct the substation and other evacuation facilities for the SHPs being developed in the Chaliyar basin as per the time lines specified in the KSERC (Connectivity and Open Access) Regulations, 2013.
- (iv) In the event of any delay in completion of the evacuation system as per the open access regulations, KSEB Ltd shall be liable to pay penalty as per the provisions of the Electricity Act, 2003 and appropriate Regulations notified by the Commission.

The commission also directed the petitioner to file proper application before the Commission with necessary and sufficient details with supporting documents for

determination of the project specific tariff, after declaration of date of commercial operation.

7) **Order dated 01.08.2018 in OA No. 18/2017 in the matter of determination of Tariff applicable to LPG bottling plant in pursuant to the directives of the Hon'ble Supreme Court in Civil Appeal No. 11150/2016**

Hindustan Petroleum Corporation Limited, Kochi filed a petition before the Commission on 03.11.2017, in pursuant to the directions of the Hon'ble Supreme Court dated 09.12.2016 in Civil Appeal No. 11150/2016 praying for classifying LPG plants and Petroleum Terminal and Depot as industrial consumers and not as commercial consumers for its LPG Plants.

After detailed hearing, the Commission vide order dated 01.08.2018, ordered that the LPG bottling/ filling plants, Petroleum Terminals and Depots of the petitioner and the similarly placed consumers falls under 'commercial category' for the purposes of levy of electricity charges.

8) **Common Order dated 13.8.2018 in OA No 1/2018, 7/2018 and 9/2018 in the matter of petition filed by K S E B Ltd. to recover the additional cost incurred during the period from July 2017 to September 2017, October 2017 to December 2017 and January 2018 to March 2018 over approved level on Generation and Power Purchase due to variation in cost of fuel, from all consumers including Bulk Consumers and other Licensees through fuel surcharge**

Kerala State Electricity Board Ltd filed petitions for approval of fuel surcharge for 2<sup>nd</sup>, 3<sup>rd</sup> and 4<sup>th</sup> quarter of 2017-18 with prayers as follows:

**OA No. 1 of 2018:**

- (i) *The additional financial liability incurred by KSEBL amounting to Rs 19.74 crores due to the variation in power purchase cost resulting from the variation in cost of fuel for the period from July to September 2017 for the procurement/ generation of energy from various thermal sources as detailed in Annexure I & II to this petition may kindly be approved.*
- (ii) *The approved additional cost may be allowed to be recovered from consumers including bulk consumers and other licensees as fuel surcharge, as per the Regulation 88 of KSERC Tariff Regulations, 2014 from December 2017 onwards @ 4 paise per unit.*

**OA 7/2018**

- (i) The additional financial liability incurred by KSEBL, amounting to Rs 30.93 crore, due to the variation in power purchase cost resulting from the variation in cost of fuel for the period from October to December 2017, for the procurement/ generation of energy from various thermal sources as detailed in Annexure I & II to this petition may kindly be approved.
- (ii) This approved additional cost may kindly be allowed to be recovered from consumers including bulk consumers and other licensees as fuel surcharge, as per the Regulation 88 of KSERC Tariff Regulations, 2014 onwards @ 6 paise per unit.

## OA No. 09/2018

- (i) The additional financial liability incurred by KSEBL, amounting to Rs 69.94 crore, due to the variation in power purchase cost resulting from the variation in cost of fuel for the period from January to March 2018 for the procurement/ generation of energy from various thermal sources as per fuel surcharge regulations as detailed in Annexure I & II to this petition may kindly be approved.
- (ii) This approved additional cost may kindly be allowed to be recovered from consumers including bulk consumers and other licensees as fuel surcharge, as per the Regulation 88 of KSERC Tariff Regulations, 2014 from July 2018 onwards @ 13 paise per unit.

The Commission vide the common order dated 13.08.2018 in OA No. 1/2018, 7/2018 and 9/2018, ordered the following.

- (1) The amount admissible as fuel surcharge, for recovery for the financial year 2017-18 is approved at Rs 81.65 crore.
  - (2) The fuel surcharge is allowed to be recovered from the consumers at the rate of Rs 0.15/unit, for the consumption from 16.08.2018 to 15.11.2018, or until the approved amount of Rs 81.65 crore is fully realized, whichever is earlier.
  - (3) The fuel surcharge is applicable to all consumers including the consumers of KSEB Ltd and all other licensees except the 'domestic consumers with connected load of and below 500 watt and monthly consumption of and below 20 units'.
  - (4) Distribution licensees other than KSEB Ltd shall collect the fuel surcharge as per this order and remit the amount promptly to KSEB Ltd on a monthly basis, with a copy to the Commission.
  - (5) KSEB Ltd shall provide the details of the fuel surcharge collected in each month to the Commission, within 10 days from the end of the month concerned.
  - (6) KSEB Ltd and all other licensees shall indicate the rate of fuel surcharge and the amount of surcharge in the bills issued to consumers separately.
  - (7) KSEB Ltd and other licensees shall account the fuel surcharge collected from each category of consumers separately.
  - (8) KSEB Ltd and other licensees shall strictly adhere to the Section 65 of the Electricity Act-2003 while providing any subsidy or exemption to the consumers.
- 9) **Order dated 20.08.2018 in OA No 13/2018 in the petition filed by M/s Anakampoil Power Private Limited under Section 62, 64 & 86 of Electricity Act 2003 read with the provisions of Kerala State Electricity Regulatory Commission (Terms and Conditions for determination of Tariff) Regulations, 2014 for determination of project specific tariff of 8MW Small Hydro Project.**

M/s Anakampoil Power Private Ltd. filed a petition before the Commission on 06.06.2018 with the following prayers:

- (e) *Pass an order determining the project specific tariff for the SHP of the petitioner for supply of electricity by the petitioner to the respondent No. 1 from the SHP*

(f) *Pass an order for reimbursement of the fees for tariff determination by the respondent No1 to the petitioner; and*

(g) *Pass such further order(s) which the Hon'ble Commission deems fit and just in facts of the present case*

The Commission vide order dated 20.08.2018 decided to determine the project specific tariff for the electricity generated from the 8MW SHP being developed by the petitioner at Chaliyar basin, once the project achieves CoD, by adopting the actual capital cost incurred for the project after prudence check. The Commission further ordered that, as soon as the project achieves CoD, the petitioner may approach the Commission with actual cost as on CoD with necessary and sufficient details/documents for determining the project specific tariff. The petitioner has remitted Rs 1,70,000/- (Rs one lakh seventy thousand only) towards petition fee, as per the KSERC (Conduct of Business) Regulations, 2003. Commission also ordered that this amount shall be adjusted against the fee for the subsequent filing of the petition for determination of project specific tariff once the project achieves COD.

10) **Order dated 21.08.2018 in the petition filed by K S E B Ltd. for revision of Common Order dated 13.8.2018 in OA No 1/2018, 7/2018 and 9/2018**

KSEB Ltd vide the petition dated 17.08.2018, requested before the Commission to approve the following regarding the implementation of the common order dated 13.08.2018 in **OA No 1/2018, 7/2018 and 9/2018**.

- (i) In the case of the monthly billed HT&EHT consumers, KSEB Ltd has to take interim meter reading on 16.08.2018 so that the energy consumption during the month of August 2018 can be separately assessed from 16.08.2018 to 31.08.2018 so that fuel surcharge can be implemented for the actual energy usage from 16.08.2018.
- (ii) KSEB Ltd couldn't take the interim meter reading on 16.08.2018 due to the unprecedented flood that effect happened in the State. There are wide spread damages to the generation, transmission and distribution system throughout the State and the staff of KSEB Ltd is currently deployed to attend the emergency need for restoring the supply in the flood affected areas. Further road access is adversely affected in many industrial areas including Aluva, Edayar and Kalamassery. Due to these reasons, KSEB Ltd couldn't take manual reading of the HT&EHT consumers (total about 5643 nos) as on 16.08.2018. Therefore KSEB Ltd has requested the approval of the Commission to recover the fuel surcharge from HT&EHT consumers through one of the following options.
  - (a) Defer the implementation of the fuel surcharge from '16.08.2018' to 01.09.2018 for three months, thus by partially deferring the implementation of the order on fuel surcharge for HT&EHT consumers of KSEB Ltd by 16 days.

**Or**

  - (b) Allow the HT&EHT consumers also to charge the fuel surcharges by assessing the consumption from 16.08.2018 on pro rata basis as in the case of LT consumers, based on monthly meter reading taken.

The Commission vide the order dated 21.08.2018, ordered to defer the implementation of the orders on fuel surcharge to HT&EHT consumers of KSEB Ltd from 16.08.2018 to 01.09.2018.

11) **Order dated 29.08.2018 on OP No 7/2018 in the matter of approval of Capital Investment Plan for the year 2018-19 submitted by Rubber Park India (P) Limited.**

M/s Rubber Park India (P) Limited, on 09.01.2018, filed a petition before the Commission, seeking approval of capital investment plan for 2018-19 as per Regulation 72 (2) of the Kerala State Electricity Regulatory Commission (Terms and Conditions for Determination of Tariff) Regulations, 2014.

The Commission vide the order dated 29.08.2018, approved the capital investment proposed by the petitioner M/s RPIL for an amount of Rs.19.06 lakhs.

12) **Order dated 11.09.2018 in OP No 4/2017 in the matter of application for inclusion of additional distribution license area of KINESCO Power and Utilities Private Limited.**

KINESCO Power and Utilities Pvt. Ltd. filed an application before the Commission on 27.02.2017, for extending its distribution license area to the KINFRA Mega Food Park, in the 3214.23 Ares of land at Kanjikode, Palakkad. KPUPL source the power from KSEB Ltd. Internal resources are proposed for creating the distribution infrastructure.

The Commission vide order dated 11.09.2018 ordered that the license area of KPUPL be extended to include 3214.23 Ares of land in Pudukkottai East Village and Elappully Village in Palakkad taluk more particularly described in the notification attached in the Mega Food Park, at Palakkad

13) **Common order dated 3.10.2018 in OP 5/2018 and 6/2018 filed by KSSIA and KREEPA respectively in the matter of removal of difficulties in solar and wind generation**

Kerala State Small Industries Associations (KSSIA), Ernakulam has filed a petition before the Commission on 04.01.2018, in the matter of 'removal of difficulties in establishing Wind Energy Generation and Solar Energy Generation in different part of Kerala by SME sector for own use and third party sale'. The petition was admitted as OP 5/2018. Subsequently, on 09.03.2018, the Kerala Renewable Energy Entrepreneurs & Promoters Association (KREEPA) has also filed a petition, in the matter of 'removal of difficulties and simplification of procedure for getting connectivity with grid for Renewable Energy Generators, Prosumers and developers'. The petition was admitted as OP No. 06/2018

The main issues raised by the KSSIA and KREEPA are summarized below.

- (1) The limit of the solar plant capacity that can be connected to the distribution system, under KSERC (Grid Interactive Solar Energy Systems) Regulations, 2014 (here in after referred as Solar Regulations, 2014) may be increased from 1MW to 3 MW.
- (2) Relaxation may be granted for connectivity of the solar plants of the consumers having dedicated feeders/ having own transformers.
- (3) Direction may be given to the distribution licensee to purchase of energy from



solar and wind generators at preferential tariff.

- (4) Permit wind and solar IPP for third party sale without attracting wheeling charge and cross subsidy surcharge.\
- (5) Permit wind and solar CPPs to wheel wind energy without attracting wheeling charge.

The Commission vide the order dated 03.10.2018, disposed the petitions and ordered that, the issues raised in the petition will be addressed in detail while notifying the draft Comprehensive Regulations on the development of Renewable Energy in the State, which is under finalization.

14) **Order dated 03.10.2018 on OP No 8/2017 in the matter of petition filed by INOX Renewables Limited for approval of Power Purchase Agreement (PPA) for 16 MW wind power project established at KINFRA Textile Park, Palakkad**

M/s INOX Renewables Limited (hereinafter referred to as INOX or the petitioner) has filed a petition on 12.07.2017 before the Commission with the following prayer regarding the 16 MW Wind Power Plant established at KINFRA land at Palakkad.

*“Approve the draft power purchase agreement and direct the Respondent herein to execute the same with the Petitioner herein at the provisional tariff of Rs. 5.98 /Kwh applicable from the date of commissioning of the 8 no of WTGs commissioned by petitioner on 28.03.17, as determined by this Hon’ble Commission for financial year 2015-16 subject to adjustments subsequently as and when the preferential tariff for financial year 2016-17 is determined by this Hon’ble Commission for wind energy projects as applicable in the case of Petitioner herein.”*

The Commission vide order dated 03.10.2018, ordered as following,

- (1) The levelised tariff for the electricity generated from the 16 MW WEG installed by M/s INOX at the KINFRA land at Kanjikode, Palakkad is approved @Rs 4.09/unit, duly considering the benefit of accelerated depreciation.
- (2) The levelised tariff approved by the Commission is applicable for the entire electricity injected into the grid from the date of synchronization.
- (3) KSEB Ltd shall reimburse, any tax paid on the RoE, limited to the amount of equity specified in this Order. For claiming the tax, developer shall furnish the proof of payment of such tax to KSEB Ltd.

15) **Order dated 04/10/2018 in C.P.No.01/2018, in the matter of delay in installing transformer in A.P.A. Complex, Edakkad under Electrical Section, Dharmadom.**

Shri.Ayammed, MumthazManzil, Edakkad (P.O.), Kannur filed a compliance petition on 30.12.2017 for invoking Section 142 of the Electricity Act, 2003 against KSEB Ltd., for the delay in energising the transformer within the stipulated time as specified in Regulation 85 of the Kerala Electricity Supply Code, 2014.

The Commission vide its order dated 04/10/2018 ordered as follows,-

“From the facts and evidences before the Commission, there is no lapse from the

respondent warranting action under Section 142 of the Electricity Act, 2003. However, the KSEB Ltd. officials are directed to take consumer friendly action and see that the electrical connections are effected at the earliest, as additional revenue will be accrued from the date of connection on sale of power”.

- 16) **Order dated 5.10.2018 in OA 34/2015 in the matter of application filed by M/s. BSES Kerala Power Ltd (BKPL) on 20.11.2017, subsequent to the final order dated 31.10.2017 of the Hon'ble High Court of Kerala in Writ Petitions WP(c) No. 40257 of 2016, WP(c) No. 540/2017 & WP(c) No. 22464 of 2017**

M/s BSES Kerala Power Ltd (BKPL), placed the judgment of the Hon'ble High Court dated 31.10.2017 in WP(C) No. 540/2017 before the Commission to adjudicate the disputed raised therein.

The Commission, vide the order dated 5.10.2018, ordered as follows.

- (1) There is no power purchase agreement between the petitioner BKPL and the respondent KSEB Ltd with effect from 01.12.2015, i.e, after one month from the date of the expiry of the PPA dated 03.05.1999.
- (2) The petitioner BKPL is not eligible to claim fixed cost, lease rent, income tax or any other charges during the period from 01.12.2015 to 31.10.2017.
- (3) KSEB Ltd is not bound to pay fixed charges, lease rent, income tax and other charges to the petitioner during the period from 01.12.2015 to 31.10.2017.
- (4) KSEB Ltd shall make fixed cost payments to BKPL for the month of November 2015, at the rate agreed to by KSEB Ltd.
- (5) KSEB Ltd do not have any liability on the balance stock of fuel as on 31.10.2015, available at the premises of BKPL and at the nearby premises of IOCL, from the date of expiry of the PPA dated 03.05.1999.
- (6) KSEB Ltd shall be liable to pay electricity charges to the petitioner BKPL for the energy generated and injected into the grid during the period from 25.05.2017 to 24.06.2017 at the average RTC clearing price of Indian Energy Exchange (IEX) in each day in S3 region in the day ahead market.

- 17) **Approval of sale of surplus power by KSEB Ltd. vide letter No 1258/DD(T)/2017/ KSERC dated 22.10.2018**

The Commission approved the sale of surplus power to *Bihar State Power (Holding) Company Limited* (BSHPCL) during 2018-19 from June 2018 to October 2018. The Commission also approved the action of K S E B Ltd. in entering into Power Sale agreement with BSHPCL for the sale of this power. The Commission also permitted KSEB Ltd. to carry out the sale of surplus power during remaining months of 2018-19 through competitive bidding route.

- 18) **Order dated 22.10.2018 in the matter of approval of Sale of Power through competitive bidding process.**

Kerala State Electricity Board Limited vide letter dated 10.4.2018, had submitted that in order to sell the anticipated surplus power, KSEBL has been participating in the tenders invited by the DISCOMS of other states in the DEEP e-bidding portal

(Discovery of Efficient Electricity Price) portal introduced by Ministry of Power. K S E B Ltd. filed a petition before the Commission with the following prayers:

- (1) to approve the execution of Power Sale Agreement with Bihar State Power (Holding) Company Limited  
and
- (2) to permit KSEBL to carryout prudently such sales activities for the balance month of the current financial year 2018-19 to minimize surrender and to exploit the market conditions.

Based on the details submitted by KSEBL, the Commission vide order dated 22.10.2018 approved the sale of surplus power to BSHPCL during 2018-19 from June 2018 to October 2018.

The Commission also approved the action of K S E B Ltd. in entering into Power Sale Agreement with BSHPCL for the sale of this power.

The Commission vide order dated 22.10.2018 permitted KSEB Ltd to carry out the sale of surplus power during the remaining months of 2018-19 through competitive bidding route. Commission has noted that previously KSEB Ltd. has been participating only in the purchase bids of other DISCOMS through DEEP portal. Therefore the Commission directed KSEB Ltd. to consider inviting sale bids through the DEEP portal introduced by the MoP for sale of surplus power in future.

19) **Approval of Cost data and Street light tariff of Sabarimala vide letter No 1595/D(T)/Sabarimala/2018/KSERC dated 25.10.2018**

Based on the request of K S E B Ltd., the Commission approved the cost data for works to be executed at Sabarimala at Mandala makaravilakku season. The Commission also approved the tariff of street light to be installed at Sabarimala.

20) **Approval of purchase of 150MW peak power by KSEB Ltd. vide letter No 1544/D(T)/150MW Peak Purchase /2018/KSERC dated 05.11.2018.**

The Commission, after examining the request of KSEB Ltd. approved the proposal to purchase 150 MW during peak hours (18:00 hrs to 23:00 hrs) from November to December 2018, and during 19:00 hrs to 23:00 hrs from 16.02.2019 to 31.05.2019, through competitive bidding route through DEEP e-bidding portal introduced by the Ministry of Power.

21) **Order dated 19.11.2018 on OP No 56/18, in the matter of petition for grant of approval for inviting bids on reverse e-bidding route with e-reverse auction for procuring 200 MW solar power from solar PV power plants to be established in Kerala on IPP mode.**

Kerala State Electricity Board Limited on 17.08.2018, filed a petition before the Commission for the approval for inviting bids on reverse e-bidding route with e-reverse auction for procuring 200 MW solar power from solar PV power plants to be established in Kerala on IPP mode. The prayers of the petitioner were to grant approval for:

- (1) *KSEBL proposal for procuring 200 MW solar power from solar PV power*

*projects to be established within the state of Kerala, through competitive bidding on electronic mode (e-bidding with e-reverse auction) through the DEEP e-bidding portal of M/s. MSTC.*

- (2) *The deviations made by KSEBL, as detailed under para 10 – (i) to (xiii) of the petition, from the guidelines notified by the Ministry of power on 03.08.2017 along with its subsequent amendments.*

The Commission vide order dated 19.11.2018 granted approval to KSEB Ltd for inviting bids on reverse e-bidding for the procurement of 200 MW solar power from solar PV plants to be established within the State of Kerala on IPP mode and the Commission also approved the proposal of KSEB Ltd to adopt the deviations in the bidding documents, from the 'Guidelines for Tariff Based Competitive Bidding Process for Procurement of Power from Grid Connected Solar PV Projects' notified by the MoP, GoI, vide the Resolution No. 23/27/2017-R&R dated 3<sup>rd</sup> August 2017 and its subsequent amendment dated 14<sup>th</sup> June 2018.

22) **Order dated 06.02.2019 on OA No 4/2018, in the matter of tariff applicable to M/s AjanthaColour Lab, Computerized Photo Printing units having photo studio and sales counter.**

KSEB Ltd. filed a petition before the Commission on 12.10.2017 to take appropriate decision on the 'tariff applicable to M/s AjanthaColour Lab, Edappal, Malappuram, a computerized photo printing unit having 'photo studio and sales counter', as per the directions of the Hon'ble High Court in the judgment dated 11.01.2008 in petition W.P( C ) No. 37357 of 2007. The prayers of the petitioner is extracted below.

- (i) *The petitioner utility KSEBL be heard, allowed to adduce evidence and the dispute be settled, as per the Hon'ble High Court order so as to prevent loss sustained by KSEBL.*
- (ii) *Supply to photo studio and sales counter along with the colour printing facility be allowed to be charged at commercial rate as per the respective ruling tariff and for back periods.*

The Commissionvide order dated 06.02.2019, ordered as follows:

- (1) The respondent M/s AjanthaColour Lab, Edappal, Malappuram district shall, within one month from the date of this order, segregate the electrical installation to supply for 'computerized colour photo printing' which attract LT-IV Industrial tariff and the supply to 'sale counter and related activities' which attract LT-VII (A) Commercial tariff and make an application to the concerned section office of the KSEB Ltd for separate connection. KSEB Ltd shall separately charge the electricity used for the computerized colour printing and sale counters based on the respective electricity consumption, once the separate connection is effected as per the application of M/s AjanthaColour Lab. The status quo shall be maintained till the date of separate connection.
- (2) If M/s AjanthaColour Lab fails to apply for separate connection within one month from the date of this order, the whole consumption will be billed at LT-VII (A) tariff from the date of this order.

23) **Order dated 06.02.2019 on OP No 9/2017, in the matter of petition filed by**

## **IREDA for the approval of Power Sale Agreement for 50 MW Solar PV project at Kasargode Solar Park, Kerala.**

M/s Indian Renewable Energy Development Agency Ltd, had filed a petition on 16<sup>th</sup> June 2017, for the approval of Power Sale Agreement for 50 MW Solar PV project including tariff at Kasargode Solar Park, entered with KSEB Ltd on 31<sup>st</sup> March 2017.

The Commission vide order dated 06.02.2019 approved a levelised tariff of Rs.3.83/unit, for the electricity generated from the 50 MW Solar PV project at Kasargode, duly considering the benefit of accelerated depreciation. It was also ordered that;

- The levelised tariff approved by the Commission is applicable for the entire electricity injected into the grid from the date of synchronization upto 25 years.
- KSEB Ltd shall reimburse, any tax paid on the RoE, limited to the amount of equity specified in this Order. For claiming the tax, developer shall furnish the proof of payment of such tax to KSEB Ltd.
- KSEB Ltd shall reimburse, the land lease paid by IREDA/RPCKL, less amount received as subsidy, if any, in addition to the above.

### **24) Order dated 12.02.2019 on OP No 8/2018, in the matter of cost data for distribution works for 'Thrissur Corporation Electricity Department for the financial year 2018-19'.**

Thrissur Corporation Electricity Department filed a petition before the Commission on 01.06.2018, for the approval of cost data for distribution works for FY 2018-19, for the recovery of expenditure under Section 46 of the Electricity Act 2003.

The Commission vide order dated 12.02.2019 approved the cost data for distribution works for FY 2018-19, for the recovery of expenditure under Section 46 of the Electricity Act 2003.

### **25) Order dated 13.02.2019 on OP No. 34/2019, in the matter of the approval of approval of Power Purchase Agreement (PPA) to be entered in between KINESCO Power Utilities Private Limited (KPUPL) with KSEB Ltd for 300kVA Power at KINFRA Mega Food Park, Kanjikode, Palakkad.**

M/s KINESCO Power Utilities Private Limited (hereinafter referred to as the petitioner or KPUPL) has filed a petition before the Commission on 17.12.2018 seeking approval of the draft Power Purchase Agreement (PPA) to be entered into with KSEB Ltd, for availing 300kVA power at 22kV for their Mega Food Park Project at Palakkad.

The Commission vide order dated 13.02.2019 approved the draft Power Purchase Agreement, submitted by M/s KPUPL, which is duly initialed by M/s. KPUPL and KSEB Ltd, for availing 300 kVA power from KSEB Ltd at KINFRA Mega Food Park, at Palakkad.

### **26) Order dated 27.02.2019 on Petition No. 32/2019, in the matter of granting approval for the modification in the approved Standard Bid Documents in respect of clauses relating to the Capacity Utilisation Factor (CUF), Metering Point and Project Land for the procurement of 200 MW from solar PV plants.**

KSEB Ltd, filed a petition on 31.01.2019, seeking approval for the modification

in the 'approved standard bidding documents; in respect of the clause relating to (a) Capacity Utilisation Factor (CUF), (b) interconnection point or metering point and (c) Project land, for the procurement of 200MW Power from Solar PV Plants within the State.

The Commission after examining the petition filed by KSEB Ltd., and also based on the deliberations during the hearing conducted on 26.02.2019, granted approval for the modifications in the Standard Bidding Documents. The Commission allowed the following deviations:

- (i) The amendments proposed in the Standard Bidding Documents, for allowing the bidders to specify a higher CUF above 19%.
- (ii) The definition of the 'interconnection point or injection point' (definition clause 22 of the RFS of the SBD) is approved as follows:
  - (a) *The bus isolator at the voltage of injection, if voltage transformation is required before connecting to Substation/Switchyard of the Intra State Transmission Network in the State of Kerala;*
- (iii) To insert the following lines under clause 1.8.1 of the RFS of the Standard Bidding Documents.

***“Any change in location from that provided at the time of bidding will be at the risk and cost of the bidder and will be subject to concurrence from KSEB Ltd ”.***
- (iv) The title of the bidding documents may to be as '*Procurement of 200M solar power from Ground Mounted Grid Connected Solar Photovoltaic Power Projects within the State of Kerala on Long Term Basis*'.

27) **Order dated 05.03.2019 on Petition No. OP 57/2018, in the matter of approval of Draft PPA and payment terms for Kochi Municipal Corporation, 10MW Waste to Energy Project.**

M/s. Kochi Municipal Corporation on 14.08.2018 has filed a petition before the Commission for the approval of the draft Power Purchase Agreement (PPA) to be signed between KSEBL and M/s. GJ Eco Power Private Limited (concessionaire of M/s KMC) for supplying the electricity generated from 10MW Waste to Energy Plant at Brahmapuram, Kochi.

The Commission vide order date 05.03.2019, rejected the petition dated 14.08.2018 filed by M/s. Kochi Municipal Corporation for the approval of draft PPA to be signed with KSEBL and M/s G.J Eco Power Private Limited, as infructuous and decided to refund the petition fee amounting to Rs.50,000/- remitted by M/s. Kochi Municipal Corporation.

28) **Petitions for review of the orders on the Truing up of Accounts for the years 2009-2019 to 2014-15 filed by M/s. KINESCO Power and Utilities Pvt Ltd. (KPUPL)**

M/s. KINESCO Power and Utilities Pvt Ltd, one of the distribution licensee of the Commission, had filed petitions for review of orders on the Truing up of Accounts for the years 2009-2010 to 2014-15. While the petitions were under the consideration of the Commission, the licensee as per Letter dated 6.2.2018, sought permission for withdrawing the petition so as to file the fresh petitions for Truing up of the said years, in view of the tripartite agreements entered into in connection with the asset

transfer and transfer of license. The Commission after considering the request, vide order dated 4.5.2018 dismissed the petition as withdrawn. Regarding the request for resubmission of fresh petitions for Truing up of accounts for the years 2004-05 to 2014-15, the Commission informed categorically that such petitions if any filed will be considered on merits as per law.

29) **OA 3/2018 : Truing up of accounts of M/s Cochin Port Trust (CPT) for the financial year 2016-17**

M/s Cochin Port Trust is a deemed distribution licensee. In their application for truing up of accounts for 2016-17, the licensee claimed a revenue gap of Rs.1251.46 lakh as against a revenue gap of Rs.19.17 lakh approved in the ARR order dated 8-9-2015 for the control period from 2015-16 to 2017-18. The hearing on the application was held on 14-02-2018. The Commission in the order dated 26-09-2018 did not allow the interest and finance charges for Government of India loan since CPT has not yet paid any interest to Government of India. The Commission also recalculated the depreciation of the licensee. The O&M expenses were allowed based on the norms approved in the Tariff Regulations 2014. The Commission accordingly approved a total expenditure of Rs. 3075.56 lakh, total revenue of Rs. 3402.73 lakh and a revenue surplus of Rs 327.17 lakh for the year 2016-17. The cumulative revenue surplus from 2004-05 to 2016-17 was determined at Rs.4092.29 lakh.

30) **OA 6/2018 : Truing up of accounts of M/s Kerala State Electricity Board Limited for the financial year 2015-16**

Kerala State Electricity Board Limited filed the petition for approval of truing up of accounts of the Three Strategic Business Units viz., SBU-G, SBU-T and SBU-D of KSEB Ltd for the year 2015-16, as per the provisions of KSERC (Terms and Conditions for Determination of Tariff) Regulations, 2014 on 16-04-2018. The revenue gap for 2015-16 as per the Petition was Rs 808.89 crore. The petition was published by the petitioner KSEB Ltd for inviting comments from stakeholders as required under the Regulations. Public hearing on the petition was held at the Office of the Commission on 30-05-2018. Consumers and other stakeholders participated in the hearing and submitted their comments/ objections on the petition. KSEB Ltd also furnished the rejoinder thereon.

In the mean time, KSEB Ltd approached the Hon. High Court of Kerala challenging the validity of KSERC (terms and conditions for determination of Tariff) Regulations 2014. Hon. High Court disposed of the petition WP (C) 465 of 2015 as per the final judgment dated 28-02-2018. In the said judgment, the Hon'ble High Court directed the Commission to pass order on the application of KSEB Ltd on the truing up of accounts for the years 2015-16, 2016-17, 2017-18 with due regard to the findings in the judgment of Hon. APTEL in Appeal No. 1 and 19 of 2013 and consequential orders passed by the Commission for the years 2010-11 onwards. The Commission after considering the matter and the direction contained in the judgment dated 28-02-2018, approved vide order dated 21-08-2018 the total expenditure of Rs. 11390.82 crore, total revenue of Rs. 11187.85 crore and a revenue gap of Rs.202.97 crore after truing up, as against the revenue gap of Rs.808.89 crore claimed by KSEB Ltd in the petition.

31) **OA 2/2018 : Truing up of accounts of M/s Kanan Devan Hill Plantations Company**

### **Private Limited (KDHPCL) for the year 2016-17**

Kanan Devan Hill Plantations Company Private Limited (KDHPCL) is the distribution licensee supplying electricity in and around Munnar. KDHPCL avails electricity from KSEB Ltd for the supply to its consumers and for its own consumption. KDHPCL filed the application for truing up of accounts for 2016-17 and the application was admitted as OA No.2/18. In the application, the licensee has claimed a revenue surplus of Rs.23.65 lakh for the year 2015-16 as against a revenue surplus of Rs.82.03 lakh approved by the Commission in the order for the first control period dated 07-09-2015. Hearing was conducted on 14-02-2018. The Commission after considering the petition and the details furnished by the licensee approved vide order dated 05-09-2018, the total expenditure of Rs.2296.66 lakh and total revenue of Rs 2478.46 lakh with a revenue surplus of Rs.181.80 lakh. The cumulative revenue surplus for KDHPCL till 2016-17 after truing up was Rs.872.80 Lakh.

### 32) **OA 12/2018 : Truing up of accounts of M/s Kerala State Electricity Board Limited for the financial year 2016-17**

Kerala State Electricity Board Limited filed the petition for approval of truing up of audited accounts of the Three Strategic Business Units viz., SBU-G, SBU-T and SBU-D of KSEB Ltd for the year 2016-17, as per the provisions of KSERC (Terms and Conditions for Determination of Tariff) Regulations, 2014 on 25-06-2018. The revenue gap as per the Petition for truing up of accounts for the year 2016-17 is Rs 2104.59 crore. The Commission considered the petition and admitted it as OA No. 12/2018. The petition was published by the petitioner KSEB Ltd for inviting comments from stakeholders as required under the Regulations. Public hearing on the petition was held at the Office of the Commission on 30-05-2018. Consumers and other stakeholders participated in the hearing and submitted their comments/objections on the petition. KSEB Ltd also furnished the rejoinder thereon.

The Commission after considering the petition and the direction contained in the judgment dated 28-02-2018 of the Hon'ble High Court of Kerala in WP (C) 465 of 2015, approved the truing up of accounts for year 2016-17 vide order dated 14-09-2018, with a total expenditure of Rs. 12581.76 crore, total revenue of Rs.11550.70 crore and a revenue gap of Rs.1031.06 crore, as against the revenue gap of Rs. 2104.59 crore claimed by KSEB Ltd in the petition.

### 33) **OA 5/2018 : Truing up of accounts of M/s Cochin Special Economic Zone Authority (CSEZA) for the year 2016-17**

Cochin Special Economic Zone Authority (CSEZA) submitted an application for truing up of accounts for the financial year 2016-17 on 31-01-2018 which was admitted as OA No.05/18. In the application, the licensee has arrived at a revenue gap of Rs.222.07 lakh for the year 2016-17 as against the revenue gap of Rs.161.56 lakh approved by the Commission in the order for the first control period dated 09-09-2015. Hearing on the application was held at the Office of the Commission on 25-04-2018. The Commission after considering the application, comments of KSEB Ltd and the clarifications furnished by the licensee had approved vide order dated 04-10-2018 a total expenditure of Rs.3647.43 lakh and total revenue of Rs.3534.60 lakh with a revenue gap of Rs.112.83 lakh. The cumulative approved revenue surplus of the licensee till 2016-17 was Rs.1208.88 Lakh.



### **13. USE OF INFORMATION TECHNOLOGY**

The Office of the Commission is equipped with local area network and all officers are provided with internet services. The Commission has a website ([www.erckerala.org](http://www.erckerala.org)) and it is regularly updated with various orders, regulations, notices issued, minutes of meetings, etc.

### **14. ASSOCIATION WITH OTHER BODIES**

#### **(i) Forum of Regulators (FOR):**

Government of India has as per the provisions of the Electricity Act 2003 had constituted a body named Forum of Regulators comprising of chairpersons of Central Electricity Regulatory Commission and State Electricity Regulatory Commissions. KSERC is a member of the Forum of Regulators and is actively attending the activities of the proceeding of the Forum. FOR undertakes analysis of the tariff orders and other orders of Central Commission and State Commissions and compilation of data arising out of the said orders, highlighting, especially the efficiency improvements of the utilities; harmonisation of regulation in the power sector, sharing information among its members, laying standards of performance of licensees, and evolving measures for protection of interest of consumers and promotion of efficiency, economy and competition in power sector. The Commission is an active participant in the proceedings of FOR. FOR has established a Technical Committee headed by the Chairperson of the KSERC for Implementation of Framework on Renewables and formulating protocols and agreement for aggregators of renewable energy generation.

Four number of FOR meetings and nine number of Sub Committee meetings were held during 2018-19.

#### **(ii) Forum of Indian Regulators (FOIR)**

The Commission is also a member of the FOIR, which is an association of the Chairpersons and Members of the Electricity Regulatory Commissions. Other regulatory bodies like Petroleum and Natural Gas Regulatory Board (PMGRB), Competition Commission of India (CCI), Airports Economic Regulatory Authority (AERA), Tariff Authority of major Ports and Administrative Staff College of India and the Energy Resource Institute are also members. The Forum provides a venue for exchange of views and information among Indian Regulators in various fields. The 19th Annual General Body Meeting of FOIR was held on 22nd June, 2018 at India Habitat Centre, New Delhi and the 45th Governing Body Meeting was held on 20th June, 2018 held at CERC, New Delhi.

#### **(iii) Southern Electricity Regulatory Forum (SERF)**

SERF is a forum constituted for interaction among the Regulatory Commissions of the Southern States of Andhra Pradesh, Karnataka, Tamil Nadu, Telangana and Kerala. The objective of the forum is to discuss the common issues, problems and proposals of the five States. 18th Meeting of SERF on 06th to 08th December, 2018 held at Trichirappalli, Tamil Nadu.

#### (iv) South Asia Forum for Infrastructure Regulation (SAFIR)

SAFIR is an association of regulators in the field of infrastructure from SAARC countries. The 24th Steering Committee Meeting of SAFIR was held at Dhaka, Bangladesh on 10th May, 2018. Sri. Preman Dinaraj, Chairman attended the meeting. The 16th Executive Committee Meeting of SAFIR held on 22nd November, 2018 at Thimphu, Bhutan.

#### 15. CONSUMER GRIEVANCE REDRESSAL FORUM

The Electricity Act, 2003 requires that every distribution licensee shall establish a forum for redressal of the grievances of consumers. All the licensees have established the forum under sub-section (5) of Section 42 of the Act with the following officers as the Chairpersons:

Sl.No	Name of Licensee	4. Redressal Forum
1	Kerala State Electricity Board	(1) Southern Region: Deputy Chief Engineer (Ele), Consumer Grievance Redressal Forum, KSEB Ltd., VydhyuthiBhavanam, Kottarakkara – 691 506  (2) Central Region: Deputy Chief Engineer (Ele) Consumer Grievance Redressal Forum, KSEB Ltd., 220 kV Substation Compound, HMT Colony P.O., Kalamassery- 683 503.  (3) Northern Region: Deputy Chief Engineer (Ele), Consumer Grievance Redressal Forum, KSEB Ltd., VydhyuthiBhavanam, Beach Road, Kozhikode.
2	Cochin Port Trust	The Deputy Chief Mechanical Engineer, Consumer Grievance Redressal Forum Cochin Port Trust, W.Island, Cochin – 682 003
3	Kanan Devan Hills Plantations Co. Pvt Ltd	Executive (Engineering Department), Consumer Grievance Redressal Forum KDHPC, Munnar Workshop Munnar – 685 612
4	Technopark, Thiruvananthapuram	Chief Executive Officer Consumer Grievance Redressal Forum Technopark, Technopark Campus Thiruvananthapuram – 695 581
5	Cochin Special Economic Zone, Cochin	Assistant Development Commissioner, Consumer Grievance Redressal Forum, Cochin Special Economic Zone, Ministry of Commerce and Industry, Government of India, Kakkanad Cochin – 682 037

6	Rubber Park India Pvt. Ltd, Cochin	Managing Director, Consumer Grievance Redressal Forum Rubber Park India Pvt. Ltd, 2A, Kautileeyam Rubber Park, Valayanchirangara, Ernakulam
7	KINESCO, Cochin	The Chief Executive Officer, Consumer Grievance Redressal Forum KINESCO Power Utilities Limited IX/159 A, Kusumagiri P.O., Kakkanad, Cochin-30
8	Thrissur Corporation	Electrical Engineer, Consumer Grievance Redressal Forum Thrissur Corporation, Thrissur.

The CGRFs consist of three members including the Chairperson. Of the three members, two members are appointed by the licensees and the third member is nominated by the Commission. The following persons were nominated by the Commission as the Third Member of various CGRFs.

<b>CGRF &amp; Licensee</b>	<b>Name of Third member</b>
CGRF, Southern Region, KSEB Ltd, Kottarakkara	Sri.A.R. Vijayasundaran, Advocate
CGRF, Northern Region, KSEB Ltd, Kozhikode.	Sri.Robin Peter, Advocate
CGRF, Central Region, KSEB Ltd, Ernakulam	Sri.Jefrin Manuel, Advocate
CGRF, Rubber Park India Limited	Sri.JonnyKuriakose, Advocate
CGRF, CSEZA, Kakkanad, Kochi	Sri.JonnyKuriakose, Advocate
CGRF, Cochin Port Trust	Smt.A. Girija, Advocate
CGRF, Thrissur Corporation	Sri.M.G.Rajagopal, Chief Electrical Inspector (Rtd)
CGRF, KDHPCL, Munnar	Sri.P.Udayabhanu, Advocate
CGRF, Technopark	Sri.A.R.Vijayasundaran, Advocate
CGRF KINESCO	Sri. V.Madhusudhanan, Advocate

A summary of the petitions received and disposed of by the various CGRFs during 2017-18 is given below:

<b>No. of petitions received and disposed of by the various CGRFs</b>						
<b>Name of the CGRF</b>	<b>No. of petitions</b>					<b>Number of sittings conducted during the year</b>
	<b>pending as on 1.4.2018</b>	<b>received during 2018-19</b>	<b>disposed during 2018-19</b>	<b>pending as on 31-3-2019</b>	<b>Disposed in favour of consumers</b>	
CGRF, Kottarakkara	39	140	154	25	107	66
CGRF, Ernakulam	73	135	180	28	108	42

CGRF, Kozhikode	58	194+3 RP	216+ 2 RP	36+1 RP	158	63
CGRF, Technopark, Thiruvananthapuram	1	1	Nil	1	Nil	Nil
CGRF, Cochin Port Trust, Kochi						
CGRF, KPUPL, Kochi	Nil	Nil	Nil	Nil	Nil	Nil
CGRF, CSEZA, Kochi	Nil	Nil	Nil	Nil	Nil	Nil
CGRF, Rubber Park India (P) Ltd, Kochi	Nil	Nil	Nil	Nil	Nil	Nil
CGRF, Thrissur Corporation, Thrissur	2	3	5	Nil	4	11
CGRF, KDHPCL, Munnar	Nil	Nil	Nil	Nil	Nil	Nil

## 16. ELECTRICITY OMBUDSMAN

Electricity Ombudsman is a statutory authority appointed by the Commission under sub-section (6) of Section 42 of the Electricity Act, 2003, to settle grievances of consumers, aggrieved by non redressal of their grievances by the Consumer Grievance Redressal Fora. Shri.A.S.Dassapancontinued as Ombudsman. The Office of the Electricity Ombudsman is located at Pallikkavil Building, Mamangalam – Anjumana Temple Road, Opp. Corporation Regional Office, Edappally, Kochi 682 024 (Phone : 0484-2346488). Abstract of petitions received and disposed of during the year under report is given below.

No. of petitions pending as on 1.4.2018 18 Appeals

No. of petitions received during 2018-19 96 Appeals and 7 Reviews

No. of petitions disposed during 2018-1999 Appeals + 6 Reviews

No. of petitions pending as on 31.3.2019 15 Appeals and 1 Review

No. of petitions disposed in favor of the consumers 52 Appeals

No of sittings conducted 117

## 17. DEVELOPMENT OF RENEWABLE ENERGY IN THE STATE

Renewable Energy Purchase Obligation (RPO) is the obligation mandated by the State Electricity Regulatory Commission (SERC) under clause (e) of sub-section (1) of Section 86 of the Electricity Act 2003. This statute requires the licensees and open

access consumers to purchase a minimum level of renewable energy out of the total consumption in the area of a distribution licensee. As per Kerala State Electricity Regulatory Commission (Renewable Energy) Amendment Regulations, 2017 issued by the Commission on 2nd November 2017, the percentage of solar and non solar RPO is as follows:

Financial Year	Minimum Non-solar RPO as % of total consumption (excluding hydro power)	Minimum solar RPO as % of total consumption (excluding hydro power)	Total RPO target as % of total consumption
2016-17	4.50	0.50	5.00
2017-18	6.00	1.50	7.50
2018-19	7.00	2.75	9.75

Kerala State Electricity Regulatory Commission has issued orders for compliance of RPO by the licensees and open access consumers in the state. ANERT is monitoring the RPO compliance and reports are being published in their website.

Since the following five licensees could not fulfill their RPOs, Renewable Energy Certificates (RECs) have been purchased to meet the RPO as follows:

- (i) KSEB Ltd 1 Lakh non solar RECs
- (ii) Technopark 3031 non solar RECs
- (iii) Rubber Park India Limited 1081 non solar and 121 solar RECs
- (iv) Infopark 186 non solar RECs
- (v) Carborandum Universal Ltd 214 solar RECs

To attract investment in the solar sector, a Generation Based Incentive (GBI) of Rs 1 per unit was approved for off grid solar plants. It was also decided that if meters are not available, the GBI can be provided by accounting generation @ 2.45 kWh/kW/ day for each of installed capacity.

#### **18. COMPLIANCE OF THE ELECTRICITY ACT 2003 AND THE RULES AND REGULATIONS MADE THEREUNDER.**

As provided in clause 19 of part III of Licensing Regulation, 2006, the conditions of licence for distribution licensees, for monitoring the compliance of the provisions of the Act, Rules and Regulations and orders, by the licensees, a Compliance Examiner has been appointed by the Commission. Violations by the licensees are being strictly monitored. Inspections to verify compliance and initiating penal action for non-compliance are one of the main functions of the Compliance Examiner.

The compliance wing conducts spot inspections in the distribution section offices of KSEB Ltd and other licensees in the State and corrective actions are also taken up with the licensees. Discriminatory billing of consumers, realisation of higher amounts as additional deposits, delay /denial of payment of interest on security deposit to

consumers, discrepancies in tariff allocation, realisation of excess charges for service connection, non adherence of the performance standards are a few of the irregularities brought to the attention of the Commission by the Compliance Examiner are taken up with the licensees for corrective actions.

The compliance Examiner is also entrusted with additional responsibilities related to consumer advocacy, consumer protection and awareness initiatives of the Commission and monitoring the functioning of the Ombudsman and CGRFs.

### **Consumer Advocacy Cell (CAC)**

Additional responsibilities relating to consumer advocacy, protection and awareness initiatives of the Commission are also attended by the Compliance Examiner. Consumer Advocacy Cell is formed for creating awareness among the consumers about the power sector and the regulatory process thereby ensuring consumer participation in the electricity regulatory process.

#### **Objectives of CAC**

- 1 to empower consumers to participate effectively in the regulatory process.
- 2 to act as a clearing house of information to consumers on electricity issues
- 3 to arrange workshops and training programs for consumer groups.
- 4 to publish pamphlets and other informative materials.

To achieve the above objectives, meetings were held with voluntary organisations, resident associations and other consumer groups at various places with a view to forming consumer fora across the state to interact with ordinary consumers in their area. In addition to the above activities, complaints of general nature received from consumers/ consumer groups were taken up appropriately with the concerned officials of the licensees and settled.

#### **LIST OF COMPLIANCE PETITIONS DURING THE FINANCIAL YEAR 2018-19**

<b>Sl. No.</b>	<b>Petition No. with date</b>	<b>Name of petitioner</b>	<b>Name of Respondent</b>	<b>In the matter of</b>	<b>Status</b>	<b>Remarks</b>
1	C.P.01/17 03-04-2017	M/s Capithan Exporting Company, Kollam	KSEB Ltd	Imposing penalty under Section 142 of the Electricity Act, 2003 for the non-compliance of CGRF (South) order	Writ petition pending before the Honourable High Court of Kerala. Stayed further proceedings on the compliance petition	

2	R.P.10/17 against the order in C.P.09/2016	M/s Atlas Gold Townships India (P) Ltd	KSEB Ltd and two others	Review petition against the order dated 26-04-2017 in C.P.09/2016	The Honourable High Court of Kerala disposed the writ petition filed against the order dated 26-04-2017 in C.P.09/2016. The Court set aside the order of the Commission dated 26-04-2017in C.P 8/16 &9/16	Since the Court had set aside the order of the Commission date26-04- 2017inC.P 8/16 &9/16, the review petition had become infructuous
3	R.P.11/17 against the order in C.P.08/ 2016	M/s Atlas Gold Townships India (P) Ltd	KSEB Ltd and two others	Review petition against the order dated 26-04-2017 in C.P.08/2016	The Honourable High Court of Ker- ala disposed the writ petition filed against the order dated 26-04-2017 in C.P.08/2016.	Since the Court had set aside the order of the Commission dated26-04- 2017inC.P 8/16 &9/16, the review petition had become infructuous
4	R.P.12/17 against the order in C.P.08/2016& 09/2016	KSEB Ltd	M/s Atlas Gold Town- ships India (P) Ltd and two others	Review petition against the order dated 26-04-2017 in C.P.08/2016& 09/2016	The Honourable High Court of Kerala disposed the writ petitions filed against the order dated 26-04-2017 in C.P.08/2016 and 09/2016	Since the Court had set aside the order of the Commission dated 26-04-2017in C.P 8/16 &9/16, the review peti- tion had become infructuous
5	C.P.02/17 24-08-2017	Amritha Institute of Medical Sciences, Kochi	KSEB Ltd	Imposing penalty under Section 142 of the Electricity Act, 2003 for the non-compliance of Ombudsman order	Writ petition pending before the Honourable High Court of Kerala. Stayed further proceedings on the Ombudsman order	
6	C.P.02/18 25-04-2018	George Antony Pothanikat House Kothamanga- lam.	KSEB Ltd	Imposing penalty under Section 142 of the Electricity Act, 2003 for the non-compliance of Ombudsman order	Writ petition pending before the Honourable High Court of Kerala. Stayed further proceedings on the Ombudsman order	

7	C.P.03/18 20-04-2018	K.G.Sujatha Kandathil house Punnamada Alappuzha	KSEB Ltd	Imposing penalty under Section 142 of the Electricity Act,2003 for the non-compliance of CGRF (Central) order	Writ petition pending. Stayed the operation of CGRF(Central) order by the Honourable High Court of Kerala	
8		KSEB Ltd		Approval of Manual of Procedure for Processing and Resolving the Complaints of Consumers	Pending since "Area of supply" of KSEB Ltd as per SOP Regulations has not been notified	
9	O A 01/19 11-01-2019	RenjiniSasa- dharan Rohini, Thrikariyoor Kothamangalam	KSEB Ltd	Shifting of transformer station(As per the direction of the Honourable- High Court of Kerala in W P(C) No. 39622/2018)	Posted for further hearing after the site inspection report of the Compliance Examiner.	

### **Disposal of petitions as on 31.03.2019**

Sl. No.	Date of petition	Name of Petitioner	Name of Respondent	Subject	Nature of disposal	Remarks
1	20-04-2018	George Antony Pothanikat House Kothamangalam.	KSEB Ltd	Non-Compliance of Ombudsman order		Stayed the operation of Ombudsman order by the Honourable High Court of Kerala
2	20-04-2018	K.G.Sujatha Kandathil house Punnamada Alappuzha	KSEB Ltd	Non-Compliance of CGRF (Central) order		Stayed the operation of CGRF(Central) order by the Honourable High Court of Kerala



3	11-01-2019	KSEB Ltd		Approval of Manual of Procedure for Processing and Resolving the Complaints of Consumers		"Area of supply" of KSEB Ltd as per SOP Regulations has not been notified
4	11-01-2019	Renjini Sasadharan Rohini, Thrikariyoor Kothamangalam	KSEB Ltd	Shifting of transformer station(As per the direction of the Honourable High Court of Kerala in W P(CNo. 39622/2018)		Posted for further hearing after the site inspection report of the Compliance Examiner.

## 19. ENGAGEMENT OF AUDITORS

**M/s. Krishnayagam and Associates were the internal auditors for auditing the accounts of the Commission for 2018-2019.**

## 20. IMPLEMENTATION OF THE RIGHT TO INFORMATION ACT - 2005

Following officers have been designated as Public Information Officers during 2018-19.

### i. Public Information Officer

Shri.ThulaseedharanPillai.K ,Administrative Officer (Upto 18.02.2019)

### ii. Assistant Information Officer

Smt. P.G. Sreedevi,Conf. Assistant

### iii. Appellate Authority

Shri.SanthoshKumar.K.B, Secretary till 05.12.2018 and Shri.G.Jyothichudan, Secretary from 06.12.2018

23 petitions under Right to Information Act 2005 were received and 23of them were disposed of during the period under report.

## 21. LEGAL MATTERS

5 Writ Petitions were pending before the Hon. High Court of Kerala during 2018-19 in which the Commission has been arrayed as a party respondent. Likewise there are 8 nos. of Civil Appeals/ Special Leave Petitions (SLP) pending before the Hon'ble Supreme Court of India in which the Commission is a party. There are 15 nos. of appeals pending before the Hon'ble APTEL in which the Commission is a party.

Counsels who were engaged to appear before the different courts and Tribunal during the year were the following:

High Court of Kerala	:	Adv.Sujin
Supreme Court of India and		Adv.M.R.RameshBabu
Appellate Tribunal for Electricity		Adv.VenkitaSubramonia
New Delhi		Adv.James.P.Thomas

## **22. FINANCE AND ACCOUNTS**

The Annual Accounts of the Commission, for the year 2018-19 (yet to be audited by the Accountant General) is at Annexure-II.

Separate Audit Report of the Comptroller and Auditor General of India on the Accounts for the year 2017-18 is at Annexure-III.

## ANNEXURE-I

### List of proceedings/hearing held by the Commission during 2018-19

Sl. No.	Date & Time	Venue	Subject
1	10.04.2018/ 11 AM	Commission's office	Petition filed by M/s.Anakampoil Power (P) Ltd.
2	25.04.2018/ 11 AM	Commission's office	Application for Truing up for 2016-17 filed by by M/s.CSEZA
3	17.05.2018/ 2.30 PM	Commission's office	OP Nos.05/18 and 06/18.
4	30.05.2018/ 11 AM	Commission's office	Public hearing on the petition filed by KSEBL for Truing up for 2015-16.
5	11.06.2018/ 11 AM	Commission's Office	OP No.09/17- Petition filed by IREDA.
6	12.06.2018/ 2.30 PM	Commission's Office	Petition under Section 142 of Electricity Act, 2003 filed by Shri.Ayammed.
7	03.07.2018/ 11 AM	Commission's office	Public hearing in OA 07/18 & OA 09/18.
8	25.07.2018/ 11 AM	Commission's office	Public hearing in OA 12/18.
9	17.09.2018/ 11 AM and 11.30 AM	Commission's Office	Hearing in OP 09/18 and OP 13/18 to 55/18 (44 Nos.)
10	18.09.2018/ 11 AM	Commission's Office	Petition filed by Shri.PremjiEasaw Jacob.
11	26.09.2018/ 11 AM	Commission's Office	OP No.09/17- petition filed by M/s.IREDA.
12	26.09.2018/ 3.30 PM	Commission's Office	Petition filed by M/s.Kosamattom Finance Ltd.
13	28.09.2018/ 11 AM	Ramanilayam, Thrissur	OP.08/18- Public hearing on petition filed by TCED for approval of cost data for 2018-19.
14	01.10.2018/ 11 AM	Commission's Office	Public hearing on KSERC (Terms and Conditions for Determination of Tariff) Regulations, 2018.
15	23.10.2018/ 11 AM	Commission's Office	OP No.56/18- Petition filed by KSEB Ltd.
16	13.11.2018/ 11 AM	Commission's Office	Tariff applicable to AjanthaColour Lab.
17	14.11.2018/ 11 AM	Commission's Office	OA 14/18- Truing up petition for 2016-17 by M/s.RPIL.
18	15.11.2018/ 11 AM	Commission's Office	OP 12/18- Petition filed by M/s.Jhabua Power Ltd.
19	26.11.2018/ 11 AM	Nalanda Auditorium, Kozhikode	Public Hearing on ARR & ERC Petition and Tariff Petition.

20	27.11.2018/ 11 AM	Town Hall, Ernakulam	Public Hearing on ARR & ERC, Tariff Petition of KSEB Ltd. for 2018-19 to 2021-22.
22	28.11.2018/ 11 AM	Municipal Town Hall, Kattapana	Public Hearing on ARR & ERC, Tariff Petition of KSEB Ltd. for 2018-19 to 2021-22.
23	03.12.2018/ 11 AM	Commission's Office	Petition on hearing in OP 59/18 filed by M/s. BSNL:
25	10.12.2018	Institution of Engineers Hall, Trivandrum	Public Hearing on ARR & ERC, Tariff Petition of KSEB Ltd. for 2018-19 to 2021-22.
27	05.02.2019/ 11 AM	Commission's Office	Petition filed by Smt.RenginiSasidharan against authorities of KSEBL.
28	12.02.2019/ 11 AM	Soorya Retreat, Kan- jikode, Palakkad	OP No.12/17- Petition filed by Technopark Ltd.
29	12.02.2019/ 2.30 PM	Commission's Office	OP No.58/18- Petition filed by KSEB Ltd.
30	26.02.2019/ 11 AM	Commission's Office	OA 8/18- Petition filed by M/s.Minar Renew-ables Energy Project Ltd.
31	26.02.2019/ 11 Noon	Commission's Office	OP 32/19- Petition filed by KSEB Ltd.
32	26.02.2019/ 2.30 PM	Commission's Office	Petition for Truing up for 2015-16 filed by M/s. Technopark Ltd.
33	27.02.2019/ 11 AM	Commission's Office	OP No.09/18- Petition for compensation.
34	05.03.2019/ 12 Noon	Commission's Office	OP No.30/19- Petition filed by M/s.KMRL.
35	07.03.2019/ 11 AM	Commission's Office	OP No.35/19- Approval of PPA. Petition filed by M/s.GJ Eco Power (P) Ltd.
36	12.03.2019/ 11 AM	Town Hall, Ernakulam	OP No.33/19- Petition filed by KSEB Ltd.
37	19.03.2019/ 11 AM	Commission's Office	RP No.02/19 and RP No.03/19 filed by KSEB Ltd.
39	21.03.2019/ 11 AM	Ramanilayam, Thrissur	OA 09/2019- Public Hearing on the ARR & ERC Petition of TCED for the control period 2018-19 to 2021-22
40	22.03.2019/ 11 AM	Conference Hall, Smart City	OA 02/2019- ARR & ERC for the control period 2018-19 to 2021-22
41	22.03.2019	Conference Hall, Infopark	OA 03/19 & OA 04/19- ARR & ERC for the control period 2018-19 to 2021-22 & Truing up of Accounts for 2016-17.
42	26.03.2019/ 2.30 PM	Commission's Office	Hearing as per the direction of the Hon'ble High Court in W.P(C) No. 37629/18 filed by Chempakamuthu.
43	27.03.2019/ 11 AM	Commission's Office	OA No.11/18- Petition filed by M/s.Kosamattom Finance Ltd.

**KERALA STATE ELECTRICITY REGULATORY COMMISSION**  
**KPFC Bhavanam Vellayambalam, Sasthamangalam P.O., Trivandrum-695010**  
**BALANCE SHEET AS AT 31.03.2019**

**ANNEXURE-II**

Previous Year Rs. P.s.	CORPUS/CAPITAL FUND/LIABILITIES		Schedule	Current Year		Previous Year		ASSETS	Schedule	Current Year	
	Rs.	P.s.		Rs.	P.s.	Rs.	P.s.			Rs.	P.s.
25,65,71,928.99	1) Corpus/Capital Fund/KSERC Fund	28,68,48,550.24		2,79,62,182.15	1) Fixed Assets-Gross Block		2,99,15,978.15		4	2,99,15,978.15	
3,02,76,621.25	Add: Excess of income over Expenditure	12,06,83,405.48		(1,79,34,607.88)	Less: Accumulated Depreciation		(1,93,70,017.88)			(1,93,70,017.88)	
28,68,48,550.24		40,75,31,955.72		1,00,27,574.27			1,05,45,960.27			1,05,45,960.27	
-	Add: BIF Profit from Previous year	-		9,50,422.00	2) Building under Construction		9,50,422.00			9,50,422.00	
28,68,48,550.24		40,75,31,955.72									
82,06,736.00	2) Other Funds			44,520.00	3) Advances				5		
	2.1 Capital Grants From State Government	75,91,690.00	1	94,779.00	3.1 Prepaid Expenses		28,150.00			28,150.00	
399.00	3) Deferred Credit Liabilities	239.00	2		3.2 Advance Tax & TDS		1,47,342.00			1,47,342.00	
49,17,381.00	3.1 Un-allocated Grant from Power Finance Corp	48,90,175.00	3		3.3 Expense Advance to Staffs		41,500.00			41,500.00	
	4) Current Liabilities & Provisions										
				1,10,304.00	4) Deposits		1,19,040.00			1,19,040.00	
				25,29,35,556.00	4.1 Security Deposits		38,97,29,411.00			38,97,29,411.00	
				-	4.2 Fixed Deposits		-			-	
				2,61,03,448.00	5) License Fee Receivable		50,956.00			50,956.00	
					6) Reimbursement Receivable		40,58,462.00			40,58,462.00	
					7) Accrued Interest on Fixed Deposits		2,84,810.00			2,84,810.00	
					8) Accrued Interest on Treasury SB accounts		2,462.00			2,462.00	
					9) Accrued Interest on EB Deposits		672.00			672.00	
					10) Accrued Interest on SBI SB accounts						
				13,01,598.00	11) Cash & Bank Balance		75,06,641.00			75,06,641.00	
				-	11.1 Cash at Treasury Savings						
					11.2 Cash in SBI Kowdiar						
				3,68,894.50	GPF Bank Account - 35588		3,33,456.50			3,33,456.50	
				2,97,776.00	Revenue Bank Account - 2223		1,74,937.96			1,74,937.96	
				23,26,312.00	Expenditure Bank Account - 21920		10,61,680.50			10,61,680.50	
				692.00	11.3 Cash in Hand		12,830.00			12,830.00	
				1,78,500.00	11.4 Recurring Deposit		2,80,500.00			2,80,500.00	
				-	11.5 Sweep Account-0091		19,67,000.00			19,67,000.00	
				-	11.6 Sweep Account-6917		27,17,826.48			27,17,826.48	
				13,51,000.00	11.7 Sweep Account-3245		-			-	
				38,46,543.96	11.8 Sweep Account-7276		-			-	
				35,146.5	11.9 Current account with SBI		-			-	
<b>29,99,73,066.24</b>		<b>42,00,14,059.72</b>		<b>29,99,73,066.23</b>	<b>Total</b>		<b>42,00,14,059.71</b>			<b>42,00,14,059.71</b>	

**for Krishna Nayagam & Associates**  
Chartered Accountants  
FRN: 008465S

sd/-  
**K Brahmanayagam Pillai FCA**  
Partner  
M.No. 207641

sd/-  
Chairman  
for and on behalf of the commission

sd/-  
Member

sd/-  
Secretary

Trivandrum  
26.08.2019

**KERALA STATE ELECTRICITY REGULATORY COMMISSION**  
 KPFC Bhavanam Vellayambalam, Sasthamangalam P.O., Trivandrum-695010  
**Income & Expenditure Accounts for the period from 01.04.2018 to 31.03.2019**

No	EXPENDITURE	Current Year		Previous Year		No	INCOME		Current Year		Previous Year	
		Rs.	Ps.	Rs.	Ps.		Rs.	Ps.	Rs.	Ps.		
1	Establishment Expenses					1	Licence Fee		3,73,36,723.48		3,39,15,845.00	
1.1	Net Salaries - Chairman & Members	64,48,864.00		54,36,396.00		2	Petition Fee		8,59,58,219.00		33,62,532.00	
1.2	Net Salaries - Officers & Establishment	78,94,102.00		84,83,047.00		3	Application Fee		192.00		318.00	
1.3	Net Salaries - Other Staffs	32,40,495.00		28,73,976.00		4	Bank Interest		2,70,97,236.00		2,21,30,120.00	
a	Allowances and Bonus	1,78,883.00		97,500.00		5	Hire Charges Received		-		-	
b	House Upkeep Expenses	2,71,306.00		2,29,445.00		6	Re-imbursed & Other Income		5,562.00		3,462.00	
c	Medical Reimbursement	9,383.00		-		7	Deferred Income		6,15,206.00		6,19,925.00	
d	Pension Contribution	5,64,346.00		6,17,562.00		8	Grant from State Government		-		-	
1.4	Security Charges	5,05,925.00		3,34,937.00		9	Prior Period Adjustments		1,72,481.00		1,02,005.00	
1.5	Employer Contribution to PF & Admin Charges	10,529.00		24,048.00		10	Certificate Fee		950.00		-	
1.6	DA Areas/ Pay arrear	7,22,347.00		6,31,393.00		11	Miscellaneous Receipts		3,462.00		7,155.00	
1.7	Leave Salary	6,59,596.00		19,08,522.00		12	Profit on sale of motor car		1,45,898.00		-	
1.8	Terminal Earned Leave Surrender	-		-								
1.9	Leave Travel Concession	17,241.00		-								
2	Travel Expenses											
	Domestic Travels - Chairman & Members	3,94,828.00		4,44,039.00								
	Domestic Travels - Officers & Staffs	2,87,688.00		2,72,682.00								
	Overseas - Chairman & Members	2,538.00		-								
3	Administrative Expenses											
	Advertisement Charges	3,377.00		-								
	AG Audit Fee	65,000.00		65,000.00								
	AMC	47,190.00		69,175.00								
	Bank Charges	2,330.00		3,838.00								
	Professional & Consultancy Charges	19,790.00		1,35,063.00								
	Cooking Gas	3,842.00		3,750.00								
	Postage & Courier Charges	11,652.00		6,646.00								
	Electricity & Power	2,84,641.00		2,52,120.00								
	Fuel & Oil Expenses	2,39,373.00		2,70,676.00								
	Insurance	52,357.00		46,389.00								
	Internal Auditors fee	-		56,640.00								
	Internet Subscription	-		-								
	Loading & Unloading	-		-								
	Newspapers & Periodicals	34,980.00		37,150.00								
	Office Expenses	-		-								
	Other Charges	-		-								
	Petition Fee Refunded	-		-								
	Public Hearing Expenses	1,46,762.00		1,07,543.00								

	Rent Rates & Taxes	3,036.00	3,036.00	3,036.00		
	Service Charges	-	-	-		
	Sitting Fee	6,000.00	6,000.00	13,000.00		
	Subscription & Member fee	11,11,560.00	11,11,560.00	14,69,007.00		
	Telephone & Communication Charges	1,66,962.00	1,66,962.00	1,88,198.00		
	Training Charges	-	-	-		
	Water Charges	-	-	-		
	Common Share of KPFC	2,97,914.00	2,97,914.00	3,44,719.00		
	Ombudsman Expenses	5,41,155.00	5,41,155.00	5,07,128.00		
	Accounting Charges	-	-	-		
	Consultants Staff Salary	30,57,817.00	30,57,817.00	21,80,322.00		
	Penal Interest on TDS	-	-	-		
	Miscellaneous Expenses	780.00	780.00	11,577.00		
	Registration & Renewals	-	-	-		
	Website Expenses	57,739.00	57,739.00	-		
	Vehicle Hiring Expenses	7,800.00	7,800.00	-		
4	Printing & Stationery	-	-	-		
	Printing & Stationery	1,02,642.00	1,02,642.00	3,94,115.00		
5	Repairs & Maintenance	4,29,828.00	4,29,828.00	3,27,312.00		
6	Hospitality Expenses	47,157.00	47,157.00	55,344.00		
7	Other Fee Paid to Internal Auditor	-	-	-		
8	Legal Charges	1,55,325.00	1,55,325.00	1,00,000.00		
9	Meeting Expenses	58,803.00	58,803.00	2,91,355.75		
10	Prior Period Adjustments	3,13,571.00	3,13,571.00	1,25,172.00		
11	Medical Assistance	15,000.00	15,000.00	30,000.00		
12	Sponsorship	-	-	-		
13	Stipend to trainees	-	-	50,000.00		
14	Gratuity	74,100.00	74,100.00	61,405.00		
15	Lease rent to KSEBL	1,50,560.00	1,50,560.00	1,50,548.00		
16	Lease rent to KSPIC	-	-	12.00		
17	Donation CMDRF	5,00,000.00	5,00,000.00	-		
18	Depreciation (schedule 4)	14,35,410.00	14,35,410.00	11,54,953.00		
	Excess of Income Over Expenditure (Transferred to Capital Fund Account)	12,06,83,405.48	12,06,83,405.48	3,02,76,621.25		
	Total:	15,13,35,929.48	15,13,35,929.48	6,01,41,362.00	15,13,35,929.48	6,01,41,362.00

for Krishna Nayagam & Associates  
Chartered Accountants  
FRN: 008458S

sd/-  
**K Brahmanayagam Pillai FCA**  
Partner  
M.No. 207641

sd/-  
Chairman  
for and on behalf of the commission

sd/-  
Member

sd/-  
Secretary

Trivandrum  
25.08.2019

**KERALA STATE ELECTRICITY REGULATORY COMMISSION**  
 KPFC Bhavanam Vellayambalam, Sasthamangalam P.O., Trivandrum-695010

**Statement of Receipts & Payments for the period from 1-Apr-2018 to 31-Mar-2019**

Receipts		Current Year	Previous Year	By	Payments		Current Year	Previous Year
To	Opening Balance:				Expenses			
	(a) Cash in Hand	692.00		2,145.00	(1) Establishment Expenses		50,65,511.00	38,69,746.00
	(b) Bank Balances				(i) Salaries (Chairman & Members of the Commission)			
	Special TSB Accounts in District Treasury:				(ii) Salaries (officers and establishment)		64,06,527.00	76,70,222.00
	Treasury SB Account - 142	4,92,626.00		4,92,626.00	(iii) Salary to Ombudsman		20,79,198.00	11,79,539.00
	Treasury SB Account - 144	8,08,972.00		1,72,53,152.00	(iv) Salary to others		30,13,096.00	26,18,354.00
	(i) In current Accounts	35,146.50		35,795.50	(v) Allowances and Bonus		93,500.00	97,500.00
	(ii) In Deposit Accounts (Recurring deposit)	1,78,500.00		76,500.00	(vi) Tax Deducted at source		28,62,755.00	31,73,945.00
	(iii) Savings Accounts (SBI KOWDIAR):				(vii) Leave Salary		3,27,029.00	7,40,432.00
	GPF Bank Account - 3558	3,68,894.50		2,47,896.50	(x) Leave Travel Concession		17,241.00	-
	Revenue Bank Account - 2223	2,97,776.00		2,11,25,007.71	(2) Travel Expenses		3,90,926.00	4,93,385.00
	Expenditure Bank Account - 21920	23,26,312.00		3,04,74,000.00	(i) Domestic Travels (Commission)		3,54,276.00	1,69,836.00
	(iv) Sweep Accounts	51,97,543.96			(ii) Domestic Travels Officers		34,733.00	-
	Grant Received				(iii) Overseas Travels			
	(a) State Governments				(3) Administrative Expenses			
	(1) Receipts of the Commission				(i) Advertisement charges		3,377.00	9,17,983.00
	(a) Petition Fee Collected	8,66,48,219.00			(ii) AWC		47,190.00	69,175.00
	(b) License Fee Collected	3,73,36,723.48		33,62,532.00	(iii) Electricity & Power		2,74,882.00	2,56,254.00
	(c) Application Fee			4,00,88,431.00	(iv) Fuel & Oil Expenses		2,35,449.00	2,80,133.00
	(d) Bank Interest	4,88,44,357.00		29,17,336.00	(v) Repairs & Maintenance		4,10,948.00	3,27,312.00
	(e) Collection for RD				(vi) Rates & Taxes		3,036.00	3,036.00
	(f) Right to Information	192.00		318.00	(vii) Advocate Fee			
	(g) Certificate Fee	950.00			(viii) Telephone & Communication Charge		1,72,684.00	1,91,527.00
	(2) Hire Charges Received				(x) Printing & Stationery		1,02,542.00	6,40,515.00
	(3) Personal TAX from Chairman				(x) Medical Expenses (Reimbursement)		9,383.00	-
	(4) Prior Period Adjustments				(xi) News Papers & Periodicals		34,980.00	38,670.00
	(5) Other Receipts	1,60,593.00			(xii) Sifting fee		6,000.00	13,000.00
	(6) Refund of TA	1,750.00		2,53,555.00	(xiii) Auditors Remuneration/Legal Fee			-
	(7) Sale Of Fixed Assets				(xiv) Penalty			-
	Motor Car				(xv) Hospitality Expenses		47,157.00	55,344.00
	Tax Deducted at Source-Liability	79,102.00			(xvi) Postage & Courier Charge		11,652.00	6,646.00
	From Creditors & other outstanding Remittance	2,24,987.00		2,55,038.00	(xvii) Pension Contribution			82,980.00
	EMD	1,40,000.00			(xviii) Internet Subscription			-
	Travelling Expense Refunded (Miscellaneous Income)	5,562.00		3,462.00	(xix) Meeting Expenses		58,803.00	2,91,355.75
	Security Deposit - Received	6,508.00			(xx) Running & Hire Charges			-
	Caution Deposit Received				(xxi) Service Charges			-
	Advance refund from Employees	2,11,000.00		1,77,000.00	(xxii) Other Charges			-
	Fixed Deposit				(xxiii) Office Expenses			-
	Employees PF				(xxiv) Public Hearing Charges		1,46,762.00	88,963.00
					(xxv) Return Filing Fee		350.00	763.00



Ticket Cancellation refunded	-	-	(xxvi) House Upkeep Expenses	2,59,506.00	2,29,445.00
Bank Charges	-	-	(xxvii) Membership Fees	7,67,000.00	-
Employees other deductions	-	-	(xxviii) Insurance	7,837.00	10,667.00
Profit on sale of Motor car	1,45,698.00	-	(xxix) Common Share of KPFC	2,50,698.00	3,44,719.00
			(xxx) Internal Auditors Fee	56,640.00	61,360.00
			(xxxi) Allowances & Bonus	-	-
			(xxxii) Cooking Gas	3,842.00	3,750.00
			(xxxiii) Recoupment of imprest	-	-
			(xxxiv) Rent of Ombudsmans's office	4,17,400.00	48,600.00
			(xxxv) Security Deposits	3,500.00	-
			(xxxvi) Ombudsman Expenses	1,91,155.00	4,01,128.00
			(xxxvii) Drinking Water	-	-
			(xxxviii) Expenditure for Palimentary Committee Visit	-	-
			(xxxix) Subscription Charges	3,44,560.00	18,69,007.00
			(xxxx) Security Charges	5,05,925.00	3,34,937.00
			(xxxxi) Refund of Petition Fee	6,90,000.00	-
			(xxxxii) Group Insurance	-	-
			(xxxxiii) Professional Tax	65,700.00	55,800.00
			(xxxxiv) LIC	24,921.00	23,004.00
			(xxxxv) GPF	1,00,000.00	-
			(xxxxvi) Other Deductions	8,34,309.00	7,43,918.00
			(xxxxvii) GPAS	-	-
			(xxxxviii) Consultancy Charges	9,000.00	1,12,500.00
			(xxxxix) Registration Charges	-	-
			(xxxxx) Honorarium	-	-
			(xxxxxi) Creditors	-	-
			(xxxvii) Training Charges	-	-
			(xxxviii) Consultancy Charges Payable	-	-
			(xxxvix) A G Audit fee	80,535.00	62,420.00
			(xxxv) Bank Charge	2,330.00	3,838.00
			(xxxvii) EMD	-	-
			(xxxvii) Loading and Unloading Charges	-	-
			(xxxviii) Accounting charges	-	-
			(xxxix) Miscellaneous Expenses	1,980.00	11,577.00
			(xxxxxx) Prepaid Expenses	28,150.00	44,520.00
			(xxxxxi) Caution deposit	-	-
			(xxxxxii) Expenses Advance Refund	2,82,500.00	2,39,330.00
			(xxxxxiii) Medical Assistance	15,000.00	30,000.00
			(xxxxix) Sponosship	-	-
			(xxxxx) Chairman selection committee expense	-	16,981.00
			(xxxxxi) Donation to CMDRF	7,16,274.00	-
			(xxxxxii) Prior period Item	1,51,688.00	-
			(xxxxxiii) Vehicle Hiring Expense	7,800.00	-
			(xxxxxiv) Website Expenses	57,739.00	-
			(4) Contribution	-	-
			(e) pension & Gratuity	17,87,791.00	-

						6,76,342.00	6,31,393.00
						-	-
						-	-
						46,824.00	26,085.00
						-	26,900.00
						4,06,815.00	69,300.00
						-	-
						4,94,773.00	4,94,773.00
						636.00	4,649.00
						-	48,265.00
						4,769.00	-
						-	-
						-	39,000.00
						15,10,854.00	-
						-	-
						1,55,325.00	1,00,000.00
						-	-
						-	-
						13,67,82,000.00	7,76,93,850.00
						-	-
						-	-
						12,830.00	692.00
						-	-
						4,92,626.00	4,92,626.00
						70,14,015.00	8,08,972.00
						-	35,146.50
						2,80,500.00	1,78,500.00
						-	-
						3,33,456.50	3,68,894.50
						1,74,937.96	2,97,776.00
						10,61,680.50	23,26,312.00
						-	-
						27,17,826.48	-
						19,67,000.00	-
						-	13,51,000.00
						-	38,46,543.96
						<b>18,35,12,304.44</b>	<b>11,67,64,794.71</b>
						<b>Total</b>	<b>Total</b>

**for Krishna Nayagam & Associates**  
Chartered Accountants  
FRN: 008458S

**K Brahmanayagam Pillai FCA**  
sd/-  
Partner  
M.No. 207641

sd/-  
Chairman  
for and on behalf of the commission

sd/-  
Member

sd/-  
Secretary

Trivandrum  
26.08.2019

## SCHEDULES FORMING PART OF BALANCE SHEET

Particulars	Amount			
	Current Year		Previous Year	
	As on 31.03.2019		As on 31.03.2018	
	Rs.	Ps.	Rs.	Ps.
<b>SCHEDULES-1</b>				
<b>CAPITAL GRANTS FROM STATE GOVERNMENT</b>				
As per last balance sheet		82,06,736.00		88,95,519.00
Less: Amount trfd to Income & Expenditure Account		(6,15,046.00)		(6,88,783.00)
		<b>75,91,690.00</b>		<b>82,06,736.00</b>
<b>SCHEDULES-2</b>				
<b>UNALLOCATED GRANT OF PFC LIMITED</b>				
As per Last Balance sheet		399.00		1,847.00
Less: Amount trfd to Income & Expenditure Account		(160.00)		(1,448.00)
		<b>239.00</b>		<b>399.00</b>
<b>SCHEDULES-3</b>				
<b>CURRENT LIABILITIES &amp; PROVISIONS</b>				
Consultancy Assignment Amount Received from KSEB & Others		-		-
EMD from Consultants		2,54,712.00		1,14,712.00
Sundry Creditors		81,880.00		-
AG Audit fee payable		2,21,285.00		2,36,820.00
Dearness Relief Payable		-		-
Electricity Charges Payable		33,211.00		23,452.00
Fuel Charges Payable		16,855.00		12,931.00
GPF		6,72,535.00		6,22,259.00
Pension Contribution Payable		2,36,220.00		14,59,665.00
Hospitality Charges Payable		-		-
House Upkeep Expenses Payable		11,800.00		-
Internal Audit Fee Payable		-		56,640.00
LIC		-		1,917.00
Newspaper & Periodicals Payable		-		-
Recoupment of Imprest Payable		-		-
Rent Payable		25,200.00		95,400.00
Salary Payable		3,16,416.00		-
Ombudsman Expenses Payable		-		-
Security Deposits		1,06,500.00		1,06,500.00
TDS Payable		92,319.00		42,324.00
Telephone Charges Payable		10,126.00		15,848.00
Printing Charges Payable		-		-
Travelling Expenses Payable		1,05,553.00		1,49,478.00
Professional & Consultancy Charges Payable		17,645.00		9,000.00
Advertisement Charges Payable		-		-
Medical Reimbursement Payable		-		-
Lease Rent payable to KSEBL		4,01,461.00		2,50,913.00
Lease Rent payable to KSPIFC		87.00		75.00
Provision for Gratuity		6,69,608.00		4,80,441.00
Provision for Leave encashment		15,00,657.00		11,68,090.00
Employees Other Deduction Payable		68,889.00		70,916.00
Common expense share to KPIFC Payable		47,216.00		-
FOIR Subscription payable		-		-
<b>TOTAL (A):</b>		<b>48,90,175.00</b>		<b>49,17,381.00</b>

Particulars	Amount			
	Current Year		Previous Year	
	As on 31.03.2019		As on 31.03.2018	
	Rs.	Ps.	Rs.	Ps.
<b>ADVANCE RECEIVED</b>				
KINESCO	-		-	
Rubber Park	-		-	
Smart City	-		-	
Suzlon Energy Ltd	-		-	
Techno Park Trivandrum	-		-	
Trissur Corporation	-		-	
<b>TOTAL (B):</b>				
<b>TOTAL (A+B):</b>	<b>48,90,175.00</b>		<b>49,17,381.00</b>	
<b>SCHEDULE-5</b>				
<b>ADVANCES</b>				
2.1 Prepaid Expenses				
Prepaid Insurance		28,150.00		44,520.00
Advance Tax & TDS		1,47,342.00		94,779.00
Expense Advance to Staffs		41,500.00		-
<b>TOTAL:</b>		<b>2,16,992.00</b>		<b>1,39,299.00</b>
<b>SCHEDULE-6</b>				
<b>3.1 DEPOSITS</b>				
Electricity Deposit		39,236.00		28,000.00
KSCSC Deposit		60,000.00		60,000.00
Rental Deposit		15,304.00		15,304.00
Hall Security Deposit		3,000.00		7,000.00
BSNL Security Deposit		1,500.00		-
		<b>1,19,040.00</b>		<b>1,10,304.00</b>
<b>3.2 Fixed Deposits</b>				
Fixed Deposits - District Treasury Trivandrum		38,94,75,850.00		25,26,93,850.00
Fixed Deposits - SBT		2,53,561.00		2,41,706.00
		<b>38,97,29,411.00</b>		<b>25,29,35,556.00</b>
<b>SCHEDULE-7</b>				
<b>LICENSE FEE RECEIVABLE</b>				
Cochin Port Trust		-		-
Cochin SEZ		-		-
INFO Park		-		-
KDHPCPL		-		-
KSEB		-		-
		-		-
<b>SCHEDULE-8</b>				
<b>TREASURY BANK BALANCES</b>				
Treasury SB A/c No. 142	4,92,626.00		4,92,626.00	
Treasury SB A/c No. 244	70,14,015.00		8,08,972.00	
	<b>75,06,641.00</b>		<b>13,01,598.00</b>	

**Statement of Fixed Assets As on 31.03.2019  
Schedule 4**

Sl. No.	ITEMS	Gross block					Depreciation/Amortisation				Net Block	
		"Balance as at 1 April, 2018 "	Date of Addition	Days put-to-use	Additions	Deletions	"Balance as at 31 March, 2019 "	Rate	As on 01.04.2018	For the Year	Total	As at 31.03.2018
				31-03-2019			%					
1	Leasehold Building	1,48,54,257.00				1,48,54,257.00	25 years	68,32,966.00	5,94,170.00	74,27,126.00	80,21,301.00	74,27,131.00
2	Air Conditioner	9,16,635.00				9,16,635.00	13.91	7,31,700.20	25,724.00	7,57,424.20	1,84,934.80	1,59,210.90
	Voltas Airconditioner	26,900.00				26,900.00	13.91	1,555.00	3,525.00	5,083.00	25,342.00	21,817.00
3	Furniture & Fixtures	34,51,021.15				34,51,021.15	18.10	28,83,920.72	1,02,645.00	29,86,565.72	5,67,100.43	4,64,455.43
	Table		01-06-2018	304.00	1,500.00	1,500.00	18.10	0.00	225.00	225.00	0.00	1,274.00
	Table		17-08-2018	227.00	3,200.00	3,200.00	18.10	0.00	360.00	360.00	0.00	2,840.00
	Mattresses & Pillow		13-08-2018	231.00	30,700.00	30,700.00	18.10	0.00	3,517.00	3,517.00	0.00	27,183.00
	Almirah		13-02-2019	47.00	11,424.00	11,424.00	18.10	0.00	265.00	265.00	0.00	11,158.00
	Oil Painting	12,000.00				12,000.00	18.10	3,176.00	1,597.00	4,773.00	8,824.00	7,227.00
	Steel Almirah	7,500.00				7,500.00	18.10	532.00	1,261.00	1,793.00	6,968.00	5,707.00
	Executive Chair	26,525.00				26,525.00	20.00	3,314.00	4,642.00	7,956.00	23,211.00	18,569.00
4	Office Equipments	8,54,136.00				8,54,136.00	20.00	5,48,412.54	61,145.00	6,09,557.54	3,05,723.46	2,44,578.46
	Camera	39,000.00				39,000.00	20.00	1,432.00	7,514.00	8,946.00	37,568.00	30,064.00
	Office Machinery	2,51,295.00				2,51,295.00	13.91	1,84,591.76	9,278.00	1,93,869.76	66,703.24	57,425.24
	Paper Shredder	18,585.00				18,585.00	13.91	1,84,591.76	2,499.00	3,115.00	17,969.00	15,470.00
6	Motorcar	48,69,378.00				47,90,276.00	25.89	43,45,248.93	1,35,697.00	44,80,945.93	5,24,129.07	3,09,330.07
	Innova Cysta		21-07-2018	254.00	15,10,854.00	15,10,854.00	40.00	20,28,401.10	56,918.00	20,85,319.10	1,42,293.90	85,375.90
7	Computer & Accessories	21,70,695.00				21,70,695.00	40.00	0.00	20,842.00	20,842.00	0.00	32,730.00
	HP Laptop		11-04-2018	355.00	53,572.00	53,572.00	40.00	0.00	5,838.00	5,838.00	0.00	10,112.00
	Printer		02-05-2018	334.00	15,950.00	15,950.00	40.00	0.00	0.00	0.00	0.00	10,112.00
	Canon Printer		28-05-2018	308.00	83,970.00	83,970.00	40.00	0.00	28,343.00	28,343.00	0.00	55,627.00
	Laptop		23-08-2018	221.00	83,485.00	83,485.00	40.00	0.00	20,219.00	20,219.00	0.00	63,266.00
	Ipad		25-08-2018	221.00	26,200.00	26,200.00	40.00	0.00	6,345.00	6,345.00	0.00	19,855.00
	CPU		19-09-2018	195.00	22,275.00	22,275.00	40.00	0.00	4,760.00	4,760.00	0.00	17,515.00
	Desktop PC (2 Nos.)		04-10-2018	179.00	1,12,572.00	1,12,572.00	40.00	0.00	22,083.00	22,083.00	0.00	90,489.00
	UPS		30-11-2018	122.00	8,791.00	8,791.00	40.00	0.00	1,175.00	1,175.00	0.00	7,616.00
	Laptop		14-02-2019	46.00	63,000.00	63,000.00	40.00	0.00	3,176.00	3,176.00	0.00	59,824.00
	Canon Printer	7,800.00				7,800.00	40.00	3,535.00	1,706.00	5,241.00	4,265.00	2,559.00
	Dell Laptop	69,300.00				69,300.00	40.00	16,784.00	21,006.00	37,790.00	52,516.00	31,510.00
	Canon Printer MF 244 DW	16,990.00				16,990.00	40.00	2,774.00	5,686.00	8,460.00	14,216.00	8,630.00
	Canon Scanner	4,750.00				4,750.00	40.00	755.00	1,598.00	2,353.00	3,995.00	2,397.00
8	Softwares	2,68,841.00				2,68,841.00	100.00	0.00	0.00	2,68,841.00	0.00	0.00
	Television	48,990.00				48,990.00	15.00	31,120.63	2,680.00	33,800.63	17,869.37	15,189.37
10	Telephone Instruments	12,750.00				12,750.00	100.00	12,750.00	0.00	12,750.00	0.00	0.00
	Telephone	0.00	18-06-2018	287.00	4,275.00	4,275.00	100.00	0.00	3,361.00	3,361.00	0.00	914.00
	Telephone	0.00	22-06-2018	283.00	494.00	494.00	100.00	0.00	383.00	383.00	0.00	111.00
11	TV Stand	2,000.00				2,000.00	100.00	2,000.00	0.00	2,000.00	0.00	0.00
12	Stabilizer	4,500.00				4,500.00	100.00	4,500.00	0.00	4,500.00	0.00	0.00
13	Library Books	21,867.00				21,867.00	100.00	21,867.00	0.00	21,867.00	0.00	0.00
	Books	1,35.00				1,35.00	100.00	1,35.00	0.00	1,35.00	0.00	0.00
	Books	1,683.00				1,683.00	100.00	1,683.00	0.00	1,683.00	0.00	0.00
	Books	2,305.00				2,305.00	100.00	1,939.00	366.00	2,305.00	366.00	0.00
	Books	94.00				94.00	100.00	28.00	66.00	94.00	66.00	0.00
	Books	2,250.00				2,250.00	100.00	37.00	2,213.00	2,213.00	2,213.00	0.00
	Books	0.00	29-08-2018	215.00	636.00	636.00	100.00	0.00	375.00	375.00	0.00	261.00
	<b>Total</b>	<b>2,79,62,182.15</b>			<b>20,32,898.00</b>	<b>79,102.00</b>		<b>1,79,34,607.88</b>	<b>14,35,410.00</b>	<b>1,93,70,017.88</b>	<b>1,00,27,574.27</b>	<b>1,05,45,960.27</b>

## NOTES FORMING PART OF THE ACCOUNTS

### 1. ACCOUNTING POLICIES

#### a) System of Accounting

The Commission adopts accrual concept in the preparation of accounts. Balance Sheet, Income and Expenditure Account and Receipts and Payment Account of the Commission are prepared under Historical Cost Convention in accordance with Generally Accepted Accounting Principles in India, the mandatory accounting standards issued by the Institute of Chartered Accountants of India.

The Commission maintains its accounts as prescribed in the Kerala State Electricity Regulatory Commission (Form of Annual Statement of Accounts and Records) Rules, 2004.

#### b) Revenue Recognition

License fee levied at, 0.03% on the revenue from Sale of Power by the Distribution Licensees during the preceding year, has been recognized as Income on receipt basis, as the adjustment of fee to be made on the basis of final accounts of the licensee cannot be ascertained before closure of Commission's Account. Petition fee and Application fee are recognized as Income on receipt basis as followed in the previous year.

#### c) Fixed Assets and Depreciation/Amortisation

**Fixed Assets are stated at historical cost less depreciation and amortisation.**

Leasehold building which were shown under Lease Advance to KPFC under Current Assets up to previous year, now brought under Leasehold Buildings under Fixed Assets. Amortisation has been done over the period of lease and necessary regrouping has been done in the previous figure also. Depreciation on all Fixed Assets has been provided on pro-rata basis from the date of installation/purchase. Depreciation has been provided on the written down value method as followed in the previous year and at the rates as given below:

Description	Rate of Dep.
Air Conditioner	13.91%
Furniture & Fittings	18.10%
Office Equipments	20.00%
Office Machinery	13.91%
Motor Vehicles	25.89%
Computer & Accessories	40.00%
Computer Software	100.00%
Television	15.00%
Library Books, Television Stand, Stabilizer and Telephone Instruments	100.00%

2. **Amount received from Government of Kerala as grants and loans, petition fee, licence fee and interest earned from investment are exempt from tax under section 10(46) as per the Notification 63/2018; dt. 08/10/2018. Income tax exemption is applicable for the financial years from 2018-19 to 2022-23.**
3. **AG auditors recommended to write off the liability in TDS payable Rs. 30,397/- which is related to TDS on payment made to Aneesh James Rs. 9,000/- and Maya Haridas Rs. 21,937/- In the year 2014-15 has already been paid, but there is no formal decision of the Commission to write off the same.**

#### **Prior Period Items**

1. Pay revision arrearsofRs.1, 98,504/- was omitted in accounts recognised as prior period item.
2. Provision for gratuity under payments of gratuity act Rs.1, 15,067/- omitted to be provided during the previous years recognised in accounts as prior period item.
3. Interest accrued on electricity deposit Rs.2, 699/- omitted during the previous year rectified by adjusting to prior period item.
4. Interest certificate for Treasury savings account No: 244 was not received from treasury during previous year. The accrued interest for that period Rs.1, 57,894/- is recognised as prior period item.
5. Electricity deposit of Rs.11, 744/- has been paid by the commission during the previous year wrongly charged as electricity expense. Now it is rectified as prior period item.
6. Interest of Rs.144/- omitted to be recognised in the previous year now rectified as prior period item.







**OFFICE OF THE ACCOUNTANT GENERAL (E&RSA) KERALA,  
THIRUVANANTHAPURAM**

**SEPARATE AUDIT REPORT OF THE COMPTROLLER AND AUDITOR GENERAL  
OF INDIA ON THE ACCOUNTS OF KERALA STATE ELECTRICITY REGULATORY  
COMMISSION FOR THE YEAR ENDED 31 MARCH 2018**

We have audited the attached Balance Sheet of Kerala State Electricity Regulatory Commission (Commission) as at 31 March 2018 and the Income and Expenditure Account for the year ended on that date under Section 104 of the Electricity Act, 2003. These financial statements are the responsibility of the Commission. Our responsibility is to express an opinion on these financial statements based on our audit.

This Separate Audit Report contains the Comments of the Comptroller and Auditor General of India (CAG) on the accounting treatment only with regard to classification, conformity with the best accounting practices, Accounting Standards and disclosure norms etc. Audit observations on financial transactions with regard to compliance with the Law, Rules and Regulations (propriety and regularity) and efficiency-cum-performance aspects etc., if any, are reported through Inspection Reports/CAG's Audit Reports separately.

We have conducted our audit in accordance with Auditing Standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit includes examining, on a test basis, evidences supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall presentation of financial statements. We believe that our audit provides a reasonable basis for our opinion.

**Based on our audit, we report that:**

- i. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
- ii. In our opinion, proper book of accounts and other relevant records have been maintained by Commission as required under Section 15 of the Kerala State Electricity Regulatory Commission (Accounting ) Regulations, 2005;
- iii. The Balance Sheet and Income and Expenditure Account dealt with by this report are in agreement with the books of accounts maintained by the Commission.
- iv. We further report as under:

## **1. Balance Sheet**

### **1.1 Corpus/Capital Fund/Liabilities.**

#### **1.1.1 Current Liabilities and Provisions Rs.49.17 lakh**

This is understated by Rs.1.90 lakh due to non-provisioning of pay revision arrears including that of an employee on deputation for which liability was known at the time of finalisation of the accounts, with corresponding overstatement of excess of income over expenditure.

## **2. Income and Expenditure Account**

### **2.1 Income**

#### **2.1.1. License fee- Rs.339.15 lakh**

As per Note No, 1(b) on revenue recognition in current year's financial statements, it was stated that license fee has been recognized as income on receipt. basis. The license fee recognised in the Income and Expenditure Account is Rs.339.15 lakh. However, actual license fee received during the period from 01 April 2017 to 31 March 2018 was Rs.400.88 lakh. This included Rs.61.73 lakh accounted as income in the previous year without, actual receipt. In view of the accounting policy, the amount of license fee recognised in the Income and Expenditure Account should have been Rs.400.88 lakh and the excess accounted 'in previous year reversed. There is non-compliance of the accounting policy to that extent.

## **3. Notes forming part of Accounts**

### **3.1 Disclosure of accounting policies**

- a. According to AS-12, the accounting policy adopted for government grants, including the methods of presentation in the financial statements has to be disclosed. This has not been complied with in respect of Capital grants from State Governments (Schedule 1).
- b. Proper disclosure of accounting policy for accounting of retirement benefits and employee benefits like gratuity, leave encashment, pension contribution etc. has not been made as required by AS 1 Disclosure of Accounting Policies.
- c. According to Para 22 of AS 19, an entity has to disclose the assets acquired under finance lease as segregated from the assets owned and give general description 'of the lessee's leasing arrangements.

This has not been complied with in respect of lease of land from Kerala State Electricity Board Limited.

#### **4. General**

The Commission has not received any Government grants during the current year.

#### **5. Impact of comments**

The impact of the Comments on the Balance Sheet based on the above audit observations is that the Liabilities as at the end of the year was understated by Rs. 1.9 lakh (Comment No.1.1.1).

- v. Subject to our observations in the preceding paragraphs, we report that the Balance Sheet and Income and Expenditure Account dealt with by this Report are in agreement with the books of account.
- vi. In our opinion and to the best of our information and according to the explanations given to us, the said financial statements read together with the Accounting Policies and Notes to accounts, and subject to the significant matters stated above, give a true and fair view in conformity with the accounting principles generally accepted in India:
  - a. In so far as it relates to the Balance Sheet, of the state of affairs of the Commission, as at 31 March 2018, and
  - b. In so far as it relates to the Income and Expenditure Account, the excess of income over expenditure for the year ended on 31 March 2018.

**For and on behalf of  
The Comptroller and Auditor General of India**

**Sd/-  
K.P ANAND  
ACCOUNTANT GENERAL (E&RSA), KERALA**

**Thiruvananthapuram**

**Dated: 26.02.2019**

# Annexure on Internal Control

## 1. Adequacy of Internal Audit System

The effectiveness of controls is reviewed through an independent internal audit process. There was no separate Internal Audit Wing in the Commission. Internal audit was entrusted to a firm of Chartered Accountants. The Internal Auditor for the year 2017-18 was appointed only on 01 November 2017, who submitted report to the Commission on 16 August 2018. In our opinion, to the best of our information and according to the explanations given to us, the internal audit by the Chartered Accountants is not commensurate with the size and nature of activities of the Commission as it was not receiving the benefits intended from Internal Audit due to delay in appointment and absence of periodical (say quarterly) reporting by the Internal Auditor and its review by the Commission.

## 2. Adequacy of Internal Control System

In our opinion, to the best of our information and according to the explanations given to us, the Commission, in all material respects, had an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, except on the matters of physical verification of fixed assets and statutory-compliances, mentioned below.

## 3. System of physical verification of Fixed Assets.

The Commission has not conducted physical verification of fixed assets for the financial year 2017-18. Proper records showing full particulars including quantitative details and situation of fixed assets, however, have not been maintained by the Commission.

## 4. Regularity in Payment of Statutory Dues.

According to the information and explanation \*given to us, in respect of statutory dues, the Commission has been generally regular in depositing undisputed statutory dues.

Sd/-

Dy. Accountant General (ES.I)

**KERALA STATE ELECTRICITY REGULATORY COMMISSION**  
**KPFCL Bhavanam Vellayambalam, Sasthamangalam P.O., Trivandrum-695010**

**BALANCESHEET AS AT 31.03.2018**

Particulars	Current Year		Previous Year		ASSETS	Schedule	Current Year	
	Rs.	P.	Rs.	P.			Rs.	P.
<b>CORPUS/CAPITAL FUND/LIABILITIES</b>								
1) Corpus/Capital Fund/KSERC Fund	259,907,948.08		256,571,928.99		1) Fixed Assets-Gross Block	4	27,962,182.15	
Add: Excess of Income over Expenditure	(3,336,019.09)		30,276,621.25		Less: Accumulated Depreciation		(17,934,607.88)	
	256,571,928.99		286,848,550.24		2) Building under Construction		10,027,574.27	
Add: B/F Profit from Previous year	-		-		3) Advances	5	950,422.00	
	256,571,928.99		286,848,550.24		3.1 Prepaid Expenses		139,299.00	
2) Other Funds	8,895,519.00		8,206,736.00		4) Deposits	6	110,304.00	
2.1 Capital Grants From State Government					4.1 Security Deposits		252,935,556.00	
3) Deferred Credit Liabilities	1,847.00		399.00		4.2 Fixed Deposits	7	-	
3.1 Un-allocated Grant from Power Finance Corp	4,129,276.00		4,917,381.00		5) License Fee Receivable		26,103,448.00	
4) Current Liabilities & Provisions					6) Accrued Interest on Fixed Deposits		-	
					7) Accrued Interest on Treasury SB accounts		-	
					8) Cash & Bank Balance	8	1,301,598.00	
					8.1 Cash at Treasury Savings		368,894.50	
					8.2 Cash in SBI Kowdiar		297,776.00	
					GPF Bank Account - 3558		2,326,312.00	
					Revenue Bank Account - 2223		178,500.00	
					Expenditure Bank Account - 21920		-	
					8.3 Cash in Hand		1,351,000.00	
					8.4 Recurring Deposit		3,846,543.96	
					8.5 Sweep Account-5914		35,146.50	
					8.6 Sweep Account-0556		-	
					8.7 Sweep Account-3245		-	
					8.8 Sweep Account-7276		-	
					8.9 Current account with SBI		-	
<b>Total</b>	<b>269,598,570.99</b>		<b>299,973,066.24</b>		<b>Total</b>		<b>299,973,066.23</b>	



for Krishna Nayagam & Associates  
 Chartered Accountants  
 FRN: 008458S

*(Signature)*  
 K Brahmanayagam Pillai FCA  
 Partner  
 M.No. 207641



*(Signature)*  
 Chairman  
 for and on behalf of the commission  
 05/10/18

*(Signature)*  
 Member

*(Signature)*  
 Secretary

**PREMAN DINARAJ**  
 Chairman

**S. VENUGOPAL**  
 Member

**SANTHOSH KUMAR. K.B**  
 Secretary

Trivandrum  
 16-08-2018

**KERALA STATE ELECTRICITY REGULATORY COMMISSION**  
**KPFC Bhavanam Vellayambalam, Sasthamangalam P.O., Trivandrum-695010**

**Income & Expenditure Accounts for the period from 01.04.2017 to 31.03.2018**

No	EXPENDITURE	Current Year		Previous Year		No	INCOME	Current Year		Previous Year	
		Rs.	Ps.	Rs.	Ps.			Rs.	Ps.	Rs.	Ps.
1	Establishment Expenses					1	Licence Fee	33,915,845.00		38,482,598.00	
1.1	Net Salaries - Chairman & Members	5,436,396.00		5,158,894.00		2	Petition Fee	3,362,532.00		30,113,542.00	
1.2	Net Salaries - Officers & Establishment	8,483,047.00		8,203,912.00		3	Application Fee	318.00		706.00	
1.3	Net Salaries - Other Staffs	2,873,976.00		2,541,043.00		4	Bank Interest	22,130,120.00		23,782,379.00	
a	Allowances and Bonus	97,500.00		93,600.00		5	Hire Charges Received	-		-	
b	House Upkeep Expenses	229,445.00		212,209.00		6	Re-imbursed & Other Income	3,462.00		3,810.00	
c	Medical Reimbursement	-		41,194.00		7	Deferred Income	619,925.00		594,170.00	
d	Pension Contribution	617,562.00		575,868.00		8	Grant from State Government	-		-	
1.4	Security Charges	334,937.00		216,435.00		9	Prior Period Adjustments	102,005.00		615,376.00	
1.5	Employer Contribution to PF & Admin Charges	24,048.00		34,296.00		10	Certificate Fee	-		-	
1.6	DA Arrears	631,393.00		-		11	Miscellaneous Receipts	7,155.00		89,241.50	
1.7	Leave Salary	1,908,522.00		239,789.00							
1.8	Terminal Earned Leave Surrender	-		-							
2	Travel Expenses										
	Domestic Travels - Chairman & Members	444,039.00		206,082.00							
	Domestic Travels - Officers	272,682.00		270,881.00							
	Overseas - Chairman & Members	-		-							
3	Administrative Expenses										
	Advertisement Charges	-		936,717.00							
	AG Audit Fee	65,000.00		65,000.00							
	AMC	69,175.00		144,816.00							
	Bank Charges	3,838.00		2,476.79							
	Professional & Consultancy Charges	135,063.00		112,773.00							
	Cooking Gas	3,750.00		3,076.00							
	Postage & Courier Charges	6,646.00		17,270.00							
	Electricity & Power	252,120.00		244,446.00							
	Fuel & Oil Expenses	270,676.00		405,691.00							
	Insurance	46,389.00		41,530.00							
	Internal Auditors fee	56,640.00		50,602.00							
	Internet Subscription	-		-							
	Loading & Unloading	-		-							
	Newspapers & Periodicals	37,150.00		118,790.00							
	Office Expenses	-		-							
	Other Charges	-		-							
	Petition Fee Refunded	-		-							
	Public Hearing Expenses	107,543.00		127,524.00							
	Rent Rates & Taxes	3,036.00		3,036.00							
	Service Charges	-		-							
		13,000.00		12,000.00							



**SANTHOSH KUMAR. K.B**  
 Siting Fee  
 Secretary

No	EXPENDITURE	Current Year		Previous Year		No	INCOME	Current Year		Previous Year	
		Rs.	Ps.	Rs.	Ps.			Rs.	Ps.	Rs.	Ps.
	Subscription & Member fee	1,469,007.00	-	1,269,520.00	-						
	Telephone & Communication Charges	188,198.00	-	226,518.00	-						
	Training Charges	-	-	-	-						
	Water Charges	-	-	-	-						
	Common Share of KPFC	344,719.00	-	219,297.00	-						
	Ombudsman Expenses	507,128.00	-	470,780.00	-						
	Accounting Charges	-	-	-	-						
	Consultants Staff Salary	2,180,322.00	-	2,227,552.00	-						
	Penal Interest on TDS	-	-	-	-						
	Miscellaneous Expenses	11,577.00	-	43,061.00	-						
	Registration & Renewals	-	-	56,219.00	-						
4	Printing & Stationery	-	-	-	-						
	Printing & Stationery	394,115.00	-	264,073.00	-						
5	Repairs & Maintenance	327,312.00	-	408,577.00	-						
6	Hospitality Expenses	55,344.00	-	66,504.00	-						
7	Other Fee Paid to Internal Auditor	-	-	-	-						
8	Legal Charges	100,000.00	-	-	-						
9	Meeting Expenses	291,355.75	-	579,639.00	-						
10	Prior Period Adjustments	125,172.00	-	69,609,743.80	-						
11	Medical Assistance	30,000.00	-	15,000.00	-						
12	Sponsorship	-	-	100,000.00	-						
13	Stipend to trainees	50,000.00	-	10,000.00	-						
14	Gratuity	61,405.00	-	74,349.00	-						
15	Lease rent to KSEBL	150,548.00	-	-	-						
16	Lease rent to KSPIC	12.00	-	-	-						
17	Depreciation (schedule 4)	1,154,953.00	-	1,297,058.00	-						
	Excess of Income Over Expenditure (Transferred to Capital Fund Account)	30,276,621.25	-	(3,336,019.09)	-						
	<b>Total:</b>	<b>60,141,362.00</b>		<b>93,681,822.50</b>				<b>Total:</b>	<b>60,141,362.00</b>	<b>93,681,822.50</b>	

for Krishna Nayagam & Associates  
Chartered Accountants  
FRN: 008458S



*[Signature]*  
K Brahmanayagam Pillai FCA  
Partner  
M.No. 207641

*[Signature]*  
Chairman  
for and on behalf of the commission

**PREMAN DINARAJ**  
Chairman

*[Signature]*  
Member

**S. VENUGOPAL**  
Member

*[Signature]*  
Secretary

**SANTHOSH KUMAR. K.B**  
Secretary

Trivandrum  
16-08-2018

**KERALA STATE ELECTRICITY REGULATORY COMMISSION**  
**KPFCL Bhavanam Vellayambalam, Sassthambalam P.O, Trivandrum-695010**

**Statement of Receipts & Payments for the period from 1-Apr-2017 to 31-Mar-2018**

	Receipts		Payments		Previous Year
	Current Year	Previous Year	Current Year	Previous Year	
To Opening Balance:					
(a) Cash in Hand	2,145.00	5,834.00			4,027,648.00
(b) Bank Balances					7,334,831.00
Special TSB Accounts in District Treasury:					1,165,069.00
Treasury SB Account - 142	492,626.00	492,626.00			1,951,179.00
Treasury SB Account - 144	17,253,152.00	10,801,000.00			93,600.00
(i) In current Accounts	35,795.50	-			2,657,535.00
(ii) In Deposit Accounts (Recurring deposit)	76,500.00	-			239,789.00
(iii) Savings Accounts (SBI KOWDIAR):					
GPF Bank Account - 3558	247,896.50	228,581.00			
Revenue Bank Account - 2223	21,125,007.71	2,728,151.00			493,385.00
(iv) Sweep Accounts	30,474,000.00	-			169,836.00
Grant Received					
(a) State Governments					917,983.00
(1) Receipts of the Commission					3,511.00
(a) Petition Fee Collected	3,362,532.00	30,123,542.00			66,793.00
(b) License Fee Collected	40,088,431.00	32,310,012.00			242,391.00
(c) Application Fee					345,258.00
(d) Bank Interest	2,917,336.00	16,864,851.00			408,477.00
(e) Collection for RD					3,036.00
(f) Right to Information	318.00	706.00			
(g) Certificate Fee					231,457.00
(2) Hire Charges Received					100,593.00
(3) Personal TAX from Chairman					46,694.00
(4) Prior Period Adjustments					117,270.00
(5) Other Receipts	253,555.00	409,241.50			12,000.00
(6) Refund of TA					
(7) Sale Of Fixed Assets					
Motor Car					
Tax Deducted at Source-Liability	255,038.00	107,338.00			67,842.00
From Creditors & other outstanding Remittance					17,270.00
EMD					
Travelling Expense Refunded(Miscellaneous Income)	3,462.00	3,810.00			562,658.00
Security Deposit- Received					
Caution Deposit Received		100,000.00			
Advance refund from Employees	177,000.00	364,000.00			
Fixed Deposit					
Employees PF		6,000.00			88,963.00
Ticket Cancellation refunded		260.00			763.00
Bank Charges		44.00			229,445.00
Employees other deductions		5,500.00			
<b>S.A.JATHOSH KUMAR. K.B</b>					10,667.00
<b>Secretary</b>					45,319.00





Receipts	Current Year	Previous Year	Payments	Current Year	Previous Year
(xxx) Common Share of KPFC	344,719.00			344,719.00	219,297.00
(xxx) Internal Auditors Fee	61,360.00			61,360.00	67,162.00
(xxx) Allowances & Bonus					
(xxxii) Cooking Gas	3,750.00			3,750.00	3,076.00
(xxxiii) Recoupment of imprest					
(xxxiv) Rent of Ombudsman's office	48,600.00			48,600.00	198,000.00
(xxxv) Security Deposits					5,000.00
(xxxvi) Ombudsman Expenses	401,128.00			401,128.00	210,456.00
(xxxvii) Drinking Water					
(xxxviii) Expenditure for Palimentary Committee Visit					
(xxxix) Subscription Charges	1,869,007.00			1,869,007.00	869,520.00
(xxx) Security Charges	334,937.00			334,937.00	213,666.00
(xxxx) Refund of Petition Fee					10,000.00
(xxxii) Group Insurance					
(xxxiii) Professional Tax	55,800.00			55,800.00	53,780.00
(xxxiv) LIC	23,004.00			23,004.00	23,004.00
(xxxv) GPF					
(xxxvi) Other Deductions	743,918.00			743,918.00	722,587.00
(xxxvii) GPAS					
(xxxviii) Consultancy Charges	112,500.00			112,500.00	99,000.00
(xxxix) Registration Charges					56,219.00
(xxxx) Honorarium					
(xxxxi) Creditors					
(xxxxii) Training Charges					
(xxxxiii) Consultancy Charges Payable					
(xxxxiv) A G Audit fee	62,420.00			62,420.00	60,060.00
(xxxxv) Bank Charge	3,838.00			3,838.00	2,620.79
(xxxxvi) EMD					
(xxxxvii) Loading and Unloading Charges					
(xxxxviii) Accounting charges					
(xxxxix) Miscellaneous Expenses	11,577.00			11,577.00	43,061.00
(xxxxx) Prepaid Expenses	44,520.00			44,520.00	
(xxxxxi) Caution deposit					
(xxxxxii) Expenses Advance Refund	239,330.00			239,330.00	483,045.00
(xxxxxiii) Medical Assistance	30,000.00			30,000.00	15,000.00
(xxxxxiv) Sponshship					100,000.00
(xxxxv) Chairman selection committee expense	16,981.00			16,981.00	
" (4) Contribution					
(a) pension & Gratuity					
(b) DA & Pay Arrears	631,393.00			631,393.00	
" (5) Expenditure on Capital assets					
(a) Furniture & Fixtures	26,085.00			26,085.00	
(b) Electrical Fittings	26,900.00			26,900.00	
(c) Computer & Accessories	69,300.00			69,300.00	7,800.00
(d) Sculpture					



**SANTHOSH KUMAR. K.B.**  
Secretary

Receipts	Current Year	Previous Year	Payments	Current Year	Previous Year
	494,773.00	410,861.00	(e) Building Work In Progress	4,649.00	1,818.00
(f) Books	48,265.00	-	(g) Office Equipments	-	-
(h) Telephone	-	-	(i) Oil Painting	39,000.00	12,000.00
(j) Camera	-	-			
" (6) Payment to Sundry Creditors	100,000.00	-	(a) Legal Charges	-	-
(a) Legal Charges	-	-	(b) Fee for filing Income Tax Returns	-	-
(b) Fee for filing Income Tax Returns	-	-	(c) Fixed Deposits	77,693,850.00	-
(c) Fixed Deposits	-	-	District Treasury, Trivandrum	-	-
(d) Akshara offset(Printing Charges)	-	479,401.00			
" Closing Balance:	692.00	2,145.00			
(a) Cash in Hand	-	-			
(b) Cash at Bank	-	-	Special TSB Accounts In District Treasury:		
			Treasury SB Account - 142	492,626.00	492,626.00
			Treasury SB Account - 144	808,972.00	17,253,152.00
			(i) In current Accounts	35,146.50	35,795.50
			(ii) In Deposit Accounts (Recurring deposit)	178,500.00	76,500.00
			(iii) Savings Accounts (SBI KOWDIAR):		
			GPF Bank Account - 3558	368,894.50	247,896.50
			Revenue Bank Account - 2223	297,776.00	21,125,007.71
			Expenditure Bank Account - 21920	2,326,312.00	-
			(iv) Sweep Accounts		
			Sweep Account-5914	-	8,533,000.00
			Sweep Account-0556	-	21,941,000.00
			Sweep Account-3245	1,351,000.00	-
			Sweep Account-7276	3,846,543.96	-
<b>Total</b>	<b>116,764,794.71</b>	<b>94,551,496.50</b>	<b>Total</b>	<b>116,764,794.71</b>	<b>94,551,496.50</b>

for Krishna Nayagam & Associates  
Chartered Accountants  
FRN: 0084588



*[Signature]*  
Secretary

**SANTHOSH KUMAR. K.B**  
Secretary

*[Signature]*  
Chairman

**PREMAN DINARAJ**  
Chairman

*[Signature]*  
K. Brahmaiyagam Pillai FCA  
Partner  
M.No. 207641

Trivandrum  
16-08-2018

**SCHEDULES FORMING PART OF BALANCE SHEET**

Particulars	Amount			
	Current Year		Previous Year	
	As on 31.03.2018		As on 31.03.2017	
	Rs.	Ps.	Rs.	Ps.
<b>SCHEDULES-1</b>				
<b>CAPITAL GRANTS FROM STATE GOVERNMENT</b>				
As per last balance sheet	8,895,519.00		10,083,859.00	
Less: Amount trfd to Income & Expenditure Account	(688,783.00)		(1,188,340.00)	
	<b>8,206,736.00</b>		<b>8,895,519.00</b>	
<b>SCHEDULES-2</b>				
<b>UNALLOCATED GRANT OF PFC LIMITED</b>				
As per Last Balance sheet	1,847.00		1,847.00	
Less: Amount trfd to Income & Expenditure Account	(1,448.00)		-	
	<b>399.00</b>		<b>1,847.00</b>	
<b>SCHEDULES-3</b>				
<b>CURRENT LIABILITIES &amp; PROVISIONS</b>				
Consultancy Assignment Amount Received from KSEB & Others	-		-	
EMD from Consultants	114,712.00		114,712.00	
Sundry Creditors			-	
AG Audit fee payable	236,820.00		234,240.00	
Dearness Relief Payable	-		-	
Electricity Charges Payable	23,452.00		27,586.00	
Fuel Charges Payable	12,931.00		22,388.00	
GPF	622,259.00		409,360.00	
Pension Contribution Payable	1,459,665.00		909,543.00	
Hospitality Charges Payable	-		-	
House Upkeep Expenses Payable	-		-	
Internal Audit Fee Payable	56,640.00		49,560.00	
LIC	1,917.00		1,917.00	
Newspaper & Periodicals Payable	-		1,520.00	
Recoupment of Imprest Payable	-		-	
Rent Payable	95,400.00		48,600.00	
Salary Payable	-		174,000.00	
Ombudsman Expenses Payable	-		-	
Security Deposits	106,500.00		106,500.00	
TDS Payable	42,324.00		76,080.00	
Telephone Charges Payable	15,848.00		19,177.00	
Printing Charges Payable	-		-	
Travelling Expenses Payable	149,478.00		95,978.00	
Professional & Consultancy Charges Payable	9,000.00		-	
Advertisement Charges Payable	-		917,983.00	
Medical Reimbursement Payable	-		-	
Lease Rent payable to KSEBL	250,913.00		-	
Lease Rent payable to KSPIFC	75.00		-	
Provision for Gratuity	480,441.00		419,036.00	
Provision for Leave encashment	1,168,090.00		-	
Employees Other Deduction Payable	70,916.00		84,115.00	
Chairman selection committee meeting Expense	-		16,981.00	

**SANTHOSH KUMAR. K.B**  
Secretary



Particulars	Amount			
	Current Year		Previous Year	
	As on 31.03.2018		As on 31.03.2017	
	Rs.	Ps.	Rs.	Ps.
FOIR Subscription payable				400,000.00
<b>TOTAL (A):</b>	<b>4,917,381.00</b>			<b>4,129,276.00</b>
<b>ADVANCE RECEIVED</b>				
KINESCO		-		-
Rubber Park		-		-
Smart City		-		-
Suzlon Energy Ltd		-		-
Techno Park Trivandrum		-		-
Trissur Corporation		-		-
<b>TOTAL (B):</b>		-		-
<b>TOTAL (A+B):</b>	<b>4,917,381.00</b>			<b>4,129,276.00</b>
<b>SCHEDULE-5</b>				
<b>ADVANCES</b>				
<b>2.1 Prepaid Expenses</b>				
Prepaid Insurance		44,520.00		35,722.00
Advance Tax & TDS		94,779.00		1,635.00
Expense Advance to Staffs		-		6,000.00
<b>TOTAL:</b>		<b>139,299.00</b>		<b>43,357.00</b>
<b>SCHEDULE-6</b>				
<b>3.1 DEPOSITS</b>				
Electricity Deposit		28,000.00		28,000.00
KSCSC Deposit		60,000.00		60,000.00
Rental Deposit		15,304.00		15,304.00
Hall Security Deposit		7,000.00		5,000.00
		<b>110,304.00</b>		<b>108,304.00</b>
<b>3.2 Fixed Deposits</b>				
Fixed Deposits - District Tressury Trivandrum		252,693,850.00		175,000,000.00
Fixed Deposits - SBT		241,706.00		216,492.00
		<b>252,935,556.00</b>		<b>175,216,492.00</b>
<b>SCHEDULE-7</b>				
<b>LICENSE FEE RECEIVABLE</b>				
Cochin Port Trust		-		-
Cochin SEZ		-		-
INFO Park		-		-
KDHPCPL		-		-
KSEB		-		6,172,586.00
		-		<b>6,172,586.00</b>
<b>SCHEDULE-8</b>				
<b>TREASURY BANK BALANCES</b>				
Treasury SB A/c No. 142		492,626.00		492,626.00
Treasury SB A/c No. 244		808,972.00		17,253,152.00
		<b>1,301,598.00</b>		<b>17,745,778.00</b>

SANTHOSH KUMAR. K.B  
Secretary

S. VENUGOPAL  
Member



R. Prasad  
05/04/18

**KERALA STATE ELECTRICITY REGULATORY COMMISSION**  
Statement of Fixed Assets As on 31.03.2018

Sl. No.	ITEMS	Gross block			Rate	Depreciated/Amortisation		Total	Net Block			
		Balance as at 1 April 2017	Date of Addition	Days past due		Additions	Deletions		Balance as at 31 March 2018	As on 01.04.2017	Per the Year	As at 31.03.2017
		₹		31-03-18	₹	₹	₹	₹	₹	₹	₹	₹
1	Leasehold Building	14,854,257.06			14,854,257.06	0.00	594,170.00	6,832,956.06	8,615,471.00	8,021,301.00		
2	Air Conditioner	916,635.06			916,635.06	13.91	31,368.00	722,496.26	225,506.80	194,128.80		
	Prior period depreciation	0.00			0.00	0.00	9,204.00	9,204.00	0.00	-9,204.00		
	Voltax Airconditioner	3,451,021.15	31-10-17	152	26,900.00	0.00	1,518.00	1,518.00	0.00	25,342.00		
3	Furniture & Fixtures	12,000.00			12,000.00	0.00	1,550.00	2,883,208.72	692,430.43	562,100.43		
	Oil Painting	0.00			7,900.00	0.00	1,950.00	3,176.00	10,774.00	8,824.00		
	Steel Almirah	0.00			26,525.00	0.00	332.00	332.00	0.00	6,968.00		
4	Office Equipments	854,136.00	16-08-17	228	854,136.00	0.00	76,431.00	3,214.00	3,214.00	23,211.00		
	Executive Chair	0.00			39,000.00	0.00	1,432.00	548,412.54	382,154.46	305,723.46		
5	Office Machinery	251,295.00	24-01-18	67	251,295.00	0.00	10,778.00	184,991.76	77,481.24	66,703.24		
	Paper Shredder	0.00			18,585.00	0.00	616.00	616.00	0.00	17,969.00		
6	Miscellaneous	4,869,378.09	04-01-18	87	4,869,378.09	0.00	183,102.00	4,345,248.93	707,231.07	524,129.07		
7	Computer & Accessories	2,170,693.06			2,170,693.06	0.00	94,863.00	2,028,401.16	27,156.90	142,293.90		
	Canon Printer	7,800.00			7,800.00	0.00	2,843.00	3,533.06	7,108.00	4,265.00		
	Dell Laptop	0.00	22-08-17	221	69,300.00	0.00	16,784.00	16,784.00	0.00	52,516.00		
	Canon Printer MF 244 DW	0.00	03-11-17	149	16,900.00	0.00	2,774.00	2,774.00	0.00	14,216.00		
	Canon Scanner	0.00	07-11-17	145	4,750.00	0.00	755.00	755.00	0.00	3,995.00		
8	Softwares	268,841.00			268,841.00	0.00	0.00	268,841.00	0.00	0.00		
9	Television	48,990.00			48,990.00	0.00	3,153.00	31,120.63	21,023.37	17,869.37		
10	Telephone Instruments	12,250.00			12,250.00	0.00	1.00	12,250.00	1.00	0.00		
11	TV Stand	2,000.00			2,000.00	0.00	1,999.00	2,000.00	1.00	0.00		
12	Stabilizer	4,500.00			4,500.00	0.00	4,499.00	4,499.00	1.00	0.00		
13	Library Books	21,867.00			21,867.00	0.00	21,866.00	21,867.00	1.00	0.00		
	Books	135.00			135.00	0.00	100.00	135.00	35.00	0.00		
	Books	1,683.00	29-05-17	307	1,683.00	0.00	526.00	1,483.00	1,157.00	366.00		
	Books	0.00	12-12-17	110	2,305.00	0.00	1,919.00	1,919.00	0.00	66.00		
	Books	0.00	26-03-18	6	94.00	0.00	28.00	28.00	0.00	66.00		
	Books	0.00			2,250.00	0.00	0.00	2,250.00	0.00	2,213.00		
	<b>Total</b>	<b>27,747,963.15</b>			<b>27,747,963.15</b>	<b>0.00</b>	<b>1,164,157.00</b>	<b>17,934,697.85</b>	<b>16,977,632.27</b>	<b>10,627,874.27</b>		

  
**S. VENUGOPAL**  
 Member

  
**SANTHOSH KUMAR. K.B**  
 Secretary

  
**PREMAN DINARAJ**  
 Chairman 05/10/18

## **NOTES FORMING PART OF THE ACCOUNTS**

### **1. ACCOUNTING POLICIES**

#### **a) System of Accounting**

The Commission adopts accrual concept in the preparation of accounts. Balance Sheet, Income and Expenditure Account and Receipts and Payment Account of the Commission are prepared under Historical Cost Convention in accordance with Generally Accepted Accounting Principles in India, the mandatory accounting standards issued by the Institute of Chartered Accountants of India.

The Commission maintains its accounts as prescribed in the Kerala State Electricity Regulatory Commission (Form of Annual Statement of Accounts and Records) Rules, 2004.

#### **b) Revenue Recognition**

License fee levied at, 0.03% on the revenue from Sale of Power by the Distribution Licensees during the preceding year, has been recognized as Income on receipt basis, as the adjustment of fee to be made on the basis of final accounts of the licensee cannot be ascertained before closure of Commission's Account. Petition fee and Application fee are recognized as Income on receipt basis as followed in the previous year.

Amount of Rs. 5,94,170/- being Annual Lease Rental for the 2017-18 is adjusted from advance made to KSPIFC from Capital Grants from State Government (Liability), Rs. 6,19,925/- has been recognized as deferred income by adjusting Rs. 6,19,659/- & Rs. 266/- from grants received from state government & power finance corporation respectively.

#### **c) Fixed Assets and Depreciation/Amortisation**

Fixed Assets are stated at historical cost less depreciation and amortisation.

Leasehold building which were shown under Lease Advance to KPFC under Current Assets up to previous year, now brought under Leasehold Buildings under Fixed Assets. Amortisation has been done over the period of lease and necessary regrouping has been done in the previous figure also. Depreciation on all Fixed Assets has been provided on pro-rata basis from the date of installation/purchase. Depreciation has been provided on the written down value method as followed in the previous year and at the rates as given below:

Description	Rate of Dep.
Air Conditioner	13.91%
Furniture & Fittings	18.10%
Office Equipments	20.00%
Office Machinery	13.91%
Motor Vehicles	25.89%
Computer & Accessories	40.00%
Computer Software	100.00%
Television	15.00%
Library Books, Television Stand, Stabilizer and Telephone Instruments	100.00%

### **2. Amount received from Government of Kerala as grants and loans, petition fee, licence fee and interest earned from investment are exempt from tax under section 10(46) as per the Notification**

  
**SANTHOSH KUMAR. K.B**  
Secretary



No. 85/2014; dt. 23-12-2014. Income tax exemption is applicable for the financial years from 2012-13 to 2016-17. The Commission has filed an application for extension and the matter is pending with the Income Tax for approval.

3. During the audit period, the Commission has incurred an expenditure of Rs. 3,09,070/- towards printing Compendium book, out of which Rs. 2,46,400/- has been refunded by KSEB being expenditure of proportionate copies supplied to them.
4. Interest certificate for Treasury savings account No: 244 not yet received from treasury. Hence accrued interest not booked for the same. In the previous year Rs. 3,57,943/- was accrued interest from this account.
5. The Commission needs to rectify default in TDS filing:

**Default Summary for the financial year 2017-18**

Quarter	Form Type	Net Payable (Rounded-Off) (Rs.)
Q4	24Q	4890.00
<b>Total Net Payable (Rs.)</b>		<b>4890.00</b>

6. The Commission has earned income from the Sale of Compendium Book amounting to Rs. 1,000/- & Fee for authenticated copy of orders issued against petitions amounting to Rs. 6,155/- is booked under miscellaneous receipts.
7. AG auditors recommended to review the liability in TDS payable Rs. 30,397/- which is related to TDS on payment made to Aneesh James Rs. 9,000/- and Maya Haridas Rs. 21,937/-. The former amount was subsequently seen remitted and Mrs. Maya Haridas has included the relevant income in her Income Tax return for AY 2014-15 and paid tax. The above liability will be written off after evaluation in the coming year and after obtaining formal decision of the Commission to write off the same.

**Prior period Adjustments:**

8. In the financial year 2016-17, salary on account of half pay leave incorrectly shown as employee other deduction payable of Rs.31,699/- which have been rectified and adjusted in the current year as prior period adjustments.
9. The commission has made an agreement with KSEBL to lease land at Kalamassery for building office for Ombudsman. As per AG audit report, the commission has decided to provide for lease rent to KSEBL for 8 months of Rs. 1,00,365/- for the year 2016-17 has been charged to prior period item.
10. Rent to KSPIFC Rs.1 per month was not accounted on accrual basis. The agreement was executed on 03/01/2012. Thus the rent calculated for 5 year and 3 months at Rs.1 per month Rs.63 accounted as prior period item. For the period 2017-18 Rs. 12/- is accounted as Lease rent for current year.
11. Depreciation of Air conditioner purchased on 11/05/2015 was not calculated due to omission to include in computation. Depreciation is calculated for the year 2015-16 Rs. 4,632/- and 2016-17 Rs. 3,936/- is charged as prior period item.

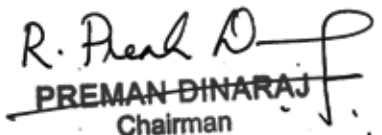
  
**SANTHOSH KUMAR. K.B**  
 Secretary



12. There was an Error in computation of pension contribution in the year 2016-17 of Rs. 15,540/- is charged as prior period item.
13. The accounting for grants received for the purchase of fixed assets are accounted on deferred income basis. However the proportionate income has not been appropriated from the deferred income to income and expense account for the years 2015-16 and 2016-7. Hence Rs. 38,740/- for the year 2015-16 and Rs. 31,566/- for the year 2016-17 is charged to Prior period item.

  
**SANTHOSH KUMAR. K.B**  
Secretary

  
**S. VENUGOPAL**  
Member  


  
**PREMAN DINARAJ**  
Chairman  
05/10/18