

7ನೇ ವಾರ್ಷಿಕ ವರದಿ
th Annual Report



2008-09

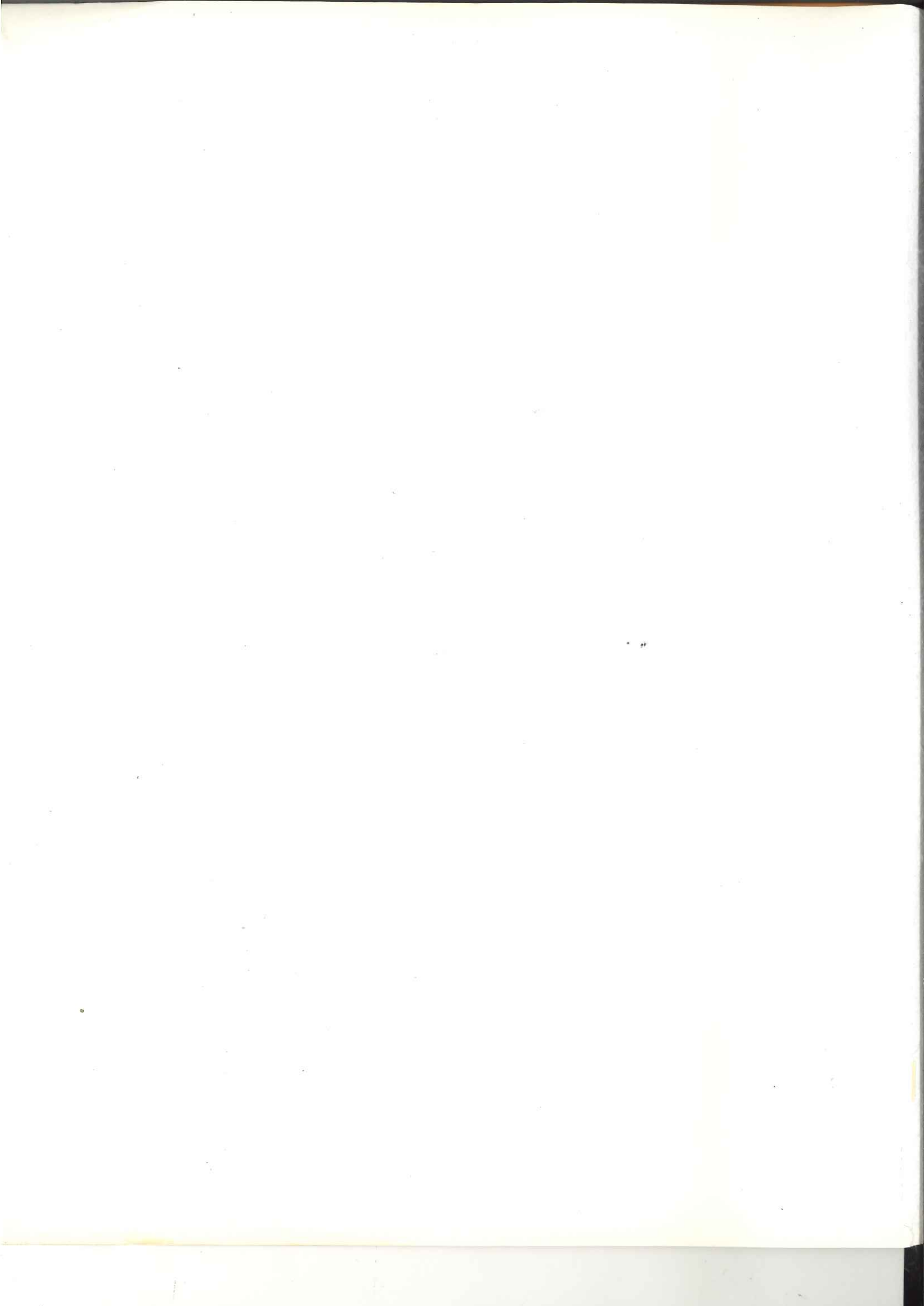


ಬೆಂಗಳೂರು ವಿದ್ಯುತ್ ಸರಬರಾಜು ಕಂಪನಿ ನಿಯಮಿತ
(ಕರ್ನಾಟಕ ಸರ್ಕಾರದ ಸ್ವಾಮ್ಯಕ್ಕೆ ಒಳಪಟ್ಟಿದೆ)

Bangalore Electricity Supply Company Limited

(Wholly owned Government of Karnataka Undertaking)

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7th Annual Report
2008 - 2009

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BESCOM

**Bangalore Electricity Supply
Company Limited**

7th Annual Report 2008-09





Table of Contents

1. Directors' Report.....	3
2. Comments of C & AG of India	35
3. Auditors' Report and Replies	36
4. Balance Sheet	50
5. Profit & Loss Account	51
6. Schedules.....	52

Directors' Report

Dear Members,

The Board of Directors have great pleasure in presenting the Seventh Annual Report on the business and operations of the Company along with the Audited Statement of Accounts for the year ended March 31st 2009.

Bangalore Electricity Supply Company was incorporated on 30th April 2002 under the Companies Act, 1956 and commenced its operations with effect from 1st June 2002.

The Company has successfully completed the seventh year in the distribution of electricity. The Company having its headquarters at Bangalore city and with its jurisdiction comprising the districts of Bangalore Urban, Bangalore Rural, Kolar, Ramanagara, Chikkaballapura, Tumkur, Davanagere and Chitradurga.

The year 2008-09 was a rigorous and challenging one. The Company has set its agenda on Revenue Improvement measures in tune with the policy objectives of the Government of Karnataka to bring efficiency in the power sector, especially in the field of Distribution of electricity and providing better service to the customer.

BESCOM continued its pursuit of higher goals in the direction of increased Meter Sales, increased Collection, meaningful Energy Audit at 11 KV and below, increased Customer Care activities using Information Technology, Adopting Modern Technical Modes by reducing human intervention etc. All these have been ably supported by the employees and officers and the result is reflected in present improved position of the Company.

BESCOM aspires to be number one among the distribution companies in the country in the coming months. The progress of the Company on different counts is enumerated hereunder.

I. STRATEGY AND VISION OF THE COMPANY

The vision of BESCOM is to be the best Electricity Distribution Company in India. In order to achieve this vision, the Company has drawn up a strategy with focus on customer satisfaction, Regulatory compliance, meeting stakeholder expectations etc.

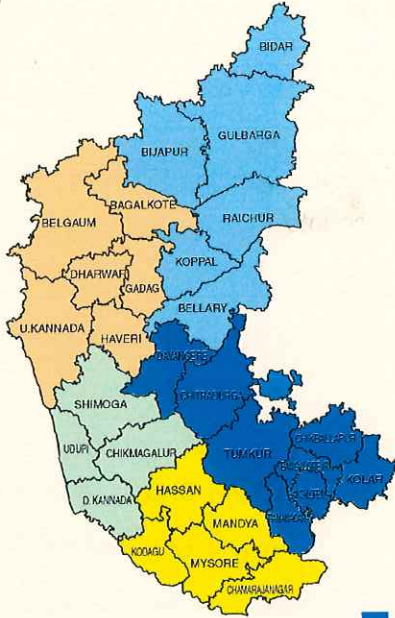
II. MISSION

The Mission of BESCOM is to ensure complete customer satisfaction by providing its customers reliable and quality power supply at competitive rates.

Following are some of the highlights:

III. PERSPECTIVE :

BESCOM covers a contiguous area of 41,092 Sq.Kms with a population of 168 lakhs and serves more than 70.05 lakhs customers. The total asset is worth Rs.3657.79 Crores as on 31st March 2009.



■ BESCOM Area

Area	41,092 Sq.Kms
District	8
Population	16.8 Million
Consumers	7.01 Million
No of DTCs	1,25,601
HT Line length	65897.65 Ckt.Kms
LT line length	1,41,951.22 Ckt.Kms
Employee Strength	
Sanctioned	16,819
Working	10,265
Total Assets	Rs. 3657.79 Crores

a) Consumer Population

Consumer population served by BESCOM is steadily increasing and recorded an increase of 7.20% in FY-09 over previous year. The number of consumers existing as on 31-03-09 stands at 7,005,097. Category wise consumers are furnished below.

Sl. No.	Category	As on 31-03-2008	As on 31-03-2009	% of Increase
1	Bhagya Jyothi	6,02,697	6,75,553	12.08
2	Domestic Lighting and AEH	44,83,613	47,80,229	6.62
3	Commercial Lighting	5,77,533	6,23,207	7.91
4	LT Power	1,27,888	1,35,609	6.04
5	HT Power	5,914	6,654	12.51
6	Irrigation Pump sets	6,16,733	6,34,169	2.83
7	Street Light & Others	67,748	75,399	11.29
8	Temporary Power	52,421	74,277	41.69
TOTAL		65,34,547	70,05,097	7.20

b) Category wise number of consumers as on 31-03-08

CATE-GORY	LT1	LT2	LT3	LT4	LT5	LT6	LT7	HT1	HT2A	HT2B	HT3A & 3B	HT4	Total
NO. OF CONSUMERS	602697	4483613	577533	616733	127888	67748	52421	97	3047	2600	19	151	6534547
% OF TOTAL	9.22%	68.61%	8.84%	9.44%	1.96%	1.04%	0.80%	(	0.09%	)			100%

c) Category wise number of consumers as on 31-03-09

CATE-GORY	LT1	LT2	LT3	LT4	LT5	LT6	LT7	HT1	HT2A	HT2B	HT3A & 3B	HT4	Total
NO. OF CONSUMERS	675553	4780229	623207	634169	135609	75399	4277	104	3415	2964	19	152	7005097
% OF TOTAL	9.64 %	68.24%	8.90%	9.05%	1.94%	1.08%	1.06%	(	0.09%	)			100%

IV. FINANCIAL :

The financial performance of BESCOM is as follows :

SI. No.	Particulars	For FY 2007-08 Amount (in Crores)	For FY 2008-09 Amount (in Crores)
I	INCOME		
1	Revenue from sale of power	5,806.69	6,190.32
2	Other Income	109.79	146.39
	TOTAL	5,916.48	6,336.71
II	EXPENDITURE		
1	Purchase of Power	4,939.99	6,087.05
2	Repairs and Maintenance	43.45	37.07
3	Employee Costs	347.02	339.91
4	Administrative and Other Expenses	67.81	60.90
5	Other Charges (Debits)	230.44	281.40
	TOTAL	5,628.72	6,806.33
III	Profit before Depreciation and Interest	287.76	(469.62)
	Depreciation (Net)	48.07	64.25
IV	Profit before Interest and Taxes	239.69	(533.87)
	Interest and other Charges	172.08	123.17
V	Profit before prior period charges or credits	67.62	(657.04)
	Prior period charges (+) or credits (-)	(52.68)	69.67
VI	Profit before Reserve & Taxation	14.93	(587.36)
VII	Profit before Taxation	14.93	(587.36)
	Provision for Taxation	2.36	0.88
VIII	Profit after Taxation	12.57	(588.24)

V DEMAND SIDE MANAGEMENT :

- a) KPTCL is supplying energy to BESCOM through following Transmission Network & Electrical Substations.

Voltage class of stations	No. of Substations
400 Kv	3
220 Kv	32
110 Kv	22
66 Kv	311
Total	368

b) Power Purchase :-

BESCOM is purchasing power from power generators as per Government of Karnataka order No EN 131PSR 2003 dated 10.5.05 w.e.f 10.6.2005. The purchase of power from various sources such as Hydel, Thermal, Diesel, Biomass, Co-generation, Wind etc. is recognized by Government of Karnataka Notifications issued on 6.7.2005, 31.8.2005, 7.10.2005, 28.12.2005, 22.4.2006 and 15.2.2008.

The capacity of various sources allocated to BESCOM for 2008-09 is as furnished below.

Source	Capacity in MW
Hydel	1401.82
Thermal	1660.03
Diesel and Major IPPs	376.47
Atomic	72.41
Non-Conventional Projects	828.44
Total	4339.17

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

Sl. No.	Source	Share of allocation	Avg. Power Purchase Cost in Paise /kwh
1.	KPCL Hydel:		
a.	Sharavathy	35.671%	58.03
	Other stations	45.9492%	
b.	KPCL Thermal:		
	RTPS 1 to 2	45.95%	214.49
	RTPS 3	68.46%	237.02
	RTPS 4	92.12%	344.47
	RTPS 5 & 6	49.01%	319.50
	RTPS 7	45.9492%	294.50
c.	KPC Hydel (VVNL)	45.9492%	92.32
d.	KPC Diesel plant (VVNL)	100%	814.41

2.	Central Generating Stations:		
(a)	NTPC	45.9492%	192.32
(b)	NLC	45.9492%	213.32
(c)	Atomic Projects		
	Kaiga and Maps	45.9492%	265.22
3.	Major IPPs		
(a)	GMR	81.5768%	1357.06
(b)	Tata Company	81.5768%	671.11
(c)	Rayalseema	81.5768%	854.31
4.	NCE (Minor IPP) Projects		
(a)	Co-Generation	Based on Geographical area.	533.58
(b)	Biomass	Based on Geographical area.	454.94
(c)	Mini Hydel	Based on Geographical area.	301.32
(d)	Wind	Based on Geographical area.	346.86
5.	Bilateral (UI)	45.9492%	708.78

The tariff of conventional projects consists of two parts 1) Fixed cost and 2) variable cost.

The fixed cost consists of interest on repayment of loan, depreciation, return on equity, interest on working capital, operation and maintenance expenses, minimum alternate tax etc.,

The variable cost consists of fuel charges calculated by considering the factors like station heat rate.

Calorific value, price of the fuel etc.,

The tariff of non-conventional projects is as in Power purchase agreements approved either by KERC or Government orders or MNES guidelines.

d) **Transmission Charges:**

BESCOM is making payment of transmission Charges to KPTCL and PGCIL. The transmission Charges being paid to KPTCL is provisionally at 19.42 P/kwh and average transmission charges paid to KPTCL is at Rs 31.84 Crores per month. The transmission charges is paid for energy drawn at IF points. The IF points are EHT consumers, 11KV banks, feeders etc. The transmission charges being paid to PGCIL is as per CERC approved rates. The average monthly transmission charges being paid to PGCIL is Rs 6.37 Crores.

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

Total Energy purchased in MUs	Total Energy drawn at IF points in MU	Power Purchase cost	Average Power Purchase Cost in Rs/unit	
			At Gen. Point	At I.P IF.
20439.88	19566.47	6087.05	2.98	3.11

- e) The details of source wise energy purchased at generating point, energy drawn at IF points, cost paid and comparison of energy and cost with that of previous year are brought in Annexure1, 2 and 3.

Annexure-1

Statement showing the details of source-wise Power Purchase cost during 2007-08 & 2008-09

Sl. No.	Power Purchase	CONSUMPTION IN MUS For FY 2007-08	AMOUNT IN CRORES For FY 2007-08	CONSUMPTION IN MUS For FY 2008-09	AMOUNT IN CRORES For FY 2008-09
1	Hydel Power	6395.82	522.95	5761.08	498.98
2	Thermal Power	8798.53	2065.24	9048.89	2499.08
3	Lignite Power	1269.61	279.30	1108.91	251.68
4	Atomic Energy	327.95	103.46	343.68	109.54
5	Conventional Energy	662.40	917.04	574.79	525.07
6	Non-Conventional Energy	457.30	184.89	305.55	171.32
7	Wind Mill Energy	1292.72	496.47	1442.08	545.79
8	Diesel Generating	206.41	175.95	435.84	387.71
9	UI CHARGES	384.68	174.38	695.23	538.26
10	Bi-lateral purchases	39.03	20.31	723.84	559.62
GRAND TOTAL		19834.44	4939.99	20439.88	6087.05

Annexure-2

Month	ENERGY IN MU'S AT GENERATION POINT	ENERGY IN MU'S AT INTERFACE POINT	COST OF POWER PURCHASED IN CRS.	POWER PURCHASE COST IN RS./UNIT	REBATE IN CRORES
Apr-08	1736.03	1738.35	444.39	2.56	4.13
May-08	1780.91	1753.04	472.44	2.65	4.13
Jun-08	1622.89	1602.10	430.48	2.65	4.13
Jul-08	1682.51	1558.46	478.54	2.84	2.59
Aug-08	1583.37	1461.42	445.82	2.82	3.28
Sep-08	1546.27	1477.13	447.33	2.89	2.74
Oct-08	1528.26	1472.07	425.58	2.78	2.63
Nov-08	1525.78	1482.47	502.07	3.29	3.42
Dec-08	1666.36	1702.11	554.18	3.33	4.67
Jan-09	1815.71	1816.52	562.35	3.10	4.02
Feb-09	1657.54	1675.93	518.29	3.13	4.10
Mar-09	2294.25	1826.87	805.58	3.52	4.23
TOTAL	20439.88	19566.47	6087.05	2.98	44.07

Annexure-3

STATEMENT SHOWING THE DETAILS OF POWER PURCHASE COST DURING 2008-09

Company Name	Energy in MUs	Cost of Power Purchased in Crores	Power Purchase Cost in Rs./Unit	Rebate in Crores
CGS	4517.34	875.58	1.94	18.06
U.I CHARGES	695.23	492.77	7.09	
LANCO-Open Access	0.00	1.67		
PTCIL-OPEN ACCESS	106.83	85.42	8.00	1.34
KALYANI POWER CO. LTD	3.09	0.28	0.90	
GMR	449.58	306.15	6.81	6.20
Indian Power Exchange	21.79	16.14	7.41	
JSW-Open Access	132.48	95.73	7.23	1.91
GUVNL	7.61	4.99	6.55	0.10
NTPC-VVNL	0.97	0.72	7.43	
Tata-Open Access	1.49	1.24	8.32	0.02
KPCL-HYDEL	4957.27	287.67	0.58	
KPCL-THERMAL	6002.97	1745.91	2.91	
KPCL-WIND	13.50	4.15	3.07	
KPCL-VVNL-HYDEL	336.23	31.04	0.92	
KPCL-VVNL-DG	435.84	354.95	8.14	
MAJOR-IPPs	574.79	480.70	8.36	14.09
CO-GENERATION	226.67	120.95	5.34	
BIO-MASS	78.88	35.89	4.55	
MINI-HYDEL	448.74	135.22	3.01	
WIND	1428.58	495.52	3.47	
TOTAL	20439.88	5572.69	2.73	41.72
PGCIL TR.CHARGES		81.62		2.35
KPTCL TR.CHARGES		416.18		
SPPCC REV.EXP		0.42		
SPPCC ADMN.EXP		0.00		
SLDC O&M EXP		3.06		
Cost of Unbilled Banked Energy		2.54		
ENERGY BALANCING -GESCOM		0.00		
ENERGY BALANCING -MESCOM		0.00		
INTER ESCOM-GESCOM		0.83		
INTER ESCOM-MESCOM		0.00		
INTER ESCOM-HESCOM		9.71		
INTER ESCOM-CESCO				
TOTAL	0.00	514.36		2.35
GRAND TOTAL	20439.88	6087.05	2.98	44.07

Note : As per A/cs Rebate availed is Rs. 55.19 crores . Difference of Rs. 11.12 crores pertains to rebate of NLC pertaining to prior period.

For prompt and early payments, BESCOM has availed rebate of Rs 44.07 Crores as per rebate clause in PPA, as per CERC orders and as per special rebate scheme of NTPC for the year 2008-09 from Major IPPS, Central Generating Stations, short term open access suppliers and PGCIL. The details of rebate availed is brought in Annexure 4

Annexure-4

STATEMENT SHOWING THE DETAILS OF REBATE AVAILED DURING THE YEAR 2008-09

SOURCE	Apr 08	May 08	June 08	July 08	Aug 08	Sept. 08	Oct 08	Nov 08	Dec 08	Jan 09	Feb 09	Mar 09	Total
NTPC-RSTPS	0.39	0.38	0.56	0.57	0.48	0.45	0.44	0.44	0.42	0.56	0.45	0.59	5.73
NTPC-TALCHER	0.43	0.21	0.30	0.30	0.24	0.28	0.31	0.33	0.33	0.54	0.48	0.42	4.18
NTPC-STAGE-III	0.13	0.12	0.13	0.09	0.12	0.15	0.15	0.14	0.20	0.21	0.20	0.13	1.77
NLC-TPS	0.20	0.24	0.14	0.22	0.19	0.19	0.22	0.17	0.16	0.28	0.44	0.41	2.86
NLC-EXPANSION	0.13	0.13	0.11	0.14	0.14	0.12	0.10	0.10	0.09	0.13	0.00	0.00	1.20
MAPS	0.02	0.01	0.02	0.02	0.00	0.02	0.02	0.02	0.01	0.01	0.01	0.03	0.19
KAIGA	0.11	0.26	0.17	0.29	0.25	0.11	0.15	0.19	0.22	0.16	0.15	0.07	2.13
RAYALSEEMA	0.18	0.19	0.16	0.13	0.34	0.16	0.13	0.25	0.18	0.15	0.15	0.18	2.18
GMR	1.90	1.89	1.84	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5.64
TATA	0.45	0.52	0.53	0.43	0.76	0.57	0.93	0.43	0.58	0.32	0.34	0.42	6.27
PGCIL	0.19	0.19	0.18	0.18	0.18	0.25	0.18	0.18	0.19	0.19	0.23	0.20	2.35
PTCIL-Open access				0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.56	0.78	1.34
M/s JSW				0.20	0.58	0.44	0.00	0.00	0.00	0.00	0.40	0.29	1.91
M/s Tata-OA				0.02	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.02
GMR OA				0.00	0.00	0.00	0.00	1.17	2.28	1.45	0.68	0.62	6.20
GUVNL				0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.10	0.10
TOTAL	4.13	4.14	4.14	2.59	3.28	2.74	2.63	3.42	4.67	4.02	4.10	4.23	44.07

BESCOM has drawn 695.23 MU under UI mechanism and paid Rs 492.77 Crores.

- f) Due to failure of monsoons and to meet the acute shortage of power during November 08 to March 09, BESCOM has drawn high cost power to the extent of 1559.79 mus from the various short term suppliers such as M/S GMR energy trading ltd, M/S JSW, M/S PTCIL, GUVVNL, Indian Energy Exchange, NTPC VVNL, co-generation and biomass plants.

Sl No	Name of the IPP (M/s.)		Installed Capacity	Voltage (KV)	Date of signing	KERC Approval Letter NO. and date	Date of commission	NCE
8	Accion Wind Energy Pvt. Ltd.	150	13.2	66	17.03.08	S/03/0/4235 dated 21.04.08	06.06.08	Wind Mill
9	Indo Wind Energy Ltd. Phase-I	153	10.5	66	02.04.08	S/03/3/4347 dated 09.05.08	28.03.08	Wind Mill
10	Indo Wind Energy Ltd. Phase-II	154	7.5	66	02.04.08	S/03/3/4347 dated 09.05.08	28.03.08	Wind Mill
11	VS Lad and Sons	156	3	66	02.04.08	S/03/3/4347 dated 09.05.08	28.03.08	Wind Mill
12	VSL Mining Co. Pvt. Ltd.	157	1.5	66	02.04.08	S/03/3/4347 dated 09.05.08	28.03.08	Wind Mill
13	Allum Veerabhadrappa	155	1.5	66	03.04.08	S/03/3/4347 dated 09.05.08	28.03.08	Wind Mill
14	BP Energy India Pvt. Ltd.	158	37.95	66	02.05.08	S/03/3/4577 Dated 02.07.08	19.07.08	Wind Mill
15	Accion Wind Energy Pvt. Ltd.	151	16.5	66	02.05.08	S/03/3/4577 Dated 27.08.08	29.09.08	Wind Mill
16	Mangalam Wind Energy Limited	131	10	66	05.06.08	S/03/3/4757 dated 19.08.08		Wind Mill
17	Ramesh Steels	159	1.5	66	18.06.08	S/03/3/4756 dated 19.08.08	20.03.08	Wind Mill
18	Sameer Trading Co.	160	1.5	66	18.06.08	S/03/3/4756 dated 19.08.08	20.03.08	Wind Mill
19	Rita International	161	1.5	66	18.06.08	S/03/3/4756 dated 19.08.08	05.04.2008	Wind Mill
20	Eastman International	162	1.5	66	18.06.08	S/03/3/4756 dated 19.08.08	20.03.08	Wind Mill
21	Gangadhar Narasing Das	163	10.5	66	18.06.08	S/03/3/4756 dated 19.08.08	20.03.08 & 07.05.08	Wind Mill
22	Fairdeal Supplies (P) Ltd	164	3.25	66	06.08.08	S/03/0/4764 dated 20.08.08	03.03.08	Wind Mill
23	Belgaum Wind Farms (P) Ltd	165	24.8	66	06.08.08	S/03/3/4793 dated 27.08.08	07.07.08, 23.08.08	Wind Mill
24	Gujarat Paguthan Energy Corpn.	166	82.4	66	13.08.08	S/03/3/4796 dated 28.08.08		Wind Mill
25	Tata Power Company	167	24.8	66	26.08.08	S/03/0/4992 dated 10.10.08	21.02.09	Wind Mill
26	Tata Power Company	168	25.6	66	26.08.08	S/03/0/4992 dated 10.10.08	30.09.08	Wind Mill
27	Dishaa Supplemental PPA	-	1.2	66	02.12.08	Sent to KERC for approval		Wind Mill
28	Nuziveedu Seeds Limited	149	25.5	66	02.01.09	S/03/3/5488 dated 27.01.09	27.03.09	Wind Mill
29	Shriram EPC Limited	-	1.35	66	20.03.09	Sent to KERC for approval		Wind Mill
Total			315.8					

h) Inter state ABT regime :-

1. Inter State ABT regime is already implemented from 1st January 2003. This has brought grid disciplines and proper monitoring of load flow among various states. The energy charges payable will be on scheduled availability. Energy Charges for U.I (Unscheduled inter change) payable by any state for the energy drawn over and above its schedule is linked to frequency at which the U.I energy is drawn. The present rates of U.I Charges are furnished Annexure-'7'

Annexure- 7
UI RATE WITH EFFECT FROM 01.04.09

Frequency	Rate in paise	Frequency	Rate in paise	Frequency	Rate in paise
49.20	735	49.68	372	50.16	84
49.22	718	49.70	360	50.18	72
49.24	701	49.72	348	50.20	60
49.26	684	49.74	336	50.22	48
49.28	667	49.76	324	50.24	36
49.30	650	49.78	312	50.26	24
49.32	633	49.80	300	50.28	12
49.34	616	49.82	288	50.30	0
49.36	599	49.84	276		
49.38	582	49.86	264		
49.40	565	49.88	252		
49.42	548	49.90	240		
49.44	531	49.92	228		
49.46	514	49.94	216		
49.48	497	49.96	204		
49.50	480	49.98	192		
49.52	468	50.00	180		
49.54	456	50.02	168		
49.56	444	50.04	156		
49.58	432	50.06	144		
49.60	420	50.08	132		
49.62	408	50.10	120		
49.64	396	50.12	108		
49.66	384	50.14	96		

2. Inter state drawl is controlled by SLDC by regulating the generation of the state generating plants subject to availability and merit order dispatch.

i) Intra state ABT regime

1. ABT regime has to be extended to all the ESCOMs for Inter ESCOMs demand. This is called intrastate ABT and is being implemented.
2. ABT in simple terms is the forecasting/scheduling of the load/energy requirements of ESCOMs. Out of the allocations from state generating stations (Merit order wise Power Purchase Plan) in advance and controlling the drawl to match the schedule.
3. ABT complaint meters at 11KV interface points are fixed by KPTCL in 220/110/66KV stations to monitor the loads.
4. The Unscheduled interchanges in intra-state ABT are based on excess/under drawl against the schedule given by BESCOM for each 15 minutes time slot in a day. There are 96 such time slot in a day.
5. Intrastate drawl can be controlled by ESCOMs by way of load shedding only.
6. ABT complaint meters of EHT consumer points have to be provided by BESCOM i.e., in 42 such cases.
7. Intrastate ABT regime is being introduced stage by stage. An exclusive communication between SLDC and BESCOM was established on 18.02.2006 and monitoring unit (P.C.) was also setup to monitor the real time drawl by BESCOM at various 220KV stations and also over drawl/under drawl by BESCOM. With effect from 01.01.2006, generation availability of BESCOM in 96 slots of the next day (Form "B") is down loaded every day from KPTCL Website and the day ahead schedule of BESCOM requirement (Form "C") is being furnished to LDC., Bangalore for 96 times slot in a day.
8. The actual drawls against the schedules are being compared and modifications (if any) are being made in the future schedules to reduce intrastate UI charges to the possible extent.
9. The actual data at 66 KV stations is not available at present. The data will be available only after execution of the "Integrated extended SCADA" system by KPTCL. This work is entrusted by KPTCL to M/s ABB Limited for execution on turn key basis. In the next stage, a full fledged DSOCC (DISTRIBUTION SYSTEM OPERATION AND CONTROL Centre) for BESCOM is to be established. This will help for better monitoring of load flow.
10. Tariff structures for ESCOMs for Intra State ABT have not yet been evolved. CERC order for interstate ABT is to be adopted as per KERC guidelines and SLDC has issued mock bill for March 07 as per KERC guidelines issued to LDC, Bangalore for 96 time slot in a day.
11. The details of peak load of state and BESCOM and energy input for year 2008-09 is furnished in Annexure – '8'.

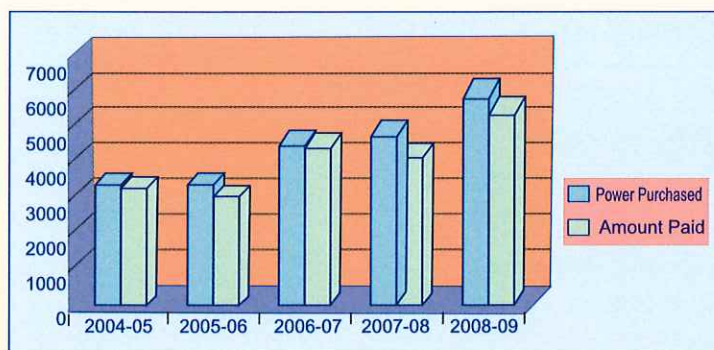
Annexure- 8

STATEMENT SHOWING PEAK LOAD OF STATE AND BESCO AND ENERGY INPUT FOR THE FY 2008-09.

Month	Maximum		Minimum		WHEELED ENERGY (IN MU)	CONSUMPTION AT 11KV IF POINT (IN MU) (including EHT)
	State	Bescom	State	Bescom		
Apr-08	5680	2525	3082	1260	18.10	1810
May-08	5722	2648	2858	1307	13.19	1811
Jun-08	4951	2705	2378	1249	10.19	1644
Jul-08	4941	2733	1990	981	15.41	1600
Aug-08	4717	2583	1945	808	21.08	1522
Sep-08	5389	2643	2014	654	19.78	1527
Oct-08	5267	2466	2577	1281	16.70	1506
Nov-08	5079	2598	1720	1011	13.81	1517
Dec-08	5754	2581	3512	879	17.17	1719
Jan-09	6089	2536	3023	423	19.79	1868
Feb-09	6158	1282	3535	420	16.14	1730
Mar-09	6548	1282	3278	446	17.34	1907
TOTAL					198.70	20160

j) Power Purchase :

During the year FY 09, Power Purchase cost was Rs. 6087.05.Crores and the payment made during the year was Rs. 5592.63 Crores.



VI. ENERGY INPUT:

During FY 09 total energy at Interface point for sales is 19566.47 MU as against 18665.31MU during last year. This does not include wheeled energy, which is transmitted through our network.

Year	Energy Input(MU)	% Increase over previous year	Energy available for sale(MU)	% Increase over previous year	Distribution Loss(%)
FY-05	14654	6.51	11044.63	9.13	24.63
FY-06	15321	4.55	11613.69	5.15	24.20
FY-07	18522	20.89	14126.45	21.64	23.73
FY-08	18665	0.77	14933.57	5.71	19.99
FY-09	19566	4.83	16310.48	9.22	16.64

VII. ERC Filing and Tariff Revision :

BESCOM has filed ERC for the first control period from FY-08 to FY-10 under MYT regulations on 30/11/06.

The Annual Performance Review for FY-08, FY-09 and tariff filing for FY-10 has been filed before the Commission on 30/06/2009. A tariff hike of 51 paise is proposed across all categories of installations.

VIII. METERED CONSUMPTION :

Year	Energy Input (MU)	Consumption by Metered Category	% Increase over previous year
FY-05	14654	7187.10	13.85
FY-06	15321	8307.06	15.58
FY-07	18522	9717.36	16.98
FY-08	18665	11283.82	16.12
FY-09	19566	12205.78	8.07

IX. SALE OF ENERGY :

During FY-09, 16310.48 MUs were sold to various categories of consumers, out of which 12205.78 MUs (Including Inter Escoms) were under metered category and the balance of 4104.70 MUs was accounted under un metered category. The distribution loss for the year is assessed at 16.64 %. This is arrived at by taking into consideration the metered sales from the same months DCB.

a) Metered Energy Sales:

Sl. No.	Category	In Mus
1	Bhagya Jyothi	88.30
2	Domestic Lighting. incl. AEH	3601.82
3	Commercial Lighting	966.01
4	IP set (Metered)	6.83
5	L.T. Power	909.30
6	H.T.	5924.42
7	Water Works / Public Lighting	591.15
8	Temporary installations	106.34
9	Inter ESCOM sales	11.61
TOTAL		12205.78

b) Un-Metered Energy Sales:

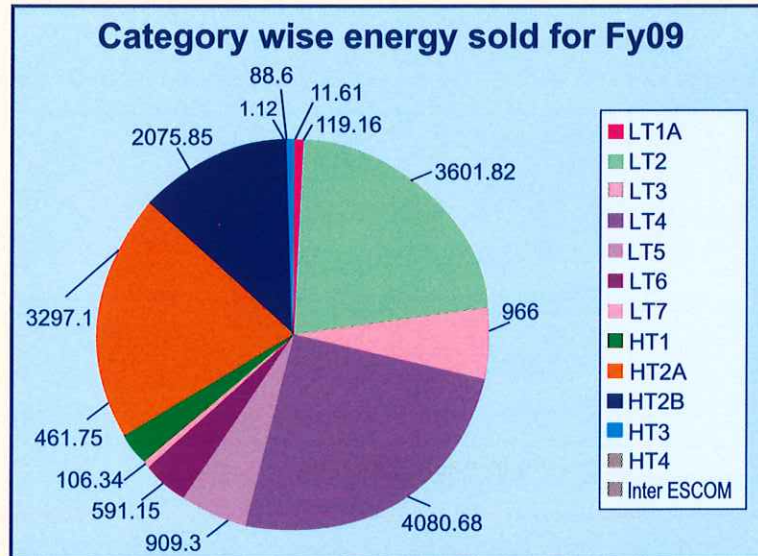
Sl. No.	Category	In MUs
1.	Irrigation Pump Sets	4073.85
2.	BJ/KJ	30.85
TOTAL		4104.70

c) **Category wise energy sold 2008-09**

Tariff	LT1a	LT2	LT3	LT4	LT5	LT6	LT7	HT		TOTAL
Category	BJ	Domestic Lighting & Heating	Commercial	IP Set		Water Works & Street Light	Temp		Inter ESCOM	
Energy Sold in Mus	119.16	3601.82	966.01	4080.68	909.30	591.15	106.34	5924.42	11.61	16310.48

d) **HT Break up:**

HT1	HT2A	HT2B	HT3	HT4	TOTAL
Water Supply	Industrial	Commercial	Lift Irrigation	Residential Apartments	
461.75	3297.10	2075.85	1.12	88.60	5924.42



X. The Capital Expenditure

The Distribution Network has been strengthened by way of addition of new 11 KV lines both link lines and new feeders, new DTCs and conductor replacements.

1. HT line added :2955.79 KMs
2. LT line added:1884.63 KMs

	OH	UG	Added during the year 2008-09	Existing as on 31-03-2009		Total (in KMs)
				OH	UG	
HT line added	2785.64	170.15	2955.79	63305.18	2592.47	65897.65
LT line added	1855.96	28.67	1884.63	141059.22	892.00	141951.22

3. The number of Distribution Transformers added 12856

Capacity	10/15/ 25KVA	50/63 KVA	100KVA	160/200/ 250KVA	300/400/ 500KVA	750KVA	1000/ 1600KVA	Total
During FY-09	7955	1931	2037	770	163	0	0	12856
Cumulative	39871	36212	32196	14299	3006	14	3	125601

4. No. of HB/JC/Thandas/AC Electrified : 126
5. IP sets energized : 4371
BJ/KJ electrified (BPL Household) : 67073
Drinking water supply electrified : 1663
Ganga kalyana electrified : 3605
6. The budget allocation for capital works was : Rs. 822.58 Crores
(Plan - Rs.106.38 Crores and Non-Plan - Rs.716.20 Crores)

XI. Distribution Transformer Failures

BESCOM is emphasizing on more preventive maintenance works of infrastructure and equipment. The result is that the rate of DTC failure has considerably reduced as indicated below.

	No. of DTCs existing	No. of DTCs Failed	% of failure
FY-05	82940	11003	13.27%
FY-06	92024	11744	12.76%
FY-07	104069	9769	9.39%
FY-08	112745	9532	8.45%
FY-09	125601	10955	8.72%

The failure of transformers in Bangalore area is ZERO.

XII "RAPDRP" (Restructured Accelerated Power Development and Reforms Programme) DURING XITH PLAN

The Restructured Accelerated Power Development and Reforms Programme (RAPDRP) is the flagship distribution strengthening programme of Government of India which aims at reducing the overall Aggregate Technical and Commercial (AT&C) losses of distribution companies. The Project area comprises of Towns having population more than 30,000 as per 2001 Census.

The objectives of RAPDRP is :-

1. To reduce AT&C Losses of selected towns to less than 15% over a period of 5 years
2. To reduce overall AT&C losses of ESCOMs to:-
 - Reduce annually by 3% if the existing AT & C Losses are more than 30%
 - Reduce annually by 1.5 % if the existing AT & C Losses are less than 30%

RAPDRP has two parts :-

PART 'A' covers:-

- IT initiatives to convert ESCOMs into modern dynamic entities which uses IT for detection of thefts through auditing ,reduction of operational losses by properly monitoring the assets.
- Customer relationship management through computerization.
- Improvement in Billing efficiency.

PART 'B' Covers:-

- Renovation, modernization and Strengthening of network by reconductoring of 11 KV lines and below, Transformer centers and Sub-stations.

Part –B will only be sanctioned after Part –A. Three Billing cycles to be audited to fix the loss levels before Part-B is considered.

This Government of India programme size is about Rs.50,000 crores out of which part-A is Rs.10,000 crores and part-B is Rs.40,000 Crores.

DPR's of 94 towns across the whole state to be covered under Part-A of RAPDRP.

With this amount, the ESCOMs do the following:-

- 1) Establishing Data Center close to Bangalore for all the ESCOMs including Disaster recovery centers.
- 2) GIS mapping of assets.
- 3) Call Center for attending consumer complaints.
- 4) Automated Meter Reading of distribution Transformer centers and selected consumers Energy meters for energy accounting.
- 5) IT applications for meter reading, billing and collection.

The part-A of the project is required to be completed within 3 years from date of sanctioning of the project and the entire loan along with the interest covering Part-A will be converted into grant once the establishment of required system is achieved.

Part-B is required to be completed within 5 years from the date of project approval.

50% of the 25% loan provided by the Government of India for part-B shall be converted into grant if AT & C loss level of less than 15% on a sustainable basis for 5 years is achieved in the project area.

XIII. EFFICIENCY IMPROVEMENT & CUSTOMER SERVICE

Commercial Efficiency:

As a consequence to objective approaches, the revenue demand and collections have shown an increasing trend. The increased trend has continued in FY-09 also. The comparative figures are furnished in the following sections:

Revenue Demand

The revenue demand or billings have increased over the years as follows:

- Demand FY 05: Rs 3644 Cr
- Demand FY 06: Rs 4282 Cr
- Demand FY 07: Rs 4951 Cr.
- Demand FY08 : Rs.5807 Cr
- Demand FY 09: Rs 6190 Cr

Revenue Collection

The revenue collections have increased over the years as follows:

- Collection FY 05 : Rs 3352 Cr
- Collection FY 06 : Rs 3712 Cr
- Collection FY 07 : Rs 4768 Cr.
- Collection FY 08 : Rs.5360 Cr
- Collection FY 09 : Rs.6132 Cr.

Collection Efficiency :

The table below shows the Collection Efficiency :

Collection Efficiency	Without BJ / IP	Overall
FY 05	96.81%	93%
FY 06	94.63%	88.16%
FY 07	102.23%	97.11%
FY 08	98.75%	92.39%
FY 09	99.89%	99.06%

XIV Demand Side Management (DSM) Measures

Several DSM measures have been undertaken by BESCO keeping in view the necessity of Energy Conservation and Energy Savings. BESCO is keen to implement mandatory use of Solar Water Heaters in the specified buildings as per the Government Orders. The implementation of Government Orders is being seriously monitored by BESCO. BESCO has also tried to rope in several NGOs and Associations for their cooperation and participation in this movement.

Some of the DSM measures and activities undertaken by BESCO are detailed below:

1. Implementation of Govt. Order No. EN: 396: NCE: 2006 dated 13.11.2007.

The Govt. of Karnataka has issued order on 13.11.2007 making mandatory use of solar water heating systems, use of CFLs in Govt / Govt aided institutions / Boards / Corporations, use of ISI marked motor pumpsets in agricultural sector and promotion of Energy efficient building design. BESCO has issued necessary notification on 13.12.2007 adopting the instructions of the Govt. Order dated 13.11.2007. All the officers have been suitably instructed to implement the Govt. Order in respect of mandatory use of solar water heating systems and also mandatory use of CFLs as per Govt. Order and to ensure it at the time of power sanction/servicing of installations. This is being pursued vigorously.

2. BESCO has initiated several Energy saving/Energy conservation measures which are as briefed below.

a) DSM (Karnataka) Centre

Demand Side Management (Karnataka) Centre is established at BESCO, a joint venture KPTCL & ESCOMs to promote Energy Efficient Equipments and Technologies. The DSM (Karnataka) Centre is open to public and following activities are under taken;

- A permanent exhibition showcasing energy efficient technologies in the area of domestic, commercial and industrial lighting, water pumping, load control technologies and related DSM/EC options.
- Continuous awareness/training of the Consumers, Residents' Welfare Associations students (College and Agricultural levels) and utility officers to implement DSM/EC option is undertaken.
- Workshops and seminars on Hold knowledge – exchange and dissemination events on DSM/EC at all levels are conducted at Macro level.
- About 3607 visitors have taken benefit of available DSM Technology which is exhibited. It includes representatives of various NGOs, school/college students and trainees from KPTCL and ESCOMs.

b) Involvement of NGO's:

Centre for Sustainable Development (CSD) a non profit NGO has been entrusted with a pilot study to bring in awareness on use of Energy Efficient bulbs and appliances among the commercial and domestic customers in Brigade Road, M.G. Road, and Residency Road. The study is commenced.

The Objectives of the project are:

- To document and study the electricity consumption behaviour of the consumers, domestic and commercial.
- To monitor the energy consumption using energy conservation strategies and methods.
- To influence the consumers to change their lifestyle related energy consumption and assist them in reducing the consumption of electricity.

About 1750 customers have participated in this project.

c) Energy Auditing of Buildings:

Energy Auditing of BESCOM offices is being taken up to implement Energy Efficient methods through ESCO system. As a pilot Corporate office was audited by M/s.ELPRO and recommendations are being implemented.

d) Energy Reductions in Commercial Establishments:

Commercial Establishments have been requested to reduce Energy consumption in the form of following.

There has been a good response from them. Meetings were held with them

- Reduced lighting illumination by 25%.
- Non usage of more decorative lights.
- Reduced Air conditioning.
- Stoppage of downward escalators.
- Reduced hoarding lights etc.
- Reduced lights in car parking area and passage area.

Letters have been addressed to all the big commercial complexes and malls. Posters have been got printed and supplied for display.

e) Involvement of BBMP:

The BBMP has been requested to reduce Energy consumption in Street Lights and Hoardings, Parks etc. The Commissioner, BBMP has been requested to join hands with BESCOM to mitigate the Energy deficit by adopting several measures as below.

- (i) To switch ON the street lights just at the dusk i.e. 6.30 pm and switch OFF just before the sunrise i.e. by 5.30 am.
- (ii) To switch OFF lights (except for security lighting) in parks and gardens immediately after exit of public in the evenings i.e. by 8.00 pm.
- (iii) To take action for reduction of 50% of power in respect of hoardings, boards and advertising illuminations.
- (iv) For future lightings make provision for dimmers, also the street lights should be put on 3 phases in such a manner that alternate street lights are on different phases and facility to switch off the lights whenever required.
- (v) To switch off the alternate street lights wherever there is dense Street lighting and also 1/3rd of the street lights in high masts.

f) Involvement of Hoardings Advertising Agencies:

The representatives of various hoarding advertising agencies have been requested to immediately switch off the illumination on the hoardings which have not been given to the clients and displayed only the contact numbers. They have also been requested to immediately reduce 1/3rd of the illumination of hoardings in Bangalore city. A meeting was held on 22.11.2008.

Instructions have been issued to the field officers not to extend temporary power supply further and also to restrict the sanction of power to the new hoardings to only 1 KW. Intensive inspections are being undertaken to check the excess power being drawn for hoarding illumination beyond the sanctioned load.

g) Awareness Programme:

Massive communication campaign is taken up to bring in awareness among the public to adopt Energy Efficient methods to save Energy and to conserve Energy.

- Advertisement in Newspapers, Magazines, Souvenir etc.
- Jingles in Doordarshan, AIR, Big FM etc.
- Posters, Pamphlets, Brochures, Car Stickers etc.

XV. Customer Friendly Measures:

Focused importance is given to bring in and establish best customer friendly measures. Special efforts are put to redress customer complaints of all nature. Some of them are narrated below.

- a. Standards of performance booklets were got printed and distributed to all the offices for cost price sale and for reference.
- b. Soujanya Counters are working in all the sub-divisional offices. Customers can lodge complaints relating to discrepancies in billing, Name transfer, Non working of meters, Refund of deposits etc., at these counters. Total Complaints received - 3,10,000 numbers.

- c. IVRS system in Central Complaints Division to receive and redress power supply related complaints. Total complaints received / attended during 2008-09 were about 1,63,000 numbers.
- d. Janasamparka Sabhas / Ward Meetings are being conducted on every Saturdays except Second Saturday in all the sub-divisions to receive and redress the complaints. Total Janasamparka Sabhas held during 2008-09 are 2440 numbers.
- e. There are 57 Zonal Service Stations working in Bangalore Metropolitan Area Zone. Apart from this, all the District Headquarters and cities are having 24 hours service station to attend power supply related complaints.
- f. Telephone numbers of various offices and the service centres / IVRS are being published frequently for the benefit of customers.

g. Payment Modes:

- i. Sub Divisional cash counters
- ii. ECS
- iii. Bangalore–One Counter
- iv. Any Time Payment counters
- v. Easy Bill Payment
- vi. Bill Junction and Bill Desk.
- vii. Micro Feeder Franchisee
- viii. Check drop boxes
- ix. Anywhere Payment
- x. Payment through SBI and SBM ATMs.

XVI. CASH AWARDS

BESCOM initiated cash awards and issue of appreciation certificates to the top ranking three O & M Divisions in each zones and top ranking three O&M sections in each circles. Selection is based on the evaluation of points on various performance parameters.

The cash award for the entire year is as indicated below.

Sl. No.	Office	Cash Award in Rs.		
		I	II	III
(i)	O&M Divisions in BESCOM	50,000	30,000	20,000
(ii)	O&M Sub-divisions in each of the Zones	25,000	15,000	10,000
(iii)	O&M Sections in each of the Circles	15,000	10,000	5,000

- Note:**
- a. Appreciation Certificates will be signed by the Managing Director, BESCOM.
 - b. Appreciation Certificates and the Cash reward will be given by the Managing Director.

To undertake renovation works of the buildings of Best performed (first ranked) O&M Division, Sub-division and Section during the year like change of furniture, equipment and repairs to buildings etc. in the subsequent year at the cost indicated below.

Sl. No.	Office	Amount in Rs.	Remarks
(i)	Best O&M Division	10,00,000/-	Civil work + replacement of equipment and furniture etc.
(ii)	Best O&M Sub- Division	5,00,000/-	
(iii)	Best O&M Section	2,00,000/-	

Note: If buildings are rented only replacement of furniture and equipment shall be undertaken.

To allow the Executive Engineer (Ele.), Assistant Executive Engineer (Ele.) and Assistant Engineer (Ele.) / Junior Engineer (Ele.) of the Best performed Division, Sub-division and Section to choose a training programme among the announced programmes of BESCO or suggested programmes of their choice conducted outside the state for deputation.

To consider the Zonal Chief Engineer (Ele.), Superintending Engineer (Ele.) and Executive Engineer (Ele.) of the Best ranked zone, circle and division respectively for deputation abroad for the training during the subsequent year.

XVII. HRD TRAINING POLICY

“Training for all employees at regular intervals to enable them to develop potential at optimum level and contribute their best to the organization with an ultimate goal of customer satisfaction through reduction in cost of delivered power with reliable and quality supply at the highest level of efficiency and accountability”. Optimum Utilization of the available Human resources gains an important position towards contributing to the proper growth and functioning of the organization. In view of this, it is patent not only to impart training to all the employees but also derive maximum benefits from the trainings imparted for the well being of the organization. The following methodology adopted towards achieving results. All the senior officers of the ranks of Executive Engineers (Ele) equivalent and above were trained at Asia Plateau, Panchagani on Ethical Governance and Leadership. The telephone operators working in CCCD (Central Consumer Complaints Division) and Zonal Service stations were trained on how to take the calls and behave with the customers when they approach for complaints. Regular trainings being held at BESCO, HRD centre. The details of trainings held during 2008-09 are as follows.

Details of Training conducted during the Financial Year 08-09

Sl. No.	Type of Training	EEs and Above DCAs and Above	AEEs and AEs AOs and AAOs	Others (C&D Group)	Total
1	Goal Oriented	111	184	403	698
2	Specific	66	395	402	863
3	Ethical Governance and Leadership	80	180	-	260
4	Pre-Employment	-	-	376	376
5	Pre-Promotion	-	-	377	377
6	Deputation to conferences seminars & Workshops	70	26	-	96
Total		327	785	1558	2670

XVIII. Brand Building:

1. The Display Advertisements were published in dailies like Launch of APDRP, publication of Telephone Numbers of O&M officers, Demand Side Management and Launch of Niranthara Jyothi Scheme.
2. BESCO sponsored for magazines, special issues, souvenirs, workshops, conferences and exhibition.
3. A film was developed on outreach.
4. Jingles in AIR/Big FM, TV channels and Phone in programs were conducted in Radio and TV channels.
5. In house news letter "BELAKU" was published.
6. BESCO has participated in exhibitions through display stalls.
7. Corporate Brochures, Calendars, Diaries, Posters on DSM, Brochures on Niranthara Jyothi scheme and also on DSM was got printed.

XIX. Focus on IT for Business Solutions.

a) Communication:

Interactive WEB-SITE System:

- 1) Interactive Website was launched with address www.bescom.org.
- 2) The email system of BESCO is functioning.
- 3) Consumers can know more about BESCO's services and activities.
- 4) Detailed rules, regulations and procedures information available online.
- 5) Consumer can check billing details, account history.
- 6) Site is Bi-lingual, with full information available in Kannada / English.
- 7) Directory service contains contact information of BESCO offices, persons and Departments.

b) Interactive Voice Response System (IVRS)

- 1) Improved Consumer care and immediate access to information and efficient response addressed.
- 2) This system is effective, affordable and consumer-friendly.
- 3) Accessible from any phone by number 12660/1917.(TOLL FREE)
- 4) Consumer can get billing information and can lodge their complaints and suggestions.
- 5) Schedule of planned outages & important announcements informed through this system.

c) Video Conferencing

Video Conferencing has been introduced for faster communication. To conduct online teleconferences thereby saving time and man-hours. This has increased the productivity and efficiency. The video conferencing equipments have been installed in all the SEE, O&M offices of BESCO.

d) Business Process Management:

Centralized Consumer Billing Information

Centralised data storage of consumers account/billing information etc for all sub divisions is available. Quick access and retrieval of customer information is possible.

e) Spot Billing in All 104 Sub Divisions

Spot billing is being done with Hand Held Machines in entire BESCOM by using BESCOM's billing software.

f) Anywhere Payment

In BMAZ area, the consumers can pay the bills at any of the BESCOM's counters and not necessarily in the area to which they belong. This scheme of anywhere payment has made the payment of bills easy for the consumers.

g) E-tendering

E-tendering provides automation of complete tendering process in BESCOM. As a part of e-governance, e-Tendering system is put in place under the link "Tenders" of BESCOM website.

h) Networking:

i) Wide Area Networking in BMAZ

- 1) All divisions and sub divisions are inter-connected with a dedicated network.
- 2) Exchange of data between Head Office and all sub divisions on 24 X 7 basis

j) Connectivity to Rural Sub Divisions

The dedicated leased line connectivity to the rural sub divisions is available in 4 sub divisions (Anekal, Doddaballapur, Nelamangala and Ramanagara).

XX. Details on the Consultancy assignments during FY 2008-09

Project	:	Bangalore Distribution Upgradation Project
Founded by	:	Japan International Co-operation Agency (JICA)
Total Cost of the project	:	Rs. 563 Cr.
Project Implementation	:	2008-09 to 2012-13
Consultants	:	M/s KEMA, USA and M/s CPRI, Bangalore
Consultants appointed on	:	5 th May 2008
Total Consultancy cost	:	Rs. 25 Cr.

XXI. Bangalore Distribution Automation System (DAS)

BESCOM has embarked upon a project to automate the Distribution network for monitoring, control and operation of the 11 kV network in the Bangalore City by providing suitable control and communication equipment.

The cost of the Project is estimated at about Rs. 563 Crores. The Japan Bank for International Cooperation (JBIC) is extending financial assistance to an extent of Rs.417 Crores for this project. The project is planned to start from FY-09 and is expected to be completed by FY-12. M/S KEMA, USA and M/s. CPRI are the Project Management Consultants.

The main objective of the financial assistance is to automate the 11 kV distribution network in order to ensure uninterrupted power supply and to effectively arrest the consumer hours lost because of power supply outages for whatever reasons, thereby increasing the sales. The scheme envisages control and monitoring of RMUs connected to both UG cable and over head distribution network.

It is proposed to have a monitoring center at the BESCO headquarters which would cater to the overall monitoring and controlling of the distribution network using the Distribution Management System (DMS) software.

Benefits of DAS

- Real time control over the costly energy sold.
- Improved efficiency results in lower costs,
- Better reliability in power supply, planned control actions,
- Optimum power factor, reduction in losses.
- Improved efficiency also results in reduction of the Green House gases and consequent improvement in the environment.
- Enables online energy audit (AMR Systems) which is now receiving focused attention of all utilities

XXII. Progress report of Internal Audit Wing, BESCO for the Financial Year 2008-09

Internal Audit wing is headed by the General Manager (Reforms, Tariff & Audit). The General Manager(R T & A) is working directly under the control of Managing Director. The scope of Internal Audit includes all the activities of the company and it is governed by the Audit Manual, Circular instructions and orders of the company.

Brief Note on the Internal Audit activities:

1. Revenue Audit :

Internal Audit undertake audit of all types of consumer's ledger accounts to see that accuracy of billing, procedural deviations in maintenance of ledgers, if any, and to ensure that proper internal control system exists. An Action Plan for every Financial Year is drawn up for revenue audit to cover all categories of consumers and to assess the required manpower. Deficit Manpower is being met by engaging the services of Chartered Accountants and retired staff. The total Audit Short Claims pointed out by the Internal Audit Wing during the FY 08-09 is Rs.7.21 Crores and amount recovered is Rs.6.43 Crores.

2. Voucher Audit :

Voucher audit is conducted at all levels (Corporate / Zonal / Circle/ Division level) of the company on monthly basis.

3. Store Audit :

In the month of December every year, Store Audit is conducted, besides regular inspection of store transaction on quarterly basis to ensure that:

- The accounting procedures in maintenance of inventories are followed.
- Reconciliation of store ledger with pricing ledger are done periodically.

4. Special Audit:

To unearth the financial irregularities as and when reported by the field officers/referred by the Management, Special Audit is being conducted by existing staff and reports are submitted to the Management. During the year 08-09 Internal Audit Wing has conducted Special Audit in respect of five different cases.

5. Cash Audit :

In order to avoid cash misappropriation, the Internal Audit has started intensive cash audit in all the accounting units with an Action Plan.

XXIII. Financial activities of Cash Management Section.

1. M/s ICRA assigned "IrA" rating to BESCOM indicating adequate credit worthiness.
2. BESCOM deals with the following Banks and financial institutions in carrying out its financial transactions.

Sl. No.	Name of the Bank	Sl. No.	Name of the Bank
1	State Bank of Mysore	8	Oriental Bank of Commerce
2	Corporation Bank	9	HDFC Bank
3	Bank of Baroda	10	ICICI Bank
4	Syndicate Bank	11	South Indian Bank
5	Vijaya Bank	12	Power Finance Corporation
6	State Bank of India	13	Rural Electrification Corporation
7	Bank of India		

3. In BMAZ area sub-divisions, revenue collections from the consumers through cheques having value more than Rs. 25000/- are being collected by Bank of Baroda. Cheques for less than Rs. 25000/- and collections by Cash from the Sub divisions/Accounting Sections are being pooled by HDFC Bank and credit to Head Office Main Operative Accounts are done on a daily basis. In other than BMAZ area sub-divisions, revenue collected by way of Cash and Cheques are being deposited in the respective Bank branches and transferred to Head Office operative current accounts.
4. Revenue from the consumers are being collected through the following systems.

Sl. No.	Name of the Bank	Sl. No.	Name of the Bank
1	BESCOM Cash Counters	6	Electronic Clearing System
2	Any Time Payment	7	Bill Junction and Bill Desk
3	Any Where Payment	8	Easy Bill
4	Cheque Drop Boxes	9	Micro Feeder Franchise
5	Bangalore One	10	Mobile Cash Counters

XXIV. Activities of Vigilance Section

I	Total No. of Installations checked	-	14479
II	Cognizable cases booked		2003 Nos.
	i) Energy pilfered		7.40 m.u
	ii) BBC amount imposed		Rs. 607.83 lakhs
	iii) BBC amount collected		Rs. 153.29 lakhs
	iv) Compounding fee imposed		Rs. 363.41 lakhs
	v) Compounding fee collected		Rs. 126.98 lakhs
III	Non-Cognizable cases booked		2790 Nos.
	i) Energy misused		11.22 m.u
	ii) BBC amount imposed		Rs. 921.27 lakhs
	iii) BBC amount collected		Rs. 95.2 lakhs
	a) Total BBC/compounding fee imposed		Rs.1892.51 lakhs
	Total BBC/Compounding fee collected		Rs. 248.49 lakhs
IV	Out of 110 petitions received during 2008-09, 66 petitions have been disposed and 44 petitions are under investigation. Intensive mass raids are being organized every month and paper notification has been issued regarding mode of theft and penalty imposed in order to create awareness.		

XXV. CORPORATE GOVERNANCE

The Board of BESCOM believes and supports Corporate Governance practices of a high standard, ensuring observance of these principles in all its dealings. All the Directors take active part in the proceedings of Board and Sub-Committee meetings which add value in the decision making process. The non functional directors receive sitting fees for Board/ Sub-committee meetings attended by them.

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 2008-09 a total number of Five Board meetings took place as follows:

Sl.No.	Meeting No.	Held on
1	29 th Meeting	15.04.2008
2	30 th Meeting	19.07.2008
3	31 st Meeting	23.08.2008
4	32 nd Meeting	18.12.2008
5	33 rd Meeting	26.02.2009

The following are the Directors of BESCO as on the date of AGM:

1	K. Jairaj, I.A.S	Chairman
2	G. Latha Krishna Rao, I.A.S	Director
3	Tushar Giri Nath , I.A.S	Managing Director
4	Alok Mohan, I.P.S	Director
5	K.S.Prabhakar, I.A.S	Director
6	Dr.Vishal.R, I.A.S	Director
7	S.Sumanth	Director
8	M.Govindappa	Director
9	Nagesh .H	Director(Technical)
10	Parvathy Keshavachar	Director
11	L.Ravi	Director
12	M.Nagaraju	Director

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 Chief Engineers, Electy.,.

The composition of the Central Purchases Committee as on date of AGM

1	Managing Director, BESCO	Chairman
2	Director (Technical), BESCO	Member
3	Sri.S.Sumanth	Member
4	Smt. Parvathy Keshavachar	Member

During 2008-09 a total number of eight CPC meetings took place. The details of which are as follows.

Sl.No.	Meeting No.	Held on
1	32 nd Meeting	04.06.2008
2	33 rd Meeting	16.08.2008
3	34 th Meeting	21.08.2008
4	35 th Meeting	26.09.2008
5	36 th Meeting	20.10.2008
6	37 th Meeting	08.12.2008
7	38 th Meeting	19.01.2009
8	39 th Meeting	06.02.2009

2. Borrowing Sub Committee:

The Borrowing Sub-Committee has been delegated certain specific powers to borrow Long term Loans from Banks/financial institutions on behalf of the Board from time to time.

The sub-committee consists of the following members:

1. Managing Director, BESCOM
2. Director (Technical), BESCOM
3. Nominee from Dept. of Public Enterprises, GoK.

During the year under report, the Sub-committee held a meeting on 30th March 2009 in connection with availing Long Term loan of Rs.260.57 crores from M/s. Power Finance Corporation Ltd., under R-APDRP scheme.

3. Audit Committee :

An Audit Committee was formed on 21st April 2005 in accordance with the provisions of the Companies Act.

The composition of the Audit Committee as on date of AGM is as below:

1	Dr.Vishal.R	Chairman
2	Smt.Parvathy Keshavachar	Member
3	Sri H.Nagesh	Member
4	Sri.L.Ravi	Member

During the year under report meetings of the Audit Committee were held as follows.

Sl.No.	Meeting No.	Held on
1	10 th Meeting	07.06.2008
2	11 th Meeting	16.08.2008
3	12 th Meeting	20.09.2008

The Audit Committee has adequate powers and Terms of Reference to play an effective role as mentioned in Companies Act 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. Ensure compliance of internal control systems.
4. Investigation into any of the matters as may be referred to by the Board.
5. Financial and Risk Management Policies and Fraud and Fraudulent Risks
6. Review of annual capital, revenue and store budgets before being placed before the Board for approval.
7. Review of programmes of finalization of annual accounts for timely completion of audit and approvals.

8. Review of adequacy of internal controls to review reports on inventory, completion reports of capital works, standards and specifications wherever applicable.
9. Review of Internal Audit paras
10. Review of AG Audit paras
11. Review of disciplinary cases
12. Review of Vigilance activities. MRT, TAQC Wings and write offs
13. Review of power purchase cost
14. Review of borrowings
15. Discussions with Statutory Auditors and cost Auditors regarding their reports
16. Any other matters as may be referred to by the Board.

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

XXVI. STATUTORY AUDITORS

M/s R. Subramanian & Company are appointed by C&AG of India, New Delhi as Statutory Auditors of BESCOM for the year 2008-09.

XXVII. COST AUDITORS

The Ministry of Corporate Affairs, Government of India have appointed M/s.Rao, Murthy & Associates, Bangalore as Cost Auditors for auditing the Cost Accounting records of BESCOM for the Financial Year 2008-09.

XXVIII. 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**.

XXIX. 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 annual accounts have been prepared on a going concern basis.

XXIX. GENERAL

The Board would like to place on record its appreciation for all the assistance and guidance extended by the Government of Karnataka, Govt. of India, Karnataka Power Transmission Corporation Limited, other ESCOMs, KERC, CERC, State Bank of India, Canara Bank, Corporation Bank, Syndicate Bank, State Bank of Mysore, Vijaya Bank, Bank of India, Power Finance Corporation Ltd., Rural Electrification Corporation Ltd., Ministry of Company Affairs, Registrar of Companies and its Consumers for their Co-operation and active support to BESCO 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

CHAIRMAN

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

(Pursuant to Part-IV of Schedule-VI of the Companies Act 1956)

I. Registration Details

Registration No. State code
Balance Sheet Date

II. Capital Raised during the year (Amount in Rs.)

Public Issue Right Issue
Bonds Issue Private Placement

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

Total liabilities Total Assets

Source of Funds

Paid up Capital Reserves & Surplus
Share Deposit -
Service line & security deposits
Secured loans Unsecured loans

Application of Funds

Net Fixed Assets Profit and Loss Account
Investments
Net Current Assets Capital works in progress
Accumulated losses

IV. Performance of Company (Amount in Rs.)

Turn Over Total Expenditure
Profit Before Tax Profit After Tax
Earnings per Share in Rs. -- Dividend -

V. Generic Names of Three Principal Products/Services of Company (as per monetary terms)

Item Code No.(ITC Code) NIL
Product Description

Sd/-

(C. Sreenivasan)
Chief General Manager (F&C)

Sd/-

(Tushar Giri Nath)
Managing Director

**COMMENTS OF THE COMPTROLLER & AUDITOR GENERAL OF INDIA
UNDER SECTION 619(4) OF THE COMPANIES ACT, 1956 ON THE ACCOUNTS
OF BANGALORE ELECTRICITY SUPPLY COMPANY LIMITED, BANGALORE
FOR THE YEAR ENDED 31st MARCH 2009.**

The preparation of financial statements of **BANGALORE ELECTRICITY SUPPLY COMPANY LIMITED, BANGALORE** for the year ended 31st March 2009 in accordance with the financial reporting framework prescribed under Companies Act, 1956 is the responsibility of the management of the Company. The statutory auditors appointed by the Comptroller and Auditor General of India under Section 619(2) of the Companies Act, 1956 are responsible for expressing opinion on these financial statements under section 227 of the Companies Act, 1956 based on independent audit in accordance with the auditing and assurance standards prescribed by their professional body the Institute of Chartered Accountants of India. This is stated to have been done by them vide their Audit Report dated 16th September 2009.

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 "**BANGALORE ELECTRICITY SUPPLY COMPANY LIMITED, BANGALORE**" for the year ended **31st March 2009**. 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.19(a) of the Notes forming part of Accounts (Schedule No.24), I have no further comments to offer upon or supplement to the Statutory Auditors' Report under section 619(4) of the Companies Act, 1956.

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

Sd/-
(USHA SANKAR)
PRINCIPAL ACCOUNTANT GENERAL
(CIVIL & COMMERCIAL AUDIT)
KARNATAKA, BANGALORE

Bangalore
Dated : 22nd September 2009

Auditor's Report

- 1) We have audited the attached Balance Sheet of M/s. BANGALORE ELECTRICITY SUPPLY COMPANY LIMITED, as at 31st March 2009 and also the Profit and Loss Account and the Cash Flow statement for the year ended on that date and submitted our report dated 31.07.2009. Subsequently, the accounts have undergone revision in the light of observations of the Comptroller and Auditor General of India. We have audited the attached revised Balance Sheet of the Company as on 31.03.2009 and revised profit and Loss account and the Cash Flow Statement annexed thereto of the Company for the year ended on that date and we report on the same. 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.
- 2) We have conducted our audit in accordance with Auditing Standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the Financial Statements are free from material misstatements. An Audit includes examining, on a test basis, evidence supporting the amounts and the disclosures and significant estimates made by the management, as well as evaluating the overall presentation of the Financial Statements. We believe that our audit provides a reasonable basis for our opinion.
- 3) In accordance with the provisions of section 227 (2) of the Companies Act, 1956, we report that as required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government of India under sub-section (4A) of section 227 of the Companies Act, 1956 and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we enclose in the annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.
- 4) Attention is invited to the following:
 1. The Company has not accounted for the Energy Balancing Charges as determined by PCKL (Power Corporation of Karnataka Ltd) and to be recovered from other Escoms of
 - a) Rs.250.29 Crores for the year 2006-07;
 - b) Rs.269.73 Crores for the year 2007-08 and

- c) Amount yet to be determined for the year 2008-09, Pending final direction from the Energy Department, Government of Karnataka.
- II) We are unable to express our opinion with regard to the impact of the following in the financial statements:
- The Company during the year has continued to recover Electricity Charges at the rates as per the tariff order dated 27th September 2005 issued by KERC (Karnataka Electricity Regulatory Commission). The Company has not implemented the rates fixed as per the tariff orders released for 2006 dated 16th October 2006 and MYT tariff order for 2009 – 10 dated 11th Jan 2009 since the company has contested before Appellate Tribunal for Electricity.
 - As approved by Government of Karnataka, the Company is vested with Fixed Assets such as Land and Buildings and vehicles by virtue of the transfer scheme on 01.06.2002. Titles in respect of such assets have not yet been transferred in favour of the Company.
 - The Company's inventories at various locations including shared assets with KPTCL are old and their usefulness and serviceability are subject to identification, reclassification and inspection. It is not possible to assess the realizable value of individual items of such inventories and also to quantify the effect of obsolescence and the amount of provision required thereof, if any.
 - The inventories of Stores and Spares include the value of scrapped, faulty and dismantled assets for reuse, which have been valued by deducting adhoc provision of 20% from the stated value without ascertaining the realistic, realisability, physical usability or serviceability condition of the concerned inventories, notwithstanding that the valuation has to be carried out in accordance with the prescribed Accounting standards.
 - Materials are valued at Standard Cost or Purchase cost and the valuation of inventories is not carried out at the lower of cost or net realizable value. Accordingly, the valuation of such materials is not in accordance with the prescribed Accounting Standard.
 - Materials purchases are accounted on the basis of predetermined standard rates and not as per supporting documents reflecting the actual cost. The material cost variance is accounted by the Company at the time of giving credit to suppliers on the basis of suppliers' Invoices / Bills. This has resulted in not accounting the cost variances in respect of unpaid materials and stocks held. Accordingly the valuation is not in accordance with the prescribed Accounting Standard.
 - Refer to Note No.5.4 of Part B-Notes on accounts regarding non-receipt of confirmation of balances of debtors, Creditors, contractors, loans and advances and balances held with other ESCOMs (and reconciliation pending in respect of dues payable to or receivable from KPTCL). Adjustments that may arise on receipt of confirmation / reconciliation and the likely impact of such adjustments, if any, on the financial statements are not ascertainable at this stage.

- h. The details and supportive documents relating to the opening and closing balances reflected in certain accounts, viz; Deposits received from Consumers, Deposit against Burnt Meters, Revenue suspense Accounts, Advances and Deposits are not available for scrutiny and to carry out requisite adjustments. Accordingly we are unable to comment on the realisability and the correctness of the classification of such accounts as reflected in the financial statements and the impact of adjustments if any that may subsequently arise.
- i. The Company continues to account Financials of MRT Division which has shared assets with KPTCL and its effect on the profit or loss of the Company as well as its assets and dues to and dues from KPTCL are not quantifiable at this stage.
- j. Contingent Liabilities arising out of the suits for claims filed at various courts by the customers etc., at various divisions and contested by the Company are reflected under Note No. 9 of Part B : Notes as submitted by the Management and not verified by us.
- k. The Company has continued to charge depreciation on all Assets at the rates notified by the KERC. The company has not worked out depreciation at the rates prescribed under Schedule XIV of the Companies Act, 1956. Hence the difference between depreciation to be provided at the rates as per schedule XIV of Company's Act and the depreciation actually provided as per KERC notified rates is not ascertainable.
- III) By virtue of the Government Order No.DE 48 PSR 2003 dated 31.05.2003 a certain portion of the loans availed by KPTCL from various institutions have been transferred and are reflected in the books of BESCOM and the Company is accounting the Interest, Guarantee Commission to Government of Karnataka in respect of loans from REC, PFC and UCO Bank, based on the advise of KPTCL though the respective liabilities have not been transferred / documented in the name of the Company while the liabilities are reflected in the books of accounts.
- IV) The Company has carried forward the provision for Bad and Doubtful Debts to the extent of Rs. 254.21 Crores on Sundry Debtors as part of the Transfer Scheme as on 01.06.2002. We are unable to comment on the realisability of amount of sundry debtors transferred and carried forward and also the adequacy of provision thereof.
- V) The Company has not provided for Deferred Tax Liability / Assets as per the AS-22-ACCOUNTING FOR TAXES ON INCOME as the Company is advised that it is entitled to the benefit of relief u/s 80IA of the Income Tax Act for consecutive ten years commencing from assessment year 2005-06 and accordingly liable for Minimum Alternate Tax (MAT) under the provisions of Income Tax Act. However, the Company's claim under section 80IA of Income Tax is under dispute and the matter is under appeal.

- VI) There are various Lands and Buildings which have been brought to the books of the Company by virtue of Transfer Scheme on 01.06.2002 among other assets, majority of whose title deeds are under the process of transfer to the Company's name. No provision has been made with regard to liability towards cost of property and other related taxes / levies due together with interest / penalty remaining unpaid and the amount of which is unascertainable at this stage.
- VII) In the absence of any clear guidelines in the transfer scheme with regard to accountability and financial commitments towards contingent Liabilities arising out of the transactions prior to Transfer scheme dated 01.06.2002, the company has not made adequate disclosure of such contingent liabilities and accordingly the provision if any required, on review of the present status of such liability has not been made as the quantum is not ascertainable.
- VIII) Refer to para 15.1 of (Part B) - Notes regarding non-availability of reconciliation of Inter Unit accounts (IUA) between various divisions / units within the Company.
- IX) Refer to Para 10 of Part-B – Notes regarding accounting of Transmission Charges payable to KPTCL as per rates specified for earlier years.
- X) Subject to the foregoing observations under para 4 above, we report that
- (a) 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.
- (b) In our opinion proper books of accounts as required by law have been kept by the Company in so far as it appears from our examination of the books of accounts.
- (c) The Balance Sheet, the Profit and Loss Account and the Cash Flow Statement referred to in this Report comply with the Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956 save and except the departure of accounting policies of the Company in relation to:
- i) AS-2 Valuation of Inventories
- ii) AS-10 Accounting of Fixed Assets
- iii) AS-15 Employee Benefits and
- iv) AS-22 Accounting for taxes on income as set out appropriately under the Notes and here above.
- (d) Government of India vide a General Circular No.2/2002 dated 22.03.2002 has exempted the Directors of Government Companies from the provisions of disqualification. Hence the provisions for disqualifications of directors of the Companies under section 274 (1)(g) of the Companies Act 1956 are not applicable.

(e) In our opinion and to the best of our information and according to the explanations given to us, the said Balance Sheet, the Profit and Loss Account and the Cash Flow Statement read together with the Schedules and Notes thereon and subject to our observations stated under para 4 above, give a true and fair view in conformity with the accounting principles generally accepted in India:

- (i) In the case of Balance Sheet of the state of affairs of the Company as at 31st March 2009.
- (ii) In the case of the Profit & Loss account, of the Loss of the Company for the year ended on that date.
- (iii) In case of the Cash Flow Statement, of the Cash flows during the year ended on that date.

R. SUBRAMANIAN AND COMPANY
Chartered Accountants

Sd/-
(N. KRISHNAMURTHY)
Partner
Membership No.19939

Place : Bangalore
Date : 16-09-2009

ANNEXURE TO THE AUDITORS' REPORT

- 4(i) (a) (i) to (xiv), the Company has maintained records for Fixed Assets but not updated in all its aspects and does not include quantitative details and situation of all Fixed Assets and other relevant particulars required to be recorded. As per the information and explanations given to us, some lands / assets that have been received as gifts without assigning any value whatsoever to the company do not find a place in the registers and accounts of the Company. The Company is yet to obtain title deeds / relevant documents of certain lands / buildings reflected in the Fixed Assets schedules. Attention is invited to our observations in Para 4.II (b) of Audit Report.
- (i) As per the information and explanations given to us all the Fixed Assets of the Company have not been physically verified by the Management and discrepancies if any in the quantities between the book records and physical verification may have a bearing on the Financials of the Company. The Management of the Company is in the process of identifying the assets that are of transmission in nature and also those of other ESCOMs and KPTCL as per transfer scheme, erroneously grouped under the Assets of the Company. The impact of adjustment if any that may arise in respect of quantity and value, on completion of the identification exercise, is not ascertainable at this stage.
- (ii) As per the information and explanations given to us, in our opinion no substantial part of Fixed Assets has been disposed off by the company so as to affect its going concern status.
- 4 (ii) (a) As per the information made available to us, the inventory of stores and materials have been physically verified by the management during the year. In our opinion, the frequency of physical verification of stocks, its scope and coverage have to be adequately strengthened having regard to the size of the Company and nature of its business.
- b) As per information made available to us, the procedures of physical verification of stocks followed by the Management need to be significantly strengthened keeping in view the size of the Company and the nature of its business. The discrepancies in the quantities found on physical verification either shortages or excesses are carried in the books separately pending completion of investigation. However, the discrepancies are not traced and resolved within reasonable time frame and accordingly no adjustments arising out of the same have been carried out. The impact is also not ascertainable at this stage.
- c) On the basis of our examination of records of inventory and explanations given to us, in our opinion, the Company has maintained proper records of inventory and the discrepancies noticed on physical verification of stocks to the extent carried out as compared to book records have been dealt with as set out in para (b) above.
- 4 (iii) (a) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to Companies, firms and other parties covered in the register maintained under section 301 of the Companies Act, 1956.
- 4(iii) (b) According to the information and explanations given to us, the Company has not taken any loans, secured or unsecured, from Companies, firms and other parties covered in the register maintained under section 301 of the Companies Act, 1956.

- 4 (iv) In our opinion, the internal control system needs to be strengthened to be commensurate with the size of the Company, scope and the nature of its business, for purchase of Fixed Assets, Stores and Consumables and from the sale of energy. Weakness and inadequacy of internal control is noticed on continuing basis from past period in several areas, which amongst others include, unadjusted shortage / excess in stock of materials, carry forward of balances under cash embezzlement, cash shortages pending investigation, carrying balances in unreconciled IUA Accounts, absence of evidence for Bank balances inherited under transfer scheme, certain wrong classification of expenditure relating to revenue or capital, non renewal of insurance coverage on the assets of the Company significant inadequacy of internal audit function.
- 4 (v) (a) There are transactions of purchase of goods and materials and sale of goods, materials and services made in pursuance of contracts or arrangements entered in the Register maintained under section 301 of the Companies Act, 1956 in respect of Karnataka Power Transmission Corporation Limited (KPTCL) and other ESCOMS during the year.
- 4 (v) (b) The prices adopted are at Standard Rate or at Purchase Rate as the case may be in case of Material transfers and the purchase price for power purchases are at rates which are based on terms of "Power Purchase Agreements" and on "delivery point" basis.
- 4(vi) The Company has not accepted any deposits from the public. Hence the contents under para 4(vi) are not applicable.
- 4 (vii) The Company has an internal audit system of its own and presently it is carried out by the staff of the Company. In our opinion, as stated in earlier reports, the Internal Audit system in the Company is not adequate and needs to be strengthened adequately keeping in view the location and the size of the operations and nature of business.
- 4(viii) The provisions contained under section 209 (1) (d) of the Companies Act, 1956 in regard to the maintenance of cost records have been made applicable to the Company from FY 2007-08. We have broadly reviewed the maintenance of cost records and are of the opinion that, prima-facie, the prescribed accounts and records have generally been maintained. However, we have to make a detailed examination of the records with a view to determining whether they are accurate or complete.
- 4 (ix)(a) We have been informed that the provisions of the Provident Fund Act are applicable to the Company for the Contract Employees and we observe that the Company is regular in remitting the PF and other Dues during the year. There are no undisputed and outstanding amounts payable in respect of Provident Fund, Income Tax, Service Tax, Sales Tax, Customs Duty, Excise Duty, Cess or any other applicable taxes, Duties or Levies applicable to the Company and its business, which have remained outstanding as at 31st March 2009, for a period of more than six months from the date they became payable, except Electricity Taxes collected from consumers and payable to the Government of Karnataka for the period from September 2008 to March 2009 amounting to Rs.15,761 Lacs.

In respect of Wealth Tax dues, the Company is yet to arrive at the tax liability if any considering the various exemptions available to it, as at 31.03.2009 and hence no provisions has been made towards Wealth Tax Liability, if any payable by the Company.

- 4 (ix)(b) According to information and explanations given to us, the Company does not have any disputed dues of Sales Tax / Service Tax / Customer Duty / Excise Duty / Cess outstanding for payment except the following:

Name of the Statute	Nature of Dues	Amount (Rs. In Lacs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income tax	3032.99	2005-06	CIT (Appeals)
Income Tax Act, 1961	TDS Dues	19600.00	Upto 2008-09	CIT (Appeals)

- 4(x) Taking into account the losses incurred by the Company in the current year, the Company has accumulated losses as at the end of the current year. The Company has incurred cash losses in the current year. However, the Company has not incurred cash losses in the immediately preceding previous year.
- 4(xi) According to the information and explanations given to us, and based on our observations during the audit, the Company has not defaulted in repayment of dues to Financial Institutions or Banks from which the borrowings were made directly by the Company. We are unable to comment on the repayment of loans transferred from the KPTCL, since the details of defaults on such loans if any, were not made available to us.
- 4(xii) According to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- 4(xiii) The provisions of any special statute applicable to Chit Funds / Nidhi / Mutual Benefit Funds / Societies are not applicable to the Company.
- 4(xiv) in our opinion and according to the information and explanations given to us, the Company is not a Dealer or Trader in shares, securities, debentures or other investments. Accordingly, the provisions of Clause 4 (xiv) of the order are not applicable to the Company.
- 4(xv) According to the information and explanations given to us and based on the representations made by the management, the Company has not given any guarantee for loans taken by others from Banks or Financial Institutions.
- 4(xvi) According to the information and explanations given to us and based on our observations during the audit, the Company has applied the proceeds of term loans taken during the year for the purpose for which the loans were obtained.
- 4(xvii) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that no short term funds have been used for Long term Investment.
- 4(xviii) The Company has not made any preferential allotment of shares to parties and Companies covered in the Register maintained under section 301 of the Companies Act, 1956.
- 4(xix) The Company has not issued any debentures during the year and hence provisions of Clause 19 of the order are not applicable to the Company.

- 4(xx) The Company has not raised any money through a public issue during the year.
- 4(xxi) There are cases of frauds committed on the Company during the past years. The Management of the Company has in place a continuous process of collecting the details of fraud on or by the Company and the action for recovery proceedings are in place simultaneously. However, we observe that the process of investigation and fixing the responsibility and taking the requisite recovery / punitive action need to be speeded up, considering the delay / time consuming process. 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 by the Company and the judgment of the courts before which the cases are pending in regard to the recoverability of the amounts involved.

R. SUBRAMANIAN AND COMPANY
Chartered Accountants

Sd/-
(N. KRISHNAMURTHY)
Partner
Membership No.19939

Place: Bangalore
Date : 16-09-2009

ADDENDUM TO DIRECTORS' REPORT for the year ended 31st March 2009

Replies offered on the observation/comments of the Statutory Auditors
on the accounts of the Company for the year 2008-09 are as follows.

Sl. No.	SA No.	Observations of Statutory Auditors	Management's Reply
1	4I	<p>The Company has not accounted for the Energy Balancing Charges as determined by PCKL (Power Corporation of Karnataka Ltd) and to be recovered from other Escoms of</p> <p>a) Rs.250.29 Crores for the year 2006-07;</p> <p>b) Rs.269.73 Crores for the year 2007-08 and</p> <p>c) Amount yet to be determined for the year 2008-09, Pending final direction from the Energy Department, Government of Karnataka</p>	<p>Reconciliation of energy balancing figures between BESCOM and other Escoms is under progress and after completion of the same, necessary action will be taken.</p>
2	4II(a)	<p>The Company during the year has continued to recover Electricity Charges at the rates as per the tariff order dated 27th September 2005 issued by KERC (Karnataka Electricity Regulatory Commission). The Company has not implemented the rates fixed as per the tariff orders released for 2006 dated 16th October 2006 and MYT tariff order for 2009-10 dated 11th January 2009 since the company has contested before Appellate Tribunal for Electricity</p>	<p>Action will be taken as per the outcome of Tribunal.</p>
3	4II(b)	<p>As approved by Government of Karnataka, the Company is vested with Fixed Assets such as Land and Buildings and Vehicles by virtue of the transfer scheme on 01.06.2002. Titles in respect of such assets have not yet been transferred in favour of the Company.</p>	<p>While notifying the Opening balance sheet on 01.06.2002, Gok has notified the Assets of BESCOM. In some of the cases of land and buildings, titles have been transferred in favour of the Company. In case of other Assets, documentation is required and it is under progress.</p>
4	4II(c)	<p>The Company's inventories at various locations including shared assets with KPTCL are old and their usefulness and serviceability are subject to identification, reclassification and inspection. It is not possible to assess the realizable value of individual items of such inventories and also to</p>	<p>In BESCOM Inventory, the inventories of KPTCL have been mixed in certain stores. KPTCL has been requested to verify and remove those assets from our stores. If this is not done within a reasonable period of time, BESCOM</p>

Sl. No.	SA No.	Observations of Statutory Auditors	Management's Reply
		quantify the effect of obsolescence and the amount of provision required thereof, if any.	will take action to auction as per rules as they are of no use to BESCOM.
5	4II(d)	The inventories of Stores and Spares include the value of scrapped, faulty and dismantled assets for reuse, which have been valued by deducting adhoc provision of 20% from the stated value without ascertaining the realistic realisability, physical usability, or serviceability condition of the concerned inventories, notwithstanding that the valuation has to be carried out in accordance with the prescribed Accounting standards.	In the case of scrapped and faulty materials, there are no set standards for accounting these items. This practice being followed by KPTCL is followed by BESCOM. In respect of dismantled Assets for reuse, as they were already exposed to weathering and after dismantling also, they get depreciated due to rust, obsolescence etc., and as such a provision is made.
6	4II(e)	Materials are valued at Standard Cost or Purchase cost and the valuation of inventories is not carried out at the lower of cost or net realizable value. Accordingly the valuation of such materials is not in accordance with the prescribed Accounting Standard.	KPTCL for itself and on behalf of all Escoms has addressed this issue to Institute of Chartered Accountants to exempt from this Accounting Standard.
7	4II(f)	Materials purchases are accounted on the basis of predetermined standard rates and not as per supporting documents reflecting the actual cost. The material cost variance is accounted by the Company at the time of giving credit to suppliers on the basis of suppliers' Invoices / Bills. This has resulted in not accounting the cost variances in respect of unpaid materials and stocks held. Accordingly the valuation is not in accordance with the prescribed Accounting Standard.	Material Cost variance is given credit or debit at the time of passing of bills and not for the materials and stock held in the stores.
8	4II(g)	Refer to Note No.5.4 of Part B-Notes on accounts regarding non-receipt of confirmation of balances of debtors, Creditors, contractors, loans and advances and balances held with other ESCOMs (and reconciliation pending in respect of dues payable to or receivable from KPTCL). Adjustments that may arise on receipt of confirmation / reconciliation and the likely impact of such adjustments, if any, on the financial statements are not ascertainable at this stage.	The reconciliation and confirmation of balances with KPCL has been obtained. In case of receivables & payables, except KPTCL and HESCOM, all other ESCOM's have reconciled and confirmed. Obtaining confirmation from debtors, contractors etc., is a difficult proposition.

Sl. No.	SA No.	Observations of Statutory Auditors	Management's Reply
9	4II(h)	The details and supportive documents relating to the opening and closing balances reflected in certain accounts, viz; Deposits received from Consumers, Deposit against Burnt Meters, Revenue suspense Accounts, Advances and Deposits are not available for scrutiny and to carry out requisite adjustments. Accordingly we are unable to comment on the realisability and the correctness of the classification of such accounts as reflected in the financial statements and the impact of adjustments if any that may subsequently arise.	These details are available at Sub divisional/ Divisional level as these transactions are taking place in those offices.
10	4II(i)	The Company continues to account Financials of MRT Division which has shared assets with KPTCL and its effect on the profit or loss of the Company as well as its assets and dues to and dues from KPTCL are not quantifiable at this stage.	Correspondence has been made with KPTCL regarding bifurcation of MRT division but decision is yet to be taken. However, the matter will once again be taken up with KPTCL.
11	4II(j)	Contingent Liabilities arising out of the suits for claims filed at various courts by the customers etc., at various divisions ETC and contested by the Company are reflected under Note No. 9 of Part B : Notes as submitted by the Management and not verified by us.	There are about 93 suits pending against BESCOM in the High Court and the approximate amount works out to Rs.2.80Crores. Providing contingent liability will be considered in the year 2009-10.
12	4II(k)	The Company has continued to charge depreciation on all Assets at the rates notified by the KERC. The company has not worked out depreciation at the rates prescribed under Schedule XIV of the companies Act, 1956. Hence the difference between depreciation to be provided at the rates as per schedule XIV of Company's Act and the depreciation actually provided as per KERC notified rates is not ascertainable.	KERC is the regulator for ESCOMs regarding implementation of its directives, approval of ERC and revision of tariff. The Regulator has considered the depreciation while approving the ARR. As per Companies Act 1956, Schedule XIV, the rate of depreciation is more than the rate fixed by KERC. A higher rate of depreciation will not be allowed by KERC to pass on to the consumer. Hence, CERC's rate of depreciation is being followed.
13	4 III	By virtue of the Government Order No.DE 48 PSR 2003 dated 31.05.2003 a certain Portion of the loans availed by KPTCL from various institutions have been	Loans availed by KPTCL have been shared with all Escoms and KPTCL at the time of formation of

Sl. No.	SA No.	Observations of Statutory Auditors	Management's Reply
		transferred and are reflected in the books of BESCOM and the Company is accounting the Interest, Guarantee Commission to Government of Karnataka in respect of loans from REC, PFC and UCO Bank, based on the advise of KPTCL though the respective liabilities have not been transferred / documented in the name of the Company while the liabilities are reflected in the books of accounts.	Escoms. Payments are being made on back to back arrangements. The loans allotted to BESCOM are being depicted in the books of accounts of BESCOM. Documents have not been transferred as these institutions have not agreed to have multipartite agreements with KPTCL and Escoms .
14	4IV	The Company has carried forward the provision for Bad and Doubtful Debts to the extent of Rs.254.21 Crores on Sundry Debtors as part of the Transfer Scheme as on 01.06.2002. We are unable to comment on the realisability of amount of sundry debtors transferred and carried forward and also the adequacy of provision thereof.	The Opening balance of Bad and doubtful debts to an extent of Rs.254.21 crores is kept as it is in the books of accounts of BESCOM to adjust this amount against any deferred tax liabilities/Assets which may arise in future. But so far such liability has not been arisen. Hence, this will be corrected during FY 2009-10 to nullify the Bad debts provision made at the time of Opening balance as on 01.06.2002.
15	4V	The Company has not provided for Deferred Tax Liability / Assets as per the AS-22 – ACCOUNTING FOR TAXES ON INCOME as the Company is advised that it is entitled to the benefit of relief u/s 80IA of the Income Tax Act for consecutive ten years commencing from assessment year 2005-06 and accordingly liable for Minimum Alternate Tax (MAT) under the provisions of Income Tax Act. However, the Company's claim under section 80IA of Income Tax is under dispute and the matter is under appeal.	After the disposal of the Appeal, action will be taken as per Accounting Standard.
16	4VI	There are various Lands and Buildings which have been brought to the books of the Company by virtue of Transfer Scheme on 01.06.2002 among other assets, majority of whose title deeds are under the process of transfer to the Company's name. No provision has been made with regard to liability towards cost of property and other related taxes / levies due together with interest / penalty remaining unpaid and the amount of which is unascertainable at this stage.	While notifying the Opening balance sheet on 01.06.2002, Gok has notified the Assets of BESCOM. In some of the cases of land and buildings, titles have been transferred in favour of the Company. In case of other Assets, documentation is required and it is under progress.

Sl. No.	SA No.	Observations of Statutory Auditors	Management's Reply
17	4VII	In the absence of any clear guidelines in the transfer scheme with regard to accountability and financial commitments towards contingent Liabilities arising out of the transactions prior to Transfer scheme dated 01.06.2002, the company has not made adequate disclosure of such contingent liabilities and accordingly the provision if any required, on review of the present status of such liability has not been made as the quantum is not ascertainable.	Till date, no such liability has arisen and as per the Company's records there are no such liabilities.
18	4VIII	Refer to para 15.1 of (Part B) - Notes regarding non-availability of reconciliation of Inter Unit accounts (IUA) between various divisions / units within the Company.	The reconciliation work of Inter Unit Accounts in respect of Assets/ Liabilities/CWIP and Material transfers within the Divisions/ Accounting units will be completed during FY 2009-10.
19	4IX	Refer to Para 10 of Part-B – Notes regarding accounting of Transmission Charges payable to KPTCL as per rates specified for earlier years.	BESCOM has been paying 19.42 ps per Kwh towards transmission charges to KPTCL. As per ATE orders, BESCOM has paid transmission charges at the rate of 26.24 ps per Kwh for one year. Since the issue is pending before the Supreme Court, a decision on the rates can be taken only after the verdict from the Honorable Court.

**Sd/-
Managing Director**

BALANCE SHEET AS AT 31ST MARCH 2009

Amount in Rupees

Sl. No.	Particulars	Sch. No.	Current Year 2008-09		Previous Year 2007-08	
I	SOURCES OF FUNDS :-					
1	Share holders' Funds					
	Share Capital	1	205,95,00,000		205,95,00,000	
	Share Deposit	1A	1,51,353		1,51,353	
	Reserves and Surplus	2	906,38,68,337		931,96,35,925	
				1112,35,19,690		1137,92,87,278
2	Loans Funds					
	Secured Loans	3	509,32,62,591		424,76,11,662	
	Unsecured Loans	4	295,97,82,323		91,96,07,601	
				805,30,44,914		516,72,19,263
3	Other Funds					
	Service Line and Security Deposits	5		1740,13,56,449		1570,13,70,568
	TOTAL - I			3657,79,21,053		3224,78,77,109
II	APPLICATION OF FUNDS :-					
1	Fixed Assets					
	(a) Gross Block	6	3505,34,46,792		2792,46,00,692	
	(b) Less: Depreciation		945,48,85,483		858,97,29,369	
	(c) Net Block			2559,85,61,309		1933,48,71,322
	(d) Capital Work in Progress	7		137,89,41,493		175,52,77,720
				2697,75,02,802		2109,01,49,042
2	Investments	10A		1,00,000		
3	Current Assets, Loans and Advances					
	(a) Inventories, Stores & Spares	8	147,98,99,284		112,72,15,226	
	(b) Sundry Debtors	9	1405,80,12,020		1484,99,25,222	
	(c) Cash and Bank Balances	10	59,54,39,677		406,75,01,102	
	(d) Loans, Advances and Deposits	11	171,88,34,980		279,10,67,205	
	(e) Other Current Assets	12	562,35,56,265		348,96,53,526	
	Total - 2		2347,57,42,226		2632,53,62,281	
	Less:					
	Current Liabilities & Provisions	13	1750,02,00,802		1516,76,34,214	
	Net Current Assets			597,55,41,424		1115,77,28,067
	Profit and Loss Account			362,47,76,827		-
	Significant Accounting Policies and Notes on Accounts	24				
	TOTAL - II			3657,79,21,053		3224,78,77,109

The schedules referred to above form an integral part of the Balance Sheet

Sd/-
(C. Sreenivasan)
Chief General Manager (F&C)

Sd/-
(H. Nagesh)
Director (Technical)

Sd/-
(Tushar Giri Nath)
Managing Director

Vide our report of even date attached for **R SUBRAMANIAN AND COMPANY**
Chartered Accountants

Sd/-
(N. KRISHNAMURTHY)
Partner
Membership No. : 19939

Place : Bangalore
Date : 16-09-2009

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH 2009

Amount in Rupees

Sl. No.	Particulars	Sch. No.	Current Year 2008-09		Previous Year 2007-08	
I	INCOME					
1	Revenue from sale of power	14	6190,32,19,502		5806,68,84,560	
2	Other Income	15	146,39,43,628		109,78,73,658	
	TOTAL			6336,71,63,130		5916,47,58,218
II	EXPENDITURE					
1	Purchase of power	16	6087,05,36,684		4939,99,23,587	
2	Repairs and Maintenance	17	37,06,80,790		43,45,21,001	
3	Employee Costs	18	339,91,30,888		347,02,05,274	
4	Administrative and Other Expenses	19	60,89,54,390		67,80,89,376	
5	Other Charges (Debits)	20	281,40,12,635		230,44,13,649	
	TOTAL			6806,33,15,387		5628,71,52,887
III	Profit/(loss) before Depreciation and Interest			(469,61,52,258)		287,76,05,331
	Depreciation (Net)	21	64,25,09,305		48,06,76,057	
IV	Profit / (Loss) before Interest and Taxes			(533,86,61,563)		239,69,29,274
	Interest and other Charges	22	123,17,03,504		172,07,67,302	
V	Profit /(Loss) before prior period charges or credits			(657,03,65,067)		67,61,61,972
	Prior period credits(+) / charges(-)	23	6,96,731,850		(52,68,17,512)	
VI	Profit/(Loss) before Taxation			(587,36,33,217)		14,93,44,460
	Provision for Income Tax		-		1,68,19,773	
	Provision for Fringe Benefit Tax		88,00,000		68,20,318	
VII	Net Profit /(loss) after Taxation			(588,24,33,217)		12,57,04,369
VIII	Add: Balance of Surplus brought over from previous year		225,76,56,390		213,19,52,021	
	Balance carried to Balance Sheet			(362,47,76,827)		225,76,56,390
IX	Appropriations			(362,47,76,827)		225,76,56,390
	Balance carried to Balance Sheet			(362,47,76,827)		225,76,56,390
X	Significant Accounting Policies and Notes on Accounts	24				

The schedules referred to above form an integral part of the Profit & Loss Account

Sd/-
(C. Sreenivasan)
Chief General Manager (F&C)

Sd/-
(H. Nagesh)
Director (Technical)

Sd/-
(Tushar Giri Nath)
Managing Director

Vide our report of even date attached
for **R SUBRAMANIAN AND COMPANY**
Chartered Accountants

Sd/-
(N. KRISHNAMURTHY)
Partner
Membership No. : 19939

Place : Bangalore
Date : 16-09-2009

7th Annual Report 2008-09



SCHEDULE : 01 SHARE CAPITAL

Amount in Rupees

Sl. No.	Particulars	Account Code	Current Year 2008-09	Previous Year 2007-08
1	Authorised Capital 25,00,00,000 Equity shares of Rs. 10/- each		250,00,00,000	250,00,00,000
2	Issued, Subscribed and Paid up capital			
a	Issued Capital 20,59,50,000 Equity shares of Rs.10/- each		205,95,00,000	205,95,00,000
b	Subscribed Capital 20,59,50,000 Equity shares of Rs.10/- each		205,95,00,000	205,95,00,000
c	Paid Up Capital 20,59,50,000 Equity shares of Rs.10/- each Fully paid up	52.3017	205,95,00,000	205,95,00,000
TOTAL			205,95,00,000	205,95,00,000

SCHEDULE : 1A SHARE DEPOSIT

Amount in Rupees

Sl. No.	Particulars	Account Code	Current Year 2008-09	Previous Year 2007-08
1	Share Deposit (as per GoK Letter No.DE48 PSR 2003/424 dated 15:06:2004)	52.3027	1,51,353	1,51,353
TOTAL			1,51,353	1,51,353

SCHEDULE : 02 RESERVES AND SURPLUS

Amount in Rupees

Sl. No.	Particulars	Account Code	Current Year 2008-09	Previous Year 2007-08
1	Contributions, grants and subsidies towards cost of Capital assets	55.1007	659,18,56,383	496,40,18,372
2	Subsidies received from REC towards RGGVY scheme	55.2107	121,66,50,293	127,05,06,308
3	Grants towards cost of Capital Assets received from GOI/GOK	55.3,55.303 +55.3097	88,12,81,661	69,54,80,501
4	GOK grant towards regularisation of unauthorised IP set installations	55.3087	37,40,80,000	10,00,00,000
5	Reserve for Contingencies	56.6407	-	3,19,74,354
6	Surplus in Profit and Loss Account		-	225,76,56,390
TOTAL			906,38,68,337	931,96,35,925

SCHEDULE : 03 SECURED LOANS

Amount in Rupees

Sl. No.	Particulars	Account Code	Current Year 2008-09	Previous Year 2007-08
1	Loans from Rural Electrification Corporation Limited, New Delhi.	53.300 to 53.3127	9,12,45,553	21,52,39,635
2	Loans from Rural Electrification Corporation Limited, New Delhi. -APDRP Counter part funding (Secured by Hypothecation of all existing unencumbered moveable properties including machinery, equipments, machinery spares, tools, implements, and accessories installed / created / erected and all future moveable including machinery, equipmetns, machinery spares, tools, implements, and accessories installed / created / erected in future and its stock of materials equipments bought or to be bought out of the loan amount at 9.5% & 11.25% interest rates.)	53.3327	158,79,88,360	170,32,59,232
3	Term Loans from Commercial Banks			
a)	UCO Bank (Exclusive first Charge by way of hypothecation of plant, equipments & Machinery. The terms of repayment are 10 half yearly instalments with two years moratorium and repayable over 7 years from the date of first disbursal of the loan availment @ 9.10% interest. Interest servicing is to be carriedout on monthly basis)	53.5007	5,36,39,180	10,72,78,362
b)	State Bank of India Secured by way of hypothecation of all existing & unencumbered present & future goods, book debts and all other movable assets of the Borrower including documents of the title to the goods, outstanding money, receivables including receivables by way of cash assistance and / or cash incentive under the Cash Incentive Scheme or any other Scheme claims including claims by way of refund of customs/excise duties under the duty drawback credit scheme or any other scheme, bills invoices, documents , contracts , insurance policies, guarantees , engagements , securities, investments and rights and the present machinery listed in the schedule hereunto and all future machinery belonging to or in the possession or under the control of the borrower whrever	53.5007	112,10,58,295	151,40,80,280

SCHEDULE : 03 SECURED LOANS (... continued)

Amount in Rupees

Sl. No.	Particulars	Account Code	Current Year 2008-09	Previous Year 2007-08
	lying stored (including all such goods, other movable assets as may be in course of shipment transit or delivery) by way of first charge (subject , however to any charge in favour of any third party which may have been notified by the borrower & accepted by the Bank as having priority over its own charge, as security. At various rate of Interest. (The terms of Repayment are 24 Quarterly equal instalments with one year moratorium repayable over 7 years from the date of first drawal of the loan availment. Interest servicing is to be carried out on monthly basis at the rate of 8.9%, 9% & 9.70% per annum)			
c)	Oriental Bank of Commerce: Secured by way of hypothecation of all existing & unencumbered present & future goods , book debts and all other movable assets of the Borrower including documens of the title to the goods, outstanding moneys , receivables including receivables by way of cash assistance and / or cash incentive under the Cash Incentive Scheme or any other Scheme claims including claims by way of refund of customs/excise duties under the duty drawback credit scheme or any other scheme, bills invoices, documents , contracts , insurance policies, guarantees , engagements , securities, investments and rights and the present machinery listed in the schedule hereunto and all future machinery belonging to or in the possession or under the control of the borrower whrerever lying stored (including all such goods, other movable assets as may be in course of shipment transit or delivery) by way of first charge (subject , however to any charge in favour of any third party which may have been notified by the borrower & accepted by the Bank as having priority over its own charge), as security. Interest @1% per annum. (The terms of Repayment are 24 Quarterly equal instalments with one year moratorium repayable over 7 years from the date of first drawal of the loan availment. Ineterest servicing is to be carried out on monthly basis)	53.5007	22,88,23,183	31,22,69,300
d)	Corporation Bank Secured by way of hypothecation of all existing & unencumbered present & future goods, book debts and all other movable assets of the Borrower including	53.5007	31,20,84,853	39,54,84,853

SCHEDULE : 03 SECURED LOANS (... continued)

Amount in Rupees

Sl. No.	Particulars	Account Code	Current Year 2008-09	Previous Year 2007-08
	documents of the title to the goods, outstanding money, receivables including receivables by way of cash assistance and / or cash incentive under the Cash Incentive Scheme or any other Scheme claims including claims by way of refund of customs/excise duties under the duty drawback credit scheme or any other scheme, bills invoices, documents , contracts , insurance policies, guarantees , engagements , securities, investments and rights and the present machinery listed in the schedule hereunto and all future machinery belonging to or in the possession or under the control of the borrower whreover lying stored (including all such goods, other movable assets as may be in course of shipment transit or delivery) by way of first charge (subject , however to any charge in favour of any third party which may have been notified by the borrower & accepted by the Bank as having priority over its own charge), as security. Interest @9% per annum.			
	(The terms of Repayment are 24 Quarterly equal instalments with one year moratorium repayable over 7 years from the date of first drawal of the loan availment. Interest servicing is to be carried out on monthly basis)			
e)	Overdraft from Canara Bank Canara Bank has sanctioned Rs.100 crores as overdraft for one year upto 26:02:2010 @ 10%p.a. vide their letter No.CR:NEW/BESCOM/08-09/KMK dated 5:03:2009.OD is secured by extension of security offered to term loans by way of hypothecation of Fixed assets of the company vlued at Rs..457.62 crores.		89,68,51,031	-
f)	Overdraft from Syndicate Bank Syndicate Bank has sanctioned Rs.100 crores as overdraft for one year upto 28:02:2010 @ 10%p.a. vide their letter No.LT291/GNR/ADV/2009 dated 21:02:2009. The OD is ssecured by exclusive charge on the Companies receivables pertaining to allocated Zones/ divisions.		80,15,72,136	-
TOTAL			509,32,62,591	424,76,11,662

SCHEDULES 1 TO 13 FORMING PART OF BALANCE SHEET AS AT 31st MARCH 2009

SCHEDULE : 04 UNSECURED LOANS

Amount in Rupees

Sl. No.	Particulars	Account Code	Current Year 2008-09	Previous Year 2007-08
1	Loans from Government - PMGY (The repayments to be made in 20 annual equal instalments together with interest at the rate 12% on the outstanding balance commencing from 2002-2003 pertaining to Rs.45,33,130 and commencing from 2005-06 pertaining to Rs.87,50,000. However, 50% of loans will enjoy 5 year initial grace period after which repayment of these loans will be effected in 15 annual equal instalments.)	53.3077	1,54,35,270	1,54,35,270
2	Loans from Government - APDRP (The repayments to be made in 20 annual equal instalments together with interest at the rate 11.50% on the outstanding balance commencing from 2003-2004. However, 50% of loans will enjoy 5 year initial grace period after which repayment of these loans will be effected in 15 annual equal instalments.) GOK Interest free Loan Government of Karnataka has released interest free loan to BESCOM towards payment to power suppliers for supply of power to State Grid during 2008-09	53.3317	58,39,20,772	62,56,01,776
3	STL(South Indian Bank) (Bullet payment of Rs.100 crores within one year with the option to repay installment also, monthly interest to be serviced regularly at BPLR-6.5% presently 9% per annum.)	53.5007	100,00,00,000	-
4	Term Loan from PFC (The loan amount is accounted as per the advise of KPTCL and it comprising of various loans with varied terms and conditions. Interest varies from 10.75%-11%)	53.9607	4,05,16,868	4,43,69,095
5	Loan from Government (through REC) - RGGVY (The Total repayment period will be 15 years inclusive of 5 years moratorium period together with interest @ 5% - 10.4% with quarterly interest)	53.3357	16,54,01,460	16,54,01,460
6	Loan from GoK for Power Sector Automation	53.3417	1,47,00,000	1,47,00,000
7	Loan from GoK Ganga Kalyana.	53.3367	3,78,70,000	5,41,00,000
8	Interest accrued and due on APDRP loan from GOK Repayable in 10 years at the rate of 11% per annum.	51.2387, 51.1397, 51.1387	5,93,000	-
TOTAL			295,97,82,323	91,96,07,601

SCHEDULE : 05 SERVICE LINE AND SECURITY DEPOSITS

Amount in Rupees

Sl. No.	Particulars	Account Code	Current Year 2008-09	Previous Year 2007-08
1	i) Deposit Contribution Work	47.301 to 47.303, 47.305, 47.307 to 47.317, 47.321,47.322	37,36,57,662	21,51,74,466
	ii) Deposit Works	47.3067	2,04,05,122	2,12,49,273
2	Other Deposits from Consumers	47.6	65,72,36,135	60,70,50,732
3	Security Deposit from consumers:	48.1+48.2+48.3	1635,00,57,530	1485,78,96,097
TOTAL			1740,13,56,449	1570,13,70,568

SCHEDULES 1 TO 13 FORMING PART OF BALANCE SHEET AS AT 31st MARCH 2009
SCHEDULE : 06 FIXED ASSETS

Amount in Rupees

Particulars	Fixed Assets				Depreciation			Net Block		
	Opening Balance As at 1-4-2008	Additions/ Adjustments	Deductions/ Adjustments	Closing Balance As at 31-3-2009	Opening Balance As at 1-4-2008	Additions/ Adjustments	Deductions/ Adjustments	Closing Balance As at 31-3-09	As at 1-4-2008	As at 31-3-2009
Land & Rights	8,71,90,941	47,27,145	0	9,19,18,086	0	0	0	0	8,71,90,941	9,19,18,086
Buildings	29,73,05,205	5,30,60,211	0	35,03,65,416	7,62,80,145	61,98,966	33,64,817	7,91,14,293	22,10,25,059	27,12,51,123
Civil Works(Pipeline, Sewage, Drainage, Water supply)	2,22,57,799	24,83,815	4,71,557	2,42,70,057	41,01,073	6,20,623	26,157	46,95,539	181,56,726	1,95,74,518
Other Civil Works	42,86,605	2,45,141	0	45,31,746	9,83,390	85,319	7,992	10,60,717	33,03,215	34,71,029
Plant & Machinery	596,62,14,083	222,33,81,513	54,43,15,080	764,52,80,516	157,65,68,707	23,73,26,969	11,58,10,580	169,80,85,096	438,96,45,376	594,71,95,420
Lines Cable, Networks	2135,47,40,561	583,41,97,448	50,33,02,272	2668,56,35,737	680,74,52,502	94,06,83,179	21,01,04,055	753,80,31,625	1454,72,88,059	1914,76,04,112
Vehicles	9,83,73,913	5,56,55,209	58,47,740	14,81,81,382	7,73,23,799	97,05,152	31,13,857	8,39,15,094	2,10,50,114	6,42,66,288
Furniture & Fixtures	6,02,45,555	72,01,348	30,26,564	6,44,20,339	3,15,16,074	32,55,117	16,66,016	3,31,05,176	2,87,29,480	3,13,15,163
Office Equipments	3,39,86,030	54,40,238	5,82,755	3,88,43,513	1,55,03,679	16,91,931	3,17,668	1,68,77,943	1,84,82,351	2,19,65,569
Current Year Total	2792,46,00,692	818,63,92,068	105,75,45,968	3505,34,46,792	858,97,29,369	119,95,67,256	33,44,11,142	945,48,85,483	1933,48,71,323	2559,85,61,309
Previous Year Total	2323,52,31,040	623,30,57,916	154,36,88,265	2792,46,00,692	781,68,75,281	99,87,09,605	22,58,55,517	858,97,29,369	1541,83,55,759	1933,48,71,323

NOTE:

- Buildings includes shared assets as per KPTCL's intimation
- Addition includes released assets after reconditioning
- Deduction includes transfer of assets for reconditioning and Shared assets to KPTCL
- Additions / deletions of assets and depreciation thereon include:
 - Items pending reconciliation relating to inter unit transfers and
 - Prior period adjustments.

SCHEDULE : 07 CAPITAL WORKS IN PROGRESS

Amount in Rupees

Sl. No.	Particulars	Account Code	Current Year 2008-09	Previous Year 2007-08
1	Capital Work in Progress	14	137,89,41,493	100,77,84,938
	Interest during implementation period		-	2,13,40,961
2	Contracts in Progress	15.12	-	60,04,631
3	Provision for works.	15.5007	-	72,01,47,189
TOTAL			137,89,41,493	175,52,77,720

SCHEDULE : 8 INVENTORIES, STORES AND SPARES

Amount in Rupees

Sl. No.	Particulars	Account Code	Current Year 2008-09		Previous Year 2007-08	
1	Assets not in use (valued at WDV)					
	a) Value of scraped assets		14,45,28,085		15,47,47,377	
	Less : 20% Provision estimated/ possible erosion in value	16.1	2,89,05,617	11,56,22,468	3,09,49,475	12,37,97,902
	b) Value of Faulty and Dismantled assets for reuse		22,85,30,805		15,55,51,404	
	Less: 20% Provision estimated/ possible erosion in value	16.2	4,57,06,161	18,28,24,644	3,11,10,281	12,44,41,123
	Total-1			29,84,47,112		24,82,39,025
2	Materials Stock (Stocks are valued as per the Accounting Policy followed by the company and certified by the Management)					
	a) Material Stock Account	31,22.610- 22.450, 22.810- 22.820	115,93,63,893		83,60,62,594	
	b) Mateterial imprest Account	22.6417	36,91,193		53,33,832	
	c) Other Material Account	22.7007	1,83,97,086		3,75,79,775	
	TOTAL-2			118,14,52,172		87,89,76,201
	TOTAL 1 + 2			147,98,99,284		112,72,15,226

SCHEDULE : 9 SUNDRY DEBTORS

Amount in Rupees

Sl. No.	Particulars	Account Code	Current Year 2008-09		Previous Year 2007-08	
1	(a) Sundry Debtors-Supply of Power					
1.	Sundry Debtors for sale of Power – LT	23.1	2115,79,67,130		2030,87,86,234	
2.	Unbilled Revenue - LT	23.4	96,41,74,268		101,62,18,489	
3.	Sundry Debtors for sale of Power - HT	23.2	46,44,49,223		46,73,14,719	
4.	Unbilled Revenue - HT	23.4	265,57,23,963		247,57,90,328	
5.	Dues from Permanently disconnected installations	23.5	56,56,12,000		11,19,30,687	
6.	Inter ESCOMs Energy balancing & Energy charges at IF point	23.6	20,34,46,391		16,90,83,407	
	Total (a)			2601,13,72,975		2454,91,23,864
	(b) Sundry Debtors-miscellaneous receipts from consumers	23.7		28,635		28,635
	Sub total - (1)			2601,14,01,610		2454,91,52,499
2	Less :					
a)	Revenue Suspense Account	47.6	2,32,14,806		2,52,23,346	
b)	Provision for withdrawal of Revenue demand	23.8	45,36,16,347		69,87,70,611	
c)	Provision for Doubtful Dues from consumers	23.9	1217,77,72,627		955,92,75,753	
	Sub total - 2			1265,46,03,780		1028,32,69,710
3	Net Receivables against Supply of Power (1 - 2)			1335,67,97,830		1426,58,82,788
4	Sundry Receivables from					
A	KPTCL	28.826, 28.841	24,90,62,234		180,96,91,219	

SCHEDULE : 9 SUNDRY DEBTORS

Amount in Rupees

Sl. No.	Particulars	Account Code	Current Year 2008-09		Previous Year 2007-08	
	Less : Payable to KPTCL					
a	On accounts of funds received	46.1067	-		12,47,07,474	
b	On accounts of funds received and adjusted to receivable from KPTCL	28.8817	(62,289)		77,89,47,720	
c	On account of Materials, Released Assets, Personnel and others (Cash transactions)	42.276, 277,278, 52.308	11,15,57,437		72,68,18,859	
	Net receivable from KPTCL		13,75,67,086		17,92,17,166	
5	MESCOM	28.8287	5,77,46,650		5,77,46,650	
6	GESCOM	28.8307	2,55,79,993		2,55,79,993	
7	HESCOM	28.8297	4,02,22,070		4,02,22,070	
8	Others	28.1	37,12,26,788		19,81,68,008	
	Sub total - 4			63,23,42,587		50,09,33,887
9	Sundry Debtors for Electricity Tax	23.3		6,88,71,603		8,31,08,546
	TOTAL 3+4+5+6+7+8+9			1405,80,12,020		1484,99,25,222

Note : A) Secured - Nil -

B) Un Secured :

- 1) Receivables on sale of power are unsecured but considered good except to an extent of provision made for bad & doubtful debts of Rs.1263,13,88,974/- . (i.e. total of Sl.No.2(b)+2©)
- 2) Rs. 541,43,82,143/- is less than 6 months old out of the total receivables.

SCHEDULE 10 : CASH AND BANK BALANCES

Amount in Rupees

Sl. No.	Particulars	Account Code	Current Year 2008-09		Previous Year 2007-08
1	Cash, Cheques/DDs on Hand	24.110+ 24.210		16,26,37,464	19,53,60,339
2	Balances with Banks:				
	(a) - Operative Accounts with scheduled banks	24.400	3,80,08,177		34,81,52,642
	(b) - Non-Operative Accounts with scheduled banks	24.300	16,95,64,405		22,81,51,986
				20,75,72,582	57,63,04,628
3	Fixed Deposits with Banks	20.2	20,10,51,533		318,03,74,758
4	Interest Accrued but not due on deposits	28.2	50,67,005		1,19,98,968
				20,61,18,538	319,23,73,726
5	Stamps on Hand	24.120, 24.130, 24.140		6,47,313	6,49,455
6	Remittance to Head Office -Transit Account	24.5	49,30,801		9,57,08,481
7	Transfers from Head Office In Transit Account	24.6	1,35,32,979		71,04,473
				1,84,63,780	10,28,12,954
TOTAL				59,54,39,677	406,75,01,102

SCHEDULE 10A : INVESTMENTS

Amount in Rupees

Sl. No.	Particulars	Account Code	Current Year 2008-09		Previous Year 2007-08
1	Investment in shares of PCKL	20.250	1,00,000	1,00,000	
TOTAL				1,00,000	-

SCHEDULE 11 : LOANS, ADVANCES and DEPOSITS

Amount in Rupees

Sl. No.	Particulars	Account Code	Current Year 2008-09		Previous Year 2007-08
1	LOANS AND ADVANCES (Unsecured, considered good recoverable in cash or in kind for the value to be received)				
	a) Advances to Suppliers	25.1 to 25.5, 27.106	10,40,81,006		14,58,71,093
	b) Advances to Contractors	26.6	87,89,92,358		178,72,63,324
	c) Loans and Advances to Staff - Interest free	27.2	4,58,22,363		2,99,95,543
	d) Loans and Advances - Others	27.8 47.308, 309,310	52,38,74,841		63,00,00,000
	e) Advance to PCKL	27.8	-		10,99,00,000
	Sub total (a+b+c)			155,27,70,568	270,30,29,960
2	DEPOSITS				
	a) Security Deposits with Railways and Others	28.9	16,32,25,763		8,80,37,245
	(b) Security Deposit from Suppliers & Contractors other than cash (per contra)		28,38,649		
TOTAL				171,88,34,980	279,10,67,205

SCHEDULES 1 TO 13 FORMING PART OF BALANCE SHEET AS AT 31st MARCH 2009

SCHEDULE 12 : OTHER CURRENT ASSETS

Amount in Rupees

Sl. No.	Particulars	Account Code	Current Year 2008-09	Previous Year 2007-08
A	Other Current Assets			
1	Amounts Recoverable from Employees	28.4+36	24,75,51,986	25,51,32,307
2	Tariff subsidy Receivable from GOK towards IP set installation	28.6257	100,55,95,065	100,55,95,065
3	Amounts Receivable from GoK towards Free Power Supply to IP sets upto 10HP	28.6277	74,59,03,137	-
4	Fringe Benefit Tax paid	28.8197	35,31,847	-
5	Income Tax including Advance Tax	28.8217	83,46,03,109	37,19,91,109
6	Tax deducted at source - (income Tax)	28.8507	28,48,565	24,11,940
7	Other Claims Receivables	28.72 28.74	1,74,58,044	1,87,82,749
8	Receivables from Pension/Gratuity Trust	28.9	59,18,80,831	37,57,70,267
9	Cash Receivables from Associates - KPTCL / ESCOMS	28.9	208,03,47,343	138,92,40,483
10	Receivable from GOK refund of meterequipment security deposit	28.71	29,350	4,15,293
11	Prepaid expenses	28.8207	7,51,544	-
	Sub-total A		553,05,00,821	341,93,39,213
B	Inter Unit Accounts :			
1	IUA - CWIP, Fixed Assets, depreciation provision / obsolete and released assets	32	9,30,55,444	7,03,14,313
C	Sub-total B		9,30,55,444	7,03,14,313
Total (A + B)			562,35,56,265	348,96,53,526

SCHEDULE 13 : CURRENT LIABILITIES & PROVISIONS

Amount in Rupees

Sl. No.	Particulars	Account Code	Current Year 2008-09		Previous Year 2007-08	
1	Sundry Creditors for Purchase of Power					
	a) Hydel Power		70,77,04,075		96,01,56,793	
	b) Thermal Power		507,00,70,548		555,10,11,115	
	c) Lignite Power		160,56,10,094		31,41,99,898	
	d) Atomic Energy		18,67,61,054		8,80,36,416	
	e) Conventional Energy		43,81,60,994		45,73,82,117	
	f) Non Conventional Energy		45,85,36,664		23,99,10,439	
	g) Wind Mill Energy		104,67,28,338		36,38,02,357	
	h) Bi-lateral Purchases		51,90,09,078		10,35,63,315	
	i) U I Transmission & administrative charges and provision for PP Liability, etc		49,40,68,888		21,93,68,785	
	j) Diesel Generating power		80,49,84,459	1133,16,34,192	60,01,11,070	889,75,42,305
2	Liabilities for supplies / works	42.1 to 42.5, 42.6	138,59,74,443	138,59,74,443	133,52,32,516	133,52,32,516
3	Staff Related Liabilities					
	Unpaid Salaries	44.210	2,00,155		10,69,363	
	Unpaid Bonus	44.220	-		31,315	
	Salary payable	44.310	2,53,38,664		23,07,28,852	
	Bonus payable	44.320	66,99,437		79,23,339	
	Ex-gratia payable	44.330	4,04,18,112		4,00,42,618	
				7,26,56,368		27,97,95,487
4	Payable to other ESCOMs	42.200	100,89,00,025	100,89,00,025	100,94,86,104	100,94,86,104
5	Other Liabilities					
	Other Receivables-suppliers/ Contractors	28.8	23,48,059		6,60,45,795	
	Security Deposits in cash from Suppliers / Contractors	46.101	18,99,83,227		22,16,03,262	
	Security deposit other than in cash from suppliers / contractors	46.102	2,35,05,649		41,31,300	

SCHEDULE 13 : CURRENT LIABILITIES & PROVISIONS

Amount in Rupees

Sl. No.	Particulars	Account Code	Current Year 2008-09		Previous Year 2007-08	
	Retention Money - Bill amount retained	46.104, 105, 206	3,37,05,364		3,49,92,377	
	Stale Cheques	46.9107	74,59,699		44,06,895	
	Payable to GOK BRP II arrears recovered from consumer	46.2027	0		62,94,994	
	Payable to GOK BRP II arrears recovered from consumer	46.2047	0		6,78,713	
	Payable to GOK BRP II arrears recovered from consumer	46.2057	0		19,43,272	
	Bills Payable Account	46.4317	10,09,35,751		0	
	Miscellaneous Deposits	46.966, 46.9	3,26,68,215		3,29,28,229	
	Excess credit under reconciliation	46.971 to 46.978	92,62,346		99,63,456	
	Levies / fees payable to GoK	46.300+ 46.301	167,85,40,791		47,08,04,372	
	Inter Unit Accounts - Other transactions / adjustments & Anywhererepayment	37	36,16,49,590		92,28,90,472	
	IUA -Funds Transfer	34	0		0	
				244,00,58,691		177,66,83,137
6	Outstanding Liability					
	- for Expenses	46.103, 410,470, 46.929	80,01,62,017		152,19,45,771	
	- interest accrued but not due on loans	46.7107	1,37,66,023	81,39,28,040	75,31,334	152,94,77,105
7	Provisions for other liabilities					
	Provision for Gratuity, Pension, Leave encashment, PF & Family Benefit Fund	44.122, 130,140 to 142	35,82,30,600		25,93,99,118	
	Provision for Income-Tax & Fringe Benefit Tax	46.8007	8,88,18,443		8,00,18,443	
				44,70,49,043		33,94,17,561
	TOTAL			1750,02,00,802		1516,76,34,214

SCHEDULE : 14 REVENUE FROM SALE OF POWER

Amount in Rupees

Sl. No.	Particulars	Account Code	Current Year 2008-09	Previous Year 2007-08
1	BJ/KJ Up To 18 Units Metered installations	61.101	16,09,30,111	-
2	BJ/KJ Up To 18 Units Un Metered installations	61.102	11,05,09,135	27,34,09,413
3	BJ/KJ Above 18 Units having more than one outlet	61.103	14,39,04,618	10,69,94,821
4	Lighting/combined lighting, heating & motive power installations BBMP (Urban) - LT 2(a)i	61.111	1024,51,95,512	1131,73,88,724
5	Lighting/combined lighting, heating & motive power installations (Urban Local Bodies other than LT 2(a)i - LT2 (a)ii	61.112	90,74,80,697	-
6	Lighting/combined lighting, heating & motive power installations (Village Panchayats) - LT 2(a)iii	61.113	93,10,33,293	-
7	Lighting/combined lighting, heating & motive power installations (Free Lighting)	61.114	6,52,32,745	-
8	Lighting/combined lighting, heating & motive power installations of Pvt. Professional including aided educational institutions under Urban Local Bodies including City Corporations LT 2 (B)i	61.115	13,03,86,464	13,74,49,319
9	Lighting/combined lighting, heating & motive power installations of Pvt. Professional including aided educational institutions under VPs -LT2(b)ii	61.116	1,11,89,163	-
10	IPSets Tariff Subsidy received from GoK	61.122	221,01,77,994	196,26,20,135
11	Commercial Lighting, heating & motive power installations of ULBs including City Corporations	61.131	608,14,42,841	566,69,87,653

SCHEDULE : 14 (continued)

Amount in Rupees

Sl. No.	Particulars	Account Code	Current Year 2008-09	Previous Year 2007-08
12	Commercial Lighting, heating & motive power installations VPs - LT3 (ii)	61.132	8,30,46,370	
13	Commercial Lighting, heating & motive power installations - Office Lighting	61.133	1,81,49,480	
14	IPSets upto and inclusive of 10HP-Unmetered installations till such time, meters are fixed-Rural feeders-LT4(a)i-Free power-Unmetered	61.141	269,29,89,984	329,84,13,371
15	IPSets upto and inclusive of 10HP- where meters are fixed-Rural feeders -LT4(a)i-Free power-Metered	61.142	1,03,31,338	
16	IPSets upto and inclusive of 10HP- Urban feeders metered-LT4(a)ii-Free power-metered	61.143	4,44,91,826	
17	IPSets upto and inclusive of 10HP- Urban feeders Unmetered-LT4(a)ii-Free power-Unmetered	61.146	6,63,56,424	
18	I.P.Sets above 10HP-LT4(b)	61.144	71,23,236	31,21,616
19	IP sets Pvt. Hortl, Nurseries, Coffee & Tea Plantations irrespective of sanctioned load - LT4(c)	61.145	41,00,605	48,67,702
20	Heating & motive power (including lighting) of BBMP area upto & below 5HP - LT5(a)i	61.151	43,71,63,504	62,09,58,957
21	Heating & motive power (including lighting) of Bangalore Metropolitan area for above 5HP & below 40HP (including demand based tariff) - LT 5(a)ii	61.152	83,22,08,724	135,76,53,111
22	Heating & motive power (including lighting) of BBMP area for 40HP & above but below 67HP (including demand based tariff) - LT 5(a)iii	61.153	107,23,50,899	167,58,33,383

SCHEDULE : 14 (continued)

Amount in Rupees

Sl. No.	Particulars	Account Code	Current Year 2008-09	Previous Year 2007-08
23	Heating & motive power (including lighting)-BBMP area for 67HP & above (including demand based tariff) - LT 5(a)iv	61.154	52,04,61,014	77,70,75,425
24	Heating & motive power (including lighting) of other than BBMP area upto and below 5HP - LT 5(b)i	61.155	19,37,70,479	
25	Heating & motive power (including lighting) of other than BBMP area for above 5HP & below 40HP (including demand based tariff) - LT 5(b)ii	61.156	45,85,20,585	
26	Heating & motive power (including lighting) of other than BBMP area for above 40HP & below 67HP (including demand based tariff) - LT 5(b)iii	61.157	55,93,28,488	
27	Heating & motive power (including lighting) other than BBMP area for 67HP and above (including demand based tariff)- LT 5(b)iv	61.158	16,64,26,146	
28	Water supply installations of VPs/TP's and TMC/CMCs - LT 6	61.171	152,30,81,213	129,67,59,451
29	Public Lighting installations of VPs / TP's and TMC/CMCs - LT 6	61.172	111,67,65,410	106,55,39,019
30	Temporary Power Supply - LT installations - LT7	61.181	91,70,98,917	88,79,46,955
	TOTAL (LT)		3172,12,47,214	3045,30,19,056
31	Drainage/Sewerage BWSSB & Local bodies/KUWS & SB -Water supply installations -HT 1	61.250	167,13,97,975	163,40,87,961
32	Industires in BBMP area - HT 2(a)i	61.260	976,34,81,643	1457,34,29,820
33	Industires in areas other than BBMP area - HT 2(a)ii	61.261	574,91,80,459	-
34	HT Commercial applicable to BBMP area - HT2(b)i	61.270	1171,79,41,789	1079,44,45,464
35	HT Commercial applicable to areas other than BBMP area - HT2(b)ii	61.271	60,26,91,813	-

SCHEDULE : 14 (continued)

Amount in Rupees

Sl. No.	Particulars	Account Code	Current Year 2008-09		Previous Year 2007-08	
36	Lift Irrigation Schemes-Govt Dept & Govt owned Corporations - HT3(a)i	61.280	42,42,208		71,85,993	
37	Lift irrigation Schemes - Pvt LI Schemes and LI societies HT 3 a (ii)	61.281	1,16,833		-	
38	Lift irrigation Govt Horticulture, Coffee, Tea, coconut, Arecant, Etc Agricultural farms HT 3 b	61.282	5,54,452		5,93,075	
39	Residential apartments and colonies of BBMP Area HT 4 (a)	61.290	31,96,18,311		33,09,90,606	
40	Residential apartments and colonies Urban Local Bodies other than HT 4 (a) - HT 4 (b)	61.291	16,91,070		-	
41	Residential apartments and colonies of VPs - HT 4 (c)	61.292	52,28,599		-	
	TOTAL (HT)			2983,61,45,152		2734,07,32,919
42	Revenue from sale of power - MESCOM -Energy balancing at IF point and above 33KV	61.312	1,42,81,466		2,33,87,034	
43	Revenue from Inter-ESCOM exchange of energy charges 11KV & LT - CESC	61.317	2,00,81,518		1,07,94,303	
44	Recoveries for theft of power	61.710	-		13,919	
				3,43,62,984		3,41,95,256
45	Miscellaneous recoveries from Consumers.					
46	Reconnection Fee (D & R)	61.902	4,72,670		13,20,324	
47	Public Lighting Maintenance Charges	61.903	-		1,350	
48	Service Connection	61.904	23,31,50,144		24,68,62,770	
49	Delayed payment charges from consumers.	61.905	20,700		56,980	
50	Other Receipts from consumers	61.906	26,15,37,095		15,46,63,804	
				49,51,80,609		40,29,05,228
				6208,69,35,959		5823,08,52,459
	Less : Withdrawal of Revenue Demand	83.8	18,37,16,457	18,37,16,457	16,39,67,898	16,39,67,898
	TOTAL			6190,32,19,502		5806,68,84,561

SCHEDULE : 15 OTHER INCOME

Amount in Rupees

Sl. No.	Particulars	Account Code	Current Year 2008-09		Previous Year 2007-08	
1	Income from Investments					
	Interest on Bank Fixed Deposits	62.222, 260,270	14,35,53,639		39,69,14,830	
	Sub total - 1			14,35,53,639		39,69,14,830
2	Other Income					
	Profit on sale of stores	62.330	2,73,59,732		49,98,067	
	Sale of scrap	62.340	22,50,371		90,222	
	Other Miscellaneous receipts	62.360	47,68,182		29,04,551	
	Other Income	62.325	-		2,80,108	
	Material Cost Variance	62.630+ 62.904+ 79.110	36,39,43,182		11,77,63,867	
	Rental from Staff Quarters	62.901	76,47,833		1,07,06,114	
	Rental from others	62.902	1,62,913		4,41,073	
	Value of materials & fixed assets found excess during physical verification	62.905	15,77,574		53,06,901	
	Rebate at 1.5% for collection of Electricity Duty.	62.916	1,75,27,673		3,73,56,013	
	Incentives received	62.917, 62.918	25,26,20,626		13,75,17,327	
	Miscellaneous Recoveries.	62.907+ 62.911+ 62.922+ 62.923+ 62.361	61,13,87,930		38,35,94,586	
	Sundry credit balance written back	62.912	3,11,43,973			
	Sub total - 2			132,03,89,989		70,09,58,829
	TOTAL			146,39,43,628		109,78,73,658

SCHEDULE : 16 PURCHASE OF POWER

Amount in Rupees

Sl. No.	Particulars	Account Code	Current Year 2008-09	Previous Year 2007-08
A	Power Purchase Cost			
1	Hydel Power		498,98,40,705	522,95,15,871
2	Thermal Power		2499,07,70,777	2065,23,76,532
3	Lignite Power		251,67,81,461	279,29,74,396
4	Atomic Energy		109,53,60,734	103,45,87,219
5	Conventional Energy		525,07,21,660	917,03,53,728
6	Non Conventional Energy		171,31,88,314	184,89,42,109
7	Wind Mill Energy		545,78,55,982	496,47,22,727
8	Diesel generating		387,71,24,724	175,95,33,737
9	Unscheduled Inter Change charges		538,25,64,527	174,38,02,853
10	Bi-lateral Purchases		559,63,27,800	20,31,14,414
TOTAL			6087,05,36,684	4939,99,23,586

SCHEDULE : 17 REPAIRS AND MAINTENANCE

Amount in Rupees

Sl. No.	Particulars	Account Code	Current Year 2008-09	Previous Year 2007-08
1	Plant and Machinery	74.1	16,74,48,379	18,97,58,666
2	Buildings	74.2	1,21,75,223	1,10,65,391
3	Civil works (Pipeline, Seweage, drainage and water supply)	74.3	39,81,205	53,04,072
4	Lines, Cable Net Work Etc.	74.5	17,90,90,374	21,96,43,491
5	Vehicles	74.6007	52,99,498	62,15,476
6	Furniture and Fixtures	74.7007	33,252	30,771
7	Office Equipments.	74.8	26,52,859	25,03,134
TOTAL			37,06,80,790	43,45,21,001

SCHEDULE : 18 EMPLOYEE COSTS

Amount in Rupees

Sl. No.	Particulars	Account Code	Current Year 2008-09		Previous Year 2007-08	
1	Salaries and allowances					
	Salaries	75.1	162,56,13,778		146,88,03,644	
	Over Time	75.2	7,35,47,778		5,67,15,888	
	Dearness Allowance	75.3	43,86,88,040		78,97,69,379	
	Other Allowances	75.4	23,53,50,638		21,38,59,146	
	Bonus	75.5	3,60,64,370		4,95,89,625	
	Sub total - 1			240,92,64,604		257,87,37,682
2	Other Benefits					
	Medical Expenses reimbursement	75.611	4,04,26,298		3,07,15,834	
	Leave travel assistance	75.612	11,657		47,890	
	Earned leave encashment	75.617	19,19,30,906		18,74,33,360	
	E.L.Encashment - Retirement / Deceased Employees	75.618	2,00,36,435		6,45,28,850	
	Staff Welfare expenses	75.7	5,81,45,158		6,66,53,712	
	Payment towards Provident Fund	75.7	27,86,490		27,86,490	
	Terminal Benefits	75.8	62,03,62,970		47,42,65,408	
	Sub total - 2			93,36,99,914		82,64,31,544
3	Others					
	Payment under workmens compensation Act	75.629	10,47,663		25,700	
	Payment to helpers/employees of Monsoon gang	75.630	5,51,18,707		6,50,10,349	
	Sub total - 3			5,61,66,370		6,50,36,049
TOTAL				339,91,30,888		347,02,05,274

SCHEDULE : 19 ADMINISTRATIVE AND OTHER EXPENSES

Amount in Rupees

Sl. No.	Particulars	Account Code	Current Year 2008-09	Previous Year 2007-08
1	Rent	76.1017	5,68,01,605	5,61,22,685
2	Rates & Taxes	76.1027	30,64,261	23,07,477
3	Insurance/fee	76.104,105,106	-	1,34,618
4	Security Charges	76.1037	33,76,178	45,84,350
5	Postage stamps & Telephone charges	76.111,112,113,115	2,84,90,329	3,07,97,783
6	Remuneration to contract agencies/professional & consultancy charges	76.122,123,124,125 to 76.130	23,53,58,537	28,94,50,375
7	Legal charges	76.1217	13,93,310	18,91,118
8	Conveyance & Travel expenses	76.131,135,137 to 139,	12,87,38,632	10,80,73,609
9	Vehicle running expenses	76.1367	2,34,71,928	2,47,43,965
10	Statutory Auditors' Remuneration			
	- as Statutory Audit fee		4,50,000	4,00,000
	- as Tax Audit fee		1,00,000	75,000
	- as Expenses		20,000	20,000
	- as Service tax		49,440	49,440
11	Fees & Subscriptions	76.1517	23,37,506	1,85,11,172
12	Printing & Stationery	76.152, 76.153	4,37,32,552	5,24,02,419
13	Advertisement Expenses	76.1547	4,004	4,600
14	Computer Statineries & floopies	76.1557	69,64,503	64,40,266
15	Contributions	76.1567	88,47,009	1,52,42,159
16	Electricity Charges	76.1587	1,84,75,415	1,77,93,944
17	Water Charges	76.1607	13,46,108	12,82,636
18	Miscellaneous expenses	76.152,154,162,164, 190,191,192,79.2	1,84,84,649	2,17,87,310
19	DSM Expenses	76.1937	3,24,103	-
20	Freight & other material related expenses	76.201 to 76.282	2,71,24,321	2,59,74,451
TOTAL			60,89,54,390	67,80,89,376

SCHEDULE : 20 OTHER CHARGES (DEBITS)

Amount in Rupees

Sl. No.	Particulars	Account Code	Current Year 2008-09	Previous Year 2007-08
1	Other Expenses:			
	Small & Low value items Written off	77.6107	6,69,937	2,66,794
	Computer Rentals/maintenance charges	77.6117	31,69,493	18,77,858
	Losses/gain relating to Fixed Assets	77.7-62.4	1,94,52,293	1,44,43,504
	Asset decommissioning cost	77.5	2,31,717	5,24,098
	Bad Debts written off	79.410 & 79.430	9,92,91,318	1,09,51,905
	Provision for Bad & doubtful debts	79.4607	261,84,96,874	224,27,04,680
	Miscellaneous losses and Write offs	79.5	7,27,01,003	3,36,44,810
	TOTAL		281,40,12,635	230,44,13,649

SCHEDULE : 21 DEPRECIATION

Amount in Rupees

Sl. No.	Particulars	Account Code	Current Year 2008-09	Previous Year 2007-08
1	Depreciation on Buildings	77.110+77.120	58,26,932	52,91,666
2	Depreciation on Civil works (pipeline, sewerage, drainage, water supply etc.,)	77.1307	4,08,229	3,91,172
3	Depreciation on other Civil Works	77.1407	77,172	77,161
4	Depreciation on Plant and Machinery	77.150+151	23,34,01,984	18,86,15,031
5	Depreciation on lines, cable, network etc.,	77.160+161	82,14,19,900	63,51,48,107
6	Depreciation on Vehicles	77.170+171	86,95,753	32,45,423
7	Depreciation on furniture, fixtures	77.1807	27,55,119	28,20,034
8	Depreciation on Office equipments	77.190+191	15,88,887	10,99,934
TOTAL (1 to 8)			107,41,73,976	83,66,88,528
Less : Depreciation Withdrawn from contributions / subsidies as per AS - 12			43,16,64,671	35,60,12,471
Depreciation for the year			64,25,09,305	48,06,76,057

SCHEDULE : 22 INTEREST AND OTHER CHARGES

Amount in Rupees

Sl. No.	Particulars	Account Code	Current Year 2008-09	Previous Year 2007-08
1	Interest on Loans	78.1+78.540+ 78.546	49,41,22,808	60,36,67,005
2	Guarantee Commission to GoK	78.8687	17,61,232	26,92,420
3	Other Interest and Finance Charges	78.820 to 78.890	8,81,17,532	70,75,022
4	Interest to Consumers	78.600	51,84,09,928	91,76,55,875
5	Interest on belated payment for power Purchase	80.102 to 80.149	12,92,92,004	18,96,76,980
TOTAL			123,17,03,504	172,07,67,302

SCHEDULE : 23 PRIOR PERIOD CREDITS / CHARGES

Amount in Rupees

Sl. No.	Particulars	Account Code		Current Year 2008-09	Previous Year 2007-08
A	Income relating to previous years :				
1.	Excess provision for Depreciation in prior period	65.600	8,10,24,030		8,07,78,683
2.	Excess/short provision for Interest & Finance charges	65.700	2,91,48,397		1,81,40,338
3.	Other excess provision in prior period	65.800	82,60,62,231		17,54,83,382
4.	Other income relating to prior period	65.900	1,04,48,517		76,70,756
5.	Receipts from Consumers Relating to Prior period	65.200	-		2,64,53,771
				94,66,83,175	30,85,26,930
B	Prior period expenses / losses :				
1.	Employee costs relating to previous year	83.500	1,85,25,657		26,30,657
2.	Depreciation under provided in previous period	83.600	9,66,69,671		16,55,04,461
3.	Administrative expenses of previous period	83.820	17,49,413		1,01,04,737
4.	Interest & other finance charges of previous year	83.700	-		3,75,80,380
5.	Other expenses relating to prior periods	83.850	3,52,45,008		2,09,90,368
6.	Operating expenses of previous year	83.300	3,20,37,982		-
7.	Short provision for power purchased in previous years	83.100	6,57,23,594		59,85,33,839
				24,99,51,325	83,53,44,442
C.	Net prior period credits/(charges) (A-B)			69,67,31,850	(52,68,17,512)

**SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING
PART OF THE ANNUAL ACCOUNTS As at 31st MARCH 2009.**

PART A: SIGNIFICANT ACCOUNTING POLICIES AND DISCLOSURES (Paras 1 to 12)

1. METHOD OF ACCOUNTING

- 1.1. The Financial statements are prepared under Historical Cost convention in accordance with the provisions of the Companies Act, 1956 as are applicable and also in accordance with the provisions of Electricity (Supply) Act, 1948/ Electricity Act, 2003 where ever they are applicable to the company.
- 1.2. a) All items of Income and Expenditure having a material bearing on the Financial Statements are recognized on accrual basis except the following, which are accounted on cash basis:
- i. Grants and subsidies from Government in respect of capital assets.
 - ii. Insurance claims as and when settled by insurance company.
- b) Revenue Recognition
- i. Revenue from sale of energy is accounted on accrual basis.
 - ii. Revenue dues from consumers whose ledger accounts are yet to be opened is estimated and accounted.
 - iii. The sale of energy is as per the tariff fixed by Karnataka Electricity Regulatory Commission (KERC).
 - iv. Revenue for the year is also adjusted by estimating un-billed revenue of previous year and current year.

2. FIXED ASSETS

- 2.1. Fixed Assets are stated at cost of acquisition or construction less accumulated depreciation. Costs relating to the acquisition and installation of fixed assets are capitalized and include interest and finance charges payable on loans obtained for construction.
- 2.2. Released assets are accounted on Withdrawal / Capitalization at Written Down Value (WDV).
- 2.3. Impairment of Fixed assets

An impairment loss is recognized when the carrying amount of an asset exceeds greater of the net selling price or value as shown in the books of accounts.

3. DEPRECIATION

- a. KEREC has amended the tariff regulation in respect of depreciation as per Notification No.D/01/06 dated 31.05.2006
- b. During the year, the Company has continued to provide depreciation at the rates notified by CERC under Notification No.L-7/25 (5) / 2003 – CERC dated 26.03.2004 which are different from the rates specified under the Companies Act.

c. The Company is not charging depreciation as per rates prescribed under schedule XIV of the Companies Act 1956. The difference in calculation of depreciation between KERC notified rates and Companies Act Schedule XIV rates has not been ascertained.

- 3.2. Depreciation is calculated annually based on straight-line method over the useful life of the asset under historical cost.
- 3.3. Depreciation on leasehold land is provided at the years' amortization rate arrived at on the basis of lease period.
- 3.4. The residual value of all the assets is 10%.
- 3.5. Plant & Machinery costing Rs. 500/- or less individually are written off at 100% in the year in which they are installed and put to use.
- 3.6. Depreciation is charged, in respect of addition to assets during the year, on **prorata basis** for the period in use.
- 3.7. In respect of released assets depreciation is charged up to the date of dismantling.

4. CAPITAL WORK IN PROGRESS

- 4.1. Materials issued to Capital Works in progress are valued at cost of purchase or at scheduled standard rates (Standard rate is determined on the basis of previous purchases and prevailing market rates).
- 4.2. Common expenditure incurred by divisions / circles / zones and administrative offices are not apportioned and debited to capital expenditure as the costing methods and procedures are not fully evolved yet.
- 4.3. The various contracts at divisions are capitalized only after the receipt of final completion/technical/commissioning reports.

5. INVENTORY

- 5.1. Inventories, stores and spares are valued at the cost of purchase or at scheduled standard rates (the standard rates are determined on the basis of previous purchase rates and prevailing market rates).
- 5.2. Scrapped and released assets identified for disposal are valued at WDV.

6 RETIREMENT BENEFITS

- 6.1. Pension & Gratuity are provided based on the revised rates prescribed by 'KPTCL & ESCOMs Pension & Gratuity Trusts' as per Order No.KPTCL & ESCOMs P&G TRUSTS/SA-1/18/2002-03/198-222 dated 11-06-2007 which is based on Actuarial Valuation as on 31-03-2006. The rate of contribution is 21% of basic and D.A. in the case of pension and 1.77% of basic in the case of Gratuity. Actuarial valuation is made as on 31.03.2006. The above rates have been continued for F.Y.2008-09. There has been no further actuarial valuation after 31.03.2006.
- 6.2. Leave encashment is provided on the basis of estimate made by the company and not on the basis of actuarial valuation.

7. PROVISION FOR BAD & DOUBTFUL DEBTS

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

8. ACCOUNTING OF GRANTS

- 8.1 Grants received for capital expenditure are included in Capital reserves and are neither diminished nor cost of assets have been reduced to the extent of grants.
- 8.2 Contributions received from customers for capital expenditure are included in Capital reserves.
- 8.3 Other Revenue grants are credited to the Profit & Loss Account.
- 8.4 During the year an amount of Rs.43,16,64,671/-representing the amount of depreciation computed on the cost of assets funded through contributions / from consumers remains adjusted.

9. TAXES ON INCOME

Current tax is determined as the amount of tax payable in respect of taxable income for the year and is computed in accordance with the provisions of the I.T. Act 1961.

10. POWER PURCHASE

- 10.1 The Power Purchase cost is recognized based on the Government of Karnataka Order No. EN 131 PSR 2003 Dated 10th May 2005 for accounting the cost of power based on the billings made by Power Generators Pool allocated to BESCO by the Government of Karnataka. The Company recognizes the readings at interface point of each power generator allocated to it.
- 10.2 The Transmission cost on power purchase is recognized on the basis of readings at the interface points between KPTCL and the Company.
- 10.3 The Company has recognized the following as interface points for transmission of power:
1. For EHT consumers, consumption recorded at EHT consumer installations (66KV and above).
 2. Readings recorded at 33 KV and 11 KV banks (interface points) existing in various sub-stations.
- 10.4 As per policy decision of the Government and in terms of Power Purchase Agreement, KERC and CERC tariff order, the related power purchase cost figures including interest for belated payments, publication charges and income tax paid are shown on the basis of billing on "Delivered Energy" basis.
- 10.5 The supply of energy to the Company includes EHT supply at more than 66 KV voltages at the interconnection points for transfer of power for billing by the Company. The Company does not recognize any transmission loss on EHT power in its books on purchase from KPTCL.

- 10.6 The Company accounts the power purchase from 10-6-2005 directly from Power Generators Pool Account as per the energy allocation/assigned by the Government of Karnataka as per the Government order No. EN 131 PSR 2003 dated 10:05:2005. The rates followed for the allocated/assigned power purchase are based on the commercial rates/predetermined rates as approved by the PPA/ KERC/ Government of Karnataka.
- 10.7 The Transmission losses arising on account of Power Purchase from Generation Point till interface point of Transmission are accounted by the Company as per the information given by State Power Procurement Co-ordination Centre (SPPCC)/PCKL based on the proportionate energy consumed. This is as per the said Government order.
- 10.8 The Company accounts the import/export of energy among ESCOMs as net energy either as a sale/purchase.
- 10.9 The Company has fully recognized the cost of power purchase including the provision on account of cases pending before KERC of Rs.1.03 Crores (previous year Rs. 2.86 Crores)

11. Tariff Subsidy:

The tariff subsidy is based on the directives issued by Gok on year to year basis and the same is accounted on the basis of actual receipt.

12. Contingent Liabilities

All known liabilities are provided for in the accounts except liabilities of a contingent nature, which have been adequately disclosed in the accounts.

1. PART – B: NOTES ON ACCOUNTS (Paras 1 to 31)

- 1.1 Financial statements have been prepared for the year commencing from 01.04.2008 to 31.03.2009. (Previous year for the period commencing from 01.04.2007 to 31.03.2008)
- 1.2 The KERC vide letter dated 30th September 2008 has intimated that as per first provision of section 14 of the Electricity Act 2003, BESCO has become a Deemed Licensee valid for a period of 25 years from 10th June 2004.
- 1.3 The Company has a service area comprising of following districts:
Bangalore Urban, Bangalore Rural, Ramanagara, Chickaballapura, Kolar, Tumkur, Chitradurga and Davanagere.
- 1.4 The Government of Karnataka published vide its order No. DE 14 PSR 2002 dated 31-05-2002, the 2nd Transfer Scheme called Karnataka Electricity Reform (transfer of undertakings of KPTCL and its personnel to Electricity distribution and retail supply Companies Rules 2002) giving effect to the approval of distribution undertakings, assets and liabilities and provisional opening Balance Sheet of KPTCL and BESCO based on the Annual Accounts of KPTCL as on 31-03-2001. As per the provisions of 2nd Transfer Scheme, after the stipulated period of one year i.e., by 31-05-2003, the same became final. Opening Balance Sheet earlier approved and published vide G.O. and Government notification dated 31-05-2002 read above were provisional and thereafter Government had approved and issued final opening Balance Sheet of BESCO as at 01-06-2002 vide its order No. DE 48 PSR 2003 dated 31-05-2003/No.DE 48 PSR 2003, dated 07-10-2004. This has been notified and published as Final. The changes effected after the audit by KPTCL in the “transfer scheme” have been incorporated in

the accounts of the Company as per Annexure – 2 to Government Order NO.DE48 PSR 2003 dated 07-10-2004.

2. Share Capital

By virtue of transfer scheme of transfer of assets and liabilities as on 31-05 2002 between KPTCL and the Company, the net difference of assets and liabilities is arrived as the opening balance of share capital account as on 01-06-2002. Out of the same, during the year 2004-05, the Company has issued 20,59,50,000 equity shares of Rs.10/- each and the same has been totally subscribed and are fully paid up.

3. Loans

- 3.1 Certain Secured and Unsecured Loans are determined subject to receipt of consent based on KPTCL's intimation to various lending institutions. The specific details of the loan, scheme wise and the terms and conditions of such loans are yet to be received from KPTCL except the loans directly borrowed by the Company.
- 3.2 The repayments towards principal and interest are being routed through KPTCL. The interests on such loans are also accounted based on intimation by KPTCL except certain loans directly borrowed by the Company.

4. Fixed Assets

- 4.1 The fixed assets are accounted vide Government of Karnataka Notification mentioned above as cost of assets in Gross Block and accumulated depreciation on such assets till the date of transfer and the depreciation has been provided accordingly.
- 4.2 The Company is in the process of obtaining details of the identification, location, situation, description and the extent of transfer of titles in its favour in respect of movable, immovable and leased assets.
- 4.3 The assets have been recorded as assigned specifically by KPTCL. In case of buildings without transfer of land, the same is assumed to be taken on lease from the KPTCL at nominal value.
- 4.4 As per arm length agreements between KPTCL and the Company regardless of the ownership of the assets both KPTCL and the Company are using the assets. The income / expenditure which may arise has not been recognized in the accounts.
- 4.5 The Company accounts
 - a) The released assets when issued for Capital works are categorized on completion of such works at written down value.
 - b) The released assets that are not in usable condition and obsolete assets at written down value are included in inventories.

5. Sundry Debtors

- 5.1 In respect of provision for Bad & Doubtful Debts on IP sets, BJ/KJ installations dues, the Company has made a separate provision to the extent of Rs.917.43 Crores for FY 2008-09 (Previous year Rs.656.07Crores).
- 5.2 The Company has identified arrears in respect of long permanently disconnected installations amounting to Rs.34.30 Crores and has made provision during the year 2004-05. The above provision is continued

to be held under provision for bad and doubtful debts account as at 31.03.2009 regardless of the outstandings.

- 5.3 The Company is continuing the process of identifying the erroneous demands made on account of institution of computerized billing system for which a provision was made already in the accounts upto 31-3-2005 to the extent of Rs.49.12 Crores (Net).This has been withdrawn to the extent of Rs.17.71 Crores and the balance as on 31/03/2009 is Rs.45.36 Crores, inclusive of provision made at the division level in respect of cases decided by appellate authorities, court cases etc.,The factors and circumstances leading to such erroneous demand have been taken up for a detailed scrutiny at sub division level.
- 5.4 The balances with KPTCL, and dues from Contractors, Sundry Creditors, and Advances to suppliers, fabricators holding materials and deposits with various parties are subject to confirmation/reconciliation. The process of reconciliation of receivables and payables in respect of ESCOM's is continuing and confirmation from other ESCOMs is yet to be received.
- 5.5 The Breakup of the provision for Bad and Doubtful Debts maintained as against the total Receivables as on 31-03-2009 is as under :

(Rs. in Crores)

Sl. No.	Particulars	2008-09	2007-08
1	Opening Balance 01-06-2002. (As per Government of Karnataka order)	254.21	254.21
2	On account of 4% provisioning as per Accounting Policy – LT category and others.	11.84	11.35
3	On account of Long Disconnected Installations	34.30	34.30
4	On account of arrears of BJ/KJ and IP set installations.	917.43	656.07
Total		1217.78	955.93

6. Inventories Stores and Spares

- 6.1 Inventories, stores and spares are valued at the cost of purchase or at scheduled standard rates. In case of purchase of inventories, if standard rates are adopted, the differences between the purchase rates and standard rates of materials are debited or credited to material cost variance account, which is charged / credited to Revenue Account at the end of the year.
- 6.2 A provision at the rate of 20% on the value of scrapped and dismantled assets is maintained and is charged to Profit and Loss Account.
- 6.3 The company has grouped the excesses/shortages between the physical stocks and the book stocks with inventories pending final investigation and adjustments to be carried out by the company.

7. Pension, Gratuity and Leave Encashment

- 7.1 All the employees of the Company are on deputation from KPTCL.

- 7.2 As per 'KPTCL and ESCOM's Pension & Gratuity Trusts' Order No.KPTCL & ESCOMs P&G TRUSTS/SA-1/18/2002-03/198-222 dated 11th June 2007,provision towards Pension has been calculated at 21% of Basic and D.A. and provision towards gratuity has been calculated at 1.77% of Basic Pay for FY 2008-09. However no actuarial valuation has been made for the year 31.03.2009.
- 7.3 In case of leave encashment, the Company has estimated the earned leave encashment of eligible employees and the same has been provided in the books of accounts. However no actuarial valuation has been made for the year 31.03.2009 and also for earlier years.
- 7.4 The amounts provided in respect of Pension, Gratuity and leave encashment have not been fully funded during the year.

8. Contingent Liability/Asset

- 8.1 Estimated amount of contracts remaining to be executed on Capital Account is not ascertained due to the large volume.
- 8.2 Income tax demand disputed Rs 61.07 Crores In appeal for A.Y.2005-06.
(Rs. 61.07 Crores has been paid under protest and the same is pending before tribunal)
- 8.3 The claims made by the Company with Oriental Insurance Company to the extent of Rs.14,81,284/- against the failed distribution transformers is pending settlement.
- 8.4 Fixed Deposits of Rs.28.38 lakhs (previous year Rs.41.31 lakhs) are held as Security Deposit against the performance of contractors.
- 8.5 The KPTCL in their circular letter. No. FA (A&R)/C (AP&A)/DC (A&C)/AAO-I/CYS-104/Dtd.15.03.2007 have requested to account an amount of Rs. 330.21 Crores towards the Additional fixed cost paid by the KPTCL for supply of power by Thannir Bhavi Power Corporation Limited (TBPCL) as Regulatory Assets & 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. 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. 330.21 Crores in the current year Accounts.
- 8.6 Additional liability if any, in respect of power purchases from KPCL for RTPS unit 1 – 7 and VVNL mini hydel and DG Yelahanka are not provided in books pending disposal of court cases filed by KPCL.
- 8.7 Vigilance cases in respect of customers installations are pending in various forums and the amount is not ascertainable at this stage.
- 8.8 A claim against the Company from GMR for Power Purchase rate differences is contested in the Karnataka High Court amounting to Rs.84.63 Crores.
- 8.9 Additional interest claim from bank not acknowledged as debts is Rs.1.66 Crores
- 8.10 The TDS demand of Rs.196 Crores raised by the I.T.Dept u/s 194 (J) on Transmission Charges paid to KPTCL and PGCIL has been contested in appeals and hence no provision has been considered in the accounts.

9. The Details of Zone-wise appeal cases pending as at 31-3-2009 are as follows :

Sl. No.	Particulars	BMAZ	BRAZ	CZ	Total
1	CURRENT YEAR No. of Appeal cases pending as on 31-3-09	161	194	30	385
2	Amount involved (Rs. in Lakhs)	215.73	164.83	20.72	401.28
3	PREVIOUS YEAR No. of Appeal cases pending as on 31-3-08	148	122	22	292
4	Amount involved (Rs. in Lakhs)	287.77	113.00	8.47	409.24

10 Transmission Charges payable to KPTCL has been recognized as per rate, specified for earlier years by KPTCL, pending directions from KERC on the fixation of the rate.

11. Free Lighting

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

12. Electricity consumption of Company's offices

Electricity consumption in respect of Company offices are accounted both as Revenue at retail tariff rates and the same is treated as expenditure.

13. RENT

Rent recovered from employees is accounted as income.

14. SUBSIDY

From 10-10-2005 as per KERC tariff order 2005, demand on IP sets is being made. The subsidized portion from the Government of Karnataka on IP sets energy sales is not recognised in the books as per Government of Karnataka letter No. EN 102 PSR 2005/6296/470 dated 16/19-12-2005.

15 INTER UNIT ACCOUNTS (IUA)

The Inter Unit Accounts on account of Assets/Liabilities/CWIP and material transfers within the Company's divisions / accounting units are pending reconciliation/adjustments.

16 Electricity Tax

BESCO has collected Rs. 279.82 Crores (Previous year Rs.249.01 Crores) from consumers for the year 2008-09 towards Electricity Tax and has not remitted Rs.167.29 Crores inclusive of interest to the Government

17. Rebate

Rebate for having collected electricity tax from consumers amounting to Rs.1.75 Crores at 1.5% has been accounted as Miscellaneous Revenue, which is to be received from Government of Karnataka.

18. The Company being a distribution licensee, the transactions pertaining to Meter testing activity only have to be accounted. However, transactions pertaining to MT & RT (MRT division) for the current year have been reflected in the books of Company and bifurcation between Meter Testing and Relay testing divisions has not been made.

19. Managerial Remuneration

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

Expenses	For the year 2008-09		For the year 2007-08	
	Managing Director (Rs)	Director (Technical) (Rs)	Managing Director (Rs)	Director (Technical) (Rs)
Salaries and allowances	8,75,895	6,50,618	1,05,354*	2,65,381**
Ex-Gratia	483	582	2,234	2,500
Others (House Orderly Allowances)	38,000	30,000	30,000	7,155
TOTAL	9,14,378	6,81,200	1,37,588	2,75,036

*From 11:05:2007 to 10:02:2008, Director (Technical) KPTCL was incharge of Managing Director of BESCOM .

**Director (Technical) post was vacant from May 2007 to January 2008.

- 19A. The accounts approved by the Board on 31:07:2009 and reported by the Statutory Auditors were revised based on the observations made by the Comptroller and Auditor General of India U/S 619(4) of the Companies Act 1956 and due to release of additional tariff subsidy by GOK vide GO No.EN 33 PSR 2008, Bangalore, dated 31:03:2009, the Board has approved the revised accounts on 16-09-2009. Accordingly, the revision has resulted in (a) Decrease in Net Loss by Rs.5.65 crores (b) Increase in total assets by Rs.1.46 crores and (c) Increase in liabilities by Rs.4.19 crores.

20. Expenditure in foreign currency:

Foreign exchange expenses	Current year 15,320 US Dollars (Foreign tour expenses)	Previous year 3,525 US dollars (Foreign tour expenses)
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21. Additional Information

Quantitative details of power purchase, distribution loss and sales (as compiled / certified by the Management):

Details of sale of energy and Distribution Loss for the year 2008-09 (April-08 to March -09) are as follows :

Energy in MU

SI No.	Particulars	Current year	Previous year
1	Total Energy purchased at Generation Point	20439.88	19798.94
2	LESS : Transmission Loss	873.41	1133.63
3	Total Energy at Interface Points	19566.47	18665.31
4	Transmission Loss	4.27	5.73%
5	Total Energy at Interface Point for Sales (1 - 2)	19566.47	18665.31
6	Total Metered Sales	12205.78	11283.82
7	Total Un-metered Sales	4104.70	3649.82
8	Total Sales (6 + 7)	16310.48	14933.64
9	Distribution loss (5 - 8)	3255.99	3731.67
10	Overall Loss (2 + 9)	4129.40	4865.30
11	Percentage of Distribution Loss (9 / 3)	16.64	19.99
12	Percentage of Transmission Loss (2 / 1)	4.27	5.73
13	Percentage of Overall Loss (11 + 12)	20.91	26.07

* In respect of Un-metered category of installations, Energy consumed has been assessed as follows:

- BJ / KJ installations: KERC has approved to assess the units consumed by BJ/KJ category of consumers at 18 units /month/ installation.
- IP sets consumption assessment is based on sample readings recorded at Distribution Transformer Centers taking secondary line loss at 10%.

22. As the Company deals with numerous items of stores and spares for maintenance and capital works, the quantitative information with respect to opening stock, purchases, consumption and closing stock are not furnished.

23. Income Tax Provision

23.1 Current Tax

The Company has claimed Income Tax Benefit at 100% income derived from power distribution activities from the Assessment Year 2005-06 onwards under section 80IA of the Income Tax Act, 1961. As the company is not liable to pay income tax in view of loss arrived at under regular provisions as well as u/s115JB of the IT Act, no provision for current tax has been made.

23.2 WEALTH TAX

All the assets of the Company are exempted under Section 2(e)(a) of the Wealth Tax Act 1957.

24. There are no transactions during the year with related parties as stipulated under Accounting Standard(AS)-18. Hence no disclosure is made.

25. Amount due to Small and Medium Enterprises as required under the Micro, Small and Medium Enterprises Development Act, 2006 are not ascertained due to lack of information about their identity. The company has not received any confirmations from registered suppliers as of date, in respect of whom disclosures are required to be made under the said Act.

26. Since the company deals with only one segment viz purchase and distribution of electricity, there are no reportable segments as required under Accounting standard AS-17 and hence no disclosure is made in this regard.

27. Considering the principles relating to permanent timing differences due to tax benefits as per AS-22, the Company has not recognized the deferred tax liability / assets for the period under review.

28. Earnings per Share as per AS-20 issued by ICAI :

a) Net profit/(Loss) after Tax	....	(Rs. 588.24) Crores
b) Weighted average number of equity shares	....	20,59,50,000
c) Nominal value of shares	....	Rs.10/-
d) Basic and diluted earnings per share	....	(Rs.28.56)

29. The revenue from retail consumers are recognized based on KERC order dated 27.09.2005, which has been effective from 10th October 2005. However, the KERC Orders issued subsequently have been contested by the company are in appeals and hence the same have not been given effect to.

30. BESCOM had levied in December 2007 a penalty of Rs.2262.34 lakhs along with interest of Rs.38.18 lakh as per the terms of PPA on KPCL due to non supply of power by DG Plant, Yelahanka for 15 days from 19:11:2007 to 03:12:2007. KPCL is yet to settle this issue.
31. a) Previous years figures have been regrouped /rearranged wherever necessary.
Paise have been rounded off to the nearest rupee.
b) Schedules 1 to 24 form an integral part of accounts.

Sd/-
(C. Sreenivasan)
Chief General Manager (F&C)

Sd/-
(H.Nagesh)
Director (Technical)

Sd/-
(Tushar Giri Nath)
Managing Director

As per our report of even date attached
For and on behalf of **R SUBRAMANIAN AND COMPANY**
Chartered Accountants

Sd/-
(N. KRISHNAMURTHY)
Partner
Membership No.19939

Place : Bangalore
Date : 16-09-2009

CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH 2009

Amount in Rupees

Sl. No.	Particulars	Current Year 2008-09		Previous Year 2007-08	
A	Cash Flow from Operating Activities				
	Net Profit before Tax	(587,36,33,217)		14,93,44,460	
	Adjustments for:				
	Depreciation	64,25,09,305		48,06,76,057	
	Interest & Other Charges	123,17,03,504		172,07,67,302	
	Interest Income on Investment	-		-	
	Contingency Reserve	-		-	
	Other Income	(146,39,43,628)		(109,78,73,658)	
	Prior period charges(+) or credits(-)	69,67,31,850		(52,68,17,512)	
	Income Tax	(88,00,000)		(2,36,40,091)	
	Operating Profit before working capital changes	(477,54,32,186)		70,24,56,557	
	Adjustments for				
	Changes in Inventories	(35,26,84,058)		4,47,20,517	
	Changes in Sundry Debtors	79,19,13,202		51,54,74,083	
	Changes in Loans and Advances	107,22,32,226		(3,02,88,470)	
	Changes in Other Current Assets	(213,39,02,739)		(167,99,44,126)	
	Changes in Current Liabilities	222,49,35,105		462,32,06,222	
	Changes in Provisions	10,76,31,482		13,34,14,739	
	Operating Profit after working capital changes	(306,53,06,968)		430,90,39,522	
	Prior period charges(+) or credits(-)	(69,67,31,850)		52,68,17,512	
	Extraordinary items-Contributions from Consumers	200,18,88,801		235,01,77,353	
	Net Cash inflow from Operating Activities		(176,01,50,017)		718,60,34,387
B	Cash Flow from Investment Activities				
	Changes in Fixed Assets (Net)	(690,61,99,292)		(439,71,91,620)	
	Changes in Capital Work in Progress	37,63,36,227		(98,42,79,556)	
	Changes in Investments	(1,00,000)			
	Net Cash Outflow from Investment Activities		(652,99,63,065)		(538,14,71,176)

Sl. No.	Particulars	Current Year 2008-09		Previous Year 2007-08	
C	Cash Flow from Financing Activities				
	Changes in Capital/Share Deposit Account		(0)		(0)
	Changes in Secured Loans	84,56,50,929		(188,96,84,621)	
	Changes in Unsecured Loans	204,01,74,722		(10,79,86,469)	
	Service Line and Security Deposit	169,99,85,881		215,26,79,115	
	Interest & Other Charges	(123,17,03,504)		(172,07,67,302)	
	Other Income	146,39,43,628		109,78,73,658	
	Net Cash available from Financing Activities		481,80,51,657		(46,78,85,619)
D	Net Change in Cash and Cash equivalents -		(347,20,61,425)		133,66,77,592
	Surplus Cash [(A) + (B) + (C)]				
	Add: Opening Cash and Cash equivalents		406,75,01,102		273,08,23,510
			59,54,39,677		406,75,01,102
E	Closing Cash and Cash equivalent :		59,54,39,677		406,75,01,102

- Note: 1. The Cash & Cash equivalents represent Cash & Bank Balances and deposits with Banks.
2. The Provision for Bad & Doubtful on Receivables is cash Neutral.
3. The above Cash flow statement has been prepared under the Indirect Method set out in AS-3 issued by the Institute of Chartered Accountants of India.
4. Figures in brackets indicate cash outflow.
5. Previous years figures have been regrouped wherever necessary to conform to current period's classification.

Sd/-
(C. Sreenivasan)
Chief General Manager (F&C)

Sd/-
(Tushar Giri Nath)
Managing Director

Vide our report of even date attached
for **R SUBRAMANIAN AND COMPANY**
Chartered Accountants

Sd/-
(N. KRISHNAMURTHY)
Partner
Membership No.19939

Place : Bangalore
Date : 16-09-2009

STATEMENT SHOWING CAPITAL WORKS IN PROGRESS FOR THE YEAR 2008-09

ACCOUNT CODE	DESCRIPTION	O.B on 1-4-2008	INCURRED	CATEGORIZED	CB 31-03-2009
14.1107	CWIP - Transmission Lines - (GP)	282.00	-282.00	0.00	0.00
14.1207	CWIP - Step Down Stations - (GP)	4,83,875.82	0.00	4,83,875.82	0.00
14.1307	CWIP - Load Despatch & Communication	0.00	56,464.48	56,464.48	0.00
14.1407	CWIP - Transmission Lines, Transformers etc., Extension - (GP)	72,22,021.36	103,43,281.55	29,58,484.36	146,06,818.55
14.1427	CWIP - Promoter Vanished Layouts - 11KV Lines, Transformers, LT lines/ S.C.etc., (GP)	34,39,060.01	1,16,65,094.91	1,16,27,089.59	34,77,065.33
14.1507	CWIP - Trasmissons lines, Trasformers etc., Improvement (GP)	21,33,35,241.49	218,42,75,470.24	184,56,77,758.06	55,19,32,953.67
14.1517	CWIP - Trasmissons lines, Trasformers etc., Improvement - Non plan	6,37,153.00	51,52,200.00	51,89,996.00	5,99,357.00
14.1537	CWIP - Improvement Distribution system under APDRP works lines - Trasformers	149,85,33,354.96	9,58,61,219.08	0.00	159,43,94,574.04
14.1547	CWIP - Urban distributions improvement scheme ADB	20,687.00	0.00	0.00	20,687.00
14.1557	CWIP - Addl. Street lights / Street Lights in Cities / Towns / Villages	23,95,543.74	61,91,323.07	42,19,193.72	43,67,673.09
14.1567	CWIP-Improvement distribution system under APDRP works ETV meters	35,93,18,553.19	77,71,802.00	0.00	3670,90,355.19
14.1577	CWIP-Improvement distribution system under APDRP works Ring main unit & U.G.Cable	170,17,99,90,2.64	1,35,66,529.07	0.00	171,53,66,431.71
14.1587	CWIP - Metering of Existing Street Lights installation	54,97,984.65	1,54,06,195.50	1,65,22,523.75	43,81,656.40
14.1607	CWIP - Reduction of Losses in Lines	17,19,96,099.92	98,00,05,336.05	91,33,99,445.81	23,86,01,990.16
14.1637	CWIP - Reduction of Losses in Lines	7,06,303.00	0.00	7,06,303.00	0.00
14.1667	CWIP - DSLM works	2,07,683.00	3,95,761.00	0.00	6,03,444.00
14.1707	CWIP - Replacement of Distribution Transformers by Similar Capacities	1,92,03,014.86	47,10,80,978.96	47,74,90,703.37	1,27,93,290.45
14.1717	CWIP - Drum Project at Doddaballapura	1,10,13,422.00	10,74,57,582.00	11,68,01,134.00	16,69,870.00
14.1727	CWIP - Construction of feeder through 11 kv feeders from newly formed MUSS	0.00	3,98,97,537.00	3,98,97,537.00	0.00
14.1737	CWIP - Developing/Improving the capacity of UG cables along with RMU's	0.00	8,62,76,352.22	8,36,14,019.60	26,62,332.62

ACCOUNT CODE	DESCRIPTION	O.B on 1-4-2008	INCURRED	CATEGORIZED	CB 31-03-2009
14.1747	CWIP - Compact Sub Station	0.00	24,13,57,949.00	24,13,57,949.00	0.00
14.1757	CWIP - All applicable Civil works pertains to restoration.	0.00	84,93,187.00	81,60,517.00	3,32,670.00
14.1767	CWIP - R APDRP	0.00	19,44,760.00	0.00	19,44,760.00
14.2007	CWIP - REC Plan Schemes	10,96,051.35	31,56,639.14	31,14,185.00	11,38,505.49
14.2107	CWIP - RGGVY Scheme	29,37,02,537.87	101,35,46,609.86	0.00	130,72,49,147.73
14.2157	CWIP - RLMS Works-M/s.ABB	132,27,01,013.96	66,82,92,752.32	0.00	199,09,93,766.28
14.2167	CWIP - Niranthara Jyothi Yojane	0.00	62,69,322.00	0.00	62,69,322.00
14.2207	CWIP - SPA Schemes	22,03,567.42	45,75,095.27	20,02,122.84	47,76,539.85
14.2407	CWIP - System Improvement (REC)	25,31,220.57	36,523.63	0.00	25,67,744.20
14.3007	CWIP - Village Electrification (GP)	15,13,067.39	1,70,684.90	57,367.36	16,26,384.93
14.3207	CWIP - Power Supply to IP sets (GP)	3,34,54,962.96	6,01,06,871.37	7,16,01,019.56	2,19,60,814.77
14.3217	CWIP - Power Supply to IP sets under self Financing scheme	30,96,220.31	14,70,792.52	27,65,931.10	18,01,081.73
14.3227	CWIP - Power Supply to new IP sets submerged IP sets of same consumers under UKP rehabilitaion programme	13,02,878.56	54,73,883.74	53,92,151.00	13,84,611.30
14.3257	CWIP - Power Supply to New IP sets under "Own your Transformer (OYT) Scheme" ADRP works.	46,68,533.41	8,73,62,567.32	7,94,97,399.20	1,25,33,701.53
14.3267	CWIP - Power Supply to IP set regularation of unauthorised IP set installation under " Own your Transformers (OYT)" Scheme APDRP works	1,66,37,513.39	5,31,57,741.53	6,16,96,229.65	80,99,025.27
14.3277	CWIP - Power Supply to Existing IP Consumers for installing Trasnformers under "One your Transformers Scheme (OYT) "	89,80,628.19	5,79,29,051.28	5,74,07,205.99	95,02,473.48
14.3407	CWIP - Tribal Area Electrification (GP)	4,01,089.13	1,57,68,797.58	1,04,30,335.91	57,39,550.80
14.3507	CWIP - Bhagya Jyothi Scheme	-17,08,714.99	55,28,089.00	0.00	38,19,374.01
14.3517	CWIP - Metering of Existing BJ installations	-2,26,01,786.00	1,38,32,218.00	42,55,957.00	-1,30,25,525.00

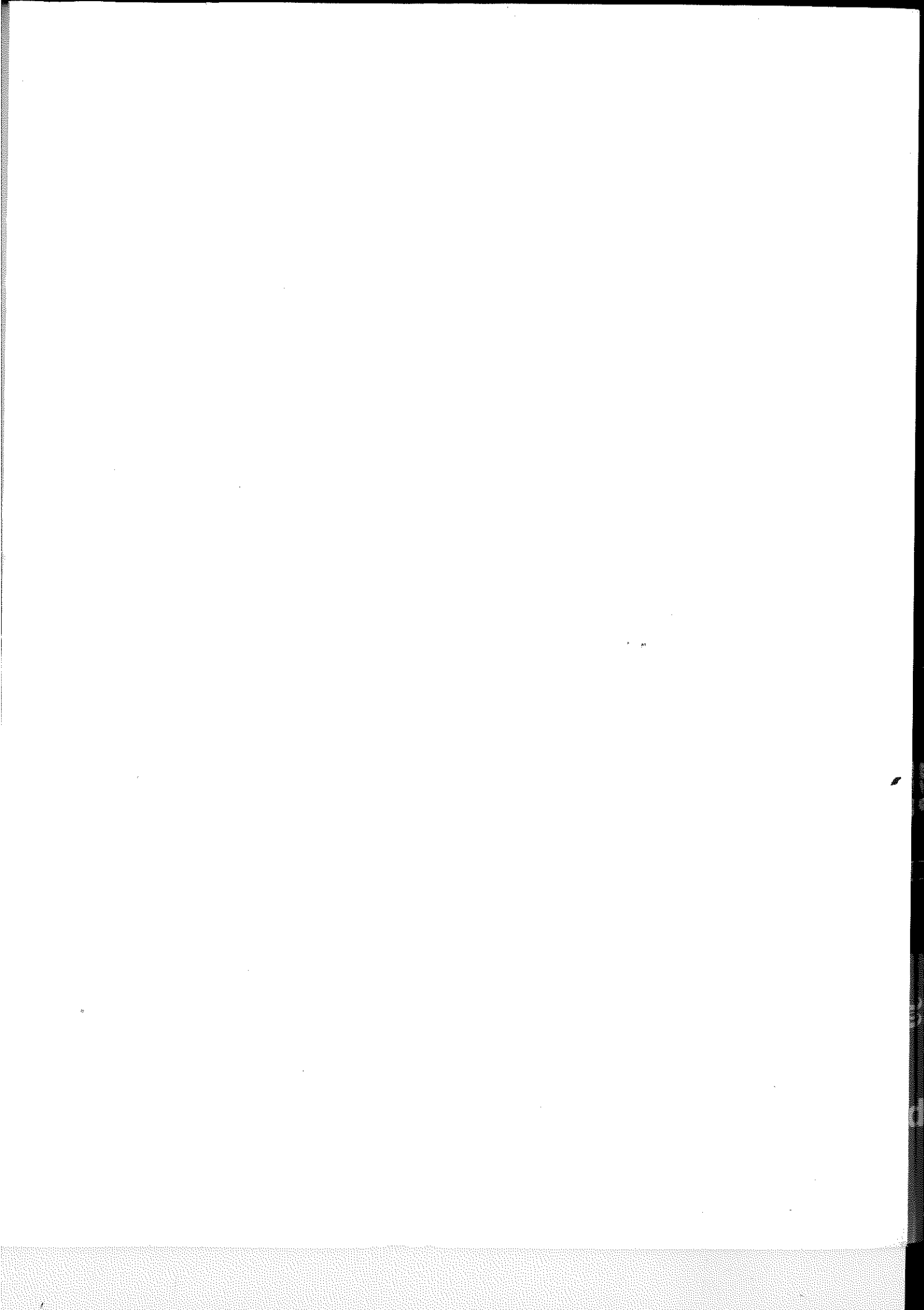
ACCOUNT CODE	DESCRIPTION	O.B on 1-4-2008	INCURRED	CATEGORIZED	CB 31-03-2009
14.3607	CWIP - Kutir Jyothi Scheme	4,00,64,620.91	1,19,29,496.86	13,376.00	5,19,80,741.77
14.3617	CWIP - Metering of Existing KJ Installations	7,62,016.00	1,06,15,923.00	24,69,502.00	89,08,437.00
14.3667	CWIP - KJ Scheme State Govt. RGRHCL Ashraya Ambedkar & EWS schemes under GOI's KJ schemes	70,29,243.50	42,250.00	40,86,679.50	29,84,814.00
14.3707	CWIP - Border Area Development Programme	1,53,998.46	0.00	1,53,998.46	0.00
14.4007	CWIP - Service Connections	14,85,87,843.93	60,15,34,720.35	60,59,47,398.20	14,41,75,166.08
14.4017	CWIP - Metering of IP sets of 10 HP & below	4,81,382.00	0.00	4,81,382.00	0.00
14.5027	CWIP - Buildings	1,36,70,661.81	5,74,61,515.00	5,37,29,526.00	1,74,02,650.81
14.6077	CWIP - Vehicals	17,29,641.60	3,04,78,730.06	3,22,08,371.66	0.00
14.7087	CWIP - Furniture & Fixtures	1,72,928.25	44,50,122.07	45,74,746.08	48,304.24
14.8097	CWIP - Office equipment	18,72,621.49	4,50,10,762.06	4,62,39,115.88	6,44,267.67
14.8107	CWIP- Tools & Tackles	31,94,301.46	3,44,45,120.84	3,65,48,761.18	10,90,661.12
14.8117	CWIP - Mobile Phones	0.00	2,30,846.00	1,80,796.00	50,050.00
14.9057	CWIP - Cat. APDRP works, lines, tranfrs.	-148,69,11,071.18	0.00	10,25,12,593.52	-158,94,23,664.70
14.9067	CWIP - Cat. APDRP works, ETV meters	-35,90,80,816.06	0.00	79,98,190.12	-36,70,79,006.18
14.9077	CWIP - Cat. APDRP works, Ring main units UG Cable	-169,82,82,532.84	0.00	1,51,79,468.74	-171,34,62,001.58
14.9107	CWIP Categorised - RGGVY Scheme	-20,40,12,362.94	0.00	100,95,84,400.99	-121,35,96,763.93
14.9157	CWIP Categorised - RLMS Works	-110,40,95,543.11	-6,26,82,404.26	67,92,86,663.74	-184,60,64,611.11
GRAND TOTAL		102,91,25,899.44	701,73,93,462.57	666,75,77,869.24	137,89,41,492.77

AVERAGE REALISATION RATE FROM SALE OF POWER FOR FY 2008-2009

SI No	DESCRIPTION	TAR- IFF	No of Consumers	UNITS SOLD		Average Realisation Rate Per Unit (Rs.)	Opening Balance (Rs.)	Revenue Demand (Rs.)	Revenue Collection (Rs.)	** HO Adjustment (Rs.)	Closing Balance (Rs.)
				Units (in kwh)	% of Units						
1	BU/KJ	LT1	6,75,563	119,15,51,84	0.73%	348.57	22,16,77,452	32,87,25,820	31,11,606	30,51,83,891	
2	Lighting and AEH	LT2	47,80,229	3601,81,81,96	22.08%	341.23	188,95,28,792	1244,18,80,966	33,64,05,885	140,17,59,815	
3	Commercial Lighting	LT3	6,22,840	952,90,54,11	5.84%	640.02	28,13,15,243	614,68,43,370	4,72,71,571	19,30,15,242	
4	Commercial Lighting (Auxiliary Cons)		367	13,09,67,90	0.08%	69.08	1264,93,29,764	3,57,95,321	-60,39,98,750	1366,40,63,160	
5	IPSets (10HP & BELOW)	LT 4A I	6,32,594	4073,85,00,00	24.98%			240,34,34,926			
6	IPSets (10HP & BELOW) Freetzed Balance upto.31-07-2008	LT 4A III									
7	IPSets (10HP & BELOW)	LT 4A II									
8	NON FREE LIGHTING										
9	IP.Sets (10HP & Above)	LT 4B	972	5,01,94,86	0.03%	141.91	1,14,22,997	-1,29,43,101	10,42,880	3,04,46,454	
10	Pvt. Hortl, Nuris, Coffee & Tea Plant	LT 4C	603	1,81,02,05	0.01%	226.53	70,17,304	27,35,282	- 40,248	84,22,874	
11	LT Industries	LT 5	1,35,609	909,30,16,89	5.57%	466.32	25,71,79,128	430,44,25,334	62,49,605	18,67,34,028	
12	Water Supply	LT 6	33,112	321,34,85,49	1.97%	473.97	298,25,45,962	100,47,98,489	5,26,49,986	344,81,78,700	
13	Street lights	LT 6 I	42,287	269,80,08,06	1.65%	413.92	249,44,99,578	118,90,37,444	-4,45,94,256	246,68,21,799	
14	Temporary Supply	LT 7	74,277	106,34,93,01	0.65%	862.35	-48,57,29,987	98,15,15,177	-34,87,414	-54,66,58,835	
LT TOTAL (1 to 13)		I	69,98,443	10374,45,56,17	63.61%	284.46	2030,87,86,234	2886,72,77,457	-20,53,89,134	2115,79,67,130	
14	Water Supply & Sewerage Pumping	HT 1	104	461,74,65,83	2.83%	361.97	3,86,59,784	166,07,24,340	69,36,457	4,23,96,962	
15	HT Industries	HT 2A	3,412	3296,73,82,00	20.21%	470.49	39,41,19,991	1551,78,33,096	-34,51,533	38,83,50,264	
16	HT Industries (Auxiliary Cons)		3	37,02,12	0.00%		1,46,828	30,40,115		11,56,979	
17	HT Commercial	HT 2B	2,964	2075,85,07,54	12.73%	593.52	2,39,60,262	1232,06,33,602	8,86,22,004	2,34,31,951	
18	HT Lift Irrigin Societies	HT 3A	18	86,57,81	0.01%	503.48	81,55,735	43,59,041	-12,18,188	60,80,496	
19	HT Lift Irrigin Schemes & Govt Hort.	HT 3B	1	24,60,65	0.00%	225.33	4,34,936	6,95,503	-1,52,694	4,46,579	
20	Residential Apartment	HT 4	152	88,59,92,23	0.54%	368.56	18,37,183	32,48,77,695	9,11,475	25,85,992	
	HT TOTAL (14 to 20)	II	6,654	5924,41,68,18	36.32%	503.61	46,73,14,719	2983,61,45,152	9,16,47,521	46,44,49,223	
	TOTAL (LT + HT)	III	70,05,097	16298,87,24,35	99.93%	364.12	2077,61,00,953	5861,46,40,584	-11,37,41,613	2162,24,16,353	
21	Misc							49,51,80,612			
22	Inter Escrom Sales							3,43,62,984		20,34,46,391	
23	Withdrawal Of Revenue Demand			11,61,18,41	0.07%		16,90,83,407	-18,37,16,457	6,14,37,807	45,96,16,347	
24	IP Tariff Subsidy -Receivable from GOK						69,87,70,611	221,01,77,994			
	GRAND TOTAL		70,05,097	16310,48,42,76	100%	379.53	2164,39,54,971	6131,99,99,190	-5,23,03,806	2227,94,79,090	

NOTE: 1) HO Adjustments includes Unbilled Revenue, Permanently Disconnected related Entries, B&D debts etc.,
 2) IP Set (Below 10 HP) figures are clubbed together since segregation was not made during previous year

PK





Bangalore Electricity Supply Company Limited

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