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# 9th Annual Report

2010-2011



## Hubli Electricity Supply Company Limited





## Table of Contents

1. Director's Report.....	5
2. Auditor's Report.....	47
3. Annexures to Audit Report and Replies.....	51
4. Comments of the C & AG of India.....	59
5. Balance Sheet .....	60
6. Profit and Loss Account.....	62
7. Schedules Forming part of Balance Sheet.....	64
8. Schedules Forming part of Profit and Loss Account.....	92
9. Significant Accounting Policies and Notes Forming part of Accounts .....	114
10. Cash Flow Statment .....	128
11. Balance Sheet Abstract & Company's General Business Profile .....	129
12. Details of Subsidy received from Government of Karnataka.....	130
13. Average Realisation.....	131



## Board of Directors

### List of Directors (as on the date of AGM)

Sl. No.	Name of the Directors Sriyuths/Smt.	Particulars
1.	Shamim Banu. M, I.A.S.	Chairperson
2.	Pankaj Kumar Pandey, I.A.S.	Managing Director
3.	P.K. Garg, I.P.S.	Director
4.	M. Naveen Kumar, IA & AS	Director
5.	B.S. Ramaprasad, I.A.S.	Director
6.	D. Randeep, I.A.S.	Director
7.	Dr. P. Boregouda, K.A.S.	Director
8.	Chikkananjappa	Director (Technical)
9.	H.R. Nagendra	Director
10.	M.A. Hussain	Director
11.	L. Ravi	Director
12.	M. Nagaraju	Director

### Statutory Auditors

**M/s Vijayapanchappa & Company**  
Chartered Accountants

### Cost Auditors

**M/s G.N.V & Associates,**  
Cost Accountants,  
Bangalore





## DIRECTORS' REPORT

Dear Members,

The Board of Directors of HESCOM is pleased to present the Ninth Annual Report on the business and operations of the Company together with the Audited Statement of Accounts for the year ended 31<sup>st</sup> March 2011.

Hubli Electricity Supply Company Limited was incorporated on 30<sup>th</sup> April 2002 under the Companies Act, 1956 and commenced its operations with effect from 1<sup>st</sup> June 2002.

During the year 2010-11, the Company embarked on various actions for delivering better services in line with the Government objectives and policies.

Following are some of the highlights:

### 1. PERSPECTIVE

As on 31.03.2011



■ Area	54513 sq.km
■ Districts	7 Nos.
■ Population	1.48 Crs
■ Consumers	35.59 Lakhs
■ No. of 33 S/S	176
■ No. of DTCs	90994
■ HT line length	54607.95 ckt kms
■ LT line length	106494.41 ckt kms
■ Employee Strength	
• Sanctioned	12856 nos.
• Working	7515 nos.
• Vacant	5341 nos.
■ Total Assets	Rs. 2540 Crs



## 2. FINANCIAL PERFORMANCE

The financial performance of the Company during the Financial Year 2010-11 is highlighted as below:

SI No	Particulars	FY- 2010-11 (Rs/Crs)	FY- 2009-10 (Rs/Crs)
1	Net Sales/ Income from Operations	<b>3102.16</b>	2277.59
2	Revenue Subsidies and Grants	<b>0.00</b>	0.00
3	Total Operating Expenditure	<b>2859.94</b>	2093.29
4	<b>Operating Profit/(Loss)</b>	<b>242.22</b>	184.29
5	<b>Add :Other income</b>	<b>17.88</b>	13.10
6	<b>Profit/(Loss) before Interest, Depreciation and Tax</b>	<b>260.10</b>	197.40
7	Less: Interest and Finance Charges	<b>289.54</b>	270.18
8	Profit/(Loss) before Depreciation, Extraordinary items and Tax	<b>(29.44)</b>	(72.79)
9	Less: Depreciation	<b>89.49</b>	82.27
10	Add: Prior Period credits	<b>54.22</b>	(18.58)
11	Profit before Tax/(Loss)	<b>(64.70)</b>	(173.64)
12	Less: Provision for Taxes	<b>0.00</b>	0.00
13	Net Profit After Tax/(Loss)	<b>(64.70)</b>	(173.64)

## 3. FINANCIAL HIGHLIGHTS

During the year the revenue from operations has increased by 36% from Rs.2277.59 Crs to Rs.3102.16 Crs. The Company has displayed a good performance by reducing its losses by 63%. This has been possible because of receipt of additional subsidy of Rs. 202.92 Crs from GoK pertaining to the previous years.

The Company has purchased **8677.21** M.U.s (at Generating Point) of power during the year.

The Power purchase cost has increased by 37% as compared to the previous year. During the year the Company has purchased High Cost Energy of 1400.10 M.U. at a



cost of Rs.698.92 Crores as per the GOK's decision. During the year, the Company has paid Rs.1040.96 crores by cash and Rs.1107.13 crores by way of subsidy adjustment towards power purchase payments to KPCL/IPPs. The outstanding power purchase liability of the Company as on 31.03.2011 is Rs.1586.22 crores.

## 1. Financial Position

The following table summarises the Financial Position of the Company at the end of each of the three years ending 2010-11.

(Rs. in Lakhs)

Particulars		2008-09	2009-10	2010-11
a)	<b>Liabilities</b>			
	Paid-up capital (including share deposit/ share application money pending allotment/ share suspense/ share advance)	23333.61	56324.92	<b>63367.92</b>
b)	Reserves and Surplus	(1109.58)	(600.70)	<b>(682.15)</b>
c)	Service lines and security deposits	29772.36	34766.67	<b>37562.61</b>
d)	Borrowings	160780.48	171724.34	<b>153743.56</b>
e)	Current Liabilities and Provisions (including interest accrued and due on loans)	155676.85	182193.43	<b>228662.05</b>
	<b>TOTAL</b>	<b>368453.72</b>	<b>444408.67</b>	<b>482653.98</b>
f)	Gross Block	234261.32	263315.33	<b>276573.32</b>
g)	Less : Depreciation	62403.74	70032.11	<b>77141.92</b>
h)	Less:Consumer Contribution towards Capital Grants	52003.85	57905.65	<b>62155.82</b>
i)	Net Block	119853.72	135377.57	<b>137275.58</b>
j)	Capital work-in-progress	4769.83	3332.89	<b>2584.79</b>
k)	Investments	1.00	251.00	<b>251.00</b>
l)	Current Assets, Loans and Advances	195268.59	239523.92	<b>270162.34</b>
m)	Miscellaneous Expenditure	16.39	15.18	<b>1.70</b>
n)	Accumulated Loss	48544.18	65908.10	<b>72378.57</b>
	<b>Total</b>	<b>368453.72</b>	<b>444408.67</b>	<b>482653.98</b>
	<b>Capital Employed</b>	<b>168682.58</b>	<b>199319.66</b>	<b>186039.65</b>
	<b>Net Worth</b>	<b>(26336.54)</b>	<b>(10199.06)</b>	<b>(9694.50)</b>

### NOTE:

Capital employed represents net fixed Assets plus capital work-in-progress plus working capital. Net worth represents paid up capital plus reserves and surplus less intangible assets.



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## 2 CAPITAL STRUCTURE

The debt equity ratio of the Company was 6.89:1 in 2008-09, 3.05:1 in 2009-10 and 2.43:1 in 2010-11.

## 3 RESERVES AND SURPLUS

The reserves and surplus accumulated up to 31 March 2011 was Rs.(682.15) lakh as against Rs.(600.70) lakh as on 31 March 2010 and Rs.(1109.58) lakh as on 31 March 2009. The reserves represented (0.14) per cent of total liabilities during 2010-11 as against (0.14) per cent during 2009-10 and (0.30) percent during 2008-09. The reserves and surplus was equivalent to (1.08) percent of equity capital during 2010-11 as against (1.07) percent during 2009-10 and (4.76) percent during 2008-09.

## 4 LIQUIDITY AND SOLVENCY

- a) The percentage of current assets, loans and advances to total net assets increased from 53.00 percent in 2008-09 to 53.90 percent in 2009-10 and 55.97 percent in 2010-11.
- b) The percentage of current assets, loans and advances to current liabilities (including provisions) varied from 125.89 percent in 2008-09 to 131.47 percent in 2009-10 and 118.15 percent in 2010-11.
- c) The percentage of quick assets (sundry debtors, loans and advances (excluding prepaid expenses and advance income tax) and cash and bank balances) to current liabilities (excluding provisions) varied from 126.65 percent in 2008-09 to 131.95 percent in 2009-10 and 119.06 percent in 2010-11.

## 5 WORKING CAPITAL

The working capital of the Company at the close of the three years up to 2010-11 stood at Rs.46179.28 lakh and Rs.60609.20 lakh and Rs.44059.03 lakhs respectively.





## 6 WORKING RESULTS

The working results of the Company for the three years up to 2010-11 are tabulated below:

(Rs. in Lakhs)

	2008-09	2009-10	2010-11
Profit (+)/Loss (-) for the year	(57623.49)	(15506.31)	<b>(11892.42)</b>
Prior period adjustments (Net)	1572.88	(1857.61)	<b>5421.95</b>
Profit (+)/Loss (-) before Tax	(56050.61)	(17363.92)	<b>(6470.47)</b>
Tax Provision	(25.78)	0.00	<b>0.00</b>
Profit (+)/Loss (-) after Tax	(56024.84)	(17363.92)	<b>(6470.47)</b>
<b>Percentage of Profit before Tax to</b>			
Sales	(29.99)	(7.62)	<b>(2.09)</b>
Gross Fixed Assets	(23.93)	(6.59)	<b>(2.34)</b>
Capital Employed	(33.23)	(8.71)	<b>(3.48)</b>
<b>Percentage of Profit after Tax to</b>			
Net Worth	(212.73)	(170.25)	<b>(66.74)</b>
Equity Capital	(240.10)	(30.83)	<b>(10.21)</b>
Capital Employed	(33.21)	(8.71)	<b>(3.48)</b>

## 7. COST TRENDS

The table below indicates the percentage of cost of sales to sales for the three years up to 2010-11.

(Rs. in lakhs)

Cost Trend	2008-09	2009-10	2010-11
Sales	186894.96	227758.74	310216.48
Less Profit/Add Loss for the year before prior period adjustment	(57623.49)	(15506.31)	(11892.42)
Cost of Sales	244518.45	243265.05	322108.89
Percentage of Cost of Sales to Sales (in %)	130.83	106.81	103.83



## 8. SUNDRY DEBTORS AND TURNOVER

The following table indicates the value of book debts and sales for the three years up to 2010-11.

(Rs. in lakhs)

As on 31 March	Debts considered		Total book debts	Sales	Percentage of Debtors to Sales	Sundry debtors in terms of months' sales
	Good	Doubtful				
2009	120621.07	10738.10	131359.17	186894.96	70.3	8.43
2010	136463.41	10004.97	146468.39	227758.74	64.3	7.72
2011	156556.40	10136.84	166693.24	310216.48	53.7	6.45

## 4. STRATEGIES AND VISION OF THE COMPANY

The Company has the following strategies:

1. Enhancement of revenue generation.
2. Strengthening and refurbishing distribution network to reduce losses and cost of operation.
3. Enhancing employee productivity.
4. Providing best services to its consumers.
5. Energy Audit at 33 KV / 11 KV DTC level to bring down avoidable losses.
6. Enhancement of vigilance activities to reduce power theft and pilferage.

### HESCOM's VISION

The Company has set the following as its vision and is committed to work in that direction:

1. 100% Rural Electrification
2. Reduce T&D Losses gradually to below 15%

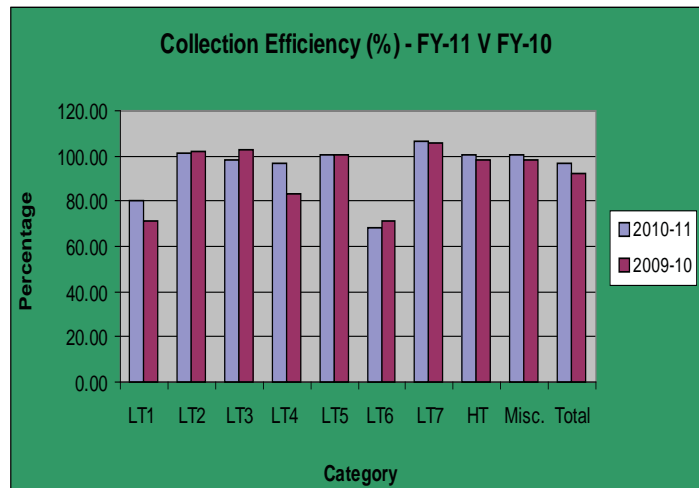


3. 100% Metering at all levels right from feeder end to consumer installations
4. Elimination of Low Voltage Pockets by reorganizing the existing feeders consequent to establishment of new Sub-stations by HESCOM and KPTCL.
5. Reduction in interruption
6. Power Supply on Demand
7. Eliminate commercial losses by increased vigilance activities
8. Application of Information Technology in more and more activities
9. Increasing business efficiency by reducing AT & C Losses.

## 5. COLLECTION EFFICIENCY

During the year, collection efficiency of the Company has increased to 97% from 92% as compared to previous fiscal year. The Category wise collection efficiency can be seen from the following table and graph:

Category	Collection Efficiency (in %)	
	2010-11	2009-10
LT1 BJ/KJ	80.14	71.12
LT2	101.22	101.93
LT3	98.13	102.69
LT4 IP	96.87	83.24
LT5	100.66	100.74
LT6 W/S & P/L	68.12	71.05
LT7	106.33	105.80
HT	100.80	97.91
Misc.	100.24	97.91
<b>Total</b>	<b>96.73</b>	<b>92.36</b>



## 6. METERED AND UN-METERED ENERGY

The Category-wise metered and un-metered energy sales during FY-11 & FY-10 are as noted below:

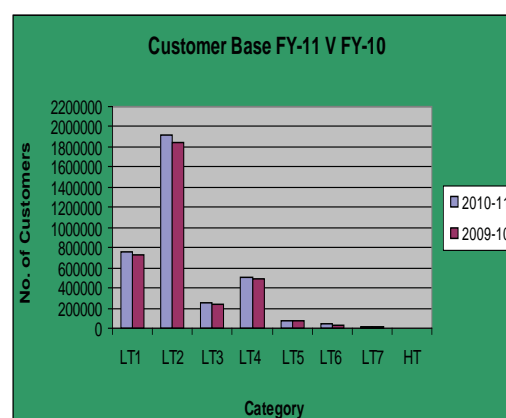
Category	Category wise Energy Sales in.MU							
	2010-11				2009-10			
	Metered	Un-metered	Total	% of Energy Sales	Metered	Un-metered	Total	% of Energy Sales
1	2	3	4	5	6	7	8	9
LT1 BJ/KJ	113.34	36.80	150.14	2.25	110.35	38.84	149.19	2.55
LT2	968.89	0.00	968.89	14.51	894.71		894.71	15.27
LT3	280.90	0.00	280.90	4.21	241.09		241.09	4.12
LT4 IP	123.05	3489.66	3612.71	54.09	128.58	2950.33	3078.91	52.56
LT5	282.85	0.00	282.85	4.23	269.92		269.92	4.61
LT6 W/S & P/L	266.05	0.00	266.05	3.98	231.55		231.55	3.95
LT7	15.05		15.05	0.23	13.67		13.67	0.23
HT	1102.97		1102.97	16.51	979.00		979.00	16.71
<b>Total</b>	<b>3153.10</b>	<b>3526.46</b>	<b>6679.56</b>	<b>100.00</b>	<b>2868.86</b>	<b>2989.17</b>	<b>5858.03</b>	<b>100.00</b>

## 7. CUSTOMER PROFILE

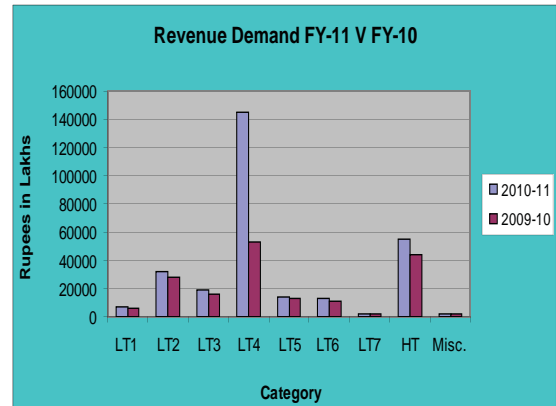
The Company had a customer base of 34.40 lakhs at the beginning of the year. With the addition of 1.19 lakhs new consumers during the year, the customer base has increased to 35.59 lakhs as at the end of 31 03.2011.

PROFILE- Customers profile with respect to Consumption, Demand and Collection is highlighted in the following graphs:

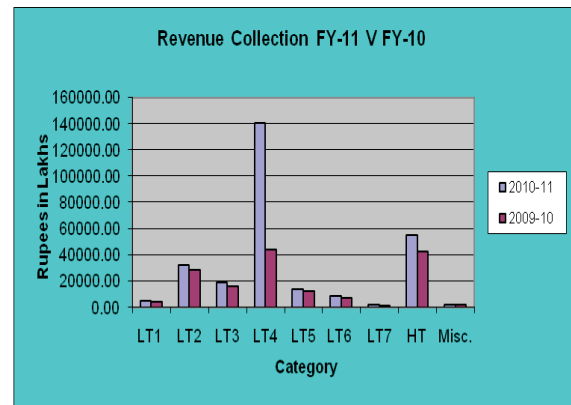
Category	Customer Base			
	2010-11		2009-10	
	Installations in Nos.	%	Installations in Nos.	%
LT1 BJ/KJ	752366	21.14	731523	21.27
LT2	1913737	53.78	1850018	53.79
LT3	254634	7.16	242765	7.06
LT4 IP	504005	14.16	492737	14.32
LT5	76511	2.15	71877	2.09
LT6 W/S & P/L	39119	1.10	37063	1.08
LT7	16796	0.47	12179	0.35
HT	1528	0.04	1385	0.04
<b>Total</b>	<b>3558696</b>	<b>100.00</b>	<b>3439547</b>	<b>100.00</b>



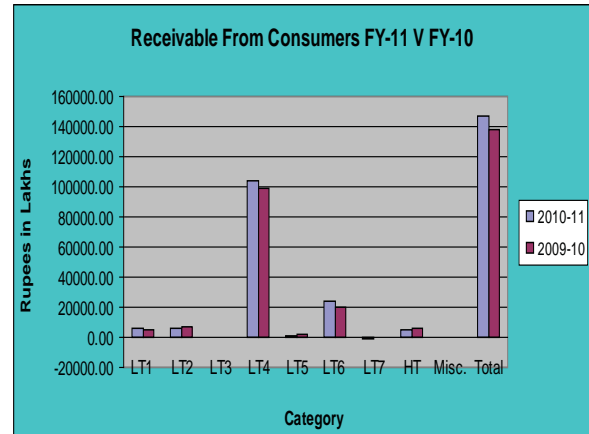
Category	Revenue Demand as per DCB			
	2010-11		2009-10	
	Rs. in Lakhs	%	Rs. in Lakhs	%
LT1 BJ/KJ	6795.79	2.35	6231.69	3.57
LT2	31820.05	11.02	28283.86	16.18
LT3	19231.54	6.66	15750.58	9.01
LT4 IP	144965.29	50.22	53475.5	30.60
LT5	13637.49	4.72	12683.93	7.26
LT6 W/S & P/L	13413.34	4.65	10502.62	6.01
LT7	2076.35	0.72	1515.18	0.87
HT	54587.86	18.91	44004.17	25.18
Misc.	2158.21	0.75	2309.85	1.32
<b>Total</b>	<b>288685.92</b>	<b>100.00</b>	<b>174757.38</b>	<b>100.00</b>



Category	Revenue Collection as per DCB			
	2010-11		2009-10	
	Rs. in Lakhs	%	Rs. in Lakhs	%
LT1 BJ/KJ	5423.09	1.94	4467.59	2.77
LT2	32235.90	11.54	28876.77	17.91
LT3	18860.78	6.75	16225.84	10.06
LT4 IP	140462.58	50.30	44518.96	27.61
LT5	13743.96	4.92	12783.67	7.93
LT6 W/S & P/L	9080.71	3.25	7400.23	4.59
LT7	2253.05	0.81	1604.15	0.99
HT	55017.24	19.70	43094.53	26.73
Misc.	2163.45	0.77	2262.00	1.40
<b>Total</b>	<b>279240.76</b>	<b>100.00</b>	<b>161233.74</b>	<b>100.00</b>



Category	Receivables from Consumers as per DCB (CB)			
	2010-11		2009-10	
	Rs. in Lakhs	%	Rs. in Lakhs	%
LT1 BJ/ KJ	6406.21	4.35	5033.53	3.66
LT2	6111.13	4.15	6526.97	4.74
LT3	419.70	0.29	48.93	0.04
LT4 IP	103601.23	70.43	99098.55	71.99
LT5	1462.26	0.99	1568.72	1.14
LT6 W/S & P/L	24226.84	16.47	19894.18	14.45
LT7	-513.84	-0.35	-337.12	-0.24
HT	5369.89	3.65	5799.27	4.21
Misc.	18.15	0.01	23.40	0.02
<b>Total</b>	<b>147101.57</b>	<b>100.00</b>	<b>137656.43</b>	<b>100.00</b>



## 8 Bulk Power Purchase in HESCOM

As per Government of Karnataka Notification Dtd: 06.07.2005, the allocation of power from conventional energy sources was 20.3598% (Including HRECS 0.5009%) from 10.06.2005 upto Oct-2009 and 18% was allocated to the HESCOM from November 2009 to March 2010 vide letter No: EN 70 EMC 2009 dtd: 10.11.2009 of Energy Department, Government of Karnataka. Non conventional energy projects are allocated based on geographical area from HESCOM.

The Share of Major IPPs, KPCL RTPS-4 and Yalahanka DGS had been removed from HESCOM & share of Sharavathy Generating Station was increased to 25.6700% and the allocations of RTPS of M/s KPCL in respect of HESCOM was revised by the GOK vide its notification dtd: 22.04.2006.

GOK vide its notification No. EN 69 PSR 2008 dtd 15.09.2008 has allocated 20.3598% of Bellary Thermal Power Station Stage-I power to the HESCOM and the same has been continued for FY-2011



Based on the daily energy availability and requirements by ESCOMs, the energy allocation was revised and 18.18% was allocated to the HESCOM from 01.04.2010 vide letter G.O No: EN 126 EMC 2010 dtd: 24.03.2010 of Energy Department, Government of Karnataka. The revised allocation is as noted below.

Source	HESCOM Share
Sharavathy	23.9200%
OtherHydro Energy	18.1800%
RTPS 1 & 2	18.1800%
RTPS 3	10.3400%
RTPS 4	4.0000%
RTPS 5 & 6	18.1800%
RTPS 7	18.1800%

Hydro Energy is billed for 341MUs per month for the period Jan-11 to March-11 as per G.O No. EN 35 NCE 2011 dtd 24.01.2011.

HESCOM has purchased the power based on the Government of Karnataka Order dtd : 24.03.2010 and 24.01.2011 for FY-2011. The total energy purchased, the actual energy drawn at interface point and cost thereon are as follows.

Total Energy Purchased in MUs (Excluding HRECS)	Total Energy drawn at IF Points in MUs	Power Purchase Cost in Crores	Average Power Purchase Cost (Rs. Per Unit)	
			At Generation Point	At Interface Point
8677.21	8505.95	2478.35	2.86	2.91

During FY 2010-11, due to acute shortage of power in Karnataka, GOK decided to purchase power from Co-generation Sugar Plants at the rate of Rs.5.50/- per unit for the months of April 2010 & May 2010 and Rs. 5.00/- for the month of June-2010. Based on Hon'ble KERC Order in OP No: 16/2010 dtd 24.03.2011, GOK revised and Rs. 5.00 per unit is fixed in case of Co-generation Sugar Plants for the months of April- & May 2010. High Cost energy is also purchased from other generators (M/s JSW, M/s PTC, M/s NTPC VVNL, M/s LANCO, M/s IEX) and Captive energy (J.K.Cement, M/s Falcon Tyres, M/s Himatsingeka, M/s HareKrishana, M/s Shatvahan) for the FY 2010-11. The total high



cost energy purchased from these Generators (Co-gen) & others for the current FY is 1400.10 MU, at the total power purchase cost of Rs. 698.91 crore, at an average cost of Rs. 4.99 / unit.

For prompt and early payments, as per rebate scheme in PPA and CERC order, HESCOM has availed rebate of Rs. 4.92 crores during FY-11 from Central Generating including PGCIL. 114.27 MU energy has been purchased under Unscheduled Interchange Mechanism under ABT and paid Rs. 37.51 crores.

HESCOM purchases power from KPCL and IPPs at the tariff fixed by the Karnataka Electricity Regulatory Commission (KERC) from time to time. The average cost of energy purchase is Rs. 2.86/- unit during FY-11.

As per Government of Karnataka Order dtd: 10.05.05, HESCOM has paid PCKL administrative expenses amounting to Rs. 0.14 Crores for the FY-2011.

**STATEMENT SHOWING THE DETAILS OF PURCHASE COST DURING 2010-11**

Sl No	Month	Energy in MUs at Gen Point	Energy in MUs at Interface Point	Cost of Power Purchase in Cr	Cost Power Purchased Rs./Unit	Energy from NCES in MU's	Rebate in Cr
1	Apr-10	734.88	741.96	196.76	2.68	70.96	
2	May-10	708.44	736.21	201.96	2.85	99.46	
3	Jun-10	615.24	584.53	184.38	3.00	99.22	
4	Jul-10	593.92	582.49	159.40	2.68	72.65	
5	Aug-10	556.08	585.93	161.86	2.91	65.86	
6	Sep-10	557.40	572.34	177.30	3.18	42.22	
7	Oct-10	593.09	602.81	193.05	3.26	34.54	
8	Nov-10	637.03	612.76	213.17	3.35	60.86	
9	Dec-10	786.82	813.23	228.82	2.91	84.89	
10	Jan-11	991.71	903.50	237.87	2.40	78.71	
11	Feb-11	961.43	831.12	253.32	2.63	72.29	
12	Mar-11	114710	939.07	325.22	2.83	55.90	
<b>Total</b>		<b>8883.14</b>	<b>8505.95</b>	<b>2533.11</b>	<b>2.85</b>	<b>837.56</b>	<b>4.92</b>
<b>Less HRECS</b>		<b>205.93</b>		<b>49.84</b>	<b>2.42</b>		
<b>Less Rebate from power Generators</b>				<b>4.92</b>			
<b>Net Total</b>		<b>8677.21</b>	<b>8505.95</b>	<b>2478.35</b>	<b>2.86</b>		





**DETAILS OF POWER PURCHASE BY HESCOM FROM APR- 2010 TO  
March-2011 FROM ALL SOURCES**

SL No	Name of The Company	Energy in MU	Cost of Power Purchased in Cr	Cost Power Purchased Rs./Unit	Rebate in Cr
1	CGS	2003.75	516.68	2.58	4.92
2	KPCL-HYDEL	2474.88	167.48	0.68	
3	KPCL-SOLAR	3.79	2.27	6.00	
4	KPCL-THERMAL	1730.08	504.35	2.92	
5	MINI HYDEL	50.26	15.83	3.15	
6	WIND MILL	428.22	145.75	3.40	
7	<b>CO-GENERATION</b>				
(a)	Co-Generation (Regular)	316.61	112.94	3.57	
(b)	Co-Generation (High Cost)	42.49	22.39	5.27	
8	BIO-MASS (High Cost)	0.78	0.39	5.00	
9	HIGH COST (Others)	1356.83	676.14	4.98	
10	UPCL	325.24	85.20	2.62	
11	Inter-ESCOM Energy Exchange	150.21	42.91	2.86	
	<b>Total</b>	<b>8883.14</b>	<b>2292.33</b>	<b>2.58</b>	<b>4.92</b>
12	KPTCL TR.CHARGES		236.90		
13	SLDC O &M Expenses		2.70		
14	SPCC/PCKL Adm. Exp		0.14		
15	LC Charges Related to Purchase of Power		1.04		
	<b>Total</b>	<b>8883.14</b>	<b>2533.11</b>	<b>2.85</b>	
	<b>Less: HRECS</b>	<b>205.93</b>	<b>49.84</b>	<b>2.42</b>	
	<b>Less: Rebate from power Generators</b>		<b>4.92</b>		
	<b>GRAND TOTAL</b>	<b>8677.21</b>	<b>2478.35</b>	<b>2.86</b>	<b>4.92</b>



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## 9. METER READING / BILLING EFFICIENCY

The Company aims at 100% achievement in metering of all its consumers. It could achieve 86.59% overall efficiency in Metering and 99.94% in Billing during the year. LT-2, LT-3, LT-5, LT-6, LT-7 and HT categories recorded almost 100% metering. However, LT-1 (BJ/KJ) records 83.41% where as LT-4 IP sets recorded only 30.10%. The Company is committed to achieve 100% metering in LT-1 & LT-4 category also. This can be possible only after installing meters to all the IP sets and BJ/KJ installations. The metering programme that is currently under progress for these categories is being pursued.

## 10. DEMAND SIDE MANAGEMENT (DSM)

KPTCL is transmitting energy to HESCOM through the following Transmission Network & Electrical Sub stations:

Voltage class of Stations	No. of Stations
400 KV	1
220 KV	22
110 KV	153
66 KV	1
33 KV	176
<b>Total</b>	<b>353</b>

## 11. ENERGY INFLOW / OUT FLOW

During the year, the Company had an inflow of 8407.44 M.U.s and an outflow of 6679.56 M.U. The Company suffered losses to the extent of 1727.88 M.U., which works out to 20.55%.

## 12. DISTRIBUTION LOSSES

During the year, the Distribution loss of the Company stood at 20.55% as against 20.86% in the preceding year. The details are as noted below:



Sl. No.	Particulars	Energy in M.U	
		2010-11	2009-10
	<b>Energy Sales:</b>		
a	Total energy available for sale	<b>8407.44</b>	7401.89
b	Total metered sales	<b>3153.10</b>	2868.86
c	Total un-metered sales	<b>3526.46</b>	2989.17
d	Total sales	<b>6679.56</b>	5858.03
e	Distribution losses	<b>1727.88</b>	1543.85
f	Percentage of Distribution losses	<b>20.55%</b>	20.86%

### 13. REDUCTION OF DISTRIBUTION LOSSES

HESCOM has taken up various extensions and improvement works in order to reduce distribution losses. Under the action plan for reduction of losses in HESCOM area, the details of initiatives are as follows:

- 240 Nos. of 11KV feeders were identified for re-conductoring, out of which 82 Nos of feeders were completed during 2008-09, 41 feeders have been completed during 2009-10. No feeder has been completed during 2010-11.
- The company has so far metered 39341 DTCs as at the end of March-2011 out of 90994 existing DTCs. Energy audit is being done for almost all urban DTCs to analyze loss levels.
- HESCOM has undertaken "Niranthara Jyoti Yojana" prestigious project of Government of Karnataka and completed works on pilot project basis for 22 feeders in 3 Taluks namely; Bailhongal, Shiggaon and Savanur.
- NJY under phase-1 in 20 Taluks was taken and out of 20 Taluks in 16 Taluks work is under progress. (Number of Feeders = 252 Nos).
- NJY under phase-2 in 14 Taluks was taken and tendering process is under progress (Number of feeders = 214 Nos).
- This will enable for bifurcation of IP sets and rural loads. Thus, proper assessment for IP sets consumption pattern and other rural consumption is possible.



- 56 Nos. of new 33KV sub-stations are taken up and the works are under progress. 25 Nos. of substations are commissioned during the 2008-09 and 12 stations commissioned during 2009-10 and 7 sub-stations are commissioned during 2010-11.
- Action is taken to replace MNR meters at the earliest. All efforts are being made to ensure that DC or MNR installations are within 1%. Out of 85897 MNR meters found during 2010-11, 46,118 MNR meters have been replaced during the year.
- It is proposed to replace Electro-mechanical meters by static meters.
- Efforts are being made to meter all the un-metered installations in IP and BJ/KJ categories.
- Raids are being conducted by vigilance squads to detect and curb theft of electricity.
- Regular rating of HT and LT installations are being monitored and the metering system is kept in good condition.
- All the 465 interface points between KPTCL & HESCOM are metered and the energy received at all these points are measured and recorded.

#### 14. ENERGY AUDIT:

Division wise Energy audit of HESCOM is being conducted every month to calculate distribution loss energy audit of all the 19 Divisions is being monitored every month in HESCOM. Energy audit of 73 major cities / towns is also being conducted every month. Energy Audit of 11KV feeder level is also monitored. There are about 1869 feeders in HESCOM distribution system.

#### 15. REDUCTION OF SYSTEM LOSSES

The following measures taken up by the Company are being monitored to reduce the AT& C Losses:

- To remove rural loads on town /city feeders so that Towns/ Cities to be fed from separate urban feeders, with input Energy meters kept always in good working conditions.



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- b. Arranging to provide metering equipment to DTCs in the towns & analyzing HT & LT Losses after the synchronization of individual DTC & its connected LT installations.
  - c. Load balancing on the DTCs.
  - d. Replacement of MNR meters by good Energy meters.
  - e. Achieving 100% reading and billing of LT installations.
  - f. Minimizing the Door Lock & unread installations (i.e., By taking readings on subsequent dates).
  - g. Proper metering of Street Light and water supply (LT –6) installations for monitoring the consumption.
  - h. Metering monthly billing of IP Set installations coming on town feeders.
  - i. To continue all out-efforts in increasing the metered consumption & issuing of 100% bills.
  - j. To increase the revenue collection by rigorous disconnection drives & continuous monitoring thereby increasing the collection efficiency & over all business efficiency (to reduce ATC Losses)
  - k. To sort out & dismantle long disconnected installations to avoid possible theft of Energy by unauthorized reconnection and for judicious use of released idle meters etc., in the system.
  - l. To pool up vigilance & MT batches to create mass raids to detect theft of Energy & to arrest possible theft.
  - m. To bring up customer awareness by chalking out programmes for proper education about electricity.
  - n. Study of category wise consumption pattern of LT3 and LT5 installations and thereby taking measures like rating, sealing of terminal covers with numbered poly carbonate seals etc.



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## 16. DISTRIBUTION TRANSFORMER FAILURE

The failure rate of Distribution Transformers during 2010-11 stood at 14.54% in Rural and 4.80% in urban areas. Totally, 11983 Distribution Transformers have failed and about 12057 Transformers are replaced during the year. These failed transformers are being repaired and put back to use. The no. of transformers repaired during the year is 10170 as against 11585 during the previous year. The Company is committed to reduce the failure rate of transformers by way of various Extension and Improvement works and by removing of load on the over loaded transformers by adding new T.Cs.

## 17. CAPITAL EXPENDITURE

During the year the Company has incurred Rs.159.95 crores towards capital expenditure as against Rs.323.93 crores in the previous year. The details of expenditure under Major heads are as noted below:

	<b>Rs. in crores</b>
Service Connection	10.14
Ganga Kalyan	13.31
Extension and Improvement	11.41
Replacement of Failed Distribution Transformers	50.49
Replacement of Conductors	8.70
Providing Infrastructure to UAIP	2.10
Metering	2.51
Rural Electrification works (RGGVY, NJY, RLMS, Hamlets etc)	19.62
RAPDRP	0.67
ALDC/SCADA	1.97
Stations	25.16
Civil Works	2.37
Flood Affected Works	8.55
Others	2.95
<b>Total</b>	<b>159.95</b>



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## 18. HT / LT LINES

The Company has drawn 1503.669 kms of HT lines and 1464.581 kms of LT lines during the year. The Total HT and LT Lines as at 31-3-2011 stood at 54607.9514 kms and 106494.411 kms, respectively.

## 19. METERING

Under the metering programme of the Company, 35017 new meters have been fixed during the year as against 73087 during 2009-10. The expenditure incurred for this purpose during the year is Rs. 2.51 crs.

About 296 DTCs have been metered during the current year. As against 90994 DTCs, 39341 DTCs have been metered as at the end of 31.3.2011 and the remaining 51653 DTCs are to be metered in a phased manner.

## 20. ESTABLISHMENT OF 33 / 11 KV SUB-STATIONS



Sl. No.	Particulars	
1	No. of stations under progress including spill over works and works awarded during the year 2010-11 (Including augmentation works)	16
2	Award Cost (Rs. in Crores)	37.46
3	No. of stations commissioned during the year 2010-11 including Augmentation.	10
4	Expenditure incurred for the year 2010-11 (Rs. in Crores)	25.16
5	No. of stations under progress for the year 2011-12	6

The Company has commissioned the following 7 new sub-stations during the year:

Sl. No.	Name	District	Taluk Name	Capacity	Date of Commissioning
1	Bidari	Bagalkot	Jamakhandi	2X5MVA	28-08-2010
2	Londa	Belgaum	Khanapur	2X5MVA	13-10-2010
3	Kalkeri	Haveri	Hangal	2X5MVA	30-10-2010
4	Sidenur	Haveri	Hangal	2X5MVA	30-10-2010
5	Nandikurli	Belgaum	Raibag	2X5MVA	31-10-2010
6	Shedbal	Belgaum	Athani	2X5MVA	21-01-2011
7	Arvatagi	Dharwad	Dharwad	2X5MVA	29-01-2011

The following 3 stations were augmented during 2010-11

Sl. No.	Name	District	Taluk Name	Capacity	Date of Commissioning
1	Hulkund	Belgaum	Ramdurg	1X5MVA	07-05-2010
2	Batkurki	Belgaum	Ramdurg	1X5MVA	24-07-2010
3	Yellapur	Uttar Kannada	Yellapur	1X5MVA	24-09-2010

## 21. R-APDRP

1. Ministry of Power, Government of India has launched Restructured Accelerated Power Development and Reforms Programme (R-APDRP) in XI five year plan. The programme is proposed to be implemented on all India basis covering Town/ Cities with a population of more than 30,000 as per population data of 2001 census. As per the above guideline, 31 towns are selected from HESCOM.
2. Projects under the Scheme shall be taken up in two parts. Part-A shall include the projects for establishment of base line data and IT applications for energy Accounting & Auditing and IT enabled Consumer Service Center. Part-B shall include regular distribution strengthening projects.





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3. Projects under Part-A includes Establishment of Data Center at Bangalore city, Establishment of Disaster Recovery Center at Hubli and IT applications which includes the following modules.
- i. Meter Data Acquisition
  - ii. Energy Audit
  - iii. New Connection
  - iv. Disconnection & Dismantling
  - v. Development of Commercial Database of Consumers
  - vi. Metering
  - vii. Billing
  - viii. Collections
  - ix. Centralized Customer Case Services
  - x. Web Self Service
  - xi. Asset Management
  - xii. Asset Maintenance
  - xiii. GIS based customer Indexing and asset mapping
  - xiv. GIS based integrated network analysis module
  - xv. Management Information System(MIS)
  - xvi. System Security Requirement
  - xvii. Identity and Access Management System
  - xviii. DGPS based GIS survey in the identified towns, AMR implementation and Establishment of LAN, MPLS VPN and other Networking in the identified towns.
4. Detailed Project Report (DPRs) covering all 31 towns were submitted to Power Finance Corporation Ltd., Delhi on 09.02.2009 and the same was approved on 13-02-2009 and loan to an extent of Rs.52.62 Cr has been sanctioned.
5. DPRs under Part-B were submitted to Power Finance Corporation (PFC), Delhi on 26.03.2010 and the same was approved on 08.06.2010 and loan to an extent of Rs. 278.36 Cr has also been sanctioned. MOA is signed with M/s PFC Ltd., New Delhi on 29.03.2011.
6. M/s Reliance Infrastructure Ltd., Mumbai is appointed as IT Consultant and they have studied AS-IS process of the HESCOM and proposed Roadmap for HESCOM.



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7. BESCO floated request for Proposal (RFP) for appointment of IT implementation Agency (ITIA) on behalf of all ESCOMs of Karnataka on 19.08.09.
  8. M/s. Infosys Technologies Ltd., Bangalore were appointed as IT Implementation Agency and their letter of Acceptance for the same has been received on 17.12.2009. Contract Agreement signed on 31-12-2009 and introduction meeting appraising the scope of ITIA in R-APDRP was held on 20-01-2010. They have completed study of AS-IS process and held To-Be workshop on 22 & 23-03-2010.
  9. Detailed Work Award for ITIA was issued to M/s Infosys Technologies on 19.05.2010 and the software & hardware installation works are under progress.
  10. Ring fencing for all the selected 31 towns is completed and after three billing cycles accurate baseline data with due verification by TPIEA has been furnished to M/s PFC Ltd., New Delhi.

## 22. BACHAT LAMP YOJANA

Developing and Implementing CDM Project Activities (CPA) under CDM Programme of Activities (POA) CFL-Lighting Scheme “Bachat Lamp Yojana” in HESCOM Jurisdiction.

HESCOM intends to promote energy efficiency in lighting system of the residential household consumers in its area based on the scheme parameters laid down by Bureau of Energy Efficiency, Ministry of Power, Govt. of India under the CDM based CFL Lighting Scheme- “Bachat Lamp Yojana” (BLY).

### PROJECT DETAILS

The Cost of the Project is Rs. 1157 Lakhs. There is no financial assistance from HESCOM. The cost involved in execution of the project will be borne by the investors and the same will be reimbursed by UNFCCC (the United Nations Framework Convention on Climate Change) after successful completion of the project as per guidelines.

In this scheme it is proposed to replace 77,11,023 nos of ICL bulbs by CFL bulbs. By executing this scheme Peak load will be reduced by 362 MW approximately

## 23. SCADA

IE SCADA stands for Integrated Extended Supervisory Control And Data Acquisition. This project in Karnataka is awarded to M/s ABB Ltd, Bangalore on total turnkey by



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the CEE T&P, KPTCL, Bangalore collectively for KPTCL and its constituents ESCOMs at Rs.220 Crores of which HESCOM share is Rs.22.93 Crores. This project helps to obtain and monitor real time data of all generating stations, all substations of various voltage levels, all IPPs and all EHT consumers in the state. In HESCOM 136 numbers of 33kV substations are included under SCADA in 1<sup>st</sup> phase. Progress of SCADA is categorized under two parts.

#### **1. Establishment of Distribution Control Center at Corporate Office**

At Distribution Control Center (DCC), works such as erection of Large Video Screen, installation of 2 x 10 KVA UPS, networking cabling etc., has been completed. Supply, erection and commissioning of VSAT for DCC is pending and communication is achieved through 2 Mbps Leased Line. DCC is operational at corporate office, HESCOM and load monitoring is being exercised.

#### **2. Field progress**

In HESCOM 136 numbers of 33/11kV substations are included in IE SCADA project out of which 128 substations have been validated as on August 2011, work with balance 8 nos of stations is pending due to field problems which will be taken up shortly.

#### **2<sup>nd</sup> PHASE**

32 nos. of 33/11KV stations are recognized for 2<sup>nd</sup> Phase SCADA, which will be awarded on rate contract.

#### **24. ENERGISATION OF DRINKING WATER SUPPLY SCHEME**

The Company has serviced 789 drinking water installations during April-2010 to March 2011 under Drinking Water Supply Scheme both in rural and urban areas.

#### **25. ELECTRIFICATION OF HB / JCS / TANDAS**

The Company has electrified 17 Habitations and 1 village during the year. Apart from this, the Company has also electrified 8686 nos. of BPL houses during the year under RGGVY Scheme.

#### **26. ENERGISATION OF IP SETS**

The Company has serviced 11823 IP Sets during 2010-11.



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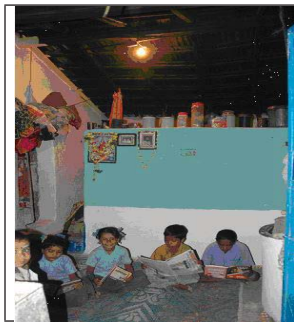
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## 27. ENERGISATION OF GANGA KALYAN INSTALLATIONS

The Company has serviced 4001 Ganga Kalyan installations during 2010-11.

## 28. ELECTRIFICATION OF HOUSES UNDER RGGVY SCHEME

The Government of India has introduced a scheme for creation of Rural Electricity Infrastructure and Household Electrification known as Rajeev Gandhi Grameena Vidyutikarana Yojna (RGGVY) through Rural Electrification Corporation Ltd. Under this Scheme infrastructure facilities are being provided for electrification of houses belonging to the people Below Poverty Line. The beneficiaries of this scheme are to be identified by concerned Panchayats.



1 Award Cost for Seven Districts (Rs/Crs).	263.61
2 No. of BPL House holds awarded.	253739
3 No. of BPL Households Completed as on 31-03-2011	215728
4 Expenditure incurred up to March-2011 (Rs/Crs).	227.10

The project financing is made through REC, which includes 90% capital subsidy and 10% loan.

## 29. REGULATORY AFFAIRS

HESCOM filed its application before the Honorable KERC, Bangalore, in respect of Annual Performance Review for FY-10 and approval of ERC for the Second Control Period FY-11 to FY-13 and Tariff Application for FY-11, on 13.08.2010 under Multi Year Tariff frame work.

The Honorable Commission issued the order on HESCOM's Annual Performance Review for FY-10 and approval of ERC for the Second Control Period FY-11 to FY-13 under Multi Year Tariff frame work and Distribution & Retail Supply Tariff for FY-11, on 07.12.2010.

### The salient features of the Order are as follows

- The Commission has approved an ARR of Rs. 3030.27 Crores as against the HESCOM's proposal of ARR of Rs.3285.29 Crores.



- The revenue gap as worked out by the Commission before subsidy is Rs. 1628.61 Crores as against HESCOM's estimated gap of Rs. 1883.29 Crores.
- The Commission has allowed additional revenue of Rs.85.11 Crores on Tariff Revision as against the proposed additional revenue of Rs. 222.60 Crores.
- The approved increase in revenue is 6.75% against HESCOM's proposed increase of 17.66%.
- Commission has allowed an average increase of 28.64 paisa for categories other than BJ/KJ & IP sets as against 75 paisa sought by HESCOM for categories of consumers.
- The Commission has set aside Rs.145.62 Crores as Regulatory Assets to be recovered by HESCOM in the remaining years of the control period 2011-13.
- The Commission has issued new directives to ESCOM's to provide 12 hours of single phase power supply to rural areas between 6.00 PM and 6.00 AM.
- The Commission has provided a separate fund for facilitating a better consumer relation/ consumer education programmes.
- Procurement of short term power is capped at Rs. 4/- per unit to meet short fall in supply if any.

### **Financial Performance of HESCOM for FY-10**

#### **Sales for FY-10**

The Commission considered the actual sales of 5858.03 MU for the approval of the ARR for FY-10.

**Distribution Loss:** - The Commission has approved distribution losses of 22.50% as per the Tariff Order 2009 dated 25.11.2009. The approved range of the distribution losses is from 21.50% at the lower limit to 23.50%. The actual distribution losses of 20.86% falls below the approved lower limit of 21.50%. HESCOM is allowed an incentive of 6.35 Crores on account of reduction of distribution losses below targeted levels.



Approved ARR for FY-10

(Rs. in crores)

Sl. No.	Particulars	Approved as per Order 25.11.2009	As appd in APR
1	Power Purchase Cost	1951.51	1775.78
2	O&M Expenses	276.44	280.10
3	Depreciation	106.17	82.11
4	Interest & Finance Charges		
5	Interest on Loan Capital	136.05	156.86
6	Interest on Working Capital	42.03	50.09
7	Interest on Consumer Deposits	17.21	17.21
8	Interest on belated payment of power purchase cost	0.00	0.00
9			
10	Other Interest & Finance Charges	0.00	0.52
	<b>Total</b>	<b>2529.41</b>	<b>2362.66</b>
11	Less: Interest & other expenses capitalized	0.00	2.46
12	Other Debits (incl. Prov for Bad debts)	0.00	9.39
13	Other (Misc.)-net prior period credit	0.00	20.66
14	<b>Total</b>	<b>2529.41</b>	<b>2390.25</b>
15	ROE	0.00	0.00
16	Other Income	14.82	14.10
17	Provision for taxes	0.00	0.00
18	Penalty/Incentive on account of Distribution Losses	0.00	6.35
19	NET ARR	<b>2514.59</b>	<b>2382.51</b>



## Gap in Revenue for FY-10

The cumulative gap for FY-10 as per the approved ARR is as follows

(Rs. Crores)

Particulars	FY10
Net Approved ARR	2382.51
Revenue as per actual including subsidy	2277.07
Gap for FY10	105.44

The Commission notes that, even after considering the revenue demand & subsidy of Rs.1033.85 Crores accounted towards free power to BJ/KJ and subsidized/free power to IP sets, there is a deficit of Rs.105.44 Crores for FY-10.

## Tariff Subsidy for FY10

(Rs. Crores)

Sl. No	PARTICULARS	FY10
1	Net ARR (Trued Up)	2382.51
2	Total Energy Sale for all categories during the year MU	5858.03
3	Average cost of supply in Rs. per unit	4.07
4	Energy Sale for IP Sets (LT-4a) & BJ/KJ during the year MU	3104.90
5	Energy Sale to other categories other than IP sets during the year –MU	2753.13
6	Total Revenue demand for the year in respect of IP sets & BJ/KJ	1033.85
7	Total Revenue demand for the year in respect of all categories other than IP & BJ/KJ	1243.22
8	Revenue estimation of IP Sets based on average cost of Supply	1262.79
9	Revenue estimation of all Categories other than IP sets	1119.72
10	Revenue estimation based on average cost of Supply	2382.51
11	Gross Revenue subsidy	228.94
12	Cross subsidy contribution from other categories	123.50
13	Balance of committed subsidy to be accounted	-
14	Balance of revenue Subsidy to be allocated by GoK for the year Rs. Crs	-
15	Total subsidy due including carrying cost	-
16	Additional subsidy for FY10	105.44





As per the above computation, a balance of Rs.105.44 Crores has to be paid by GOK as additional subsidy for FY-10. Accordingly there will be no gap in the revenue requirement of HESCOM for FY-10.

### Annual Revenue Requirement for FY11-FY13

The Commission has considered the growth rate of 23.13% for FY12 and 10.05% for FY13 as proposed by HESCOM for projecting the sales figures over the approved base figures of 6331 MU for FY11.

The approved sales for the control period are indicated below:-

( In MU)			
Particulars	FY11	FY12	FY13
Proposed by HESCOM	6353	7823	8610
Approved by the Commission	6331	7796	8580

The approved distribution loss for the control period are indicated below

Particulars	FY11	FY12	FY13
Energy at Interface Points in MU	7914.32	9684.58	10592.57
Total sales in MU	6331.45	7796.08	8579.98
Distribution loss as a percentage of input energy at IF points in %	20.00	19.50	19.00

The approved range of distribution loss for the control period are indicated below

Range	FY11	FY12	FY13
Upper limit	21.00	20.50	20.00
Average	20.00	19.50	19.00
Lower Limit	19.00	18.50	18.00





The approved Power Purchase Quantum & Cost for the control period are indicated below

Source	FY11		FY12		FY13	
	Energy	Cost	Energy	Cost	Energy	Cost
KPCL Hydel	2212.03	142.72	2059.74	139.14	2063.34	141.92
KPCL Thermal	2048.21	558.62	3134.09	828.94	3259.43	877.86
CGS	1787.08	487.25	2259.47	657.18	2815.51	851.95
Major IPP	315.18	89.40	1366.95	390.84	1366.95	398.19
NCE	805.89	272.63	976.59	337.6	1168.00	410.26
Others	401.24	203.60	49.63	11.00	49.63	11.00
Short-term	674.45	329.13	239.53	83.84	306.47	107.26
<b>TOTAL</b>	<b>8244.08</b>	<b>2083.35</b>	<b>10086.00</b>	<b>2448.54</b>	<b>11029.33</b>	<b>2798.44</b>

The approved Total Power Purchase Cost for the control period are indicated below

Year	Power Purchase Cost	Transmission Charge	Total
FY11	2083.35	249.64	2332.99
FY12	2448.54	294.42	2742.96
FY13	2798.44	343.49	3141.93

The approved Total Consolidated ARR for the control period are indicated below:-

Sl. No	Particulars	FY11	FY12	FY13
1	Power Purchase Cost	2334.91	2744.98	3144.05
2	O&M Expenses	331.04	358.32	387.88
3	Depreciation	122.57	137.60	161.58
4	Interest & Finance Charges	-	-	-
5	Interest on Loan Capital	187.22	217.04	238.60



Sl. No	Particulars	FY11	FY12	FY13
6	Interest on Working Capital	51.14	59.68	65.85
7	Interest on Consumer Deposits	18.02	18.87	19.75
8	Interest on belated payment of power purchase cost	0.00	0.00	0.00
9	Other Debits (incl. Prov for Bad debts)	0.00	0.00	0.00
10	Other (Misc.)-net prior period credit	0.00	0.00	0.00
11	<b>Total</b>	<b>3044.91</b>	<b>3536.49</b>	<b>4017.72</b>
12	ROE	0.00	0.00	0.00
13	Other Income	15.14	16.65	18.32
14	Provision for taxes	0.00	0.00	0.00
15	Fund towards Consumer Relations / Consumer Education	0.50	0.50	0.50
16	NET ARR	3030.27	3520.34	3999.90

**The approved Average Cost of Supply for the control period are indicated below**

Sl. No	Particulars	FY11	FY12	FY13
1.	Net ARR (Rs. Crores)	3030.27	3520.34	3999.90
2.	Energy Sales in MU	6331.45	7796.08	8579.98
3.	Average Cost Rs. Per unit	4.79	4.52	4.66

The Commission, having regard to the unavoidable and extraordinary situation of buying the high cost short term power to meet the deficit power situation in the State for FY11, decides to pass on only a part of the increased average cost of supply to the electricity consumers of the State in order to minimize the effect of tariff increase. Accordingly, the Commission decides to pass on 28 paisa per unit out of the increased average cost of 51 paisa per unit in the case of HESCOM in the tariff determined for FY11. The remaining 23 paisa per unit is being treated as 'Regulatory Asset' (Deferred Revenue Expenditure) for FY11 and an amount of Rs.145.62Crores, will be adjusted in the remaining years of the control period.



### Revised ARR for FY11-13 after Regulatory Asset

Sl. No	Particulars	FY11	FY12	FY13
1	Net ARR Rs Crs	3030.27	3520.34	3999.90
2	Energy Sales in MU	6331.45	7796.08	8579.98
3	Average Cost (Rs. per unit)	4.79	4.52	4.66
4	Regulatory Asset paise per unit	-0.23	+0.12	+0.11
5	Average cost after apportioning Regulatory Asset Rs/Unit	4.56	4.61	4.74
6	ARR after Regulatory Asset Rs Crs	2884.64	3596.31	4069.54

HESCOM has also filed its application on 15.06.2011 before KERC for approval of Annual Performance Review for FY-11 & Tariff revision application for FY-12 as per the revised projections of FY-12 calculated on the basis of actual for FY-11 as per provisional accounts of FY-11.

The salient features are as follows

#### Projected sales and distribution loss

SI No.	Particulars	FY-11 Provisional	FY-12 Approved	FY-12 Revised
1	Energy Purchase (MU)	8748.47	10086.00	9769.27
2	Transmission loss %	4.00	3.98	3.98
3	Transmission loss in units	349.94	401.42	388.82
4	Energy at IF point	8398.53	9684.58	9380.45
5	Energy to Hukkeri Society	205.93	-	226.52
6	Energy at IF point for HESCOM only	8192.60	9684.58	9153.93
7	Distribution loss %	19.85	19.50	19.35
8	Distribution loss units	1626.23	1888.49	1771.29
9	Energy Sales	6566.37	7796.08	7382.65



## Projected ARR & ERC

SI No.	Particulars	FY-11 Provisional	FY-12 Approved	FY-12 Revised
1	ARR	3208.24	3520.34	3170.88
2	Regulatory Asset	-145.62	75.97	75.97
3	ARR after Regulatory Asset	3062.62	3596.31	3246.85
4	Revenue	2877.68	1642.56	1642.56
5	Subsidy	--	1508.50	1508.50
6	Deficit	184.94	445.25	95.79

### Cumulative Gap :-

Gap for FY-11	:-	Rs. 184.94 Crores
Gap for FY-12	:-	Rs. 95.79 Crores
Total Gap	:-	Rs. 280.73 Crores

### Cost of Supply

SI No.	Particulars	FY-11 Provisional	FY-12 Approved	FY-12 Revised
1	ARR (Rs in Crores)	3062.62	3596.31	3246.85
2	Sales (in MU)	6566.37	7796.08	7382.65
3	Average cost of Supply(Rs per Unit)	4.664	4.613	4.648

HESCOM has proposed Tariff hike of 88 paise per unit on all categories except BJ/KJ and LT-4(a) categories which are subsidized by the Government of Karnataka.

The Honorable Commission is considering the same and further procedures are under process.



### 30. QUALITY OF POWER SUPPLY

HESCOM will continue its efforts to improve quality of service in rural as well as urban areas by undertaking the following works in the year 2011-12.

SI No.	Proposed works for improving the quality of service	Unit	Physical quantities	Financial quantities Rs in Crores.
1	Construction of New 33KV Stations & Lines	Nos/ Kms	10/153.35	3281.77
2	Augmentation of Stations	Nos	13	1337.74
3	Nirantara Jyothi Yojana	Nos	436	49636.00
4	Replacement of Rabbit conductor by Coyote of 33 KV line	Kms	374	2871.62
5	Replacement of Weasel conductor by Rabbit conductor of 11 KV line	Kms	63	132.50
6	Replacement of age old LT-conductor by Rabbit conductor	Kms	400	583.00

In addition to above, HESCOM has planned to take up the following extensive maintenance works to improve the quality of service i.e. reduction of interruptions in rural areas:

1. Providing Intermediate poles to reduce sagging in HT & LT lines.
2. Providing Additional distributional transformers to reduce over loading of existing transformers.
3. Extensive maintenance of equipments of 33KV Stations as per the maintenance schedule prescribed by equipment manufactures.
4. Conversion of lengthy single phase line into three phase lines.
5. Increasing H T-line length to reduce HT to LT line ratio.



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### 31. INSTITUTIONAL STRENGTHENING:

Industrial training Centre is established in the year 2002 at Vidyutnagar, Hubli. During the Financial Year 2010-11, training has been imparted to 2874 no. of various cadres of HESCOM officers/employees and training details are as given below:

1. As per Karnataka Govt. Apprenticeship Act-1961, one year Apprenticeship training provided to 60 nos. ITI candidates.
2. 543 Micro Feeder Franchisees and 1420 C&D Employees have been trained under National Training Programme.
3. A training programme on DCB and other revenue related matters is given to 765 nos. of Asst. Accounts Officers / Senior Assistants / Assistants.
4. Pre-promotional training provided to 28 nos. of Meter Readers / Operators / Overseers / Asst. Store Keepers.
5. Induction Training Programme for Newly recruited Junior Engineer – 81 Nos.
6. Pre-Promotion Training for S.S.L.C Passed line staff – 37 Nos.

### 32. LATEST IT-INITIATIVES IN HESCOM:

**The following latest IT initiatives will be implemented in HESCOM**

- a) Website:-** The HESCOM website designed, hosted and maintained by IT Section of HESCOM and **hescom.co.in** is running successfully from July 2011. Website is updated instantly. HESCOM website provides all the basic information regarding the Company profile and activities.
- b) E- Procurement:** - Government of Karnataka through its implementing agency Centre for e-Governance has implemented single unified end-to-end e-Procurement platform in Karnataka. The e-procurement system has been adapted in HESCOM on 19.07.2010 to procure works, goods and services.
- c) Video conferencing facility in HESCOM:** Video conferencing facility to HESCOM is provided by M/s Webex Communications Pvt. Ltd.,. Managing Director will conduct meeting through this video conferencing with officers.
- d) HESCOM has proposed to implement the following customer friendly IT initiatives for enabling the consumer to access the billing details online.**



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- ERP package includes Finance and Accounts, HRMS, store inventory and material management, project monitoring and legal activity monitoring, tender monitoring and transformer failure and replacement monitoring. Under this project, these modules are covered. Some features of this solution can also be accessible through mobile.

### **33. HUMAN RESOURCE INITIATIVES:**

The employee training and development is being organized so that greater thrust is given to build competency for meeting the new emerging business challenges. 99 nos. of HESCOM officials of various cadres are trained in different reputed training institutions on deputation basis during the Financial Year 2010-11 Some of the training institutions are listed below:

1. Training Institute, Gunghargatti, Dharwad
2. Infosys at Mysore
3. National Productivity Council at Mussoori
4. ESCI Campus, Hyderabad.
5. The Institute of Cost & Works Accountants of India Lodhi Road, New Delhi
6. Karnataka Employers, Association, Vanivilas Road, Bengaluru
7. Public Services, SAP India Pvt. Ltd Capital Raj Bhavan Road, Bangalore.
8. Shanthala Power Limited, Hubli
9. Central Institute for Rural Electrification of Rural Electrification Corporation Ltd., (REC), Shivarampaly, Hyderabad
10. CPRI, Bangalore
11. e-Governance, Room No.1, Ground Floor, 2nd Gate, M.S. Building, Dr. Ambedkar Veedhi, Bangalore

### **34. CUSTOMER CARE:**

The Company is committed to the best care of its Customers. 24X7. Towards this end Customer Care Centre has been opened at Corporate Office of HESCOM for proper monitoring of Customer Care activity such as registration of consumer complaints and speedy redressal of consumer grievances. Public meetings are being conducted to redress the Consumer grievances. Consumer complaints are being heard and redressed by Executive Engineers El., at Divisional Level on every first Saturday of each month.



The Company is offering the following consumer friendly measures for their benefits:

Sl. No	Consumer Friendly Measures initiated
1.	TOD-Tariff
2.	Soujanya Counters in all Sub-Divisions
3.	24Hrs. Customer care centers with Toll free telephone numbers functioning in 9 Divisions of HESCOM.
4.	Janasamparka Sabhas are being conducted regularly in all Divisions.
5.	Phone-In-Programmes in All India Radio and Doordarshan
6.	Creating awareness among school children about electricity usage, safety measures and conservation.
7.	Providing Cheque drop boxes in all Sub-Divisions/Accounting sections.

### 35. CONSUMER FRIENDLY GRIEVANCE REDRESSAL MECHANISM

Protection of consumer's interest is the main motive of the Company. Following are the steps initiated by the Company for accomplishment of this goal:

- System of regular interaction meetings with customer welfare associations at Sub-Division/ Division has been put in place.
- Interaction meetings to redress grievances of the consumers are held regularly with consumers' associations like Chamber of Commerce and Industries, Nagarika Vedike, Kolache Nivasigala Development Service Sangh, Karanataka Dalit Sangarsh samiti and Farmer's Welfare Associations.
- Vidyut Adalats are headed by the Deputy Commissioner of the District in all the Districts for redressal of consumer grievance.
- Senior Officers of the rank of Executive Engineer (EI.), are made available during the peak hours between 6.30 P.M. to 7.30. P.M. for proper monitoring of costumer complaints and speedy redressal of complaints. Similarly, the services of AE/JE are spared at the service stations for attending to customer complaints. Special efforts are also being made to bring in attitudinal change in field staff attending to the costumer complaints. The Staff is advised to show courtesy, politeness and responsiveness while dealing with consumers.





- The Company has arranged Interaction Programme to redress consumer grievances by inviting complaints through leading News Papers and redress the same in co-ordination with Nagarika Vedike. Many complaints were redressed.
- System has been put in place for attending to consumer complaints quickly. This is possible with a newly opened active 24x7 Customer Care Centre at the Corporate Office of HESCOM which monitors the Customer Care activity, such as registration of consumer complaints and speedy redressal of consumer grievances. Customers can even approach Managing Director directly over phone (Mobile/Land Phone) with their complaints or in person. The landline and Mobile phone numbers have been published in News Papers; Executive Engineer (Ele), HRD, at Corporate office is constantly monitoring the complaints.
- Mobile Phones have been provided to AEEs , EEEs, SEEs and CEEs. Hence, customers can directly contact any of the field officers to get complaints attended immediately.
- In each Assembly Constituency, a Vidyut Salaha Samithi is being constituted on the basis of approved list received from GOK for redressal of consumer grievances. So far 10 such Samithies were constituted.

### 36. MICRO FEEDER FRANCHISEES (GRAM VIDYUT PRATINIDHIS)

Totally 1191 Micro Feeder Franchisees working in HESCOM to improve the Rural Revenue Collection by carrying out various activities such as :- Meter reading, bill distribution and Revenue Collection, Depositing the collection with utility, Registering complaints and forwarding to utility, Facilitating utility in attending the grievance of low tension consumers [LT-1, LT-2, LT-3, LT-4, and LT-5 up to 40 HP] & Giving feedback about field realities to the utility on regular basis.

Total No. of Gram Panchyats	1242
No. of MFF working	1191
Total Base Line Target for the F.Y 2010-11	Rs. 145.50 Crs.
Total Revenue Collection	Rs. 130.06 Crs.
Collection Efficiency (Collection v/s baseline*100)	89.38%



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### 37. CORPORATE GOVERNANCE

The Board of HESCOM believes and supports Corporate Governance practices ensuring observance of these principles in all its dealings.

As on the date of AGM, the Board of Directors comprised of 12 members. All the Directors take active part in the proceedings of Board and Sub- Committee meetings which add value to the decision making process. The non-functional directors receive sitting fees for Board/Sub-committee meetings attended by them.

#### (a) Board Meetings:

The meetings of the Board of Directors are scheduled in advance, for which notice is given to each Director in writing. The agenda and other relevant notes are circulated to the Directors in advance. During 2010-11 a total number of 3 Board meetings took place as follows:

Sl.No.	Meeting No.	Held on
1	41 <sup>st</sup> Meeting	4 <sup>th</sup> August 2010
2	42 <sup>nd</sup> Meeting	3 <sup>th</sup> October 2010
3	43 <sup>rd</sup> Meeting	19 <sup>th</sup> February 2011

Following is the list of Directors on the Board of HESCOM as on the date of AGM

Sl. No.	Name of the Directors Sriyuths:	Designation
1.	Shamim Banu.M, I.A.S.	Chairperson
2.	Pankaj Kumar Pandey, I.A.S.	Managing Director
3.	P K Garg, I.P.S.	Director
4.	M.Naveen Kumar, IA & AS.	Director
5.	B.S.Ramaprasad, I.A.S.	Director
6.	D.Randeep, I.A.S.	Director
7.	Dr. P.Boregowda, K.A.S.	Director
8.	Chikkananjappa	Director (Technical)
9.	H.R.Nagendra	Director
10.	M.A.Hussain	Director
11.	L.Ravi	Director
12.	M.Nagaraju	Director



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

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

**1. Central Purchases Committee:**

Central purchases Committee was formed to consider all cases of purchases whether for Projects or award of Station/Line works or any other works and all matters relating to such purchases which are beyond the powers delegated to the Managing Director.

The composition of Central Purchases Committee as on the date of AGM is as follows:

1	Managing Director, HESCOM	Chairman
2	Director (Technical), HESCOM	Member
3	Dr.P. Boregowda	Member
4	Sri.H.R.Nagendra	Member

During 2010-11 a total number of four CPC meetings took place, the details of which are as follows:

Sl.No.	Meeting No.	Held on
1	28 <sup>th</sup> Meeting	28 <sup>th</sup> May 2010
2	29 <sup>th</sup> Meeting	30 <sup>th</sup> November 2010
3	30 <sup>th</sup> Meeting	17 <sup>th</sup> January 2011
4	31 <sup>st</sup> Meeting	3 <sup>rd</sup> February 2011

**2. Borrowings Sub Committee:**

The Borrowings Sub-Committee was constituted to borrow long-term loans from Banks/Financial Institutions on behalf of the Board from time to time.

**The Sub-Committee consists of the following members:**

1. Chairperson, HESCOM
2. Managing Director, HESCOM
3. Director (Technical), HESCOM



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### 3. Audit Committee

Audit Committee was formed on 6<sup>th</sup> June 2005 in accordance with the provisions of the Companies Act. The composition of Audit Committee as on the date of AGM is as below

1	M. Naveen Kumar, Director, HESCOM	: Chairman
2	Director (Technical), HESCOM	: Member
3	Dr.P.Boregowda, Director, HESCOM	: Member

During the year under report, the Audit Committee met twice as follows.

Meeting No.	Held on
14 <sup>th</sup> Meeting	7 <sup>th</sup> August 2010
15 <sup>th</sup> Meeting	15 <sup>th</sup> September 2010

The Audit Committee has adequate powers and Terms of Reference to play an effective role as mentioned in Companies Act, 1956 which includes:

1. Discussions with the Auditors periodically about internal control system and the scope of audit including observations of the auditors.
2. Review of the half-yearly and Annual Financial statements before submission to the Board.
3. Review of annual capital, revenue and store budgets before being placed before the Board for approval.
4. Review of programmes of finalization of annual accounts for timely completion of audit and approvals
5. Review of adequacy of internal controls – to review reports on inventory, completion reports of capital works, standards and specifications wherever applicable.
6. Review of Internal Audit paras
7. Review of AG Audit paras
8. Review of disciplinary cases
9. Review of Vigilance activities. MRT, TAQC Wings and write offs
10. Review of power purchase cost
11. Review of borrowings
12. Discussions with Statutory Auditors and Cost Auditors regarding their reports.



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13. Ensure compliance of internal control systems.
  14. Financial and Risk Management Policies and Fraud and Fraudulent Risks
  15. Any other matters as may be referred to by the Board.

Meetings are scheduled well in advance. The Audit Committee considers and recommends the financial results to the Board. The Statutory Auditors, Financial Adviser and Controller (Internal Audit) are invited to attend the meeting.

### **38. DIRECTORS' RESPONSIBILITY STATEMENT :**

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956 the Directors based on the information received from the Operating management, confirm that:

- a) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- b) Accounting policies have been selected and applied consistently and judgments and estimates are made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for the period;
- c) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities; and
- d) Annual accounts have been prepared on a going concern basis.

### **39. AUDITORS:**

The C & AG of India, New Delhi have appointed M/s Vijay Panchappa & Co., Dharwad as Statutory Auditors of HESCOM for the year 2010-11.

M/s. GNV & Associates, Bangalore are the Cost Auditors of HESCOM for the year 2010-11.

### **40. PARTICULARS OF EMPLOYEES UNDER SECTION 217(2A):**

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

### **41. ACKNOWLEDGEMENTS:**

The Board would like to place on record its earnest gratitude towards the Company's esteemed consumers for the support and confidence displayed by them in the organization and anticipate the same relationship in the years to come.



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The Board also gratefully acknowledges the support and guidance extended by Ministry of Power, Govt. of India, Energy Department, GoK, Karnataka Power Transmission Corporation Limited, PCKL, other ESCOMs, KERC & CERC in Company's operations and developmental plans.

The Board also expresses its gratitude to Comptroller and Auditor General of India, Statutory Auditors, Cost Auditors, State Bank of India, Canara Bank, Syndicate Bank, State Bank of Mysore, Vijaya Bank, Bank of India, Corporation Bank, REC Ltd., PFC Ltd., Ministry of Corporate Affairs, Registrar of Companies for their co-operation and active support to HESCOM in our endeavor to serve the public. The Board would also like to place on record its appreciation for the dedicated and committed service rendered by the employees of the company and co-operation extended by the Union / Associations.

For & on behalf of the Board of Directors,

Sd/-  
CHAIRMAN (Elected)



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## Auditors' Report

### Auditors' Report to the

### The Members of HUBLI ELECTRICITY SUPPLY COMPANY LIMITED, HUBLI.

- 1] We have audited the attached Balance Sheet of Hubli Electricity Supply Company Limited, as at March 31, 2011 and also the Profit and Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto. These Financial Statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these Financial Statements based on our audit. The Balance Sheet and Profit & Loss Account approved by the Board of Directors on 11<sup>th</sup> August, 2011 and reported by us on 11<sup>th</sup> August, 2011 have been revised in the light of the observations arising from the audit by the Comptroller and Auditor General of India. This report supersedes our report dated 11<sup>th</sup> August, 2011.
  
- 2] We have conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidences supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
  
- 3] As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
  
- 4] Further to our comments in the Annexure referred to above, we report that:
  - (i) we have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;



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- (ii) in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
- (iii) the Balance Sheet, Profit and Loss account and Cash Flow Statement dealt with by this report are in agreement with the books of account.
- (iv) in our opinion, the Balance Sheet and Profit & Loss account dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 except the following:
- a. **Basis of Accounting:** Attention is called to clause No. 1 of the Significant Account Policies and Notes to Accounts, wherein the Company has stated that all incomes and expenditures having a material bearing on the financial statements have been recognized on accrual basis, except in respect of provision of interest on belated payments to private power suppliers, where interest would be recognized on payment basis. The effect of this policy has resulted in loss of the Company being understated by Rs. 26.22 Crores and liability being understated by Rs. 26.22 Crores.
- b. **Valuation of Inventories:** Attention is called to clause No.5 of the Significant Accounting Policies and Notes to Accounts, wherein the Company has stated that it has followed the Standard rate, determined by the Company, based on the previous purchase price and prevailing market rates in valuing inventories, which is not in accordance with Accounting Standard 2. The accounting standard prescribes that the inventories should be valued at the lower of the cost or net realizable value. We are unable to quantify the difference in the lower of the cost price or net realizable value and the standard rate adopted by the Company and its effect on the financial performance and position of the Company.
- c. **Fixed Assets Accounting:** Attention is called to clause 2 of the Significant Accounting policies forming part of the Notes to Accounts and the Balance Sheet, wherein the policy states that the fixed assets are shown at their historical costs with corresponding accumulated depreciation. Also clause 4 is called to attention for the valuation of Capital Work-in-progress. The Company-generated assets are accounted through Capital Work-in-progress, which is valued at standard rate, which is not in accordance with Accounting





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Standard 10. Hence in our opinion the accounting for valuation of Capital Work-in-progress and fixed assets by the Company is not in accordance with AS 10. We are unable to quantify the difference in the value of fixed assets due to this and its effect on the financial statements.

Further in clause 2.5 of the Significant Accounting Policies forming part of the Notes to Accounts and the Balance Sheet, it is stated that released assets are valued at W.D.V, scrapped assets are valued at scrap rate, which is not in accordance with Accounting Standard -10.

- d. The Company has been providing depreciation on its depreciable assets at the rates prescribed by the KERC/CERC, as more specifically stated at clause 3.1 of the Significant Accounting Policies and Notes Forming Part of the Accounts. These rates are in variation with the rates prescribed under the Companies Act and also as per AS-6. We are unable to quantify the financial effect, on this account on the financial statement of the Company for the year under audit.
- e. In few of the cases loan sanction letters in respect of loans obtained by the Company through KPTCL, which stand classified as 'Unsecured Loans' in the Balance Sheet. All these loans were originally availed by the KPTCL, Bangalore and subsequently transferred to HESCOM. But interest and loan repayment obligations are borne by KPTCL and corresponding journal entries are passed by the Company in receivable / payables. An amount of Rs. 14.79 Crores has been accounted during the year towards interest.
- (v) According to the Notification No: 2/5/2001-CL.V Dated: 22.03.2002 of Department of Company Affairs, the provisions of Section 274(i)(g) of the Companies Act, 1956 are not applicable to the Company.
- (vi) The transactions between accounting units within the Company are accounted as Inter Unit Accounts (IUA). The Inter Unit Accounts shows net balance of Rs.5.33 Crores (debit) as on 31/03/2011, which is yet to be reconciled and are subject to review / reconciliation / confirmation and consequential adjustments thereof, if any.



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- (vii) Attention is invited to clause 6 of the Notes to accounts, wherein the Company has stated that the balances in respect of Sundry Debtors, Sundry Creditors and Loans and Advances to suppliers and others are subject to confirmation since the Company is having large customer base. In the absence of these confirmations, we are unable to comment on the accuracy of the amounts payable / receivable from these Institutions / Parties.

**Subject to the above:**

In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and a fair view, in conformity with the Accounting Principles generally accepted in India,

- (a) in the case of the Balance Sheet, of the State of Affairs of the Company as at 31<sup>st</sup> March, 2011 ;
- (b) in the case of the Profit and Loss Account, of the Loss for the year ended on that date; and
- (c) in the case of Cash Flow Statement, of the Cash flows for the period ended on that date.

**For Vijay Panchappa & Co.**  
Chartered Accountants

Sd/-  
**(CA. P.M. Mudigoudar)**  
Partner  
Membership No. 204096  
Firm Regn. No. 004693S

Place : Hubli  
Date : 20.09.2011



Hubli Electricity Supply Company Limited

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**ANNEXURE TO AUDITOR'S REPORT OF  
HUBLI ELECTRICITY SUPPLY COMPANY LIMITED**

**REFERRED TO PARAGRAPH 3 OF OUR REPORT OF EVEN DATE:**

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets. Title Deeds of the properties transferred by KPTCL are reported to have been obtained.
- (b) According to information given to us, assets have not been physically verified by the management during the year and there is no regular program of verification. Hence, we are unable to comment on the physical existence of all the fixed assets shown in Financial Statements.
- (c) The Company has not disposed of any substantial part of its fixed assets so as to affect its going concern status.
- (ii) (a) As explained to us, inventories have been physically verified during the year by the management. In our opinion, the system of verification followed by the management needs to be strengthened with respect to frequency and coverage.
- (b) Subject to (a) above, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) As informed to us physical verification of the Inventories have been carried out at the Divisional level where the inventories are located. The respective Divisions have maintained proper records of inventories. The discrepancies noticed on such physical verification have been properly dealt with in the books of accounts. The procedures followed at the Divisional levels for such physical verification are, in our opinion, reasonable in relation to the size of the Company and the nature of its business.
- (iii) (a) The Company has not granted any loans, secured or unsecured, to Companies, Firms or Other parties listed in the registered maintained under Section 301 of the Act. Accordingly, paragraphs 4(iii)(b), (c) and (d) of the Order are not applicable.
- (iv) (a) The Company has not taken any loans, secured or unsecured from Companies, Firms or other parties listed in the register maintained under section 301 of the Act. Accordingly, paragraphs 4(iii)(b), (c) and (d) of the Order are not applicable.



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- (v) a) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchases of inventory and fixed assets. As with regard to the revenue from sale of power and its collection etc., the internal control procedures needs, system's streamlining and strengthening and proper accountability at all levels.
- b) As per the provisional energy audit report, conducted by the System Improvement Cell, Distribution loss is @ 20.55% as per the notes to Accounts vide note No.15.
- (vi) (a) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of rupees five lakhs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- (vii) The Company has not accepted any deposits from public.
- (viii) The Company has an in-house Internal Audit Department, which conducts Internal Audit at all levels. However, the nature and scope of the Internal Audit needs to be identified and expanded to commensurate with the nature and size of the business of the Company. Accordingly, the manpower has to be increased to strengthen the Internal Audit Department to commensurate with the nature and size of the business of the Company.
- (ix) Maintenance of cost records has been prescribed by the Central Government to the Company under Section 209 (1)(d) of the Companies Act, 1956 and are of the opinion that prima facie the prescribed accounts and records have been made and maintained. However we have not made a detailed examination of the records.
- (x) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Income tax, Value Added tax, Service Tax, Wealth tax, Custom duty, Excise duty, Cess and other material statutory dues applicable to it..



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- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Income tax, Wealth tax, Fringe Benefit Tax, Value Added tax, Service tax, Customs duty, Excise duty and other material statutory dues were in arrears, as at 31<sup>st</sup> March 2011 for a period of more than six months from the date they became payable.
- (xi) The Company had accumulated losses of Rs. 723.79 Crores as at the end of the financial year ending on 31.03.2011.
- (xii) According to the records of the Company examined by us and information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions and banks as at the Balance Sheet date.
- (xiii) The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiv) The Company is not a Chit fund or a Nidhi mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (xv) The Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (xvi) The Company has not given any guarantee for loans taken by others from bank or Financial Institutions, the terms and conditions whereof are prejudicial to the interest of the Company.
- (xvii) In our opinion and according to the information and explanations given to us, on an overall basis, the term loans have been applied for the purpose for which they were raised.
- (xviii) On the basis of overall examination of the Balance Sheet of the Company in our opinion and according to the information and explanations given to us, funds raised on short-term basis have not been used for long-term investment and no long-term funds have been used to finance short-term assets.
- (xix) According to the information and explanations given to us, the Company has not made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act.



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- (xx) According to the information and explanations given to us, during the period covered by our audit report, the Company has not issued any debentures.
- (xxi) The Company has not raised any money by Public issue, during the year.
- (xxii) With respect to misappropriation of Rs.1.2 crores pertaining to RGGVY works in Indi Division reported during previous year report has been increased to Rs.4.06 crores as per the latest assessment by the investigation team. The complete investigation is under process. However, we observe that the process of investigation and fixing of the responsibility and taking the requisite recovery/punitive action needs to be speeded up.

We are unable to comment on the nature and the quantum of the amount to be provided in the accounts at this stage pending investigation in regard to the recoverability of the amounts involved.

For and behalf of  
**Vijay Panchappa & Co.,**  
Chartered Accountants

Sd/-  
**(CA. P.M. Mudigoudar )**  
Partner  
Membership No. 204096  
Firm Regn. No. 004693S

Place: Hubli  
Date: 20.09.2011



Hubli Electricity Supply Company Limited

**ADDENDUM TO DIRECTORS REPORT FOR THE YEAR ENDED  
31ST MARCH -2011**

**FOLLOWING REMARKS ARE OFFERED ON THE OBSERVATIONS/  
COMMENTS OF THE STATUTORY AUDITORS ON THE  
ACCOUNTS FOR 2010-11.**

<b>Observations of Statutory Auditors</b>	<b>Management's Reply</b>
<p>4(iv) a) Basis of Accounting: Attention is called to clause No. 1 of the Significant Account Policies and Notes to Accounts, wherein the Company has stated that all incomes and expenditures having a material bearing on the financial statements have been recognized on accrual basis, except in respect of provision of interest on belated payments to private power suppliers, where interest would be recognized on payment basis. The effect of this policy has resulted in loss of the Company being understated by Rs. 26.22 Crores and liability being understated by Rs.26.22 Crores.</p>	<p>Factual. However, Provision for accrued interest on belated payments to private power suppliers have been accounted wherever the Company has recognized such claims.</p>
<p>b) Valuation of Inventories: Attention is called to clause No.5 of the Significant Accounting Policies and Notes to Accounts, wherein the Company has stated that it has followed the Standard rate, determined by the Company, based on the previous purchase price and prevailing market rates in valuing inventories, which is not in accordance with Accounting Standard 2. The Accounting Standard prescribes that the inventories should be valued at lower of the cost price or net realizable value and the standard rate adopted by the Company and its effect on the financial performance and position of the Company.</p>	<p>The Generation and consumption of Electricity have to be simultaneous and instantaneous. Therefore, there would be no inventory of finished and work in progress. The inventories generally comprise materials, stores and supplies. Inventories are valued at standard rate, which is determined from time to time based on previous purchase rate and prevailing market rates. The standard rate represents approximately the actual cost. Hence, there would be no greater financial implication due to non-compliance of AS-2.</p>





Observations of Statutory Auditors	Management's Reply
	<p>However, efforts are being made to comply with the Accounting Standards in consultation with the Director (F), KPTCL, B'lore.</p>
<p>c) Fixed Assets Accounting: Attention is called to clause 2 of the Significant Accounting policies forming part of the Notes to Accounts and the Balance Sheet, wherein the policy states that the fixed assets are stated at cost of acquisition or construction less accumulated depreciation. Also clause 4 is called to attention for the valuation of Capital Work-in-progress. The Company-generated assets are accounted through Capital Work-in-progress, which is valued at standard rate, which is not in accordance with Accounting Standard 10. Hence in our opinion the accounting for valuation of Capital Work-in-progress and fixed assets by the Company is not in accordance with AS 10. We are unable to quantify the difference in the value of fixed assets due to this and its effect on the financial statements.</p> <p>Further, in clause 2.5 of the Significant Accounting Policies forming part of the Notes to Accounts and the Balance Sheet, it is stated that released assets are valued at W.D.V , scrapped assets are valued at scrap rate, which is not in accordance with Accounting Standard -10.</p>	<p>All the provisions enunciated in AS-10 are being followed by the company except valuation of Capital work in progress, which is accounted at standard cost. Since the standard rate represents approximately the actual cost there would be meager financial implication as far as value of CWIP and fixed assets are concerned. The provision of ESAAR 1985 is being followed for valuation of CWIP/ Fixed/Released/Scrapped Assets.</p>





Observations of Statutory Auditors	Management's Reply
<p>d) The Company has been providing depreciation on its depreciable assets at the rates prescribed by the KERC/CERC, as more specifically stated at clause 3.1 of the Significant Accounting Policies and Notes Forming Part of the Accounts. These rates are in variation with the rates prescribed under the Companies Act and the rules made there under. We are unable to quantify the financial effect, on this account on the financial statement of the Company for the year under audit.</p>	<p>1. Section 616 (c) of the Companies act,1956 prescribes that where Companies are governed by special Acts, the provisions of Companies Act shall apply except in so far as said provisions are inconsistent with the provisions of Special Act.</p> <p>2. Electricity Act, 2003 is a Special Act promulgated for the electricity sector.</p> <p>3. With the promulgation of Electricity Act, 2003, Electricity (Supply) Act of 1948 was repealed while the ESAAR has been saved by virtue of Sec.185 of the new Act of 2003. As such, the provisions of ESAAR are applicable.</p> <p>4. HESCOM is required to follow the provisions of Electricity (Supply) Annual Accounts Rules, 1985(ESAAR) issued under Sec.69 (1) of the Electricity (Supply) Act, 1948.</p> <p>5. Hence, the action of the Company is in order as per Section 616 (c) of the Companies Act, 1956.</p>
<p>e) In few of the cases loan sanction letters in respect of loans obtained by the Company through KPTCL, which stand classified as 'Unsecured Loans' in the Balance Sheet. All these loans were originally availed by the KPTCL, Bangalore and subsequently transferred to HESCOM. But interest and loan repayment obligations are borne by KPTCL and corresponding journal entries are passed by the Company in receivable / payables. An amount of Rs. 14.79 Crores has been accounted during the year towards interest.</p>	<p>Factual</p>



Observations of Statutory Auditors	Management's Reply
4(v) According to the Notification No: 2/5/2001-CL.V Dated: 22.03.2002 of Department of Company Affairs, the provisions of Section 274(i)(g) of the Companies Act, 1956 are not applicable to the Company.	Factual
4(vi) The transactions between accounting units within the Company are accounted as Inter Unit Accounts (IUA). The Inter Unit Accounts shows net balance of Rs.5.33 Crores (debit) as on 31/03/2011 which is yet to be reconciled and are subject to review / reconciliation / confirmation and consequential adjustments thereof, if any.	Factual
4(vii) The attention is invited to clause 6 of the Notes to accounts, wherein the Company has stated that the balances in respect of Sundry Debtors, Creditors, Loans and advances etc., are subject to confirmation since the Company is having large customer base. In the absence of these confirmations, we are unable to comment on the accuracy of the amounts payable / receivable from these Institutions / Parties.	Factual

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

**Sd/-  
CHAIRMAN (Elected)**



Hubli Electricity Supply Company Limited

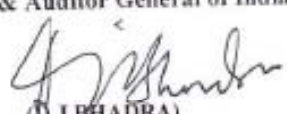
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**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 619(4) OF THE COMPANIES ACT, 1956 ON THE ACCOUNTS OF HUBLI ELECTRICITY SUPPLY COMPANY LIMITED, HUBLI FOR THE YEAR ENDED 31 MARCH 2011.**

The Preparation of financial statements of HUBLI ELECTRICITY SUPPLY COMPANY LIMITED, HUBLI, for the year ended 31 March 2011 in accordance with the financial reporting framework prescribed under Companies Act, 1956 is the responsibility of the management of the Company. The statutory auditors appointed by the Controller and Auditor General of India under Section 619(2) of the Companies Act, 1956 are responsible for expressing opinion on these financial statements under section 227 of the Companies Act, 1956 based on independent audit in accordance with the auditing and assurance standards prescribed by their professional body the Institute of Chartered Accountants of India. This is stated to have been done by them vide their Audit Report dated 20 SEPTEMBER 2011.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit, under section 619(3)(b) of the Companies Act, 1956, of the financial statements of HUBLI ELECTRICITY SUPPLY COMPANY LIMITED, HUBLI, for the year ended 31 March 2011. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records. In view of the revisions made in the financial statements by the management, as a result of my audit observations highlighted during supplementary audit as indicated in the Note No. 48 of the Notes forming part of Accounts (Schedule 25), I have no further comments to offer upon or supplement to the Statutory Auditor's Report Section 619(4) of the Companies Act, 1956.

For and on behalf of the  
Comptroller & Auditor General of India  
  
(D.J. BHADRA)  
PR. ACCOUNTANT GENERAL  
(CIVIL & COMMERCIAL AUDIT)  
KARNATAKA, BANGALORE

BANGALORE

DATED: 22 September 2011



## BALANCE SHEET AS AT MARCH 31ST 2011

Sl. No.	Particulars	Sch No.	A/c Code	Current Year 2010-11 (Amount in Rs.)		Previous Year 2009-10 (Amount in Rs.)	
<b>I</b>	<b>SOURCES OF FUNDS:-</b>						
<b>1</b>	<b>Share holders Funds</b>						
	Share Capital	1	52.301	<b>2,33,33,61,000</b>		2,33,33,61,000	
	Share Deposit	1A	52.302 , 52.307	<b>4,00,34,31,378</b>		3,29,91,31,378	
	Reserves and Surplus	2	55 to 58	<b>(6,82,14,821)</b>	<b>6,26,85,77,557</b>	(6,00,69,662)	5,57,24,22,716
<b>2</b>	<b>Loans Funds</b>						
	Unsecured Loans	3	51 to 54.4	<b>2,10,89,15,903</b>		2,45,91,23,807	
	secured Loans	3A	53.307 & 54.200	<b>13,26,54,39,624</b>	<b>15,37,43,55,527</b>	14,71,33,10,247	17,17,24,34,054
	Other Funds						
<b>3</b>	<b>Service Line and Security Deposits</b>						
		4	47 & 48		<b>3,75,62,60,854</b>		34,76,66,72,09
	<b>TOTAL</b>				<b>25,39,91,93,938</b>		26,22,15,23,979
<b>II</b>	<b>APPLICATION OF FUNDS :-</b>						
<b>1</b>	<b>Fixed Assets</b>						
	(a) Gross Block	5	10 to 13	<b>27,65,73,32,138</b>		26,33,15,33,032	
	(b) Less: Capital Grants and Consumer Contributions towards cost of Capital Assets	2A	55	<b>6,21,55,82,099</b>		5,79,05,65,092	
	(c) Accumalated Depreciation	5		<b>(7,71,41,92,101)</b>		7,00,32,11,072)	
	(d) Net Block			<b>13,72,75,57,938</b>		13,53,77,56,868	
	(d) Increase in foreign currency liabilities (Net)						
	(e) Capital Work in Progress	6	14	<b>25,84,78,741</b>	<b>13,98,60,36,679</b>	33,32,89,272	13,87,10,46,140
<b>2</b>	<b>Investments</b>						
		6A	20	<b>2,51,00,000</b>	<b>2,51,00,000</b>	2,51,00,000	2,51,00,000



## BALANCE SHEET AS AT MARCH 31ST 2011

Sl. No.	Particulars	Sch No.	A/c Code	Current Year 2010-11 (Amount in Rs.)	Previous Year 2009-10 (Amount in Rs.)
<b>3</b>	<b>Current Assets, Loans and Advances</b>				
	(a) Inventories, Stores & Spares & Work in progress	7	22	<b>34,85,67,969</b>	34,41,52,966
	(b) Sundry Debtors	8	23 & 28.1	<b>15,65,56,40,433</b>	13,64,63,41,359
	(c) Cash and Bank balances	9	24.110 - 24.605	<b>33,36,90,174</b>	32,39,55,337
	(d) Loans and Advances	10	25 to 27 and 28	<b>76,24,77,434</b>	63,73,10,566
	(e) Other Assets	11	28.4 to 28.825 & 30 to 37	<b>9,91,58,58,162</b>	9,00,06,31,740
				<b>27,01,62,34,172</b>	23,95,23,91,968
	<b>Less:</b>				
4	Current Liabilities & Provisions	12	40, 41, 42, 43, 44, 46 & 50	<b>22,86,62,04,512</b>	18,21,93,42,803
5	Net Current Assets			<b>4,15,00,29,660</b>	5,73,30,49,165
6	Miscellaneous Expenditure to the extent not written off / or adjusted	23	17	<b>1,70,427</b>	15,18,256
7	Profit and Loss Account	2		<b>7,23,78,57,172</b>	6,59,08,10,419
	<b>TOTAL</b>			<b>25,39,91,93,938</b>	26,22,15,23,979

### NOTES TO ACCOUNTS 25

Note: Schedules 1 to 25 are forming part of Balance Sheet and Profit & Loss A/c.

Note: Estimated amount of contracts remaining to be executed on capital account and not provided for as at 31.03.2011 is Rs.71.28 Crores.

As per our report of even date

**For Vijay Panchappa & Co.**

Chartered Accountants

Sd/-  
**(CA. P.M. Mudigoudar)**  
Partner  
M.No.204096

Sd/-  
**(Pankaj Kumar Pandey, IAS)**  
Managing Director

Sd/-  
**(Chikkananjappa)**  
Director (Technical)

Sd/-  
**(R.R.Joshi)**  
Financial Adviser

Place: Hubli  
Date : 20.09.2011



**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED  
31ST MARCH 2011**

SI. No.	Particulars	Sch. No.	A/c Code	Current Year 2010-11 (Amount in Rs.)		Previous Year 2009-10 (Amount in Rs.)	
<b>A</b>	<b>INCOME</b>						
	Revenue from sale of power	13	61	<b>31,02,16,47,566</b>		22,77,58,74,291	
	Other Income	14	62	<b>17,87,50,665</b>		13,09,76,647	
	<b>TOTAL</b>				<b>31,20,03,98,231</b>		22,90,68,50,938
<b>B</b>	<b>EXPENDITURE</b>						
	Purchase of power	15	70	<b>24,78,34,90,625</b>		17,90,51,32,175	
	Repairs and maintenance	16	74	<b>22,08,53,661</b>		23,38,58,336	
	Employee Costs	17	75	<b>3,06,01,17,236</b>		2,23,84,41,901	
	Administrative and other expenses	18	76	<b>45,39,96,184</b>		46,16,95,250	
	Other Debits	19	77 & 79	<b>8,09,61,320</b>		9,37,99,862	
	<b>TOTAL</b>			<b>28,59,94,19,026</b>		<b>20,93,29,27,525</b>	
<b>C</b>	<b>PROFIT BEFORE DEPRECIATION AND INTEREST</b>	(A-B)			<b>2,60,09,79,205</b>		1,97,39,23,413
D	Depreciation (Net)	20	77	<b>89,48,57,967</b>		82,27,33,020	
<b>E</b>	<b>Profit Before Interest and Taxes</b>				<b>1,70,61,21,238</b>		1,15,11,90,393
F	Interest and other Charges(Net)	21	78	<b>2,89,53,62,900</b>		2,70,18,21,576	
	<b>Add / Less:</b>						
G	Prior period credits / (debits)	24	65 & 83	<b>54,21,94,909</b>		(18,57,60,944)	



**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED  
31ST MARCH 2011**

Sl. No.	Particulars	Sch. No.	A/c Code	Current Year 2010-11 (Amount in Rs.)		Previous Year 2009-10 (Amount in Rs.)	
<b>H</b>	<b>Profit / (Loss) before Taxation</b>				<b>(64,70,46,753)</b>		<b>(1,73,63,92,127)</b>
	Provision for Taxation	22	81	0			0
	Provision for Deferred Tax	22	81	0			0
	Fringe Benefit Tax	22	76	0			0
	<b>Total Provision for Income Tax</b>			<b>0</b>			<b>0</b>
<b>I</b>	<b>NET PROFIT / (LOSS)</b>				<b>(64,70,46,753)</b>		<b>(1,73,63,92,127)</b>
	Balance of profit / (Loss) brought over from Previous years			<b>(6,59,08,10,419)</b>	<b>(6,59,08,10,419)</b>	<b>(4,85,44,18,292)</b>	<b>(4,85,44,18,292)</b>
	Balance Carried to Balance Sheet				<b>(7,23,78,57,172)</b>		<b>(6,59,08,10,419)</b>

**NOTES TO ACCOUNTS: 25**

Note: Schedules 1 to 25 are forming part of Balance Sheet and Profit & Loss A/c.

As per our report of even date

**For Vijay Panchappa & Co.**

Chartered Accountants

Sd/-  
**(CA. P.M. Mudigoudar)**  
Partner  
M.No.204096

Sd/-  
**(Pankaj Kumar Pandey, IAS)**  
Managing Director

Sd/-  
**(Chikkananjappa)**  
Director (Technical)

Sd/-  
**(R.R.Joshi)**  
Financial Adviser

Place: Hubli

Date : 20.09.2011



**SCHEDULE FORMING PART OF THE BALANCE SHEET**

**SCHEDULE: 01 SHARE CAPITAL**

SL. NO	Particulars	A/c Code	Current Year 2010-11 (Amount in Rs.)		Previous Year 2009-10 (Amount in Rs.)	
1	Authorised Capital  25,00,00,000/- Equity shares of Rs. 10/- each		<b>2,50,00,00,000</b>		2,50,00,00,000	
2	<b>Issued, Subscribed and Paid up</b>  Shares issued for consider- ation other than cash  23,33,36,100/- Equity Shares of Rs. 10/- each Fully paid-up.	52.301	<b>2,33,33,61,000</b>	<b>2,33,33,61,000</b>	<b>2,33,33,61,000</b>	2,33,33,61,000
<b>Total</b>				<b>2,33,33,61,000</b>		2,33,33,61,000

**SCHEDULE: 1A SHARE DEPOSIT**

SL. NO	Particulars	A/c Code	Current Year 2010-11 (Amount in Rs.)		Previous Year 2009-10 (Amount in Rs.)	
1	Share Deposit	52.302	<b>4,00,49,84,080</b>		3,30,06,84,080	
2	Proposed adjustment to Networth	52.307	<b>(15,52,702)</b>	<b>4,00,34,31,378</b>	(15,52,702)	3,29,91,31,378
<b>Total</b>				<b>4,00,34,31,378</b>		3,29,91,31,378





## SCHEDULE FORMING PART OF THE BALANCE SHEET

### SCHEDULE: 02 RESERVES AND SURPLUS

SL. NO	Particulars	A/c Code	Current Year 2010-11 (Amount in Rs.)		Previous Year 2009-10 (Amount in Rs.)	
1	<b>Capital Reserve:</b>	56.2	0		0	
2	<b>Other Reserves</b>					
	a) Reserve for Materials Cost Variance	56.610	4,55,99,793		5,08,88,666	
	b) Proposed Adjustments to Networth - Others	52.308	(11,38,14,614)		(11,09,58,328)	
3	<b>Surplus</b>					
	Profit and Loss Account		0		0	
<b>Total</b>			<b>(6,82,14,821)</b>		<b>(6,00,69,662)</b>	

### SCHEDULE: 02A CONTRIBUTIONS, GRANTS AND SUBSIDIES TOWARDS COST OF CAPITAL ASSETS

SL. NO	Particulars	A/c Code	Current Year 2010-11 (Amount in Rs.)		Previous Year 2009-10 (Amount in Rs.)	
1	<b>Contributions, grants and subsidies towards cost of Capital assets</b>					
	a) Consumers contribution towards cost of capital	55.1	3,21,42,71,468		2,57,78,84,561	
	b) Grants towards Cost of Capital assets	55.3	3,00,13,10,631		3,21,26,80,531	
<b>Total</b>			<b>6,21,55,82,099</b>		<b>5,79,05,65,092</b>	



## SCHEDULE FORMING PART OF THE BALANCE SHEET

### SCHEDULE: 03 UN-SECURED LOANS

Sl. No.	Particulars	Avg. ROI (%)	A/c Code	Current Year 2010-11 (Amount in Rs.)		Previous Year 2009-10 (Amount in Rs.)	
	<b>Loans From Financial Institutions:</b>						
1	Loans from Banks- Energisation of IP sets	10%	53.303	0		0	
2	Loans Released from GoK through KPTCL towards PMGY works	12%	53.307	4,62,31,024		4,96,20,590	
3	APDRP - GOK Loan Pay- able to KPTCL	12%	53.350	65,26,81,822		70,70,71,974	
4	APDRP - REC Loan Payable to KPTCL	9%	53.351	1,29,49,62,558		1,54,48,73,958	
5	Loan from Power Finance Corporation Ltd., - KPTCL	10%	53.960	7,96,55,499		11,30,07,285	
6	Loan from GOK towards Energisation of IP sets under Ganga Kalyana Scheme.	11%	53.980	2,62,50,000		3,15,00,000	
7	Loan from GOK towards Central Additional Assis- tance to Power Sector Automation	9%	53.983	91,35,000		1,30,50,000	
8	Interest Free Loan from GOK		50.401	0		0	
<b>Total Un- Secured Loans</b>				<b>2,10,89,15,903</b>		<b>2,45,91,23,807</b>	
<p>Note: The above loans are drawn by KPTCL and transferred by adjustments and are repayable through KPTCL only and the details of the loan wise securities offered are not provided by KPTCL.</p>							



## SCHEDULE FORMING PART OF THE BALANCE SHEET

### SCHEDULE: 03A SECURED LOANS

Sl. No.	Particulars	Avg. ROI (%)	A/c Code	Current Year 2010-11 (Amount in Rs.)		Previous Year 2009-10 (Amount in Rs.)	
<b>A</b>	<b>Loans From Financial Institutions and Banks</b>						
1	Loan from Syndicate Bank	11%	53.977	<b>21,61,00,000</b>		31,63,00,000	
2	Loan drawn from State Bank of India Hubli by HESCOM	11%	53.978	<b>2,99,26,00,000</b>		3,54,70,00,000	
3	Loan from Canara Bank, Hubli by HESCOM	11%	53.981	<b>3,25,43,00,000</b>		3,75,61,00,000	
4	Loan from Corporation Bank	11%	53.982	<b>81,93,90,000</b>		97,49,98,000	
5	Loan from Power Finance Corporation LTD - R-APDRP Scheme.	11.5%	53.961	<b>15,78,46,500</b>		15,78,46,500	
6	Loans drawn from REC in respect of ongoing SPA Scheme works by KPTCL for HESCOM.	10%	53.314	<b>4,60,90,31,165</b>		4,74,58,50,751	
<b>B</b>	<b>Borrowings for working capital :</b>				<b>12,04,92,67,665</b>		13,49,80,95,251
1	Cash Credit from Banks (SBI Hubli)	11%	50.1	<b>1,21,61,71,959</b>	<b>1,21,61,71,959</b>	1,21,52,14,996	1,21,52,14,996
<b>Total</b>					<b>13,26,54,39,624</b>		14,71,33,10,247

**Note:** The Company has offered Securities of its fixed assets & Sundry debtors against the above loans.



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## SCHEDULE FORMING PART OF THE BALANCE SHEET

### SCHEDULE: 04 SERVICE LINE AND SECURITY DEPOSITS

Sl. No.	Particulars	A/c Code	Current Year 2010-11 (Amount in Rs.)		Previous Year 2009-10 (Amount in Rs.)	
	<b>Deposits for:</b>					
1	Electrification / Service Connection	47.3	<b>5,47,32,835</b>		5,42,64,896	
2	Other Deposits from Consumers	47.6	<b>44,76,09,679</b>		41,94,05,308	
3	Security Deposit from consumers:	48.1 + 48.2 + 48.3	<b>3,25,39,18,340</b>		3,00,29,97,005	
<b>Total</b>				<b>3,75,62,60,854</b>		3,47,66,67,209



**SCHEDULE : 05 FIXED ASSETS**

Asset Group	A/c Code	Schedule - 5 Gross Block (Amount in Rs.)				Depreciation (Amount in Rs.)				Net Block (Amount in Rs.)		
		As at 01/04/2010	Additions	Deductions	As at 31/03/2011	A/c Code	As at 01/04/2010	Additions	Deductions	As at 31/03/2011	As at 01/04/2010	As at 31/03/2011
Land & Rights	10.1	8,76,41,121	59,43,915	1,87,200	9,33,97,836	12.1	0	0	0	0	8,76,41,121	9,33,97,836
Buildings	10.2	58,86,39,227	5,32,96,704	94,02,748	63,25,33,183	12.2	8,99,26,550	2,14,64,509	17,13,267	10,96,77,792	49,87,12,677	52,28,55,391
Hydraulic Works	10.3	2,10,61,279	7,63,104	52,662	2,17,71,721	12.3	39,58,878	12,10,587	13,490	51,55,974	1,71,02,401	1,66,15,746
Other Civil Works	10.4	1,83,05,257	13,45,961	1,96,004	1,94,55,214	12.4	25,94,834	8,30,123	93,430	33,31,527	1,57,10,423	1,61,23,687
Plant & Machinery	10.5	5,72,58,37,325	96,04,18,647	75,68,91,460	5,92,93,64,512	12.5	1,38,99,91,588	31,97,81,890	17,28,29,622	1,53,69,43,856	4,33,58,45,737	4,39,24,20,655
Lines Cable Networks	10.6	19,78,65,66,037	1,57,98,51,118	50,69,80,175	20,85,94,36,980	12.6	5,44,81,59,414	75,41,22,055	21,24,90,177	5,98,97,91,292	14,33,84,06,624	14,86,96,45,689
Vehicles	10.7	5,73,99,237	20,59,475	36,09,702	5,88,49,010	12.7	4,58,91,474	25,22,758	32,47,767	4,51,66,465	1,15,07,763	1,06,82,545
Furniture & Fixtures	10.8	2,99,61,962	36,82,019	22,27,425	3,14,16,556	12.8	1,69,55,900	22,38,715	10,01,642	1,81,92,973	1,30,06,061	1,32,23,583
Office Equipments	10.9	1,61,21,587	9,67,617	29,82,078	1,41,07,126	12.9	57,32,434	5,26,664	3,26,877	59,32,221	1,03,89,153	81,74,905
<b>Total</b>		<b>26,33,15,33,032</b>	<b>2,60,83,28,560</b>	<b>1,28,25,29,454</b>	<b>27,65,73,32,138</b>		<b>7,00,32,11,072</b>	<b>1,10,26,97,301</b>	<b>39,17,16,272</b>	<b>7,71,41,92,101</b>	<b>19,32,83,21,960</b>	<b>19,94,31,40,038</b>
<b>Previous Year</b>		<b>23,42,61,32,011</b>	<b>4,20,39,38,317</b>	<b>1,29,85,37,296</b>	<b>26,33,15,33,032</b>		<b>6,24,03,73,834</b>	<b>1,09,54,53,998</b>	<b>33,26,16,760</b>	<b>7,00,32,11,072</b>	<b>17,18,57,58,177</b>	<b>19,32,83,21,960</b>



**SCHEDULE FORMING PART OF THE BALANCE SHEET**

**SCHEDULE: 06 CAPITAL WORKS IN PROGRESS**

Sl. No.	Particulars	A/c Code	Current Year 2010-11 (Amount in Rs.)		Previous Year 2009-10 (Amount in Rs.)	
1	Capital Work in Progress	14.110 To 14.150	<b>6,13,61,360</b>		13,17,08,000	
		14.151 To 14.401	<b>4,60,90,496</b>		5,80,87,767	
		14.450 to 14.810	<b>1,24,92,726</b>		1,50,76,970	
	<b>Sub Total</b>		<b>11,99,44,582</b>			20,48,72,737
2	Completed works (to be categorised).	15.500	<b>13,85,34,159</b>		12,84,16,535	
			<b>Sub Total</b>		<b>13,85,34,159</b>	
<b>Grand Total</b>			<b>25,84,78,741</b>			33,32,89,272

**SCHEDULE: 06 A INVESTMENTS**

Sl. No.	Particulars	A/c Code	Current Year 2010-11 (Amount in Rs.)		Previous Year 2009-10 (Amount in Rs.)	
1	<b>Other Investments</b>					
a)	Investment, towards Share Capital of M/s. Power Company of Karnataka Ltd. (PCKL)	20.271	<b>2,51,00,000</b>		2,51,00,000	
<b>Grand Total</b>			<b>2,51,00,000</b>			2,51,00,000



## SCHEDULE FORMING PART OF THE BALANCE SHEET

### SCHEDULE - 7 INVENTORIES, STORES AND SPARES

Sl. No.	Particulars	A/c Code	Current Year 2010-11 (Amount in Rs.)		Previous Year 2009-10 (Amount in Rs.)	
1	Materials Transferred within the Division	22.450	<b>4,27,215</b>		11,32,804	
2	Materials Stock Account	22.610	<b>21,46,86,203</b>		16,79,62,656	
3	Material imprest Account	22.641	<b>5,92,962</b>		9,87,851	
4	Materials pending Inspection	22.660	<b>70,58,445</b>		51,11,272	
6	Other Materials Account	22.7	<b>(5,48,67,150)</b>		(3,06,11,823)	
	<b>Materials stock Excess / Shortage Pending Investigation.</b>					
7	Stock Excess pending Investigation.	22.810	<b>(20,25,351)</b>		(18,13,552)	
8	Stock Shortage pending investigation.	22.820	<b>21,87,715</b>	<b>16,80,60,039</b>	25,46,230	14,53,15,437
	<b>Assets not in use</b>					
9	Written down value (WDV) of obsolete / scrapped assets.	16.1	<b>4,86,63,708</b>		4,80,03,875	
10	Written down value (WDV) of Faulty / Dismantled Assets.	16.2	<b>13,18,44,222</b>	<b>18,05,07,930</b>	15,08,33,654	19,88,37,529
<b>TOTAL</b>				<b>34,85,67,969</b>		34,41,52,966



## SCHEDULE FORMING PART OF THE BALANCE SHEET

### SCHEDULE: 8 SUNDRY DEBTORS

Sl. No.	Particulars	A/c Code	Current Year 2010-11 (Amount in Rs.)		Previous Year 2009-10 (Amount in Rs.)	
	<b>RECEIVABLES AGAINST SUPPLY OF POWER. Secured Considered Good</b>					
1	Sundry Debtors for sale of Power – LT	23.1	<b>9,09,24,29,781</b>		8,93,85,17,045	
2	Sundry Debtors for sale of Power - HT	23.2	<b>49,59,41,966</b>		52,60,38,968	
3	Sundry Debtors for Electricity Tax	23.3	<b>17,62,36,640</b>		15,43,79,592	
4	Provision for Unbilled Revenue	23.4	<b>1,21,56,14,644</b>		31,02,15,134	
5	Provision for Unbilled Revenue	23.4	<b>57,64,59,086</b>		42,55,45,468	
	<b>Total UBR</b>	23.4	<b>1,79,20,73,730</b>		73,57,60,602	
6	Dues from Permanently disconnected consumers	23.5	<b>29,47,34,447</b>		42,14,92,204	
7	Sundry debtors - miscellaneous dues from consumers (Interest on Revenue Arrears)	23.7	<b>4,81,79,07,896</b>		3,87,06,50,109	
	<b>Sub Total</b>			<b>16,66,93,24,460</b>		14,64,68,38,521
8	Provision for withdrawal of Revenue demand	23.8	<b>(4,68,87,017)</b>		(3,58,95,655)	
9	Provision for Doubtful Dues from consumers (Credit Account)	23.9	<b>(96,67,97,010)</b>		(96,46,01,507)	
				<b>(1,01,36,84,027)</b>		(1,00,04,97,162)
	<b>Total (Net Receivables against Supply of Power)</b>			<b>15,65,56,40,433</b>		13,64,63,41,359





## SCHEDULE FORMING PART OF THE BALANCE SHEET

### SCHEDULE 09 : CASH AND BANK BALANCES

Sl. No.	Particulars	A/c Code	Current Year 2010-11 (Amount in Rs.)		Previous Year 2009-10 (Amount in Rs.)	
<b>I</b>	<b>Cash Accounts</b>					
	1) Cash, Cheques & DDs on Hand	24.11	<b>5,70,29,169</b>		3,38,76,277	
	2) Postage stamps on hand	24.12	<b>2,86,314</b>		2,98,022	
	<b>Sub-Total</b>			<b>5,73,15,483</b>		3,41,74,299
<b>II</b>	<b>Cash Imprest with Staff – Accounts</b>					
	Imprest with Staff	24.21	<b>8,50,600</b>	<b>8,50,600</b>	7,77,150	7,77,150
<b>III</b>	<b>Collecting Bank Accounts (Non-Operative)</b>	24.3	<b>4,45,04,606</b>	<b>4,45,04,606</b>	4,69,11,226	4,69,11,226
<b>IV</b>	<b>Disbursement Bank Account (Operative)</b>					
	1) State Bank of Mysore	24.401	<b>58,57,925</b>		1,41,98,585	
	2) State Bank of India	24.402	<b>2,12,42,038</b>		2,72,91,855	
	3) Canara Bank	24.404	<b>3,74,80,742</b>		26,75,351	
	4) Syndicate Bank	24.405	<b>11,40,10,970</b>		7,93,54,785	
	5) Vijaya Bank	24.409	<b>1,68,64,179</b>		6,82,59,566	
	6) Bank of India	24.423	<b>15,35,642</b>		10,24,124	
	7) Corporation Bank	24.424	<b>5,63,464</b>		5,63,464	
	8) Axis Bank	24.425	<b>2,93,16,167</b>		1,54,04,426	
	9) ING Vysya Bank Ltd.	24.426	<b>18,38,425</b>		0	
	<b>Sub-Total</b>			<b>22,87,09,552</b>		20,87,72,156
<b>V</b>	<b>Remittance to Head Office -Transit Account</b>	24.5	<b>22,79,270</b>	<b>22,79,270</b>	3,33,20,506	3,33,20,506
<b>VI</b>	<b>Transfers from Head Office In Transit Account</b>	24.6	<b>30,663</b>	<b>30,663</b>	0	0
<b>TOTAL</b>				<b>33,36,90,174</b>		32,39,55,337



**SCHEDULE FORMING PART OF THE BALANCE SHEET**

**SCHEDULE 10 : LOANS AND ADVANCES INCLUDING DEPOSITS**

SI. No.	Particulars	A/c Code	Current Year 2010-11 (Amount in Rs.)		Previous Year 2009-10 (Amount in Rs.)	
<b>I</b>	<b>LOANS AND ADVANCES</b>					
	1) Advances to Suppliers (considered good & Fully Secured)	25.1 To 25.5	<b>2,64,334</b>		7,09,988	
	2) Advances to Contractors	26.6	<b>35,21,89,789</b>		43,49,44,333	
<b>II</b>	<b>a) Loans and advances to Staff - Interest bearing</b>					
	1) Marriage	27.103	<b>2,720</b>		4,480	
	2) Computer Advance	27.106	<b>0</b>		780	
	b) Loans and Advances to Staff - Interest free	27.2	<b>2,62,70,145</b>		2,52,16,441	
<b>III</b>	<b>Advance Income Tax and Tax deductions at source</b>	27.4	<b>20,56,392</b>		11,66,849	
<b>IV</b>	<b>Loans and advances – Others</b>	27.8	<b>15,69,958</b>		25,10,683	
				<b>38,23,53,338</b>		46,45,53,554
<b>VI</b>	<b>Deposits</b>	28.9	<b>38,01,24,096</b>		17,27,57,012	
				<b>38,01,24,096</b>		17,27,57,012
	<b>Total</b>			<b>76,24,77,434</b>		63,73,10,566



## SCHEDULE FORMING PART OF THE BALANCE SHEET

### SCHEDULE 11 : OTHER ASSETS

Sl. No.	Particulars	A/c Code	Current Year 2010-11 (Amount in Rs.)		Previous Year 2009-10 (Amount in Rs.)	
1	<b>Amounts Recoverable from Employees &amp; deposit with others</b>	28.1 & 28.4	6,50,95,698	6,50,95,698	6,66,78,882	6,66,78,882
2	<b>Income Accrued (Interest)</b>	28.2	77,60,725	77,60,725	16,50,351	16,50,351
3	<b>Subsidy / Grants Receivable</b> Amount receivable from Government against waiver of IP sets dues in respect of IP sets Consumers who have paid the IP sets Dues during the year 2001-02 and 2002-03.	28.6 28.614	39,39,99,593		0	
	Amount Receivable from GOK towards waiver of BJ/KJ Arrears as on 31-12-2004.	28.615	(9,72,75,000)		(9,72,75,000)	
	Subsidy Receivable from GOK fixed charges concession to 10HP & below IP sets.	28.617	7,552		7,552	
	R.E. Subsidy Receivable from Govt. towards Hukkeri Co-operative Society.	28.621	27,02,37,213		27,02,37,213	
	R.E. Subsidy/Grant Receivable from Govt. towards R.E. Loss	28.620	3,41,98,85,707		3,41,98,85,707	
	Tariff Subsidy Recievble from Government of Karnataka towards IP sets.	28.625	(2,88,29,582)		0	
	Subsidy Recievble from Government of Karnataka towards BJ/ KJ Consumers (up to 18 units).	28.626	0		0	
	Subsidy Recievble from Government of Karnataka towards Free Power Supply to IP Sets up to 10 HP.	28.627	3,92,23,16,289		3,49,49,51,052	
				<b>7,88,03,41,772</b>		7,08,78,06,524
4	<b>Other Claims</b>					
	Claims for Loss / Damage to Materials	28.72	9,45,422		9,45,422	
	Claims for Loss / Damage to Capital Assets	28.74	80,32,989		76,47,157	
				<b>89,78,411</b>		85,92,579



## SCHEDULE FORMING PART OF THE BALANCE SHEET

### SCHEDULE 11 : OTHER ASSETS

Sl. No.	Particulars	A/c Code	Current Year 2010-11 (Amount in Rs.)		Previous Year 2009-10 (Amount in Rs.)	
<b>5</b>	<b>Other Receivables</b>	28.8	1,91,10,95,652	1,91,10,95,652	1,55,46,67,901	1,55,46,67,901
	Cash Recievable from KPTCL and Other ESCOMs for Inter Company Transactions	28.9	9,87,71,063		15,40,59,393	
	Amounts Receivable from GOI through RECL & LEC/Taluk Board towards KJ Works	28.941 & 28.942	(5,82,41,711)		(5,87,25,211)	
	Advance paid to SPPCC towards UI Charges/Administrative charges	28.945 & 28.946	4,02,34,646	8,07,63,998	2,07,12,114	11,60,46,296
<b>6</b>	<b>Electrification of Ganga Kalyan Works - Recievable</b>	47.307 to 47.310	(9,15,15,141)	(9,15,15,141)	11,34,99,410	11,34,99,410
<b>7</b>	<b>Inter Unit Accounts :</b>					
	Inter Unit Accounts Materials	31.10 To 31.30	(4,43,56,762)	(4,43,56,762)	(4,84,95,360)	(4,84,95,360)
	Inter Unit Account - Capital Expenditure & Fixed Assets	32.10 To 32.50	1,08,30,025	1,08,30,025	2,76,45,618	2,76,45,618
	Inter Unit Accounts - Remittances to Head Office	33.000	35,05,695	35,05,695	1,02,925	1,02,925
	Inter Unit Accounts - Funds transfer from Head Office	34.00 To 34.26	0		0	
	Inter Unit Accounts - Funds transfer from Head Office	34.4 To 34.6	88,24,77,66,953		(61,89,88,200)	
	Inter Unit Accounts - Funds transfer from Head Office	34.7	(88,24,77,67,053)	(100)	61,89,88,100	(100)
	Second Transfer Scheme - KPTCL	35.000	0	0	0	0
	Inter Unit Accounts -Personnel	36.100 + 36.200 + 36.300	(4,31,11,356)	(4,31,11,356)	(3,96,14,786)	(3,96,14,786)
	Inter Unit Accounts - Other transactions / adjustments	37.100 + 37.200 + 37.300	12,64,69,545	12,64,69,545	11,20,51,500	11,20,51,500
				<b>9,91,58,58,162</b>		9,00,06,31,740

**Note:** The amount shown against Account Codes 28.941 & 28.942 are pending adjustments.



## SCHEDULE FORMING PART OF THE BALANCE SHEET

### SCHEDULE 12 : CURRENT LIABILITIES & PROVISIONS

Sl. No.	Particulars	A/c Code	Current Year 2010-11 (Amount in Rs.)	Previous Year 2009-10 (Amount in Rs.)
<b>I</b>	<b>LIABILITY FOR PURCHASE OF POWER</b>			
<b>a</b>	<b>Sundry Creditors for purchase of power</b>			
1	Sundry Creditors for purchase of power -KPC	41.108	<b>5,98,16,02,004</b>	4,40,79,18,294
2	Sundry Creditors for purchase of power-VVNL	41.109	<b>0</b>	0
3	Sundry Creditors for purchase of power - NTPC-RSTP	41.110	<b>15,03,036</b>	4,68,93,462
4	Sundry Creditors for purchase of power-MAPS	41.111	<b>0</b>	35,69,594
5	Sundry Creditors for purchase of power - NLC	41.112	<b>30,01,02,107</b>	31,31,81,957
6	Sundry Creditors for purchase of power (Transmission Charges)- PGCIL	41.113	<b>(80,83,080)</b>	3,29,88,324
7	Sundry Creditors for purchase of power-KAIGA	41.114	<b>18,55,39,118</b>	28,28,36,814
8	Sundry Creditors for purchase of power-PGCIL	41.117	<b>35,81,19,961</b>	13,60,36,935
9	Sundry Creditors for purchase of power - NTPC	41.119	<b>1,92,04,489</b>	0
10	Sundry Creditors for purchase of power MU-RUDESHWAR	41.123	<b>2,37,25,012</b>	1,67,92,418
11	Sundry Creditors for Purchase of Power from JTPCL	41.125	<b>44,33,76,937</b>	6,25,60,107
12	Sundry creditors for purchase of power-Renuka Sagar	41.126	<b>9,45,88,961</b>	2,53,15,037
13	Sundry Creditors for purchase of Power-Prabhulingeshwar	41.130	<b>0</b>	66,33,250
14	Sundry creditors for purchase of power-Tannir Bhavi Company Ltd.,	41.133	<b>13,06,530</b>	4,17,73,620



**SCHEDULE FORMING PART OF THE BALANCE SHEET**  
**SCHEDULE 12 : CURRENT LIABILITIES & PROVISIONS**

Sl. No.	Particulars	A/c Code	Current Year 2010-11 (Amount in Rs.)	Previous Year 2009-10 (Amount in Rs.)
15	Sundry creditors for purchase of power- RSSKN.	41.139	0	
16	Sundry creditors for purchase of power- Vishwanath Sugurs Ltd.	41.140	1,89,11,161	1,44,52,123
17	Sundry creditors for purchase of power- Dhoodh Ganga Krishna Sahakari Sakkare Karkhane Niyamita.	41.141	7,00,36,456	10,18,33,940
18	Sundry creditors for purchase of power- Tungabhadra Steel Product Ltd.	41.148	87,92,600	52,13,729
19	Sundry Creditors for purchase of power- Jamkhandi Sugurs Ltd.,	41.153	33,30,058	0
20	Sundry Creditors for purchase of power- GEM Sugurs Ltd.,	41.160	7,40,75,949	7,79,48,286
21	Sundry Creditors for Transmission Charges - KPTCL	41.161	6,54,08,784	(6,75,236)
22	Sundry Creditors for O&M Expenditure of SLDC.	41.165	(3,33,892)	(3,33,892)
23	Sundry Creditors for purchase of power from M/s Godavari Sugurs Ltd.	41.166	(2,10,87,964)	0
24	Sundry Creditors for purchase of power from M/s Venkateshwar Power Projects Ltd., Kholapur	41.167	7,35,80,552	2,67,67,122
25	Sundry Creditors for Purchase of Power M/s Nandi sahakari sakkare karkhane Niyamit Bijapur	41.169	0	10,09,67,693
26	Sundry Creditors for Purchase of Power M/s MRP Wind Farms	41.170	11,45,094	6,89,600
27	Sundry Creditors for Purchase of Power M/s Bhagyanagar India Ltd.	41.171	51,23,180	31,43,325
28	Sundry Creditors for Purchase of Power M/s Suresh Kumar (HUF)	41.172	8,74,204	5,98,517



## SCHEDULE FORMING PART OF THE BALANCE SHEET

### SCHEDULE 12 : CURRENT LIABILITIES & PROVISIONS

Sl. No.	Particulars	A/c Code	Current Year 2010-11 (Amount in Rs.)	Previous Year 2009-10 (Amount in Rs.)
29	Sundry Creditors for Purchase of Power M/s Happy Valley Developers.	41.173	<b>12,08,883</b>	6,93,683
30	Sundry Creditors for Purchase of Power M/s VRL Logistics limited	41.174	<b>3,71,00,616</b>	2,42,21,049
31	Sundry Creditors for Purchase of Power M/s Revati Raju	41.175	<b>30,41,356</b>	18,66,989
32	Sundry Creditors for Purchase of Power M/s Nuziveedu Seeds	41.176	<b>11,09,589</b>	30,95,823
33	Sundry Creditors for Purchase of Power M/s VSL Mining Componay (P) Ltd.	41.177	<b>54,05,134</b>	33,50,425
34	Sundry Creditors for Purchase of Power M/s VSL Mining Projects(P) Ltd	41.178	<b>21,55,582</b>	12,65,186
35	Sundry Creditors for Purchase of Power M/s V S Lad & Sons	41.179	<b>69,68,405</b>	41,34,062
36	Sundry Creditors for purchase of Power M/s Shakhambhari Enterprises Bangalore	41.180	<b>11,43,349</b>	7,54,210
37	Sundry Creditors for Purchase of power M/s BSK Trading Inc	41.181	<b>9,95,009</b>	6,46,863
38	Sundry Creditors for Purchase of Power M/s. Jindal Steels	41.182	<b>11,52,077</b>	7,55,970
39	Sundry Creditors for Purchase of Power M/s. Kashyap.J.Majethia	41.183	<b>11,38,332</b>	6,93,052
40	Sundry Creditors for Purchase of Power M/s.Vikram Traders	41.184	<b>49,95,672</b>	44,33,809
41	Sundry Creditors for Purchase of Power M/s.Rahul Dravid	41.185	<b>17,29,243</b>	10,35,821
42	Sundry Creditors for Purchase of Power M/s. Protectron Electromech Pvt. Ltd.	41.186	<b>8,81,761</b>	5,55,647
43	Sundry Creditors for Purchase of Power M/s.Kaleesuvari Refinery Private Ltd	41.187	<b>8,33,004</b>	5,30,584



## SCHEDULE FORMING PART OF THE BALANCE SHEET

### SCHEDULE 12 : CURRENT LIABILITIES & PROVISIONS

Sl. No.	Particulars	A/c Code	Current Year 2010-11 (Amount in Rs.)	Previous Year 2009-10 (Amount in Rs.)
44	Sundry Creditors for Purchase of Power M/s. M.K.Agrotech Pvt Ltd	41.188	<b>7,00,016</b>	3,95,295
45	Sundry Creditors for Purchase of Power M/s. Cauvery Coffee Traders	41.189	<b>7,28,128</b>	4,73,941
46	Sundry Creditors for Purchase of Power M/s. Siddaganga Oil extraction Ltd	41.190	<b>8,21,464</b>	5,15,299
47	Sundry Creditors for Purchase of Power M/s.Compu Com Software Pvt Ltd	41.192	<b>0</b>	10,69,372
48	Sundry Creditors for Purchase of Power M/s. Chandulal Surajlal	41.193	<b>0</b>	10,69,184
49	Sundry Creditors for Purchase of Power M/s. G.Shoe Exports	41.194	<b>0</b>	10,86,984
50	Sundry Creditors for Purchase of Power M/s. International Conveyors	41.195	<b>6,79,182</b>	6,39,327
51	Sundry Creditors for Purchase of Power M/s. Arts & Crafts Exports	41.196	<b>0</b>	13,65,906
52	Sundry Creditors for Purchase of Power M/s. IGE India Ltd	41.197	<b>8,40,715</b>	7,49,219
53	Sundry Creditors for Purchase of Power M/s. Mayura Steels Pvt Ltd	41.198	<b>0</b>	13,65,929
54	Sundry Creditors for Purchase of Power M/s. Shilpa Medicate Ltd Provision for Liability for Purchase of Power	41.199	<b>7,74,286</b>	13,47,429
55	Provisions for Liability for purchase of power	41.200	<b>7,74,02,14,208</b>	5,32,96,26,994
56	Sundry Creditors for Purchase of Power M/s. S.Kumar	41.201	<b>71</b>	13,06,148
57	Sundry Creditors for Purchase of Power M/s. Shreem Capacitor	41.202	<b>0</b>	1,48,770
58	Sundry Creditors for Purchase of Power M/s. Saptagiri Distilleries Pvt. Ltd.,	41.205	<b>40,93,736</b>	18,79,428
59	Sundry Creditors for Purchase of Power M/s.Pragathi Aroma Oil Distillers Pvt. Ltd.,	41.206	<b>35,60,139</b>	5,36,618





## SCHEDULE FORMING PART OF THE BALANCE SHEET

### SCHEDULE 12 : CURRENT LIABILITIES & PROVISIONS

Sl. No.	Particulars	A/c Code	Current Year 2010-11 (Amount in Rs.)	Previous Year 2009-10 (Amount in Rs.)
60	Sundry Creditors for Purchase of Power M/s.Sanjay D. Ghodawat	41.207	<b>1,53,40,501</b>	5,50,275
61	Sundry Creditors for Purchase of Power M/s. MMTC Limited	41.208	<b>2,17,51,901</b>	1,36,83,470
62	Sundry Creditors for Purchase of Power M/s.Lovely Fragrance	41.209	<b>11,71,367</b>	0
63	Sundry Creditors for Purchase of Power M/s. Bhoruka Power Corporation Ltd.,	41.211	<b>1,30,64,432</b>	78,05,958
64	Sundry Creditors for Purchase of Power M/s. Bharat Petroleum Corporation Ltd.,	41.212	<b>70,25,389</b>	31,86,502
65	Sundry Creditors for Purchase of Power M/s.Indian Designs.	41.213	<b>23,43,524</b>	13,95,988
66	Sundry Creditors for Purchase of Power M/s.B.D.Patil & Co.,	41.214	<b>15,24,376</b>	8,96,129
67	Sundry Creditors for Purchase of Power M/s. Hindustan Zinc Ltd.,	41.215	<b>3,93,97,180</b>	2,45,94,046
68	Sundry Creditors for Purchase of Power M/s.Generacion Eolica India Pvt. Ltd.,	41.216	<b>3,79,83,051</b>	2,38,64,720
69	Sundry Creditors for Purchase of Power M/s.R.B.Seth Shreeram Narsingdas.	41.217	<b>6,75,291</b>	6,09,279
70	Sundry Creditors for Purchase of Power Shri. Suresh C Angadi	41.218	<b>2,48,188</b>	1,64,535
71	Sundry Creditors for Purchase of Power Smt. Mangala S Angadi.	41.219	<b>2,29,076</b>	1,40,806
72	Sundry Creditors for Purchase of Power M/s. Swani Corporation Ltd.,	41.220	<b>2,23,282</b>	1,39,625



## SCHEDULE FORMING PART OF THE BALANCE SHEET

### SCHEDULE 12 : CURRENT LIABILITIES & PROVISIONS

Sl. No.	Particulars	A/c Code	Current Year 2010-11 (Amount in Rs.)		Previous Year 2009-10 (Amount in Rs.)	
73	Sundry Creditors for Purchase of Power M/s. Fastners & Allied Products (P) Ltd.,	41.221	<b>0</b>		1,23,388	
74	Sundry Creditors for Purchase of Power M/s. Mysore Engineers (India) (P) Ltd.,	41.222	<b>3,80,459</b>		2,35,728	
75	Sundry Creditors for Purchase of Power M/s. C.R.Rajesh Nair.	41.223	<b>5,91,028</b>		3,74,237	
76	Sundry Creditors for Purchase of Power M/s.Bharat Earth Mover	41.225	<b>51,15,157</b>		34,62,424	
77	Sundry Creditors for Purchase of Power M/s. S.C.Shettar & Sons	41.226	<b>8,71,026</b>		6,32,079	
78	Sundry Creditors for Purchase of Power M/s. KMMI Steels Pvt Ltd	41.227	<b>22,17,124</b>		13,76,194	
79	Sundry Creditors for Purchase of Power M/s. Sai Krishna Minerals Pvt Ltd.	41.228	<b>37,57,835</b>		23,19,419	
80	Sundry Creditors for Purchase of Power M/s. ILC Industries Ltd.	41.229	<b>33,76,743</b>		23,88,654	
81	Sundry Creditors for Purchase of Power M/s. B.S.C Textils	41.230	<b>2,48,529</b>		1,08,752	
82	Sundry Creditors for Purchase of Power M/s.Sridevi Trading Company.	41.231	<b>1,34,352</b>		92,814	
83	Sundry Creditors for Purchase of Power M/s. B.S.Channabasappa & Sons	41.232	<b>8,33,053</b>		3,94,142	
84	Sundry Creditors for Purchase of Power M/s.BC & Sons	41.233	<b>1,22,401</b>		57,630	
85	Sundry Creditors for Purchase of Power M/s.Shri Channeshwar Rice Industries.	41.234	<b>1,15,748</b>		53,110	
86	Sundry Creditors for Purchase of Power M/s.Channeshwar Drier	41.235	<b>1,42,493</b>		79,889	



## SCHEDULE FORMING PART OF THE BALANCE SHEET

### SCHEDULE 12 : CURRENT LIABILITIES & PROVISIONS

Sl. No.	Particulars	A/c Code	Current Year 2010-11 (Amount in Rs.)	Previous Year 2009-10 (Amount in Rs.)
87	Sundry Creditors for Purchase of Power M/s. Associated Stones	41.236	<b>7,31,675</b>	4,29,828
88	Sundry Creditors for Purchase of Power M/s.Ranjeet Bullion.	41.237	<b>1,22,166</b>	38,933
89	Sundry Creditors for Purchase of Power M/s.Bedmutha Wire Comp.	41.238	<b>1,58,664</b>	74,492
90	Sundry Creditors for Purchase of Power M/s.S.K.Shridhar	41.239	<b>1,27,646</b>	53,221
91	Sundry Creditors for Purchase of Power M/s. SK.Shashidhar.	41.240	<b>96,852</b>	48,793
92	Sundry Creditors for Purchase of Power M/s.DLF Ltd.	41.241	<b>1,61,06,712</b>	98,31,160
93	Sundry Creditors for Purchase of Power M/s.Swarna Properties	41.242	<b>22,24,014</b>	15,33,202
94	Sundry Creditors for Purchase of Power M/s.Swarna Constuction	41.243	<b>2,38,796</b>	7,27,934
95	Sundry Creditors for Purchase of Power M/s.Dakash Minerals & Marine Pvt Ltd.	41.244	<b>2,34,175</b>	1,42,278
96	Sundry Creditors for Purchase of Power M/s. JSW Trading Company Ltd.	41.245	<b>0</b>	0
97	Sundry Creditors for Purchase of Power M/s. Sadashiv Sugars Ltd.	41.246	<b>0</b>	34,18,100
98	Sundry Creditors for Purchase of Power M/s. Hiranyakeshi Sahakari Sakkare Karkhane Niyamit	41.247	<b>0</b>	3,39,87,850
99	Sundry Creditors for Purchase of Power M/s. Nirani Sugars Limited	41.248	<b>4,11,78,664</b>	6,14,92,530
100	Sundry Creditors for Purchase of Power M/s. Indian Cane Power Limited.	41.249	<b>0</b>	5,55,01,680



## SCHEDULE FORMING PART OF THE BALANCE SHEET

### SCHEDULE 12 : CURRENT LIABILITIES & PROVISIONS

Sl. No.	Particulars	A/c Code	Current Year 2010-11 (Amount in Rs.)	Previous Year 2009-10 (Amount in Rs.)
101	Sundry Creditors for Purchase of Power M/s. Bilagi Sugars Limited.	41.250	<b>1,83,66,752</b>	0
102	Sundry Creditors for Purchase of Power M/s. Satish Sugars Limited.	41.251	<b>0</b>	0
103	Sundry Creditors for Purchase of Power M/s. Global Energy Pvt. Ltd.	41.252	<b>0</b>	0
104	Sundry Creditors for Purchase of Power M/s. GMR Industries Ltd.	41.253	<b>7,80,39,366</b>	5,82,06,707
105	Sundry Creditors for Purchase of Power M/s. Bhanwardeep Copper Strips Pvt. Ltd.	41.254	<b>1,35,282</b>	75,496
106	Sundry Creditors for Purchase of Power M/s. Kedia Enterprises.	41.255	<b>3,12,943</b>	1,64,391
107	Sundry Creditors for Purchase of Power M/s. JBM Industries.	41.256	<b>1,43,946</b>	13,138
108	Sundry Creditors for Purchase of Power M/s. Nagashanthi Enterprises.	41.257	<b>1,41,981</b>	33,620
109	Sundry Creditors for Purchase of Power M/s. Rachana Construc tions.	41.258	<b>1,12,487</b>	33,446
110	Sundry Creditors for Purchase of Power M/s.Skytech Engineering.	41.259	<b>80,937</b>	38,980
111	Sundry Creditors for Purchase of Power M/s. Basavaraj N.Patil	41.260	<b>1,49,640</b>	76,721
112	Sundry Creditors for Purchase of Power M/s. Prasanna K. Giriapur.	41.261	<b>57,746</b>	97,066
113	Sundry Creditors for Purchase of Power M/s. G. N. Chandu (HUF)	41.262	<b>3,82,315</b>	1,08,963
114	Sundry Creditors for Purchase of Power M/s. Dr. G.N. Chandu	41.263	<b>0</b>	94,150
115	Sundry Creditors for Purchase of Power M/s. Madhura C.	41.264	<b>0</b>	1,03,002



## SCHEDULE FORMING PART OF THE BALANCE SHEET

### SCHEDULE 12 : CURRENT LIABILITIES & PROVISIONS

Sl. No.	Particulars	A/c Code	Current Year 2010-11 (Amount in Rs.)	Previous Year 2009-10 (Amount in Rs.)
116	Sundry Creditors for Purchase of Power M/s. Shri. Krishna Minirals.	41.265	<b>3,43,398</b>	1,94,321
117	Sundry Creditors for Purchase of Power M/s. Ercon Composites.	41.266	<b>3,47,358</b>	1,98,373
118	Sundry Creditors for Purchase of Power M/s. ESMO Industries	41.267	<b>1,05,858</b>	85,256
119	Sundry Creditors for Purchase of Power M/s. A. MA Traders	41.268	<b>1,22,300</b>	95,077
120	Sundry Creditors for Purchase of Power M/s. K. E. Kantesh	41.269	<b>1,40,653</b>	72,424
121	Sundry Creditors for Purchase of Power M/s. G.S. Gayathri.	41.270	<b>1,39,129</b>	95,895
122	Sundry Creditors for Purchase of Power M/s. G.M. Prasannakumar	41.271	<b>1,34,590</b>	70,945
123	Sundry Creditors for Purchase of Power M/s. G.M. Lingaraju	41.272	<b>1,29,303</b>	87,935
124	Sundry Creditors for Purchase of Power M/s. AAA & Sons Enterprises Pvt. Ltd.	41.273	<b>6,20,439</b>	3,71,275
125	Sundry creditors for Purchase of power M/s. Mac Charles (India) Ltd.	41.274	<b>16,10,715</b>	10,40,573
126	Sundry creditors for purchase of power M/s Lanco Electric Utility Limited.	41.275	<b>12,78,452</b>	26,58,57,600
127	Sundry creditors for Purchase Power M/s. Super Wind Project.	41.277	<b>83,75,730</b>	53,64,090
128	Purchase of Power from Sepco Industries Pvt Ltd.	41.278	<b>33,53,639</b>	20,32,851
129	Sundry creditor for purchase of power M/s. Swamy Samarth Engineers.	41.279	<b>1,13,638</b>	8,61,403



## SCHEDULE FORMING PART OF THE BALANCE SHEET

### SCHEDULE 12 : CURRENT LIABILITIES & PROVISIONS

Sl. No.	Particulars	A/c Code	Current Year 2010-11 (Amount in Rs.)		Previous Year 2009-10 (Amount in Rs.)	
130	Sundry creditors for purchase of power M/s.Indian Energy Exchange.	41.281	<b>(1,15,95,969)</b>		0	
131	Sundry creditors for purchase of power M/s.NTPC Vidyut Vyapara Nigama Limited.	41.282	<b>2,14,05,465</b>		2,21,02,507	
132	Sundry creditors for purchase of power M/s.V V Subbareddy	41.288	<b>1,35,858</b>		0	
133	Sundry creditors for purchase of power M/s.Ravi Nursing Home.	41.289	<b>1,24,894</b>		0	
134	Sundry creditors for purchase of power M/s.Orient steel & Industries Limited.	41.290	<b>7,44,259</b>		0	
135	Sundry creditors for purchase of power M/s.Orient Abrasives Limited.	41.291	<b>8,27,799</b>		0	
136	Sundry creditors for purchase of power M/s.V Doddappa.	41.292	<b>7,64,077</b>		0	
137	Sundry creditors for purchase of power M/s.Three M Paper manufacturing co pvt ltd.	41.293	<b>7,14,978</b>		0	
138	Sundry creditors for purchase of power M/s.Vishwa Vinayak Minerals.	41.294	<b>7,57,226</b>		0	
139	Sundry creditors for purchase of power M/s.RLB Energy Limited.	41.295	<b>6,99,794</b>		0	
140	Sundry Creditors for Purchase of Power M/s Sri Kedamath Sugars	41.296	<b>(48,34,241)</b>		0	
141	Sundry Creditors for Purchase of Power M/s.Energy Development Co Limited.	41.301	<b>30,41,260</b>		0	
142	Sundry Creditors for Purchase of Power M/s.U P C L	41.302	<b>(84,96,331)</b>		0	
	<b>Total Power Purchase Liability</b>			<b>15,86,22,41,750</b>		<b>11,71,23,00,034</b>



## SCHEDULE FORMING PART OF THE BALANCE SHEET

### SCHEDULE 12 : CURRENT LIABILITIES & PROVISIONS

Sl. No.	Particulars	A/c Code	Current Year 2010-11 (Amount in Rs.)		Previous Year 2009-10 (Amount in Rs.)	
<b>b</b>	<b>LIABILITY FOR SUPPLIES / WORKS</b>	42.101, 42.201, 42.301, 42.401& 42.501	<b>60,72,48,739</b>		52,99,96,792	
<b>c</b>	<b>Laibility for Inter Company Transactions</b>	42.214 to 42.282	<b>3,72,93,82,438</b>		3,74,89,79,491	
<b>II</b>	<b>Staff Related Liabilities and Provisions</b>			<b>4,33,66,31,177</b>		<b>4,27,89,76,283</b>
1	Pension provision in respect of employees existing as on 31/03/2000	44.121	<b>(8,000)</b>		(8,000)	
2	Provision for payment to Pension trust	44.122	<b>83,41,35,919</b>		52,82,65,202	
3	Provision for Family Benefit Fund	44.140	<b>(77,068)</b>		(77,068)	
4	FBF as on 31/03/2000	44.141	<b>(2,64,26,551)</b>		(2,47,36,137)	
5	Provision for FBF w.e.f 01/04/2000 & onwards	44.142	<b>7,37,22,317</b>		7,40,70,112	
6	Provision for Family Benefit Fund w.e.f 01.10.2007	44.143	<b>6,39,55,290</b>		4,77,35,433	
7	Provision for HESCOM Contribution to new defined contributory pension scheme w.e.f., 01.04.2006	44.150	<b>5,40,491</b>		3,92,959	
8	Unpaid Salaries	44.210	<b>13,14,616</b>		12,21,237	
9	Unpaid Bonus	44.220	<b>64,599</b>		45,970	
10	Salary payable	44.310	<b>24,33,575</b>		83,86,265	



**SCHEDULE FORMING PART OF THE BALANCE SHEET**

**SCHEDULE 12 : CURRENT LIABILITIES & PROVISIONS**

Sl. No.	Particulars	A/c Code	Current Year 2010-11 (Amount in Rs.)	Previous Year 2009-10 (Amount in Rs.)
11	Salary payable to contract Revenue Asst. (Physically Challenged Candidates)	44.312	<b>19,606</b>	4,12,056
12	Bonus payable	44.320	<b>33,50,779</b>	54,09,715
13	Ex-gratia payable	44.330	<b>2,57,43,496</b>	2,36,76,500
	<b>Sub Total</b>		<b>97,87,69,069</b>	66,47,94,244
<b>III</b>	<b>Other Liabilities and Provisions</b>			
1	Security Deposits in cash from Suppliers / Contractors	46.101	<b>12,54,69,345</b>	14,66,33,743
2	Security deposit other than in cash from suppliers / contractors (Contra)	46.102	<b>0</b>	0
3	Retention Money - Bill amount retained as per terms of Purchase order/ turnkey Contract	46.104	<b>18,55,54,283</b>	25,85,89,293
4	Funds Received from KPTCL - Payable/ Adjustable.	46.106	<b>10,06,62,117</b>	10,06,38,234
5	Security deposit ,EMD,Retention Money-GVP	46.107	<b>65,01,927</b>	65,95,927
6	Retension money -RGGVY Scheme	46.108+ 46.109	<b>4,51,16,590</b>	6,69,34,060
7	Payable to GOK - BRP II from Consumers	46.204 to 46.208	<b>40,19,647</b>	40,19,647
8	Electricity tax and other levies payable to Government.	46.300	<b>(20,15,603)</b>	8,94,92,255
9	Compounding Fee payable to Govt.	46.301	<b>3,87,74,221</b>	4,54,73,937
10	Provision for Income-Tax	46.800	<b>0</b>	0
11	Liability for Expenses	46.41 To 46.47	<b>88,72,46,531</b>	53,12,03,612





## SCHEDULE FORMING PART OF THE BALANCE SHEET

### SCHEDULE 12 : CURRENT LIABILITIES & PROVISIONS

Sl. No.	Particulars	A/c Code	Current Year 2010-11 (Amount in Rs.)		Previous Year 2009-10 (Amount in Rs.)	
IV	Accrued / Unclaimed Amounts Relating to Borrowings	46.710 + 46.720 + 46.730	2,36,41,481		2,51,55,696	
V	Taxes such as Sales Tax, Income Tax etc., deducted at source and payable to Government.	46.923+ 46.924+ 46.925+ 6.926+ 46.927+ 46.951	3,65,64,818		4,24,14,759	
VI	Cheques etc., in Transit	46.910 + 46.911 + 46.913 + 46.920 + 46.922 + 46.928 to 46.949	1,37,90,705		47,36,710	
VII	Others	46.950 + 46.954 to 46.978	2,54,02,142		5,19,22,653	
VIII	Interest payable to consumers on security deposits.	48.340+ 48.350	19,78,34,313		18,94,61,717	
			1,68,85,62,516		1,56,32,72,242	
<b>Total</b>			<b>22,86,62,04,512</b>		<b>18,21,93,42,803</b>	



## SCHEDULE FORMING PART OF THE PROFIT AND LOSS ACCOUNT

### SCHEDULE: 13 REVENUE FROM SALE OF POWER

Sl. No.	Particulars	A/c Code	Current Year 2010-11 (Amount in Rs.)	Previous Year 2009-10 (Amount in Rs.)
<b>I</b>	<b>UNITS SOLD IN MILLIONS</b>		<b>6679.560</b>	5858.030
<b>II</b>	<b>REVENUE FROM SALE OF POWER – LT</b>			
1	Bhagya jyothis Scheme.	61.101	<b>17,91,51,778</b>	17,39,97,031
2	Lighting, Combined Lighting, Heating & Motive Power - HDMC.	61.102	<b>1,75,69,28,454</b>	91,64,08,613
3	Areas under Urban Local Bodies other than those under LT 2aii category.	61.103	<b>52,56,97,942</b>	1,09,13,65,789
4	Lighting, Combined Lighting, Heating & Motive Power - Areas under Village Panchayats.	61.104	<b>84,51,02,130</b>	74,69,53,341
5	Private Professional & other Educational Institutions - Areas under U L B's including City Corporations	61.113	<b>5,19,21,625</b>	4,40,41,544
6	Areas under Village Panchayats.	61.114	<b>1,12,11,227</b>	91,81,527
7	Commercial Lighting, Heating & MP. Areas under U L B's including City Corporations.	61.116	<b>1,47,34,07,668</b>	1,23,48,74,737
8	Areas under Village Panchayats.	61.117	<b>47,13,11,087</b>	35,12,18,038
9	Irrigation Pump sets (above 10 HP)/Water Lifting.	61.121	<b>1,03,73,294</b>	61,13,294
10	IP Sets upto & inclusive of 10 HP - General - Till such time meters are fixed.	61.122	<b>13,82,04,78,114</b>	4,30,08,30,012
11	IP Sets upto & inclusive of 10 HP - General - Where meters are fixed.	61.123	<b>0</b>	11,85,70,518



## SCHEDULE FORMING PART OF THE PROFIT AND LOSS ACCOUNT

### SCHEDULE: 13 REVENUE FROM SALE OF POWER

Sl. No.	Particulars	A/c Code	Current Year 2010-11 (Amount in Rs.)		Previous Year 2009-10 (Amount in Rs.)	
12	IP Sets upto & inclusive of 10 HP - Urban Feeders..	61.124	0		2,28,43,039	
13	Private Horticultural Nurseries, Coffee, Tea, Coconut and Areca nut Plantations.	61.127 + 61.128	2,82,236		1,45,884	
14	Industrial, Non-Industrial, Heating and Motive Power including Lighting	61.129 To 61.133	1,36,54,41,742		1,26,55,91,519	
15	Water Supply and Sewerage pumping installations, Public Lighting / Park Lights.	61.144	1,14,52,07,273		88,80,99,092	
16	Temporary Power Supply - Non-commercial lights and fans and other small appliances.	61.145	20,59,02,383		15,05,60,308	
17	Revenue from sale of power- BRP-II - Arrears recovered from Permanently Disc. Instns.	61.152	0		0	
18	Revenue from sale of power accounted through BJ/KJ Subsidy (up to 18 units).	61.300	56,16,00,000		46,19,00,000	
19	Revenue from sale of power accounted through IP Sets Tariff Subsidy.	61.301	2,02,92,00,000		5,26,30,42,435	
	<b>Revenue from Sale of power-LT</b>			<b>24,45,32,16,953</b>		17,04,57,36,720
<b>III</b>	<b>Revenue from Sale of Power-HT</b>					
1	Public Water Supply & Sewerage Pumping	61.250	61,05,18,073		52,55,04,338	
2	Industrial, Non-industrial and Commercial purposes & Railway Traction Commercial.	61.255 & 61.275	4,14,17,45,222		3,20,98,78,826	
3	Commercial	61.256	60,03,75,721		50,27,53,941	
4	Lift Irrigation Scheme under Govt Departments / Govt. owned Corporations	61.262	11,64,78,270		9,17,52,538	



## SCHEDULE FORMING PART OF THE PROFIT AND LOSS ACCOUNT

### SCHEDULE: 13 REVENUE FROM SALE OF POWER

Sl. No.	Particulars	A/c Code	Current Year 2010-11 (Amount in Rs.)		Previous Year 2009-10 (Amount in Rs.)	
5	Revenue from sale of power - LIS schemes and LI societies.	61.263	17,17,239		45,78,107	
6	Irrigation & Agricultural Farms, Govt & Horticultural Farms, Coffee, Tea & Coconut Plantations.	61.264	0		0	
7	LI Schemes and Lift Irrigation Societies other than those covered under HT2(a)(ii).	61.265	<b>95,06,007</b>		31,69,396	
8	Residential Apartments and Colonies - HDMC.	61.272	<b>96,08,929</b>		91,11,128	
9	Residential Apartments and Colonies -Areas under U L B's other than those under HT-4a Category.	61.273	<b>4,23,23,294</b>		5,78,89,835	
10	Residential Apartments and Colonies - Areas under Village Panchayats.	61.274	<b>0</b>		2,48,70,117	
	<b>Revenue from Sale of Power – HT</b>			<b>5,53,22,72,754</b>		4,42,95,08,226
<b>IV</b>	<b>Wheeling charges recoveries</b>	61.8	<b>0</b>		0	
<b>V</b>	<b>Miscellaneous charges from Consumers.</b>					
1	Reconnection Fee (D & R)	61.902	<b>1,45,65,717</b>		3,14,42,307	
2	Service Connection (Supervision charges)	61.904	<b>11,59,70,193</b>		8,80,11,162	
3	Delayed payment charges from consumers.	61.905	<b>1,17,97,19,804</b>		1,22,14,80,564	
4	Other Receipts from consumers	61.906	<b>2,35,05,809</b>		2,04,84,986	
<b>VI</b>	<b>Gross Revenue from sale of Power</b>			<b>1,33,37,61,523</b>		1,36,14,19,019
				<b>31,31,92,51,231</b>		22,83,66,63,965



## SCHEDULE FORMING PART OF THE PROFIT AND LOSS ACCOUNT

### SCHEDULE: 13 REVENUE FROM SALE OF POWER

Sl. No.	Particulars	A/c Code	Current Year 2010-11 (Amount in Rs.)	Previous Year 2009-10 (Amount in Rs.)
	<b>Less Rebates &amp; Withdrawals:</b>			
1	Solar Rebate allowed to consumers	78.822	<b>(71,43,549)</b>	(47,30,232)
2	Incentives for prompt payment	78.823	<b>(15,33,719)</b>	(2,54,957)
3	Time of day (TOD) Tariff Incentive	78.826	<b>(23,22,593)</b>	(6,41,223)
4	Withdrawal of Revenue Demand	83.8	<b>(28,66,03,803)</b>	(5,51,63,262)
<b>VII</b>	<b>Withdrawal of Revenue Demand and Rebates</b>		<b>(29,76,03,665)</b>	(6,07,89,674)
<b>VIII</b>	<b>NET REVENUE</b>		<b>31,02,16,47,566</b>	22,77,58,74,291

Note: 1. The Tariff Subsidy shown under A/c code 61.300 & 61.301 are considered as sales in view of G.O.Order No:EN 48/PSR/2006 Dtd 13.06.2007.



## SCHEDULE FORMING PART OF THE PROFIT AND LOSS ACCOUNT

### SCHEDULE: 14 OTHER INCOME

Sl. No.	Particulars	A/c Code	Current Year 2010-11 (Amount in Rs.)		Previous Year 2009-10 (Amount in Rs.)	
I	<b>Income from Investments</b>					
	Interest on Bank Fixed Deposits	62.222	<b>1,20,90,942</b>		67,56,065	
	<b>Sub-Total</b>			<b>1,20,90,942</b>		67,56,065
II	<b>Miscellaneous Receipts</b>					
	Profit on sale of stores	62.330	<b>2,64,089</b>		40,32,054	
	Sale of scrap	62.340	<b>9,52,687</b>		66,83,585	
	Other Miscellaneous receipts from Trading	62.360	<b>11,02,761</b>		48,70,223	
	Meter Readings and Calibration of meter - charges of Wind Mill Project.	62.363	<b>33,50,900</b>		18,99,900	
	<b>Sub-Total</b>			<b>56,70,437</b>		1,74,85,762
	Rental from Staff Quarters	62.901	<b>55,90,910</b>		44,41,161	
	Rental from others	62.902	<b>48,400</b>		2,51,125	
	Excess found on physical verification of Cash	62.904	<b>0</b>		10,717	
	Excess found on physical verification of Materials Stock.	62.905	<b>24,222</b>		7,25,904	
	Excess found on physical verification of Fixed Assets.	62.906	<b>0</b>		1,14,138	
	Rebate for collection of Electricity Duty.	62.916	<b>32,51,954</b>		66,57,655	
	Miscellaneous Recoveries.	62.917	<b>15,20,73,799</b>		9,45,34,120	
	<b>Sub-Total</b>			<b>16,09,89,285</b>		10,67,34,821
<b>Total</b>				<b>17,87,50,665</b>		13,09,76,647



## SCHEDULE FORMING PART OF THE PROFIT AND LOSS ACCOUNT

### SCHEDULE: 15 PURCHASE OF POWER

Sl. No.	Particulars	A/c Code	Current Year 2010-11 (Amount in Rs.)	Previous Year 2009-10 (Amount in Rs.)
	<b>Purchase of Power:</b>			
1	M/s Western Region Electricity Board, Mumbai	70.103	<b>6,71,317</b>	4,74,430
2	Power purchased from KPCL	70.108	<b>6,74,10,02,014</b>	6,73,72,92,284
3	Power purchased from NTPC - RSTP	70.110	<b>2,71,55,99,616</b>	2,58,26,89,761
4	Power purchased from MAPS	70.111	<b>4,99,62,477</b>	4,74,38,670
5	Power purchased from NLC	70.112	<b>1,06,45,37,983</b>	1,07,83,37,344
6	Power purchased from PGCIL (Transmission Charges)	70.113	<b>56,22,01,100</b>	51,84,24,322
7	Power purchased from KAIGA	70.114	<b>56,13,72,872</b>	48,31,89,158
8	Power purchased from PTC	70.117	<b>2,01,18,33,390</b>	52,13,00,671
9	Power purchased from Ugar Sugars.	70.119	<b>0</b>	0
10	Power purchased from Murdeshwar	70.123	<b>10,64,81,578</b>	15,22,44,328
11	Power purchased from JTPCL	70.125	<b>3,90,77,53,897</b>	63,82,28,478
12	Power purchased from Renuka Sugar	70.126	<b>17,69,18,309</b>	10,63,06,987
13	Power purchased from Prabhulingeshwar	70.130	<b>59,55,289</b>	80,41,800
14	Power purchased from Tannir Bhavi Company Ltd.,	70.133	<b>0</b>	11,39,35,997
15	Power purchased from R.S.S.K.N	70.139	<b>10,01,570</b>	0
16	Power purchased from Vishwanath Sugars Ltd.,	70.140	<b>3,27,12,100</b>	5,90,64,312
17	Power purchased from Doodh Ganga Krishna Ltd.	70.141	<b>30,28,52,327</b>	23,92,23,239
18	Power purchased from Tungabhadra Steel Product Ltd.	70.148	<b>1,27,39,352</b>	1,62,32,055



## SCHEDULE FORMING PART OF THE PROFIT AND LOSS ACCOUNT

### SCHEDULE: 15 PURCHASE OF POWER

Sl. No.	Particulars	A/c Code	Current Year 2010-11 (Amount in Rs.)	Previous Year 2009-10 (Amount in Rs.)
19	Power purchased from Jamkhandi Sugars Ltd.	70.153	<b>1,49,39,524</b>	54,05,108
20	Power purchased from M/s GEM Sugars Ltd.	70.160	<b>20,29,45,464</b>	11,62,28,625
21	Power Transmission Charges to KPTCL	70.161	<b>2,36,90,02,653</b>	1,69,34,25,237
22	SPPCC Administrative Expenses.	70.162	<b>13,73,865</b>	15,00,968
23	U I Charges to SPPCC.	70.163	<b>21,31,50,526</b>	26,73,57,259
24	O & M Expenses to SLDC.	70.165	<b>2,69,96,860</b>	0
25	Power purchase from M/s Godavari Sugar Ltd, Samarawadi	70.166	<b>(2,10,87,964)</b>	3,40,33,350
26	Power purchase from M/s Venkateshwara Power Project.	70.167	<b>13,50,14,576</b>	4,06,86,631
27	Power Purchase from M/s Nandi sahakari sakkare karkhane niyami Bijapur	70.169	<b>4,15,91,111</b>	10,09,67,693
28	Power purchased from M/s MRP Wind Farms	70.170	<b>79,59,958</b>	89,25,970
29	Power purchase from M/s Bhagyanagar India Ltd	70.171	<b>3,37,18,851</b>	3,70,36,159
30	Power Purchase from M/s Suresh Kumar (HUF)	70.172	<b>64,48,391</b>	75,78,667
31	Power Purchase from M/s Happy Valley Developers	70.173	<b>81,51,670</b>	90,72,488
32	Power Purchase from M/s VRL Logistics Limited	70.174	<b>23,47,48,722</b>	26,37,03,523
33	Power Purchase from M/s Revati Raju	70.175	<b>2,03,02,610</b>	2,11,25,828
34	Power Purchase from M/s Nuziveedu Seeds	70.176	<b>3,49,74,454</b>	3,87,23,500
35	Power Purchase from M/s VSL mining Company (P) Ltd.	70.177	<b>2,92,17,710</b>	3,19,41,891





**SCHEDULE FORMING PART OF THE PROFIT AND LOSS ACCOUNT**  
**SCHEDULE: 15 PURCHASE OF POWER**

Sl. No.	Particulars	A/c Code	Current Year 2010-11 (Amount in Rs.)	Previous Year 2009-10 (Amount in Rs.)
36	Power Purchase from M/s VSL Mining Projects (P) Ltd.	70.178	<b>1,24,68,989</b>	1,40,23,269
37	Power Purchase from M/s V S Lad & Sons	70.179	<b>3,78,74,718</b>	4,13,64,113
38	Power Purchased from M/s Shakhambhari Enterprises Bangalore	70.180	<b>71,47,468</b>	82,12,357
39	Power Purchased from M/s BSK Trading Inc	70.181	<b>72,52,975</b>	83,65,049
40	Power Purchase from M/s. Jindal Steels	70.182	<b>78,89,619</b>	88,,82,465
41	Power Purchase from M/s. Kashyap .J, Majethai	70.183	<b>82,44,229</b>	90,09,777
42	Power Purchase from M/s. Vikram Traders	70.184	<b>2,69,78,892</b>	3,16,67,758
43	Power Purchase from M/s.Rahul Dravid	70.185	<b>85,23,171</b>	98,06,276
44	Power Purchase from M/s.Protectron Electromech Pvt. Ltd.	70.186	<b>41,09,728</b>	47,99,343
45	Power Purchase from M/s. Kaleesuwari Refinery Private Ltd.	70.187	<b>40,20,567</b>	47,12,538
46	Power Purchase from M/s. M.K.Agrotech Pvt. Ltd	70.188	<b>37,84,413</b>	42,16,583
47	Power Purchase from M/s. Cauvery Coffee Traders	70.189	<b>43,73,515</b>	49,59,773
48	Power Purchase from M/s.Siddaganga Oil extraction Ltd.	70.190	<b>49,25,916</b>	55,56,059
49	L.C. Charges / Other Bank commission paid for purchase of power	70.191	<b>97,39,212</b>	83,72,200
50	Power Purchase from M/s. Compu Com Software Pvt Ltd	70.192	<b>0</b>	26,00,048
51	Power Purchase from M/s. Chandulal Surajlal	70.193	<b>0</b>	25,85,951



## SCHEDULE FORMING PART OF THE PROFIT AND LOSS ACCOUNT

### SCHEDULE: 15 PURCHASE OF POWER

SI. No.	Particulars	A/c Code	Current Year 2010-11 (Amount in Rs.)		Previous Year 2009-10 (Amount in Rs.)	
52	Power Purchase from M/s. G.Shoe Exports	70.194	0		26,28,177	
53	Power Purchase from M/s.. International Conveyors	70.195	<b>27,46,785</b>		34,69,394	
54	Power Purchase from M/s. Arts & Crafts Exports	70.196	0		31,04,535	
55	Power Purchase from M/s. IGE India Ltd	70.197	<b>33,54,513</b>		38,44,184	
56	Power Purchase from M/s. Mayura Steels Pvt. Ltd.	70.198	0		30,85,722	
57	Power Purchase from M/s. Shilpa Medicate Ltd	70.199	<b>42,14,422</b>		74,57,879	
58	Power Purchase from M/s.S.Kumar	70.201	0		28,98,151	
59	Power Purchase from M/s. Shreem Capacitor	70.202	0		64,90,965	
60	Open Access Charges	70.203	0		0	
61	Power Purchase from - M/s. Saptagiri Distilleries (P) Ltd.,	70.205	<b>1,71,23,268</b>		1,44,98,279	
62	Power Purchase from M/s. Pragathi Aroma Oil Distillers Pvt. Ltd.,	70.206	<b>1,60,87,334</b>		1,53,02,979	
63	Power Purchase from M/s. Sanjay D. Ghodawat	70.207	<b>6,85,67,237</b>		6,37,89,420	
64	Power Purchase from M/s. MMTC Limited.	70.208	<b>8,10,53,777</b>		9,29,94,680	
65	Power Purchase from M/s. Lovely Fragrance	70.209	<b>38,20,342</b>		32,70,620	
66	Power Purchase from M/s. Boruka Power Corporation Ltd.,	70.211	<b>5,24,66,964</b>		5,77,89,222	
67	Power Purchase from M/s. Bharat Petroleum Corporation Ltd.,	70.212	<b>3,11,25,741</b>		2,45,96,581	



## SCHEDULE FORMING PART OF THE PROFIT AND LOSS ACCOUNT

### SCHEDULE: 15 PURCHASE OF POWER

SI. No.	Particulars	A/c Code	Current Year 2010-11 (Amount in Rs.)	Previous Year 2009-10 (Amount in Rs.)
68	Power Purchase from M/s. Indian Designs.	70.213	<b>97,01,138</b>	94,58,818
69	Power Purchase from M/s. B.D.Patil & Co.,	70.214	<b>74,96,651</b>	83,63,997
70	Power Purchase from M/s. Hindustan Zinc Ltd.,	70.215	<b>18,41,20,061</b>	20,20,69,859
71	Power Purchase from M/s. Generacion Eolica India Pvt. Ltd.,	70.216	<b>16,51,89,595</b>	18,49,97,040
72	Power Purchase from M/s. R.B.Seth Shreeram Narsingdas.	70.217	<b>27,92,183</b>	34,93,445
73	Power Purchase from Shri. Suresh C Angadi.	70.218	<b>11,61,980</b>	13,10,730
74	Power Purchase from - Smt. Mangala S Angadi	70.219	<b>10,83,630</b>	11,50,956
75	Power Purchase from M/s. Swani Corporation Ltd.,	70.220	<b>10,54,914</b>	11,49,587
76	Power Purchase from M/s. Fastners & Allied Products (P) Ltd.,	70.221	<b>4,08,215</b>	10,28,136
77	Power Purchase from M/s. Mysore Engineers (India) (P) Ltd.,	70.222	<b>18,69,740</b>	21,11,891
78	Power Purchase from M/s. C.R.Rajesh Nair.	70.223	<b>29,57,328</b>	32,69,473
79	Power Purchase from M/s. Bharat Earth Mover	70.225	<b>2,95,65,716</b>	3,45,15,161
80	Power Purchase from M/s. S.C. Shettar & Sons.	70.226	<b>58,63,440</b>	69,30,724
81	Power Purchase from M/s. KMMI Steels Pvt Ltd.	70.227	<b>93,91,814</b>	1,08,97,754
82	Power Purchase from M/s. Sai Krishna Minerals Pvt Ltd .	70.228	<b>1,90,06,215</b>	2,09,86,916
83	Power Purchase from M/s. ILC Industries Ltd.	70.229	<b>1,70,20,861</b>	1,87,19,521



## SCHEDULE FORMING PART OF THE PROFIT AND LOSS ACCOUNT

### SCHEDULE: 15 PURCHASE OF POWER

Sl. No.	Particulars	A/c Code	Current Year 2010-11 (Amount in Rs.)	Previous Year 2009-10 (Amount in Rs.)
84	Power Purchase from M/s.B.S.C Textiles	70.230	<b>13,00,674</b>	15,22,479
85	Power Purchase from M/s.Sridevi Trading Company.	70.231	<b>6,64,475</b>	7,94,413
86	Power Purchase from M/s.B.S.Channa basappa & Sons	70.232	<b>40,09,758</b>	44,93,249
87	Power Purchase from M/s.BC & Sons	70.233	<b>6,57,247</b>	8,38,399
88	Power Purchase from M/s.Shri Channeshwar Drier	70.234	<b>6,03,850</b>	6,78,783
89	Power Purchase from M/s.Channeshwar Drier	70.235	<b>7,06,870</b>	8,35,719
90	Power Purchase from M/s.Associated Stones	70.236	<b>25,80,117</b>	35,13,691
91	Power Purchase from M/s.Ranjeet Bullion	70.237	<b>6,27,583</b>	8,91,100
92	Power Purchase from M/s.Bedmutha Wire Comp.	70.238	<b>7,94,636</b>	8,17,585
93	Power Purchase from M/s.S.K.Shridhar	70.239	<b>6,18,631</b>	5,24,048
94	Power Purchase from M/s S.K.Shashidhar	70.240	<b>6,48,089</b>	7,47,171
95	Power Purchase from M/s.DLF Ltd.	70.241	<b>6,56,93,970</b>	6,84,88,874
96	Power Purchase from M/s.Swarna Properties.	70.242	<b>1,05,20,765</b>	1,33,13,564
97	Power Purchase from M/s.Swarna Construction.	70.243	<b>61,23,408</b>	71,33,264
98	Power Purchase from M/s.Dakash Minerals & marine Pvt Ltd.	70.244	<b>12,22,083</b>	15,35,970
99	Power purchase from M/s. JSW Trading Company Ltd.	70.245	<b>0</b>	0
100	Power purchase from M/s. Sadashiv Sugars Ltd.	70.246	<b>48,67,407</b>	1,30,72,127



## SCHEDULE FORMING PART OF THE PROFIT AND LOSS ACCOUNT

### SCHEDULE: 15 PURCHASE OF POWER

Sl. No.	Particulars	A/c Code	Current Year 2010-11 (Amount in Rs.)	Previous Year 2009-10 (Amount in Rs.)
101	Power purchase from M/s. Hiranyakeshi Sahakari Sakkare Karkhane Niyamit.	70.247	0	7,36,48,250
102	Power purchase from M/s. Nirani Sugars Ltd.	70.248	7,26,98,110	6,14,92,530
103	Power purchase from M/s. Indian Cane Power Ltd.	70.249	4,25,08,721	20,47,92,120
104	Power purchase from M/s. Bilagi Sugars Ltd.	70.250	5,42,86,981	0
105	Power purchase from M/s. Satish Sugars Ltd.	70.251	24,64,354	3,77,000
106	Power purchase from M/s. Global Energy Pvt. Ltd.	70.252	39,18,360	20,05,218
107	Power purchase from M/s. GMR Industries Ltd.	70.253	16,13,06,945	24,34,37,852
108	Power purchase from M/s. Bhanwardeep Copper Strips Pvt. Ltd.	70.254	6,78,644	8,21,241
109	Power purchase from M/s. Kedia Enterprises.	70.255	15,52,114	18,26,640
110	Power purchase from M/s. JBM Industries.	70.256	6,82,715	7,42,646
111	Power purchase from M/s. Nagashanti Enterprises.	70.257	6,22,297	7,11,935
112	Power purchase from M/s. Rachana Constructions	70.258	1,71,737	6,88,666
113	Power purchase from M/s. Skytech Engineering.	70.259	5,16,867	6,74,916
114	Power purchase from M/s. Basavaraj N. Patil	70.260	6,84,461	7,69,288
115	Power purchase from M/s. Prasanna K. Giriapur.	70.261	6,72,248	9,76,415



## SCHEDULE FORMING PART OF THE PROFIT AND LOSS ACCOUNT

### SCHEDULE: 15 PURCHASE OF POWER

Sl. No.	Particulars	A/c Code	Current Year 2010-11 (Amount in Rs.)	Previous Year 2009-10 (Amount in Rs.)
116	Power purchase from M/s. G.N. Chandu (HUF)	70.262	<b>10,55,263</b>	10,58,682
117	Power purchase from M/s. Dr. G.N. Chandu	70.263	<b>5,73,276</b>	9,97,987
118	Power purchase from M/s. Madhura C.	70.264	<b>6,60,950</b>	10,48,163
119	Power purchase from M/s. Shri. Krishna Minirals.	70.265	<b>19,17,189</b>	21,28,098
120	Power purchase from M/s. Ercon Composites.	70.266	<b>19,88,068</b>	22,81,366
121	Power purchase from M/s. ESMO Industries.	70.267	<b>6,63,259</b>	8,78,649
122	Power purchase from M/s.A. MA Traders.	70.268	<b>7,42,287</b>	9,08,808
123	Power purchase from M/s. K.E. Kantesh	70.269	<b>6,67,773</b>	8,20,886
124	Power purchase from M/s. G.S. Gayathri	70.270	<b>7,23,619</b>	8,83,821
125	Power purchase from M/s. G. M. Prasanna kumar	70.271	<b>6,39,489</b>	8,19,811
126	Power purchase from M/s. G.M. Lingaraju	70.272	<b>7,26,636</b>	84,04,15
127	Power purchase from M/s. AAA & Sons Enterprises Pvt. Ltd.	70.273	<b>31,38,326</b>	33,55,742
128	Power purchase from M/s. Mac Charles (India) Ltd	70.274	<b>85,79,478</b>	1,02,05,916
129	Power purchase from M/s. Lanco Electric Company Limited.	70.275	<b>1,54,78,452</b>	49,83,45,600
130	Power purchase from M/s. Super Wind Project	70.277	<b>4,31,08,156</b>	4,49,80,676
131	Power purchase from M/s. Sepco Industries Pvt Ltd.	70.278	<b>1,37,27,167</b>	63,93,468
132	Power purchase from M/s. Swamy Samarth Engineers.	70.279	<b>1,77,445</b>	7,85,971



## SCHEDULE FORMING PART OF THE PROFIT AND LOSS ACCOUNT

### SCHEDULE: 15 PURCHASE OF POWER

Sl. No.	Particulars	A/c Code	Current Year 2010-11 (Amount in Rs.)	Previous Year 2009-10 (Amount in Rs.)
133	Power purchase from M/s.Reliance Energy Limited.	70.280	0	2,78,25,748
134	Power purchase from M/s.Indian Energy Exchange.	70.281	<b>14,74,84,031</b>	1,10,72,095
135	Power purchase from M/s.NTPC Vidyut Vyapara Nigam Limited.	70.282	<b>57,98,02,958</b>	6,09,33,601
136	Power Purchase from M/s.Vijaynagar Sugars Pvt Ltd.	70.283	<b>5,57,02,686</b>	0
137	Power Purchase from M/s.Shamanur Sugars Ltd.	70.284	<b>75,36,081</b>	0
138	Power Purchase from M/s.J K Cement Works.	70.285	<b>7,10,36,650</b>	0
139	Power Purchase from M/s.Davangere Sugars Ltd.	70.286	<b>2,82,10,559</b>	0
140	Power Purchase from M/s.Chandama Farms & Horticulture Research centre Pvt Ltd.	70.287	<b>14,42,120</b>	0
141	Power Purchase from M/s.V V Subbareddy.	70.288	<b>19,65,507</b>	0
142	Power Purchase from M/s.Ravi Nursing Home.	70.289	<b>15,86,586</b>	0
143	Power Purchase from M/s.Orient Steel & Industries Ltd.	70.290	<b>26,59,901</b>	0
144	Power Purchase from M/s.Orient Abrasives.	70.291	<b>33,71,160</b>	0
145	Power Purchase from M/s.V Doddappa	70.292	<b>31,73,319</b>	0
146	Power Purchase from M/s.Three M Paper mfg Co Pvt Ltd.	70.293	<b>31,94,558</b>	0
147	Power Purchase from M/s.Vishwa Vinayak Minerals	70.294	<b>32,45,522</b>	0
148	Power Purchase from M/s.RRB Energy Ltd	70.295	<b>30,14,622</b>	0
149	Power Purchase from M/s.Sri Kedarnath Sugars.	70.296	<b>(39,94,512)</b>	0



## SCHEDULE FORMING PART OF THE PROFIT AND LOSS ACCOUNT

### SCHEDULE: 15 PURCHASE OF POWER

Sl. No.	Particulars	A/c Code	Current Year 2010-11 (Amount in Rs.)	Previous Year 2009-10 (Amount in Rs.)
150	Power Purchase from M/s.Harekrishna Sugars	70.297	1,03,49,074	0
151	Power Purchase from M/s.Falcon Tyres Limited.	70.298	27,53,543	0
152	Power Purchase from M/s.Sathvahan Ispat Limited.	70.299	1,05,45,445	0
153	Power Purchase from M/s.Himatsingka Seida Ltd.	70.300	43,66,626	0
154	Power Purchase from M/s.Energy Development Co Limited	70.301	30,41,260	0
155	Power Purchase from M/s.Udupi Power Corporation Limited	70.302	85,20,17,806	0
156	Power Purchase from M/s.Jaspur Energy Pvt Ltd.	70.303	3,60,00,148	0
157	Power Purchase from M/s Gokak Sugars Ltd.,	70.304	3,48,37,285	0
158	Power Purchase Cost in respect of Inter ESCOM Energy Exchange.	70.801	42,91,00,000	0
	<b>Sub Total</b>		<b>25,33,10,35,333</b>	18,35,36,75,744
159	Cost of Power Purchase of Hukkeri Rural Electricity Co-operative Societies.	70.800	<b>(49,83,61,882)</b>	(38,41,57,769)
160	Rebate from Power Generators.	62.919	<b>(4,91,82,826)</b>	(6,43,85,800)
	<b>Sub Total</b>		<b>(54,75,44,708)</b>	(44,85,43,569)
<b>TOTAL</b>			<b>24,78,34,90,625</b>	17,90,51,32,175





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## SCHEDULE FORMING PART OF THE PROFIT AND LOSS ACCOUNT

### SCHEDULE: 16 REPAIRS AND MAINTENANCE

Sl. No.	Particulars	A/c Code	Current Year 2010-11 (Amount in Rs.)		Previous Year 2009-10 (Amount in Rs.)	
	<b>Repairs &amp; Maintenance to</b>					
1	Plant and Machinery	74.1	<b>19,89,69,622</b>		19,48,71,525	
2	Buildings	74.2	<b>39,58,653</b>		37,59,608	
3	Civil Works	74.3	<b>5,60,483</b>		9,29,386	
4	Lines, Cable Net Work Etc.	74.5	<b>1,41,83,797</b>		3,04,43,742	
5	Vehicles	74.6	<b>23,32,526</b>		30,58,901	
6	Furniture and Fixtures	74.7	<b>3,785</b>		8,812	
7	Office Equipments.	74.8	<b>8,44,795</b>		7,86,362	
<b>Total</b>			<b>22,08,53,661</b>			23,38,58,336



## SCHEDULE FORMING PART OF THE PROFIT AND LOSS ACCOUNT

### SCHEDULE: 17 EMPLOYEE COST

Sl. No.	Particulars	A/c Code	Current Year 2010-11 (Amount in Rs.)		Previous Year 2009-10 (Amount in Rs.)	
1	Salaries	75.1	<b>1,40,44,76,322</b>		1,09,30,85,834	
2	Over Time	75.2	<b>12,35,60,444</b>		3,20,89,618	
3	Dearness Allowance	75.3	<b>65,83,17,913</b>		42,35,85,121	
4	Other Allowances	75.4	<b>13,84,08,089</b>		11,12,63,163	
5	Bonus	75.5	<b>2,90,96,315</b>		2,90,99,085	
	<b>Sub-Total</b>			<b>2,35,38,59,083</b>		1,68,91,22,822
6	Medical Expenses reimbursement	75.611	<b>1,59,54,840</b>		1,48,81,391	
7	Earned Leave Enchashments - Regular Employees- Employees covered under Contributory Pension Scheme	75.616	<b>73,82,198</b>		0	
8	Earned leave encashment	75.617	<b>8,95,19,504</b>		9,41,90,081	
9	Earned leave encashment - Retired / Deceased Employees	75.618	<b>9,82,33,360</b>		2,87,55,386	
10	Payment under workmens compensation Act	75.629	<b>3,51,080</b>		0	
11	Payment to helpers/ employees of Monsoon gang	75.630	<b>1,26,40,581</b>		3,11,95,164	
	<b>Sub-Total</b>			<b>22,40,81,563</b>		16,90,22,023
12	Staff Welfare expenses	75.7	<b>4,11,78,901</b>		4,14,91,534	
13	Terminal Benefits	75.8	<b>44,09,97,689</b>		33,88,05,523	
	<b>Sub-Total</b>			<b>48,21,76,590</b>		38,02,97,056
<b>GRAND TOTAL</b>				<b>3,06,01,17,236</b>		2,23,84,41,901



## SCHEDULE FORMING PART OF THE PROFIT AND LOSS ACCOUNT

### SCHEDULE: 18 ADMINISTRATION AND OTHER EXPENSES

Sl. No.	Particulars	A/c Code	Current Year 2010-11 (Amount in Rs.)	Previous Year 2009-10 (Amount in Rs.)
1	Rent, Rates & Taxes	76.101 +76.102	<b>98,81,229</b>	92,44,561
2	Expenses incurred towards security arrangements	76.103	<b>0</b>	0
3	Insurance	76.104 + 6.105 +76.106	<b>52,791</b>	36,286
4	Pagers cellular phones E-mail, Telephone, Trunk call, Telegrams and Telex Charges	76.111 +76.112	<b>74,83,661</b>	1,12,84,017
5	Postage	76.113	<b>21,50,561</b>	16,72,028
6	Mobile phone	76.114	<b>24,26,831</b>	25,69,706
7	Revenue Receipts Stamps	76.115	<b>0</b>	0
8	Legal Charges	76.121	<b>16,03,951</b>	16,09,818
9	Payment to Auditors: Audit Fees including taxes.	76.122	<b>5,65,001</b>	3,18,812
10	Consultancy charges	76.123	<b>10,66,531</b>	8,19,933
11	Other Professional Charges	76.125 +76.126 +76.127+ 76.128 + 76.129	<b>11,08,17,486</b>	11,83,88,632
12	Conveyance & Travel expenses	76.130 To 76.139	<b>15,15,66,349</b>	14,90,25,647
13	Remuneration Paid to Contract Agencies engaged in Computerisation activities.	76.140	<b>10,68,07,686</b>	10,12,25,260
14	Credit Rating Fee	76.141	<b>0</b>	1,40,034
15	<b>Sub - Total</b>		<b>39,44,22,077</b>	39,63,34,733
16	OTHER EXPENSES			
17	Fees & Subscriptions	76.151	<b>73,728</b>	42,55,286
18	Books, periodicals and dairies	76.152	<b>97,605</b>	1,44,869



## SCHEDULE FORMING PART OF THE PROFIT AND LOSS ACCOUNT

### SCHEDULE: 18 ADMINISTRATION AND OTHER EXPENSES

SL. NO	PARTICULARS	A/C CODE	CURRENT YEAR 2010 -11 (Amount in Rs.)	PREVIOUS YEAR 2009 -10 (Amount in Rs.)
19	Printing & Stationery	76.153	<b>80,32,416</b>	83,94,151
20	Factory License Fees	76.154	<b>0</b>	0
21	Advertisement Expenses	76.155	<b>18,53,170</b>	66,78,015
22	Computer stationary and floppies	76.156	<b>5,83,442</b>	6,85,212
23	Contributions	76.157	<b>55,62,425</b>	93,87,914
24	Electricity Charges	76.158	<b>1,60,66,050</b>	1,43,63,603
25	Water Charges	76.160	<b>21,36,452</b>	16,79,668
26	Entertainment	76.162	<b>62,796</b>	83,127
27	Secret Service grant	76.164	<b>2,40,000</b>	1,23,651
28	Karnataka State Building & Other Construction Workers Welfare Board CESS	76.166	<b>0</b>	0
29	Shared Administrative expenditure of the O/O the IGP(V&E) for KPTCL & ESCOMS	76.172	<b>0</b>	9,63,779
30	Miscellaneous expenses	76.190 + 76.191	<b>58,86,953</b>	70,44,714
31	Demand Side Management (DSM) Expenses	76.193	<b>35,755</b>	0
32	Freight & other material related expenses	76.201 To+ 76.282	<b>1,89,43,315</b>	1,15,56,528
<b>Sub - Total</b>			<b>5,95,74,107</b>	6,53,60,517
<b>TOTAL</b>			<b>45,39,96,184</b>	46,16,95,250



## SCHEDULE FORMING PART OF THE PROFIT AND LOSS ACCOUNT

### SCHEDULE: 19 OTHER DEBITS

Sl. No.	Particulars	A/c Code	Current Year 2010-11 (Amount in Rs.)		Previous Year 2009-10 (Amount in Rs.)	
1	<b>Asset Decommissioning Costs</b>	77.5	<b>26,97,962</b>		46,51,037	
2	<b>Small &amp; Low value items Written off</b>					
3	Computer software	77.611	<b>0</b>		69,439	
	<b>Losses relating to Fixed Assets</b>	77.7	<b>2,79,171</b>		7,59,715	
			<b>29,77,133</b>		54,80,190	
4	Gain on Sale of Assets	62.400	<b>(1,96,184)</b>	<b>27,80,949</b>	(26,72,568)	28,07,622
5	Material Cost Variance	79.110	<b>0</b>		0	
6	Bad & Doubtful Debts Written off / provided for	79.4	<b>3,00,06,675</b>		5,36,94,514	
7	Miscellaneous losses and Write offs	79.5	<b>4,81,73,696</b>		3,72,97,726	
				<b>7,81,80,371</b>		9,09,92,240
<b>TOTAL</b>				<b>8,09,61,320</b>		9,37,99,862



## SCHEDULE FORMING PART OF THE PROFIT AND LOSS ACCOUNT

### SCHEDULE: 20 DEPRECIATION

Sl. No.	Particulars	A/c Code	Current Year 2010-11 (Amount in Rs.)	Previous Year 2009-10 (Amount in Rs.)
1	Depreciation on Buildings	77.120	<b>1,97,65,625</b>	1,78,40,475
2	Depreciation on Hydraulic Works	77.130	<b>11,97,098</b>	10,55,598
3	Depreciation on Civil Works	77.140	<b>6,10,431</b>	4,89,270
4	Depreciation on Plant and Machinery	77.150 + 77.151	<b>29,50,65,410</b>	26,21,78,525
5	Depreciation on lines, cable, network etc.,	77.160 + 77.161	<b>57,54,17,756</b>	53,85,59,563
6	Depreciation on Vehicles	77.170 + 77.171	<b>6,81,779</b>	6,81,780
7	Depreciation on furniture, fixtures	77.180	<b>12,33,542</b>	10,65,294
8	Depreciation on Office equipments	77.190 + 77.191	<b>3,20,268</b>	3,51,223
9	Small & Low value items Written off	77.600	<b>5,66,058</b>	5,11,292
<b>Depreciation (Net)</b>			<b>89,42,91,909</b>	82,22,21,728
			<b>89,48,57,967</b>	82,27,33,020



## SCHEDULE FORMING PART OF THE PROFIT AND LOSS ACCOUNT

### SCHEDULE: 21 - INTEREST AND OTHER CHARGES

Sl. No.	Particulars	A/c Code	Current Year 2010-11 (Amount in Rs.)		Previous Year 2009-10 (Amount in Rs.)	
1	Intrest on Loan from REC	78.540	<b>53,83,67,971</b>		56,66,61,959	
2	Intrest on Loan from Banks	78.542 to 78.549	<b>59,54,471</b>		63,42,844	
3	Intrest on Loan from Commercial Banks for SPA Scheme	78.560	<b>0</b>		29,25,768	
4	Payment of Interest on loan drawn by HESCOM from Syndicate Bank, Hubli	78.563	<b>1,92,27,205</b>		4,11,09,064	
5	Payment of Interest on loan drawn by HESCOM from SBI, Hubli	78.564	<b>33,45,42,394</b>		29,74,31,181	
6	Interest on loan from Canara Bank	78.567	<b>35,87,64,703</b>		31,95,81,585	
7	Interest on shortterm loan/ Interest on working capital C.C	78.568	<b>13,30,61,117</b>		12,66,63,956	
8	Payment of interest on PFC loan drawn by KPTCL on behalf of HESCOM	78.584	<b>85,97,219</b>		1,16,79,998	
9	Interest on APDRP - GOK Loan	78.591	<b>7,65,57,534</b>		8,75,68,145	
10	Interest on APDRP - REC	78.592	<b>14,14,85,200</b>		12,90,49,505	
11	Payment of interest on Loan drawn from Govt towards Ganga Kalyan Scheme.	78.594	<b>39,04,950</b>		40,42,500	
12	Interest on loan from Corporation Bank.	78.595	<b>8,99,23,376</b>		10,00,38,060	
13	Interest on loan from GOK towards Central Ad- ditional Assistance to Power Sector Automation.	78.596	<b>13,85,882</b>		11,74,500	
14	Interest on Security Deposits to Consumers	78.6	<b>20,72,89,191</b>	<b>1,71,17,72,022</b>	19,73,72,394	1,69,42,69,065
15	Other Intrest and Finance Charges	78.820 To 78.871	<b>69,57,580</b>	<b>69,57,580</b>	52,27,846	52,27,846
16	<b>Less : Interest and finance charges capitalised</b> Capitalisation of interest on funds used during construction	78.900	<b>(1,25,44,725)</b>	<b>(1,25,44,725)</b>	(2,45,82,440)	(2,45,82,440)
17	Interest on belated paymnets to IPPs	80.108 To 80.167	<b>98,18,88,832</b>		82,95,34,711	82,95,34,711
<b>Net Interest and other Charges</b>			<b>2,89,53,62,900</b>			2,70,18,21,576



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**SCHEDULE FORMING PART OF THE PROFIT AND LOSS ACCOUNT**

**SCHEDULE: 22 PROVISION FOR TAXATION**

SI. No.	Particulars	A/c Code	Current Year 2010-11 (Amount in Rs.)		Previous Year 2009-10 (Amount in Rs.)	
1	Provision for Income Tax	81.100	0		0	
2	Provision for Deferred Tax	81.101	0		0	
3	Fringe Benefit Tax	76.194	0		0	
<b>Total</b>				<b>0</b>		<b>0</b>

**SCHEDULE FORMING PART OF THE BALANCE SHEET**

**SCHEDULE 23 : MISCELLANEOUS EXPENDITURE  
TO THE EXTENT NOT WRITTEN OFF / OR ADJUSTED**

SI. No.	Particulars	A/c Code	Current Year 2010-11 (Amount in Rs.)		Previous Year 2009-10 (Amount in Rs.)	
1	Preliminary expenditure on survey / feasibility studies of projects not yet sanctioned	17.301	<b>1,70,427</b>		15,18,256	
<b>Grand Total</b>			<b>1,70,427</b>			15,18,256





## SCHEDULE FORMING PART OF THE PROFIT AND LOSS ACCOUNT

### SCHEDULE: 24 PRIOR PERIOD CREDITS / CHARGES

Sl. No.	Particulars	A/c Code	Current Year 2010-11 (Amount in Rs.)	Previous Year 2009-10 (Amount in Rs.)
<b>A)</b>	<b>Income relating to previous years :</b>			
1	Receipts from Consumers Relating to prior periods	65.200	0	0.00
2	Excess provision for Depreciation in prior periods	65.600	2,68,67,180	2,69,01,884
3	Excess provision for Interest and Finance Charges in prior periods	65.700	45,50,867	15,43,616
4	Other Excess provision in prior periods	65.800	10,14,26,220	28,19,61,288
5	Other Income relating to prior periods	65.900	82,23,64,231	16,24,87,398
6	Prior Period Tariff/RE Subsidy	65.910	0	0
<b>B)</b>	<b>Prior Period Expenses / losses :</b>		<b>95,52,08,498</b>	<b>47,28,94,186</b>
1	Short provision for power purchased in previous years	83.100	(30,96,27,519)	(45,92,23,754)
2	Operating Expenses of previous years.	83.300	(2,35,154)	(44,11,986)
3	Employee costs relating to previous years	83.500	(6,77,84,852)	(63,21,516)
4	Depreciation under provided in previous years.	83.600	(2,28,04,414)	(17,02,43,057)
5	Interest and other Finance charges relating to previous years	83.700	(72,59,824)	(1,23,24,249)
6	Short Provision for Income tax - previous years	83.810	(1,73,354)	0
7	Administrative Expenses - previous years.	83.820	0	(1,00,000)
8	Administrative Expenses - previous years. Materials related expenses - previous years.	83.840	0	
9	Other Expenses relating to prior periods	83.850	(51,28,472)	(60,30,568)
			<b>(41,30,13,589)</b>	<b>(65,86,55,130)</b>
<b>Net Prior Period credits/charges (A-B)</b>			<b>54,21,94,909</b>	<b>(18,57,60,944)</b>



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## SCHEDULE: 25

### SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE ACCOUNTS

#### I. SIGNIFICANT ACCOUNTING POLICIES

##### 1. BASIS OF ACCOUNTING

The financial statements have been prepared under historical cost convention, in accordance with the provisions of the Companies Act, 1956 as adopted by the Company. All income and expenditure having a material bearing on the financial statements have been recognized on accrual basis, except in respect of interest on belated payments to private power suppliers, where interest would be recognized on payment basis. However, the same is quantified and disclosed as contingent liability.

##### 2. FIXED ASSETS

2.1 Fixed assets are shown at their historical costs with corresponding accumulated depreciation. Fixed assets acquired /constructed are valued at actual cost of acquisition / construction. Materials issued to works from stores and becoming the assets are valued at standard rates. Interest and finance charges up to the stage of commissioning of fixed assets are being capitalized.

2.2 Assets transferred by Karnataka Power Transmission Corporation Ltd., (KPTCL) have been stated at the cost of transfer indicated by KPTCL in the transfer document.

2.3 In respect of Assets shared with KPTCL, the ownership and title vests with KPTCL and as such, they are not reflected in the books of accounts of the Company. But the share of maintenance expenditure in respect of such assets is charged to Profit & Loss Account.

2.4 Consumer contribution, grants and subsidies received towards cost of capital assets are treated as reduction in the cost of Gross Fixed Assets in the Balance Sheet as per AS-12.

2.5 Released assets are valued at W.D.V., Scrapped assets are valued at scrap rate indicated in the Schedule of rates.



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### 3. DEPRECIATION

- 3.1 Depreciation on all assets (except lease hold land) is provided on straight line method as per the guidelines prescribed in notification No. B/12/01 dated 29.03.2006 issued by KERC, which is the adaptation of notification No.L-7/25(5)/2003-KVN dated 26.03.2004 issued by CERC & the CERC Tariff Regulations 2009, Annexure III.
- 3.2 Depreciation on released assets and re-issued to works and categorized as assets is charged at rates as per the rates as prescribed in notification No. B/12/01 dated 29.03.2006 issued by KERC, which is the adaptation of notification No.L-7/25(5)/2003-KVN dated 26.03.2004 issued by CERC & the CERC Tariff Regulations 2009, Annexure III.
- 3.3 Depreciation on leasehold land is provided for the years on amortization rates arrived at on the basis of lease period.
- 3.4 Depreciation on fixed assets is provided up to 90% of the original cost of the asset.
- 3.5 Plant and Machinery costing Rs.500/- or less individually, is depreciated at 100% in the year in which they are installed and put to use.
- 3.6 Depreciation is not provided on the assets created through capital grants.
- 3.7 Depreciation is provided from the month of commissioning of the assets.
- i) Depreciation on newly commissioned assets is charged for the whole month irrespective of the date of commissioning in that month.
  - ii) Depreciation on released/de-commissioned assets is provided up to the end of the previous month immediately preceding the month of decommissioning of the asset.

### 4. CAPITAL WORK-IN-PROGRESS

Materials issued to Capital Work-in-progress are valued at Standard Rate, which is determined by the Company from time to time based on previous purchase price and prevailing market rates (published as O&M Schedule of Rates).



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## 5. INVENTORY

Inventories are valued at Standard Rate, which is determined by the Company from time to time based on previous purchase price and prevailing market rates (published as O&M Schedule of Rates).

## 6. SUBSIDY FROM GOVT.OF KARNATAKA

The Revenue Subsidy is treated as Tariff Subsidy and accounted in Revenue from sale of Power and the Capital subsidy/grants are treated as reduction from cost of fixed assets.

## 7. RETIREMENT BENEFITS

In respect of Pension and Gratuity, contribution to KPTCL/ ESCOM's , Pension & Gratuity Trust is made based on the Actuarial Valuation.

The pension and gratuity payment is taken care of by the Trust to eligible employees as and when they retire, as per Government notification No: DE 14 PSR 2002/31.05.2002.

## 8. REVENUE RECOGNITION

Revenue from sale of energy is accounted on accrual basis. Revenue is reduced by unbilled revenue of previous year included in this year's revenue. Revenue is increased by the unbilled revenue of the current year and revenue due from consumers whose ledger accounts are yet to be opened. Rebate to consumers and Incentive for prompt payment are shown as deduction from Revenue.

The revenue from sale of energy of HESCOM is as per the tariff fixed by Karnataka Electricity Regulatory Commission (KERC) from time to time.

## 9. PROVISIONS FOR BAD & DOUBTFUL DEBTS

Provision for bad and doubtful debts is made on the actual amount of arrears considered as bad & doubtful on case-to-case basis.

## 10. ACCOUNTING OF GRANTS

The Capital Grants received from Government and consumer contribution towards cost of capital assets are treated as per AS-12.



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## 11. TAXES ON INCOME

Tax on income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961. The Company is eligible for deduction under section 80IA of the Income Tax Act but however is covered under the MAT provisions.

Deferred tax is recognized on timing differences between the accounting income and the taxable income for the period up to 31-03-2011 and quantified using the normal tax rates as on the Balance Sheet date.

## 13. BORROWING COST:

Borrowing costs that are attributable to the acquisition, construction of a qualifying asset are capitalized as part of cost of such asset, till such time the asset is commissioned. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use. All other borrowing costs are recognized as a revenue expense in the period in which they are incurred.

## 14. PROVISION, CONTINGENT LIABILITIES AND CONTINGENT ASSET

Provisions are recognized for liabilities that can be measured only by using a substantial degree of estimation, if

- a) The Company has a present obligation as a result of a past event.
- b) A probable outflow of resources is expected to settle the obligation; and
- c) The amount of the obligation can be reliably estimated.

Contingent liability is disclosed in case of;

- a) a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation
- b) a present obligation when no reliable estimate is possible
- c) a possible obligation arising from past events where the probability of outflow of resources is not remote.



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Contingent Assets are neither recognized, nor disclosed.

Provisions, Contingent Liabilities and Contingent Assets are reviewed at Balance Sheet date.

15. Loans initially taken by KPTCL and transferred to HESCOM are treated as unsecured loans in the absence of information as to securities offered. Repayment thereof is being made through KPTCL.
16. Bank Commission/charges etc., for operating LC's opened for making payment for power purchases are treated as cost of power purchase.
17. The un-availed portion of Leave Encashment is assessed and provided on the basis of the Actuarial Valuation Report.

## II. NOTES TO ACCOUNTS:

1. The Company operates only in one sector viz., distribution of power supply. Accordingly, accounts are compiled for this segment. Hence, Segmental reporting is not applicable to the Company.
2. Transactions with KPTCL / ESCOM's are accounted as receivables/payables.
3. The Capital Grants received from Government and consumer contribution towards cost of capital assets aggregating to Rs.621.56 Crores is reduced from Gross Block and shown in Balance Sheet. The Consumer contributions and Government grants towards cost of capital assets cannot be identified to relevant fixed assets. Hence, the same is treated as related to the Lines, Cables & Networks Assets group and deducted directly from the total Gross Fixed Assets in the Balance Sheet.
4. The Company has spent Rs.10.68 crores and Rs.10.12 crores in FY10-11 and FY09-10, respectively towards Computerized Billing and Collection Activities. The Billing and Collection Activities are aggressively pursued by the Company to render efficient, effective and consumer friendly services to the consumers.
5. The transactions between accounting units within the Company are accounted as Inter Unit Accounts (IUA).



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6. The balances in respect of Sundry Debtors, Sundry Creditors and Loans and Advances to suppliers and others are subject to confirmation since the Company is having large customer base.
  7. All the employees of the Company are on deputation from KPTCL.
  8. Leave encashment and F.B.F has been provided for the period on the basis of Actuarial Valuation Report. Whereas, since beginning, the Company is not having investment policy for the provision made during each financial year.
  9. Estimated amount of contract remaining to be executed on Capital Account is disclosed in the Balance Sheet.
- 10. Free lighting:** Difference between Tariff rate and subsidized rate on free lighting consumption provided to the employees of KPTCL including employees on deputations to HESCOM in the service area of the Company is recognized as expenditure in the books of the Company. The energy consumption under subsidized rate is 8.85 M.U. and the cost booked is Rs.2.72 crs.

**11. Electricity Consumption of Company Offices:**

Electricity consumption of Company Offices and the auxiliary consumption of MUSS are treated as revenue expenditure. The total energy consumed on this count is 2.92 M.U. and the cost booked is Rs.1.61 crs.

**12. Power Purchase**

As per the Government of Karnataka Order No. EN 45 PSR 2006 Dtd. 22.04.2006 and EN 70 EMC 2009, dated 10.11.2009 the allocation of power from conventional energy sources are at 20.3598% from 1.4.2009 to 31.10.2009 & 18% from 1.11.2009 to 31.03.2010. GOK vide its Order No. EN126 EMC2010 dtd 24.03.2010 has allocated conventional energy of 18.18% to the HESCOM from 01.04.2010 and onwards. Non-conventional project are allocated based on geographical area of HESCOM.

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

The Company accounts the power purchase from 10.06.2005 directly from Power Generators Pool Account as per the energy allocation / assigned by the Government of Karnataka as per the Government order issued from time to time. The rates





followed for the allocated/assigned power purchase is based on the commercial rates/predetermined rates as approved by the PPA/ KERC/ Government of Karnataka. During the year the Company has purchased High Cost Energy of 1400.10 M.U. at a cost of Rs.698.92 Crores as per the GOK's decision.

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

The Company accounts the import /export of energy among ESCOMs as net energy either as a sale/purchase.

### 13. Electricity Taxes:

Electricity tax of Rs. 65.76 Crores collected from consumers from April 10 - March 11 is adjusted against the Tariff subsidy received / receivable from GOK vide G.O. No. EN /18/PSR/2010/P1, Bangalore Dated 31.03.2011.

14. Prior period credits/charges are the omissions/errors occurred during the previous years and noticed in the current year. Rs.95.52 crores is accounted towards prior period income and Rs.41.30 crores is accounted towards prior period expenses. The net prior period credits/charges has resulted in net prior period credits of Rs.54.22 crores.

15. The details of sale of energy and distribution losses during the current year are as follows (as certified by the management):

Sl.No.	Particulars	Energy in M.U	
		2010-11	2009-10
	<b>Energy Sales:</b>		
a	Total energy available for sale	<b>8407.44</b>	7401.89
b	Total metered sales	<b>3153.10</b>	2868.86
c	Total un-metered sales	<b>3526.46</b>	2989.17
d	Total sales	<b>6679.56</b>	5858.03
e	Distribution losses	<b>1727.88</b>	1543.85
f	Percentage of Distribution losses	<b>20.55%</b>	20.86%





The total energy available at Generating Point for FY-11 is 8677.21 M.U., the total energy available for sale at inter face point is 8407.44 M.U and the Transmission Loss is 269.77 M.U. which is 3.11%.

16. Managerial remuneration paid during the financial year 2010-11 & 2009-10 to the directors are as follows: -

Sl. No	Particulars	2010-11 (In Rs.)	2009-10 (In Rs.)
	<b>MANAGING DIRECTOR &amp; DIRECTORS: (Whole Time Directors)</b>		
1	Salary and allowance	<b>1382670.00</b>	1188610.00
2	Ex-gratia	<b>5590.00</b>	7440.00
3	Medical Expenses	<b>3084.00</b>	9392.00
4	Traveling Expenses	<b>1409288.00</b>	714258.00
	<b>OTHER DIRECTORS:</b>		
1	Sitting fees	<b>18500.00</b>	15500.00
2	Traveling Expenses	<b>279478.00</b>	181918.00

17. The details of the Pension and leave salary contribution in respect of Managing Director and other Directors / Officers remitted to Accountant General (Accounts of Entitlement) Bangalore is as noted below:

Sl. No.	Particulars	Amount in Rs.	Designation of the Officer to whom the contribution pertains.
1	Pension Contribution	Nil	Managing Director & Directors
2	Leave Salary Contribution		Managing Director & Directors
	Total		

18. The Company has received total subsidy of Rs.1575.20 crores from GOK during the year which includes Rs.1316.12 crores towards subsidy for free power supply to IP sets and Rs.56.16 crores towards BJ/KJ subsidy and Rs.202.92 crores towards Tariff Subsidy for FY-10.

19. The Other Assets amongst others comprises RE Subsidy / Grant receivable from GoK



towards RE Loss of an amount of Rs.341.99 Crs for the period 2002-03 to 2004-05. The Company has been pursuing for recovery of the same. As the amount represents receivable from the Government of Karnataka no provision for the same has been made.

20. The title deeds of the immovable properties transferred by KPTCL to HESCOM have been obtained.
21. Consequent to unbundling of transmission and distribution activities and formation of Electricity Distribution Companies, KPTCL has transferred certain loans to the Company, as a part of transfer of assets and liabilities. The specific details of the loans, scheme-wise and institution-wise with its terms and conditions are yet to be received from KPTCL. In the absence of these details, the interest payment as intimated by KPTCL has been reflected in the books of accounts. Loan transferred by the GOK institution wise have been accounted.

Consequent to transfer of Loan from KPTCL, the components of Interest, guarantee commission and principal amount payable to financial institutions in respect of the said loans during the years 2010-11 & 2009-10 has been made by KPTCL on behalf of the Company. The details of which are as here under:

Particulars	2010-11 (Rs. In Crores)	2009-10 (Rs. In Crores)
Interest	14.79	28.95
Guarantee Commission	0.03	0.13
Principal repayment	30.79	43.19

The above amounts have been recorded in the books of accounts and adjusted through KPTCL accounts.

22. Interest on borrowed funds amounting to Rs.1.25 crores utilized during construction period is capitalized during the year.
23. Dues to MSME (SSI) units outstanding for more than six months are reported to be NIL.
24. Material accounting is at standard cost basis. All variation accounted for through the material variance account resulting in credit value is transferred to Material Cost Variance Reserve Account, in order to set off against the future debits if any. The material cost variance for FY 10-11 has resulted in debit balance of Rs.0.53 Crores and the same is transferred to Material Cost Variance Reserve Account.



25. Sundry Debtors for sale of power includes Rs.595.38 lakhs pertaining to disputes raised by consumers and which are pending before various authorities and courts, as detailed below:

Sl. No	Name of Appellate Authority	Number of Cases	Amount ( in lakhs )
1	Corporate Office, GESCOM.	13	42.98
2	Chief Engineer (Ele), GESCOM.	7	13.11
3	Superintending Engineer (Ele), O&M Circles, GESCOM.	178	93.69
4	Zilla Vidyuth Adalat, Karwar	1	0.15
5	Courts	84	439.68
6	National Consumer Disputes Redressal Commission (NCDRC), Delhi	1	3.94
7	Karnataka Electricity Regulatory Commission	1	1.83
	<b>Total</b>	<b>285</b>	<b>595.38</b>

26. The Company's borrowings include Secured loan of Rs.1326.54 Crores and Un-secured loan of Rs.210.89 Crores as at the end of the year 2010-11. The amount of Rs.210.89 Crores outstanding borrowings as on 31.03.2011 is treated as unsecured, since the entire amount is drawn by KPTCL and transferred to HESCOM through transfer documents and The specific details of the loans, scheme-wise and institution-wise with its terms and conditions are yet to be received from KPTCL.
27. The previous figures are regrouped and recast wherever required to make them comparable with current year figures.
28. The debit balance appearing against Account Code 44.141 (FBF) under Schedule 12 is subject to reconciliation.
29. The Power Purchase cost is net off of Import and Export and Incentives. The actual interest on belated power purchase payments as per Power Purchase agreement is included in the Interest and Other Charges (Sch.21).
30. Bad and doubtful debts are being made on the actual amount of arrears considered as bad & doubtful on case-to-case basis. During the financial year 2010-11 provision towards Bad and Doubtful debts is Rs.96.68 crores which is inclusive of additional bad and doubtful debts provision of Rs.59.15 crores transferred by KPTCL at the time of bifurcation of KPTCL into ESCOMs i.e., as on 1-6-2002.



31. The Company has regarded the following as **Contingent Liabilities** as on Balance Sheet date:

SI No.	Particulars	Amount (Rs. In Crs)
1	Additional fixed cost paid by the KPTCL for supply of power by Thannir Bhavi Power Corporation Limited (TBPCL)	127.25
2	The Claim of Interest on belated payments by Independent Private Power Producers (IPPs) which is not yet accepted by the Company as its liability.	26.22
3	Interest on belated payments pertaining to erstwhile VVNL, as there was no PPA with VVNL.	2.25
4	KPTCL intimated (July 2009) to HESCOM to raise the loan liability to the extent of Rs.20.45 crore being the HESCOM portion of APDRP-REC loan releases of Rs.39.28 crore. The Company has disputed the same as the periodicity of the liability is not tenable with the G.O.	20.45
5	Interest on delayed payment of Electricity Tax to Government.	6.66
6	Being the surcharge claim of M/s NLC Ltd., for the period prior to 2008-09 not accepted by the Company for want of confirmation from PCKL.	15.38

32. Sundry creditors for Purchase of Power-KPTCL includes Rs. 30.06 Crores towards difference in transmission charges of 26.23 paise per unit billed by KPTCL during 2006-07 and transmission charges of 19.42 paise to be charged as per KERC order, which was contested by KPTCL before Appellate Tribunal for Electricity (ATE). The KPTCL has appealed before the Hon'ble Supreme Court against the orders of the ATE which is pending as on the date. Transmission charges have been accounted at 19.42 paise per unit up to 30.11.2009 and at Rs.102,427/- per M.W. of installed capacity from 01.12.2009 to 31.12.2010 and Rs.95646/- per M.W. of installed capacity from 01.01.2011 to 31.03.2011.

33. The KPTCL in their circular letter No. FA(A&R)/C(AP&A)/DC(A&C)/AAO-I/CYS-104/ Dtd.15.3.2007 have requested to account an amount of Rs.127.25 Crores towards the Additional fixed cost paid by the KPTCL for supply of power by Thannir Bhavi Power Corporation Limited (TBPCL) as Regulatory Assets and Liabilities in the books of accounts. The amount is to be passed on to the consumers through the Tariff approval from the KERC and the amount collected from the consumers be passed on to KPTCL.



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The Hon'ble KERC has not yet approved this. In view of this, the Company has treated this as contingent and thus not recognized the Regulatory Assets and Liabilities of Rs.127.25 crores in the current year Accounts.

34. Deferred Tax Assets and Liabilities are computed on the timing differences on the Balance Sheet date between the carrying amount of Assets and Liabilities and their respective tax basis. Accordingly, the Company has arrived Deferred Tax Asset as on the date of Balance Sheet and the same has not been recognized in the accounts on reasons of prudent accounting practice.
35. The figures given in Balance Sheet, Profit & Loss Account and Schedules thereto have been rounded off to the nearest rupee.
36. The Energy Balancing under inter ESCOM energy exchange up to 66KV for the period April 2008 to March 2011 is done by State Load Dispatch Centre and same has been Accounted.
37. The Insurance Claim of Rs.45.72 lakhs towards loss of 276 distribution Transformers are pending as on 31.03.2011 before the Insurance Companies.
38. The Company pays Pension Contribution to KPTCL/ ESCOM's. Pension & Gratuity Trust @ 26.13% of the salary and Gratuity contribution @ 2.24% of basic pay and D.A. on monthly basis as intimated by the Trust. As on 31-03-2011, the outstanding liability of Pension & Gratuity Contribution to the Trust isRs.81.83 crores.
39. The KERC has issued orders on the review petition filed by the GoK against KERC Tariff Order 2009-10 dated 25.11.2009 for the Additional RE Subsidy receivable from GOK for FY-08 & FY-09 amounting to Rs.1224.44 crs and the same has been confirmed by the Hon'ble Commission as per its ordered dated 06.01.2011. As per the said orders the GoK has to release the said subsidy amount in 36 months instead of 12 months as ordered earlier. The same is not provided in the books of accounts as the subsidy is to be accounted on the basis of receipt of the same.
40. The Company has received Rs. 70.43 crores including adjustments from GOK towards Equity and the same has been accounted under Share Deposit pending issue of Equity Shares to GOK.
41. The Company has filed an appeal before the Commissioner of Income tax (Appeals), Hubli against the Assessment Order for AY-2007-08 of Joint Commissioner of Income



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Tax , Range – 3, Hubli for the tax demand of Rs.2,53,74,071/- on the Miscellaneous recoveries of the Company.

42. The Company has filed an appeal before the Joint Commissioner of Commercial Taxes (Appeals), Hubli against the orders of Assistant Commissioner of Commercial Taxes (Enf-1), Hubli for payment of disputed tax of Rs.9.89 crores for the years 2005-06 to 2009-10.
43. The Company has filed an appeal before the Commissioner of Income tax (Appeals), Hubli against the Assessment Order for AY-2008-09 of Deputy Commissioner of Income Tax , Circle1(1), Hubli for the Income Tax demand of Rs.72,78,730/- on the Miscellaneous recoveries of the Company.
44. The Company has filed an appeal before the Commissioner of Income Tax (Appeals), Hubli against the Assessment Order passed by the Income Tax Officer(TDS), Ward Hubli for AY-2007-08 to 2010-11 for the Tax Demand of Rs.65,18,10,369/- on the non deduction of TDS under section 194J under section 201(1).

Transmission Charges	64,92,42,295.00
SLDC Charges	25,68,074.00
TOTAL	65,18,10,369.00

The Commissioner of Income Tax (Appeals), Hubli has passed the Appeal Orders on 29.07.2011. As per the said Appellate order, the Company's appeal on TDS on transmission charges of Rs.64.92 crs is upheld while the interest on TDS amount of SLDC charges is not allowed for which the Company is preparing to file further appeal before the Appellate Tribunal.

45. The Company has accounted certain transactions pertaining to the period prior to unbundling of the KPTCL which have been accounted as 'Proposed Adjustment to Net Worth' pending approval of the GoK. A sum of Rs.11.54 crs has been accounted under Proposed Adjustment to Net Worth, the proposal for which is under preparation and as such the approval of the same is pending as on the date of closure of the financial statements.
46. The employees/officers who have joined/joining on or after 1.4.2006 are covered under New Defined Contributory Pension Scheme (NDCPS). As per this scheme, the employees/officers have to contribute 10% of the Basic Pay & Dearness Allowance





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with a matching contribution from the Company. The said contribution is being remitted with the KPTCL/ESCOMs P&G Trust for the time being pending appointment of Central Record Keeping Agency & Pension Fund Managers. The contribution and returns thereon shall be deposited in a non-withdrawable Pension Tier-I Account.

The normal exit is at the age of superannuation for Tier-I of the Pension system. At exit, the employee shall be mandatorily required to invest 40% of pension wealth to purchase the annuity. In case of employees, the annuity shall provide for pension for the life time of the employee and his dependent parents & his spouse at the time of retirement. The individual shall receive a lump sum of the remaining pension wealth which he would be free to utilize in any manner. In the case of employees who leave the scheme before attaining the age of superannuation, the mandatory annuitisation shall be 80% of the pension wealth.

47. The Company has accounted Rs.85.64 crs towards Un-billed Revenue on accrual basis as the portion of the March-11 consumption gets billed in the Month of April-11 as per our billing system and the same is included in the current year's revenue from sale of power. The provision for Un-billed Revenue of Rs.64.08 crs towards IP Sets pertaining to previous year i.e., 2009-10 which was included in the current year's revenue is withdrawn and accounted as prior period income.
48. The Company's Accounts approved by the Board on 11-08-2011 and reported upon by the Statutory Auditors on 11.08.2011 have been revised in the light of the observations made by the Comptroller and Auditor General of India during their supplementary audit u/s 619 (4) of the Companies Act, 1956. The said revision has resulted in decrease of Total Income of the Company by Rs.124.06 crs while the total net expenditure including Interest and other charges have increased by Rs.0.88 crs, & the Prior Period credits have increased by Rs.63.85 crs, resulting in an increase in Net Loss by Rs.61.09 crs.

As per our report of even date  
**For Vijay Panchappa & Co.**  
Chartered Accountants

Sd/-  
**(CA. P.M. Mudigoudar)**  
Partner  
M.No.204096

Sd/-  
**(Pankaj Kumar Pandey, IAS)**  
Managing Director

Sd/-  
**(Chikkananjappa)**  
Director (Technical)

Sd/-  
**(R.R.Joshi)**  
Financial Adviser

Place: Hubli  
Date : 20.09.2011



## CASH FLOW STATEMENT FOR THE PERIOD 01-04-2010 TO 31-03-2011

	Rs in Crores	
<b>A. Cash Flow from Operating activities</b>		
Profit before taxation	(64.70)	(64.70)
Add: Adjustments for		
Depreciation	89.49	
Interest & Finance Charges	289.54	
Provision for Leave Encashment & FBF	7.50	
Bonus/Exgratia payable	2.91	
Provision for Retirement Benefits	39.42	
Deferred tax written off	0.00	
Material cost Variance Credit	(0.53)	428.32
Operating Profit before Working Capital Changes		363.63
Adjustments for		
Trade receivables	(200.93)	
Other Receivables	(91.52)	
Inventories	(0.44)	
Trade/ current payables	414.87	121.98
Net Cash from operating activities		485.59
<b>B. Cash Flow from Investing Activities</b>		
Purchase/ Acquisition of Fixed Assets ( Net of Sales/withdrwal)	(143.49)	
Loans, Deposits & Advances (Non Trade)	(12.52)	
Investments	0.00	
<i>Net Cash used in Investing Activities</i>		(156.00)
<b>C. Cash Flow from Financing Activities</b>		
Proceeds from Borrowings	99.81	
Shares/Share Deposits	70.14	
Repayment of Borrowings	(279.63)	
Deposits and contributions from consumers	63.64	
Grants received towards Capital Expenditure	(21.14)	
Service Line & Security Deposits	27.96	
Interest & Finance Charges	(289.54)	
Preliminary Expenses	0.13	
Net Cash used in Financing Activities		(328.62)
<b>Increase in Cash &amp; Cash Equivalents ( A + B + C)</b>		0.97
<b>Add : Cash and cash equivalents as at the commencement</b>		32.40
<b>Cash and cash equivalents as at the end of the period</b>		33.37

As per our report of even date

For **Vijay Panchappa & Co.**

Chartered Accountants

Sd/-  
**(CA. P.M. Mudigoudar) (Pankaj Kumar Pandey, IAS)**  
Partner

Sd/-  
**(Chikkananjappa)**  
Managing Director

Sd/-  
**(R.R.Joshi)**  
Director (Technical)

Sd/-  
**(R.R.Joshi)**  
Financial Adviser

M.No.204096

Place: Hubli

Date : 20.09.2011



Hubli Electricity Supply Company Limited

128



**BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE  
(PURSUANT TO PART - IV OF SCHEDULE-VI TO THE COMPANIES ACT, 1956)**

**I Registration Details :**

Registration No : 

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 State Code: 

0	8
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Balance Sheet Date 

3	1	0	3	1	1
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**II Capital Raised during the year (Amount in Rs. Thousands)**

Public Issue : Nil Rights Issue : Nil  
 Bonus Issue : Nil Private placement : Nil

**III Position of Mobilisation and Deployment of Funds(Amount in Rs. Thousands)**

Total liabilities :	25399194	Total Assets :	25399194
<b>Source of Funds</b>			
Paid-up Capital :	2333361	Reserves & Surplus :	(68215)
Share Deposit :	4003431		
Secured loans :	13265440	Unsecured loans :	5865177
<b>Application of funds</b>			
Net Fixed Assets :	13986037	Investment :	25100
Net Current Assets :	4150030		
Accumulated losses :	7237857	Misc. Expenditure :	170

**IV Performance of Company ( Amount in Rs. Thousands )**

Turnover :	31200398	Total Expenditure :	31847445
Profit Before Tax :	(647047)	Profit After Tax :	(647047)
Earnings per share in Rs. :(3)		Dividend rate % :	—

**V General Names of Three Principal Products / Services of Company**

Item Code No : —  
 Product Description : Distribution of Power

As per our report of even date  
**For Vijay Panchappa & Co.**  
 Chartered Accountants

Sd/-  
**(CA. P.M. Mudigoudar)**  
 Partner  
 M.No.204096

Sd/-  
**(Pankaj Kumar Pandey, IAS)**  
 Managing Director

Sd/-  
**(Chikkananjappa)**  
 Director (Technical)

Sd/-  
**(R.R.Joshi)**  
 Financial Adviser

Place: Hubli  
 Date : 20.09.2011





**"Subsidy received from GOK in 2010-11 against the demand for 2010-11 towards power supply to IP set of upto 10HP electrical installations and to BJ/KJ consumers upto 18 units per Kwh per month."**

(Rs. in Crores)

Sl No.	Particulars	No. of Installations			Consumption in MU			"Demand (Principal portion only)"			Subsidy released for 2010-11
		Metered	Un-Metered	Total	Metered	Un-Metered	Total	Metered	Un-Metered	Total	
1	Power supply to IP sets of upto 10 HP	151688	351780	503468	120.08	3489.46	3609.54	47.98	1317.71	1365.69	1316.14
2	Power supply to BJ/KJ upto 18 units per month per installation	627571	124795	752366	113.34	36.80	150.14	49.38	12.76	62.14	56.16
3	<b>Total</b>	779259	476575	1255834	233.42	3526.26	3759.68	97.36	1330.47	1427.83	1372.30

**Statement showing the details of Subsidy released in 2010-11**

ESCOMs	Subsidy released for FY 2010-11	Balance Subsidy for 2009-10 as per KERC orders released in 2010-11	GPs' Electrical arrears of 31.03.2004 released in 2010-11	Grand Total
HESCOM	1372.30	202.92	12.34	1587.56
<b>TOTAL</b>	<b>1372.30</b>	<b>202.92</b>	<b>12.34</b>	<b>1587.56</b>

**AVERAGE REALIZATION RATE FROM SALE OF POWER**

Account Head LT Category	Tariff	A/c Code		No of Consumers	Units Sold		Revenue Demand	Tariff Subsidy	Total Revenue	Average Realisation Rate per Unit without Subsidy 11=(8/6)*100	Average Realisation Rate per Unit with Subsidy 12=(10/6)*100	Closing Balance
		Demand Series	Closing Balance Series		Units	% of Units Sold						
1	2	3	4	5	6	7	8	9	10	11	12	13
Bhagya Jyoti & Kullir Jyoti	LT-1	61.101/61.300	23.101	7,52,366	15,01,43,100	2.25	17,91,51,778.00	56,16,00,000.00	74,07,51,778.00	119.32	493.36	49,10,62,266.00
Lighting and AEH	LT-2 a&b	61.102, 61.103, 61.104, 61.113 & 61.114	23.102, 23.103, 23.104, 23.113 & 23.114	19,13,737	96,88,88,844	14.51	3,19,08,61,378.00		3,19,08,61,378.00	329.33	329.33	50,94,41,708.00
Commercial Lighting	LT-3	61.116 & 61.117	23.116 & 23.117	2,54,634	28,08,98,932	4.21	1,94,47,18,755.00		1,94,47,18,755.00	692.32	692.32	3,61,47,199.00
IP-Sets (10 HP & below)	LT-4 a	61.122/ 61.301	23.122	5,03,468	3,60,95,43,831	54.04	13,82,04,78,114.00	2,02,92,00,000.00	15,84,96,78,114.00	382.89	439.10	63,14,33,8071.00
IP-Sets (above 10 HP)	LT-4 b	61.121	23.121	473	29,89,304	0.04	1,03,73,294.00		1,03,73,294.00	347.01	347.01	3,23,73,797.00
Private Horticultural	LT-4 c	61.127/61.128	23.127, 23.128	64	1,82,579	0.00	2,82,236.00		2,82,236.00	154.58	154.58	8,29,079.00
LT Industrial	LT-5	61.129 to 61.133	23.129 to 23.133	76,511	28,28,49,035	4.23	1,36,54,41,742.00		1,36,54,41,742.00	482.75	482.75	14,18,93,289.00
Water supply/ Public street lights	LT-6	61.144	23.144	39,119	26,60,60,959	3.98	1,14,52,07,273.00		1,14,52,07,273.00	430.43	430.43	1,91,31,49,140.00
Temporary power supply	LT-7	61.145	23.145	16,796	1,50,48,551	0.23	20,59,02,383.00		20,59,02,383.00	1,368.25	1,368.25	(5,24,80,948.00)
<b>TOTAL - LT</b>				<b>35,57,168.00</b>	<b>5,57,66,05,136</b>	<b>83.49</b>	<b>21,86,24,16,953.00</b>	<b>2,59,08,00,000.00</b>	<b>24,45,32,16,953.00</b>	<b>392.04</b>	<b>438.50</b>	<b>9,38,67,53,603.00</b>





**AVERAGE REALIZATION RATE FROM SALE OF POWER**

Account Head LT Category	Tariff	A/c Code		No of Consumers	Units Sold		Revenue Demand	Tariff Subsidy	Total Revenue	Average Realisation Rate per Unit without Subsidy 11=(8/6)*100	Average Realisation Rate per Unit with Subsidy 12=(10/6)*100	Closing Balance
		Demand Series	Closing Balance Series		Units	% of Units Sold						
1	2	3	4	5	6	7	8	9	10	11	12	13
Water Supply	HT-1	61.250	23.250	152	14,65,18,538	2.19	61,05,18,073.00		61,05,18,073.00	416.68	416.68	19,64,32,447.00
HT Industrial	HT-2a	61.255	23.255	821	76,54,54,777	11.46	4,14,17,45,222.00		4,14,17,45,222.00	541.08	541.08	19,08,43,960.00
Commercial installation	HT-2b	61.256	23.256	390	8,91,45,764	1.33	60,03,75,721.00		60,03,75,721.00	673.48	673.48	3,43,58,583.00
Lift irrigation societies	HT-3a	61.262,61.263 & 61.265	23.262, 23.263 & 23.265	113	8,20,82,057	1.23	12,77,01,515.00		12,77,01,515.00	155.58	155.58	71,70,6022.00
Private Horticultural	HT-3b	61.264	23.264			0.00			0.00	0.00	0.00	0.00
Residen. Apartments - Hubli / Dhanwad Munciple corporation	HT-4a	61.272	23.272	6	21,56,480	0.03	96,08,929.00		96,08,929.00	445.58	445.58	1,94,565.00
Residen. Apartments - U L B's other than HT-4(a)	HT-4b	61.273	23.273	46	1,76,08,736	0.26	4,23,23,294.00		4,23,23,294.00	240.36	240.36	28,17,014.00
<b>TOTAL - HT</b>				<b>1528</b>	<b>1,10,29,65,752</b>	<b>16.51</b>	<b>5,53,22,72,754.00</b>	<b>0.00</b>	<b>5,53,22,72,754.00</b>	<b>501.58</b>	<b>501.58</b>	<b>49,63,52,591.00</b>
<b>TOTAL (LT+HT)</b>				<b>3558696</b>	<b>6,67,95,70,887</b>	<b>100.00</b>	<b>27,39,46,89,707.00</b>	<b>2,59,08,00,000.00</b>	<b>29,98,54,89,707.00</b>	<b>410.13</b>	<b>448.91</b>	<b>9,88,31,06,194.00</b>

**AVERAGE REALIZATION RATE FROM SALE OF POWER**

Account Head LT Category	Tariff	A/c Code		No of Consumers	Units Sold		Revenue Demand	Tariff Subsidy	Total Revenue	Average Realisation Rate per Unit without Subsidy	Average Realisation Rate per Unit with Subsidy	Closing Balance
		Demand Series	Closing Balance Series		Units	% of Units Sold						
1	2	3	4	5	6	7	8	9	10	11= $(8/6)*100$	12= $(10/6)*100$	13
Electricity Tax LT+HT			23.301, 23.302						0.00			17,62,36,640.00
BRP-II Arrears recovered from Revenue from sale of power		61.152							0.00			
Wheeling charges recoveries		61.800							0.00			
Miscellaneous Receipts from consumers		61.900	23.700				1,33,37,61,523.00		1,33,37,61,523.00			4,81,79,07,896.00
Provision for UBR			23.400						0.00			1,79,20,73,730
Less: Withdrawal of Revenue Demand		83.830	23.800				(28,66,03,803.00)		(28,66,03,803.00)			(4,68,87,017.00)
Provision for Doubtful dues			23.900						0.00			(96,67,97,010.00)
Solar Rebate allowed to consumers		78.822					(71,43,549.00)		(71,43,549.00)			
Incentive for prompt payment		78.823					(15,33,719.00)		(15,33,719.00)			
Time of day (TOD) Tariff Incentive		78.826					(23,22,593.00)		(23,22,593.00)			
<b>GRAND TOTAL</b>				<b>35,58,696</b>	<b>6,67,95,70,887</b>	<b>100</b>	<b>28,43,08,47,566.00</b>	<b>2,59,08,00,000.00</b>	<b>31,02,16,47,566.00</b>	<b>410.13</b>	<b>448.91</b>	<b>15,65,56,40,433.00</b>

