



**MANGALORE ELECTRICITY SUPPLY COMPANY LIMITED.
BALANCE SHEET AS AT 31ST MARCH 2013**

(Rs.in Lakh)

SL. NO.	PARTICULARS	NOTE NO	ACCOUNT CODE	AS AT 31.03.2013		AS AT 31-03-2012	
I	EQUITY AND LIABILITIES						
(1)	Shareholders' Funds						
a)	Share Capital	1	52.301	19107.02		17206.99	
b)	Reserves and Surplus	2	52.302 55 to 58	12751.21	31858.23	38248.48	55455.47
(2)	Share application Money pending Allotment	3	52.303		0.00		0.03
	Sub-Total				31858.23		55455.50
(3)	Non-Current Liabilities						
a)	Long-term borrowings	4	53 to 54	31035.43		31709.30	
b)	Deferred Tax Liabilities(Net)	5	-	-		-	
c)	Other long term liabilities	6	42 to 48	140574.99		99973.14	
d)	Long-term Provisions	7	44	2696.00		2246.63	
	Sub-Total				174306.42		133929.07
(4)	Current Liabilities						
a)	Short-term borrowings	8	50	6871.01		9062.61	
b)	Trade payables	9	41	37138.02		36068.83	
c)	Other current liabilities	10	42 to 46	25535.71		33364.72	
d)	Short-term provisions	11	51.53.54 46	463.96		698.73	
	Sub-Total				70008.70		79194.89
	TOTAL				276173.35		268579.46
II	Assets						
1	Non-Current assets						
(a)	Fixed assets						
(i)	Tangible Assets						
(a)	Tangible Assets (Net)	12	10 & 12	108991.31		92699.46	
(b)	Gross Assets created out of Govt. grant/ Consumers Contributions	12	10	33776.50		0.00	
	(c) Net Fixed Assets			75214.81		92699.46	
(ii)	Intangible assets	13	-	-		-	
(iii)	Capital work-in-progress	14	14,15 &17	5338.61		7223.73	
(iv)	Intangible assets under development	15	18.101	230.06			
(b)	Non-Current investments	16	20.291	251.00		251.00	
(c)	Deferred Tax Assets(net)	17	-	-		-	
(d)	Long term loans and advances	18	28.935	5046.65		3778.79	
(e)	Other non-current assets	19	28 & 16.2	84628.92		83501.87	
(f)	Deferred Costs	20	-	-		-	
	Sub-Total				170710.05		187454.85
2	Current assets						
(a)	Current Investments	21	-	-		-	
(b)	Inventories	22	22 & 16.1	3472.35		3250.29	
(c)	Trade receivables	23	23, 47.607 & 47.609	41390.21		35120.89	
(d)	Cash and cash equivalents	24	20 & 24	4687.60		3739.69	
(e)	Short-term loans and advances	25	25, 26, 27 & 28.913	3188.81		2182.65	
(f)	Other current assets	26	23.4 & 28	52724.33		36831.09	
	Sub-Total				105463.30		81124.61
	TOTAL				276173.35		268579.46

Significant Accounting Policies and Notes to Accounts form the part of the Accounts.

Sd/-
(K. JAYARAMA ALVA)
Financial Advisor

Sd/-
(N. LAKSHMAN)
Director (Tech)
In terms of our Report of even date
for **RODRIGUES & D'SOUZA**
Chartered Accountants
Firm Reg. No: 003284 S

Sd/-
(M. GOVINDAPPA)
Managing Director

Place : Mangalore
Date: 27.09.2013

Sd/-
CA EDMOND D'SOUZA
PARTNER
Membership No. 015097



MANGALORE ELECTRICITY SUPPLY COMPANY LIMITED.
STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED 31ST MARCH 2013

(Rs. in Lakh)

SL. NO.	PARTICULARS	NOTE NO.	ACCOUNT CODE	FOR THE YEAR 2012-13		FOR THE YEAR 2011-12	
I	Revenue from operations (Distribution of Power)	27	61 & 83	189899.66	154530.56		154530.56
II	Other Income	28	62 & 65	7271.84	16359.41		16359.41
III	Total Revenue (I+II)			197171.50	170889.97		170889.97
IV	Expenses						
	Purchase of Power	29	70	153742.87	127625.60		127625.60
	Employee Benefits Expense	30	75	20854.88	18779.44		18779.44
	Finance Costs	31	78 & 80	18260.04	11917.55		11917.55
	Depreciation and amortization expenses	32	77 & 83.6	5109.64	6130.97		6130.97
	Other Expenses	33	74,76, 79 & 83	5615.20	5580.50		5580.50
	Total Expenses			203582.63	170034.06		170034.06
V	PROFIT BEFORE EXCEPTIONAL AND EXTRAORDINARY ITEMS AND TAX (III-IV)			-6411.13	855.91		855.91
VI	Exceptional Items	34	62.917	-7006.40			
VII	PROFIT BEFORE EXTRA ORDINARY ITEMS AND TAX (V-VI)			595.27	855.91		855.91
VIII	Extraordinary items						
IX	PROFIT BEFORE TAX (VII-VIII)			595.27	855.91		855.91
X	TAX EXPENSE						
	Current Tax		81.1	172.66	214.72		214.72
	Deferred Tax			-	-		-
	MAT Credit entitlement	35	62.922	-836.83	-		-
XI	Profit (Loss) for the period from continuing operations (IX-X)			1259.44	641.19		641.19
XII	Profit (Loss) from discontinuing operations			-	-		-
XIII	Tax expense of discontinuing operations			-	-		-
XIV	Profit (Loss) from discontinuing operations (after Taxes) (XII-XIII)			-	-		-
XV	Profit (Loss) for the period (XI+/-XIV)			1259.44	641.19		641.19
XVI	Earnings per equity share (in Rs)						
	Basic and diluted			0.73	0.40		0.40
Significant Accounting Policies and Notes to Accounts form the part of the Accounts.							

Sd/-
(K. JAYARAMA ALVA)
 Financial Advisor

Sd/-
(N. LAKSHMAN)
 Director (Tech)

Sd/-
(M. GOVINDAPPA)
 Managing Director

In terms of our Report of even date
 for **RODRIGUES & D'SOUZA**
 Chartered Accountants
 Firm Reg. No: 003284 S

Sd/-
CA EDMOND D'SOUZA
 PARTNER
 Membership No. 015097

Place : Mangalore
 Date: 27.09.2013



MANGALORE ELECTRICITY SUPPLY COMPANY LIMITED.
CASH FLOW STATEMENT FOR THE YEAR ENDING

Rs. in Lakh

SL. NO	PARTICULARS	31.03.2013	31.03.2012
	Cash flows from operating activities		
	Net profit before taxation and extraordinary items	595.27	855.91
	Adjustment for:		
	Depreciation	5109.64	6130.97
	Foreign exchange loss	0.00	0.00
	Interest income	-91.47	104.41
	Dividend income	0.00	0.00
	Interest expense	18260.04	11917.55
	Operating profit before working capital changes	24056.42	18800.02
	(increase)/Decrease in trade receivables	-6269.32	-6235.71
	(increase)/Decrease in loans and advances	-1006.16	783.72
	(increase)/Decrease in other current assets	-15893.24	-11379.12
	(increase)/Decrease in inventories	-222.06	-1424.19
	Increase/(Decrease) in short term borrowings	-2191.60	4962.52
	Increase/(Decrease) in trade payables	1069.19	7073.66
	Increase/(Decrease) in provisions	-234.77	323.72
	Increase/(Decrease) in other current liabilities	-7829.00	3597.32
	Cash generated from operations	-8520.54	16501.94
	Income taxes paid	25.85	1106.62
	Cash flow before extraordinary item	-8546.39	15395.32
	Extraordinary items (specifying nature)		
	Net cash from operating activities (A)	-8546.39	15395.32
	Cash flows from investing activities		
	Purchase of tangible fixed assets	12375.01	-14495.21
	(Increase)/ Decrease in Capital Work in Progress	1885.12	2097.04
	Increase/ (Decrease) in other long term Liabilities	40601.84	18653.90
	Increase/ (Decrease) in other long term Provisions	449.37	83.24
	Purchase of intangible fixed assets	-230.06	0.00
	Purchase of long term investments		
	(increase)/Decrease in other non-current assets	-1127.05	-14629.60
	(increase)/Decrease in other long term loans and advances	-577.84	-13.65
	Interest received	-91.47	104.41
	Net cash from investing activities (B)	53284.92	-8199.87
	Cash flows from financing activities		
	Proceeds from issuance of share capital	1900.00	1473.03
	Increase/(Decrease) in other long term borrowings	-673.87	582.72
	Contributions/ Grants and subsidies towards Cost of Capital Assets	-26756.71	3606.46
	Interest paid	-18260.04	-11917.55
	Dividends paid	0.00	0.00
	Dividend distribution tax	0.00	0.00
	Proceeds from ESOPs	0.00	0.00
	Net cash used in financing activities (C)	-43790.62	-6255.34
	Net increase in cash and cash equivalents (A) + (B) + (C)	947.91	940.11
	Cash and cash equivalents at beginning of period	3739.69	2799.58
	Cash and cash equivalents at end of period	4687.60	3739.69

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Sd/-
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Managing Director

Place : Mangalore
Date: 27.09.2013

Sd/-
CA EDMOND D'SOUZA
PARTNER
Membership No. 015097

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2013

1 EQUITY AND LIABILITIES

NOTE : 01 SHARE CAPITAL

(Rs. In lakh)

SL. NO	PARTICULARS	ACCOUNT CODE	As at 31.03.2013		As at 31.03.2012	
1.1	Authorised Capital 30,00,00,000 Equity shares of Rs. 10/- each			30000.00		30000.00
1.2	Issued, Subscribed and Paid up Equity Share Capital (9,07,80,300 shares of Rs. 10 each)	52.301	9078.03		7178.00	
	100289931 shares of Rs. 10 each are allotted as fully paid up to GOK without payment being received in Cash	52.302	10028.99	19107.02	10028.99	17206.99
	TOTAL			19107.02		17206.99

1.3 Except one Share each held by the 10 Directors, remaining entire No. of share are held in the name of His Excellency Governor of Karnataka.

1.4 The reconciliation of the No. of Equity shares outstanding is set out below:

Particulars	As at 31.03.2013	As at 31.03.2012
Equity shares at the beginning of the Year	172069931	157339931
Add: No. of Equity shares issued during the Year	19000300	14730000
Less : No. of Equity shares cancelled on buy back during the Year	0	0
Equity shares at the end of the Year	191070231	172069931

1.5 The Govt. of Karnataka in its order G.O. No. EN 17/PSR 2012 dated 30.03.2013 has ordered for release of equity to the extent of Rs. 25.00Cr. which was received during FY 2013-14 in the month of April-13. The equity as in para 1.2 above does not include this amount.

NOTE : 02 RESERVES AND SURPLUS

(Rs. In lakh)

SL. NO	PARTICULARS	ACCOUNT CODE	As at 31.03.2013		As at 31.03.2012	
2.1	Capital Reserve: As per Last Balance Sheet	56.200	132.66		132.66	
	Add: Additions during the Year		0.00		0.00	
	Less: Utilised during the Year		0.00		0.00	
	Closing Balance			132.66		132.66
2.2	Reserve for Material Cost Variance As per Last Balance Sheet	56.610	1914.79		2345.77	
	Add: Additions during the Year		648.74		0.00	
	Less: Utilised during the Year		0.00		430.98	
	Closing Balance			2563.53		1914.79
2.3	Profit and Loss Account (Surplus) As per Last Balance Sheet		5884.57		5243.38	
	Add: Additions during the Year		1259.44		641.19	
	Less: Utilised during the Year		0.00		0.00	
	Closing Balance			7144.01		5884.57
2.4	Contributions, grants and subsidies towards cost of Capital assets					

2.4.1	Consumers contribution towards cost of capital assets	55.100	17008.97		14761.84
2.4.2	Subsidies towards Cost of Capital Assets	55.200	1193.33		1193.33
2.4.3	State Govt. grants towards cost of capital works	55.300	400.00		400.00
2.4.4	APDRP Grant Account	55.301	3675.81		3675.81
2.4.5	PMGY Grant Account	55.302	56.25		56.25
2.4.6	RGGVY Grant Account	55.303	9512.35		6442.91
2.4.7	Special Grant Towards Capital works under APDRP	55.500	3670.32		3670.32
2.4.8	GOK Grant Towards energization of IP sets under Ganga Kalyana Scheme	55.501	53.00		53.00
2.4.9	Central Govt. Grant towards Power Sector Automation	55.502	63.00		63.00
2.4.10	Grants received from GoK towards special component sub plan [SCSP]	55.504	775.00		0.00
2.4.11	Grants received from GoK towards Tribal sub plan [TSP]	55.505	279.48		0.00
	Sub - Total		36687.51		30316.46
2.5	Gross Assets created out of Grants and reduced from total Fixed Assets		33776.50		0.00
2.6	RGGVY Grants of DK & Udupi Dist. Yet to be utilised			2911.01	
	TOTAL			12751.21	38248.48

2.5 (a) Consequent to change in Accounting Policy (as per para I(m) of Significant Accounting Policies), Rs. 33776.50 Lakh of total assets created out of the Govt. Grants and Consumers contribution is reduced from the grants. It also has resulted in reduction in the value of fixed assets to that extent.

2.6 (a) Out of the total grants received, a sum of Rs. 2911.01 lakh is pending to be utilised in the subsequent years towards capital works.

2.4.6 (a) The Central Government has formulated RGGVY Scheme to provide power supply to the consumers under BPL category. M/s RECL was nominated as the nodal agency for the Scheme. In MESCOM jurisdiction, the scheme was implemented in Chikmagalore and Shimoga districts in Phase I of XI plan and the work is completed in all respect.

Further the Scheme is extended to Dakshina Kanada and Udupi Districts in Phase II of XI Plan and the work is in progress. The details of funds received and expenses booked are as detailed below:

(Rs. In Lakh)

Particulars	For Shimoga & Chikmagalore dist	For DK & Udupi dist	Total
Grant received from central Govt.	6601.34	2911.01	9512.35
Loan from RECL	765.32	343.82	1109.14
Interest earned upto 31.03.2013	123.91	0.00	123.91
Total funds available	7490.57	3254.83	10745.40
Funds utilised	7284.60	1554.33	8838.93
Total fund available as on 31.03.2013	205.97	1700.50	1906.47
Kept in Fixed deposit with Vijaya Bank, Hampankatta Branch, Mangalore	203.61	1700.00	1903.61
Retained in Current Account	2.36	0.50	2.86

- 2.4.10 (a) The grant amount released by Govt. of Karnataka during the year 2011-12 for the works under Special Component Sub-Plan (SCSP) and Tribal Sub-Plan (TSP) amounting to Rs. 275.00 lakhs and
&
2.4.11 (a) Rs.179.48 lakhs respectively were accounted as loans from GoK in the year 2011-12. Therefore these amounts are transferred from loan accounts to grant Accounts in the year 2012-13.

Further, the grants amounting to Rs. 500.00 lakhs and Rs. 100.00 lakhs received from GOK during Fy 2012-13 for the works under SCSP and TSP schemes respectively are also accounted under A/c 55.504 and A/c 55.505.

2 SHARE APPLICATION MONEY PENDING ALLOTMENT

NOTE : 3 SHARE APPLICATION MONEY PENDING ALLOTMENT

(Rs. In lakhs)

SL. NO	PARTICULARS	ACCOUNT CODE	As at 31.03.2013		As at 31.03.2012	
3.1	Share Deposit from GOK Pending Allotment	52.303		0.00		0.03
	TOTAL			0.00		0.03

3 NON -CURRENT LIABILITIES

NOTE: 04 LONG TERM BORROWINGS

(Rs. In lakhs)

SL. NO	PARTICULARS	ACCOUNT CODE	As at 31.03.2013		As at 31.03.2012	
4.1	TERM LOANS					
4.1.1	SECURED LOANS					
4.1.1.1	From Banks	53.500	28823.37		29247.08	
4.1.1.2	From Others	53.301, 53.308, 53.309, 53.311	865.81		963.40	
	Sub- Total			29689.18		30210.48
4.1.2	UN-SECURED LOANS					
4.1.2.1	From Banks		0.00		0.00	
4.1.2.2	From Government	53.306, 53.307, 54.600, 54.700, 54.701, 54.702	231.91		720.75	
4.1.2.3	From Others	53.305, 53.310 53.960	1114.34		778.07	
	Sub- Total			1346.25		1498.82
	Total			31035.43		31709.30

4.1.2.4 At the time of unbundling of transmission and distribution activities and formation of Electricity Distribution Companies, the Government of Karnataka has transferred certain loans taken by M/s KPTCL to the Company as part of transfer of assets and liabilities. The interest payment as intimated by KPTCL has been charged to Profit and Loss Account in the books of account since the assets have been commissioned.

4.1.2.5 The loan balances between KPTCL and the Company is subject to reconciliation and confirmation

NOTE: 05 - DEFERRED TAX LIABILITIES (NET)

(Rs. In lakh)

SL. NO	PARTICULARS	ACCOUNT CODE	As at 31.03.2013		As at 31.03.2012	
5.1	Deferred Tax Liabilities (Net)		0.00		0.00	

NOTE: 06 - OTHER LONG TERM LIABILITIES

(Rs. In lakh)

SL. NO	PARTICULARS	ACCOUNT CODE	As at 31.03.2013		As at 31.03.2012	
6.1	Trade Payables					
6.1.1	M/s KPCL	41.108	64248.90		39944.53	
6.1.2	Interest payable to M/s KPCL	46.430	25336.20		15903.67	
	Sub-Total			89585.10		55848.20
6.2	Others					
6.2.1	Security Deposits from consumers:					
6.2.1.1	Meter Security Deposits	47.603 to 47.606	2124.66		2030.42	
6.2.1.2	Initial/ Additional Security Deposits	48.100 to 48.200	32077.43		29332.93	
	Sub- Total			34202.09		31363.35
6.2	KPCL, KPTCL & Other ESCOMs					
6.2.1	M/s KPCL	42.203, 42.213,	3.48		3.48	
6.2.2	M/s KPTCL	42.214, 42.219, 42.224, 42.229, 46.106	4001.41		4004.10	
6.2.3	M/s BESCO	42.215, 42.220, 42.225, 42.230	691.09		1370.57	
6.2.4	M/s HESCO	42.216, 42.222, 42.232	167.71		167.71	
6.2.5	M/s GESCOM	42.233	2056.79		2056.79	
6.2.6	M/s CESCO	42.790	7931.90		2430.05	
	Sub- Total			14852.38		10032.70
6.3	Staff related Liabilities					
6.3.1	Security deposit from employees	46.920	0.55		0.62	
	Sub-Total			0.55		0.62
6.4	Liability to Suppliers and Contractors					
6.4.1	Security Deposits in cash from Suppliers / Contractors	46.101	318.32		394.43	
6.4.2	Retention Money- Bill amount retained as per terms of purchase order/ turnkey	46.104	1431.52		2134.26	
	Sub-Total			1749.84		2528.69
6.5	Payables to GOK					
6.5.1	BRP - II recoveries	46.202 to 46.207	40.75		40.75	
6.5.2	Amount received from Govt., towards Bhagya Jyothi Works	28.816	109.22		109.22	
	Sub-Total			149.97		149.97
6.6	Others					
6.6.1	Stale Cheques	46.910	2.48		14.46	
6.6.2	Miscellaneous deposits	46.966	32.58		35.15	
	Sub-Total			35.06		49.61
	TOTAL			140574.99		99973.14

6.7 The balance of consumers security deposit held as per accounts and consumers' ledger accounts are subject to reconciliation.

NOTE: 07 LONG TERM PROVISIONS

(Rs. In lakh)						
SL. NO	PARTICULARS	ACCOUNT CODE	As at 31.03.2013		As at 31.03.2012	
7.1	Provisions for Employee benefits					
7.1.1	Provision for earned leave encashment	44.130	1931.84		1739.07	
7.1.2	Provision for Family Benefit Fund	44.141 , 44.142, 44.143	764.16		507.56	
	Sub-Total			2696.00		2246.63
	TOTAL			2696.00		2246.63

4 CURRENT LIABILITIES

NOTE: 08 - SHORT TERM BORROWINGS

(Rs. In lakh)						
SL. NO	PARTICULARS	ACCOUNT CODE	As at 31.03.2013		As at 31.03.2012	
8.1	Bank Overdraft					
8.1.1	State Bank of Mysore	50.210	2034.74		7179.00	
8.1.2	Vijaya Bank	50.260	3112.44		1883.61	
8.1.3	Central Bank of India	50.270	1723.83		0.00	
	Sub-Total			6871.01		9062.61
	TOTAL			6871.01		9062.61

NOTE: 09 TRADE PAYABLES

(Rs. In lakh)						
SL. NO	PARTICULARS	ACCOUNT CODE	As at 31.03.2013		As at 31.03.2012	
9.1	LIABILITY FOR PURCHASE OF POWER					
9.1.1	M/s. KPCL	41.108	22281.86		24304.37	
9.1.2	M/s. NTPC RSTPS	41.110	2177.13		1034.19	
9.1.3	M/s. Madras Atomic Power Station	41.111	11.92		23.00	
9.1.4	M/s. Neyveli Lignite Corporation Ltd.,	41.112	2587.01		1803.05	
9.1.5	M/s. NPCIL - Kaiga Generating Station	41.114	274.10		322.90	
9.1.6	M/s. Sandur Power Company Ltd.,	41.115	469.26		251.73	
9.1.7	M/s. Sahyadri Power Company Ltd.,	41.116	3.06		4.86	
9.1.8	M/s. Master Power	41.118	0.00		27.48	
9.1.9	M/s. Subhash Kabini	41.119	0.00		100.39	
9.1.10	M/s. Graphite India Ltd.,	41.120	0.00		0.00	
9.1.11	M/s. Maruthi Power Gen (Kabini) Pvt. Ltd.,	41.121	0.00			
9.1.12	M/s. Maruthi Power Gen Hemavathi Pvt. Ltd.,	41.122	49.30		0.00	
9.1.13	M/s. Moodabagil Power Pvt. Ltd.	41.123	3.44		4.77	
9.1.14	M/s. BPCL (NERIA)	41.124	0.00		0.00	
9.1.15	M/s JSW PTCIL	41.125	96.59		1894.11	
9.1.16	M/s. Mrujara Power Plant	41.126	5.38		7.91	
9.1.17	M/s. Rayalseema Alkalies	41.129	8.71		9.12	
9.1.18	M/s. Tata Company Limited	41.131	42.64		1055.74	
9.1.19	M/s. UPCL	41.132	7942.57		1595.43	
9.1.20	M/s Wind Mill Projects	41.140	427.81		801.47	
9.1.21	Transmission charges payable to M/s TNEB	41.164	12.12			
9.1.22	M/s PGCIL	41.173	516.00		538.25	
9.1.23	M/s. PTC India Limited	41.199	57.17		289.17	
9.1.24	M/s Indian Energy Exchange	41.200	0.00		0.00	
9.1.25	M/s. Lanco Electric Utility Limited	41.201	0.00		2.92	
9.1.26	M/s. Shamili Hydel Power Project	41.202	106.90		61.66	

9.1.27	M/s. Sagar Power (Dandela) Pvt. Ltd	41.203	0.00	0.00
9.1.28	M/s. Soham Mannapitlu Power Pvt. Ltd	41.204	0.00	0.00
9.1.29	M/s. Sagar Power (Neerukatte) Pvt. Ltd	41.205	0.00	0.00
9.1.30	M/s. AMR Power Pvt. Ltd	41.206	0.00	0.00
9.1.31	M/s. Cogeneration Units & Non PPAs	41.208	24.57	1566.36
9.1.32	Sundry creditors towards Peak Power Purchase	41.210	0.51	341.67
9.1.33	M/s. SRM Power Pvt. Ltd	41.212	0.00	0.00
9.1.34	Payable to KPTCL in respect of Wind Mill Projects	41.141	39.97	28.28
	Total Power Purchase Liability		37138.02	36068.83
	TOTAL		37138.02	36068.83

NOTE 10 : OTHER CURRENT LIABILITIES

(Rs. In lakh)

SL. NO	PARTICULARS	ACCOUNT CODE	As at 31.03.2013		As at 31.03.2012	
10.1	Current Maturities of Long Term Debts					
10.1.1	Term Loan Installment due for repayment within Next One Year					
10.1.1.1	Loans installment due to Commercial Banks	51.100	0.00		0.00	270.84
10.1.1.2	Loans from REC	53.301	4.58		0.00	
10.1.1.3	Loan drawn by MESCOM from REC-APDRP works	53.308	16.09		2.54	
10.1.1.4	Loan drawn by MESCOM from REC – General	53.309	63.37		63.37	
10.1.1.5	Loans from Commercial Banks	53.500	7315.06		7516.54	
10.1.1.6	APDRP-REC Loan payable to KPTCL	53.305	0.00		150.84	
10.1.1.7	PMGY Loan Account	53.306	7.66		7.66	
10.1.1.8	GOK loan for energization of IP sets under GK scheme	53.307	12.00		12.00	
10.1.1.9	Central Govt. Loan towards Power Sector Automation	54.600	14.70		14.70	
	Sub-Total			7433.46		7767.65
10.2	Interest Accrued but not due on Borrowings		0.00		0.00	
10.3	Interest Accrued and due on Borrowings		0.00		0.00	
10.4	Income received in Advance		0.00		0.00	
10.5	Other Payables					
10.5.1	LIABILITY FOR SUPPLIES / WORKS					
10.5.1.1	Liability for supply of Materials	42.101	833.49		542.14	
10.5.1.2	Sundry creditors / Control Account	42.201	447.79		533.42	
10.5.1.3	Sundry creditors – Amount payable towards supply of materials which do not pass through stores.	42.202	3.77		0.00	
10.5.1.4	Contractors Control Account	42.401	201.70		713.82	
10.5.1.5	Liability to Contractors	42.501	4.99		0.73	
10.5.1.6	Provision for work completed but not commissioned where expenditure are not booked	42.601	503.88		2614.14	
	Sub-Total			1995.62		4404.25
10.5.2	Statutory Dues					
10.5.2.1	Service Tax payable under reverse charge Mechanism	46.921	0.00		0.00	

10.5.2.2	Income tax deducted at source on payment to contractors	46.924	62.21		12.41
10.5.2.3	Income tax deducted at source on other payments	46.925	4.31		0.73
10.5.2.4	Sales tax deducted at source and payable to department	46.927	1.43		2.67
10.5.2.5	Sales tax payable on sale of Stores	46.951, 46.926	8.44		0.73
10.5.2.6	Amount deducted from contractors bills towards PF, ESI & CESS	46.930	6.43		8.68
10.5.2.7	ESI Contributions recoverable form bill amount of contractors and payable to ESI Corporation	46.931	0.10		0.84
10.5.2.8	Amount of CESS deducted at source and payable to the department	46.932	1.00		2.05
10.5.2.9	Employees PF and deparatl. Share of PF payable account	46.957	0.00		0.00
	Sub-Total			83.92	28.11
10.5.3	Employee related liabilities				
10.5.3.1	Liability towards Pension & Gratuity Trust	44.122	1442.81		1347.07
10.5.3.2	Liability towards contribution to newly defined contributory pension scheme	44.150	35.91		31.15
10.5.3.3	Unpaid Salaries	44.210	0.16		0.55
10.5.3.4	Unpaid Bonus	44.220	0.26		0.23
10.5.3.5	Salary payable	44.310	6.98		19.05
10.5.3.6	Salary payable to contract A.E/J.E	44.311	0.00		0.82
10.5.3.7	Bonus payable	44.320	8.51		9.96
10.5.3.8	Ex-gratia payable	44.330	135.58		142.33
10.5.3.9	Sundry creditors for expenses	46.410	90.81		61.46
10.5.3.10	Liability for miscellaneous expenses.	46.412	14.81		
10.5.3.11	Security deposit from employees	46.920	0.25		0.21
	Sub-Total			1736.08	1612.83
10.5.4	Payables to GOK				
10.5.4.1	Electricity tax	46.300	1725.80		1286.25
10.5.4.2	Compounding fee	46.301	1.16		0.94
10.5.4.3	Inspection charges payable to Govt.	46.440	1.16		1.36
10.5.4.4	Royalty payable to Govt.	46.450	0.00		0.02
	Sub-Total			1728.12	1288.57
10.5.5	Payables to Consumers				
10.5.5.1	Interest on ISD/ASD	48.340	2636.47		1510.25
10.5.5.2	Interest on MSD	48.350	390.15		184.39
10.5.5.3	Other Deposits from Consumers	47.601 to 47.602	48.15		43.83
	Sub-Total			3074.77	1738.47
10.5.6	Others				
10.5.6.1	Security Deposits in cash from Suppliers / Contractors	46.101	195.35		264.50
10.5.6.2	Retention Money-Bill amount retained as per terms of purchase order/turnkey	46.104	653.35		760.72
10.5.6.3	Liability for expenses	46.430	2765.81		10635.63
10.5.6.4	Stale Cheques	46.910	3.28		0.19
10.5.6.5	Amount recoverable from salary of Company employees and payable to other department / other institutions	46.928	70.08		68.62

10.5.6.6	Amount recovered from salary of employees towards employees CPS	46.952	28.60		28.54
10.5.6.7	Miscellaneous deposits	46.966	7.27		0.97
10.5.6.8	Excess credits by banks pending reconciliation - SBM	46.971	0.00		0.00
10.5.6.9	Excess credits by banks pending reconciliation - Canara Bank	46.974	0.01		0.01
10.5.6.10	Excess credits by banks pending reconciliation - Syndicate Bank	46.975	0.16		0.16
10.5.6.11	Excess credits by banks pending reconciliation - Corporation Bank	46.976	0.01		0.01
10.5.6.12	Amount payable to other Departments against DCW works	46.967, 46.970	63.97		63.97
10.5.6.13	Flood Relief Fund	46.978	0.05		0.00
10.5.6.14	Electrification / Service Connection	47.300	3486.14		2698.79
10.5.6.15	Stock Excess pending Investigation.	22.810	0.00		4.34
10.5.6.16	Sundry debtors for sale of power - BJ scheme	23.101	16.32		128.50
10.5.6.17	Sundry debtors for sale of power - LT3 Commercial	23.115	244.78		78.01
10.5.6.18	Sy. dtr. for sale of power- IP set LT4(a)	23.119	160.55		
10.5.6.19	Sy. dtr. for sale of power-LT5- below 40 HP	23.130	3.07		
10.5.6.20	Sy. dtr. for sale of power-LT5- 40 HP & above and up and inclusive of 50 HP	23.131	3.38		
10.5.6.21	Sy. dtr. for sale of power-temporary power supply	23.145	1458.19		1361.83
10.5.6.22	Advances paid to SLDC towards UI Charges	28.910	182.24		0.00
10.5.6.23	Advance paid to KPCL towards transmission charges	28.911	0.00		26.13
10.5.6.24	Advance made to M/s. PCKL towards Non-POC bills	28.916	8.05		0.00
	Sub-Total			9350.66	16120.92
10.5.7	Inter Unit Accounts (Net)	31 to 37	133.08		133.08
	Sub-Total			133.08	133.08
	TOTAL			25535.71	33364.72

NOTE: 11 SHORT TERM PROVISIONS

(Rs. In lakh)

SL. NO	PARTICULARS	ACCOUNT CODE	As at 31.03.2013		As at 31.03.2012	
11.1	Provision for Employee benefits					
11.1.1	Provision for earned leave encashment	44.130	360.53		475.16	
11.1.2	Provision for Family Benefit Fund	44.143	9.86		130.00	
	Sub-Total			370.39		605.16
11.2	Others					
11.2.1	Provision for Income Tax	46.800	93.57		93.57	
				93.57		93.57
	Grand Total			463.96		698.73

II ASSETS

1 NON-CURRENT ASSETS

NOTE: 13 - INTANGIBLE ASSETS

(Rs. In lakh)

SL. NO	PARTICULARS	ACCOUNT CODE	As at 31.03.2013		As at 31.03.2012	
			-----NIL-----			
	Grand Total					

NOTE : 14 - CAPITAL WORKS IN PROGRESS

(Rs. In lakh)

SL. NO	PARTICULARS	ACCOUNT CODE	As at 31.03.2013		As at 31.03.2012	
14.1	Capital Work in Progress	14.000		5277.32		7179.28
14.2	Revenue expenses pending allocation over capital works - Interest	15.206	43.92		43.98	
14.3	Preliminary expenditure on survey / feasibility studies of projects pending allocation	17.301	17.37		0.47	
	Sub Total			61.29		44.45
	Grand Total			5338.61		7223.73

14.4 An amount of Rs 206.67 lakhs towards interest on loan taken for capital works has been capitalized during the year.

NOTE: 15 - INTANGIBLE ASSETS UNDER DEVELOPMENT

(Rs. In lakh)

SL. NO	PARTICULARS	ACCOUNT CODE	As at 31.03.2013		As at 31.03.2012	
15.1	Software acquired/ Purchased for internal use	18.101		230.06		0.00
	Grand Total			230.06		0.00

NOTE : 16 - NON- CURRENT INVESTMENTS

(Rs. In lakh)

SL. NO	PARTICULARS	ACCOUNT CODE	As at 31.03.2013		As at 31.03.2012	
16.1	Investments:					
16.1.1	Long Term Investments - (Un-quoted at cost.)					
16.1.1.1	Investment in share capital of Power Company of Karnataka Limited (25100 Equity shares of Rs. 1000 each)	20.291		251.00		251.00
	TOTAL			251.00		251.00

NOTE : 17 - DEFERRED TAX ASSETS (NET)

(Rs. In lakh)

SL. NO	PARTICULARS	ACCOUNT CODE	As at 31.03.2013		As at 31.03.2012	
			-----NIL-----			
	Grand Total			0.00		0.00

NOTE : 18 - LONG TERM LOANS AND ADVANCES

(Rs. In lakh)

SL. NO	PARTICULARS	ACCOUNT CODE	As at 31.03.2013		As at 31.03.2012	
18.1	Deposit with Others	28.935		770.07		256.60
18.2	Income Tax paid in advance	28.821		3197.75		3344.56
18.3	MAT Credit Entitlement	28.802		836.83		0.00
18.4	Amount deposited with PF Authorities	46.930		242.00		177.63
	Grand Total			5046.65		3778.79

NOTE :19 - OTHER NON CURRENT ASSETS

(Rs. In lakh)

SL. NO	PARTICULARS	ACCOUNT CODE	As at 31.03.2013		As at 31.03.2012	
19.1	Long Term Trade Receivables					
19.1.1	1. Secured and considered Good		0.00		0.00	
19.1.2	2. Un-secured and considered Good		0.00		0.00	
19.2	Subsidy Recoverable from GOK					
19.2.1	Subsidy / Grants receivable	28.620	8027.60		8027.60	
	Sub-Total			8027.60		8027.60
19.3	Others					
19.3.1	Receivables from KPCL, KPTCL and Other ESCOMs					
19.3.1.1	M/s KPTCL	28.826, 28.831, 28.836 28.841, 28.881	9134.95		9134.94	
19.3.1.2	M/s BESCO	28.827, 28.832, 28.837, 28.842	4265.27		13985.08	
19.3.1.3	M/s HESCO	28.829, 28.839, 28.844	24043.10		18156.18	
19.3.1.4	M/s GESCOM	28.840, 28.845	13189.68		8492.04	
19.3.1.5	M/s CESCO	28.850, 28.790	2766.01		2672.30	
19.3.1.6	Amount receivable from CESCO on account of excess of Assets over liability assumed by CESCO on bifurcation of undivided MESCOM as on 01.04.2005	28.851	22476.92		22476.92	
19.3.1.7	M/s KPCL (Transferred from VVNL)	28.865, 28.874	4.09		4.09	
	Sub-Total			75880.02		74921.55
19.3.2	Other Receivables					
19.3.2.1	Amount recoverable from Employees	28.401	59.44			
19.3.2.2	Amount recoverable from employees - material related	28.409	11.97			
19.3.2.3	Claims for Loss / Damage to Capital Assets	28.749	16.17			
	Sub-Total			87.58		
19.3.3	Assets not in Use					
19.3.3.1	Written down value (WDV) of Faulty / Dismantled Assets.	16.200	633.72		552.72	
	Sub-Total			633.72		552.72
	Grand Total			84628.92		83501.87

19.2.1 The GOK vide order No. EN 34 PSR 2008 dated 19.08.2010 has ordered to refund the amount paid by the farmers during the period from 01.04.2001 to 31.03.2003 to them and the same is implemented by MESCOM. An amount of Rs. 31.79 Crs is shown as receivable from GOK under this head.

NOTE :20 - DEFERRED COSTS

(Rs. In lakh)

SL. NO	PARTICULARS	ACCOUNT CODE	As at 31.03.2013		As at 31.03.2012	
			-----NIL-----			
	Grand Total			0.00		0.00

NOTE 21: CURRENT INVESTMENTS

(Rs. In lakh)

SL. NO	PARTICULARS	ACCOUNT CODE	As at 31.03.2013		As at 31.03.2012	
			-----NIL-----			
	Grand Total			0.00		0.00

NOTE - 22 INVENTORIES, STORES AND SPARES

(Rs. In lakh)

SL. NO	PARTICULARS	ACCOUNT CODE	As at 31.03.2013		As at 31.03.2012	
22.1	Materials Stock Account					
22.1.1	Materials Stock Account	22.610	3087.31		3048.45	
22.1.2	Material imprest Account	22.641	13.34		18.64	
22.1.3	Materials issued to fabricators.	22.720	0.04		0.00	
22.1.4	Materials Account - Temporary works	22.731	4.19		5.71	
	Sub- Total			3104.88		3072.80
22.2	Written down value (WDV) of obsolete / scrapped assets.	16.100	367.47	367.47	177.49	177.49
	TOTAL			3472.35		3250.29

NOTE : 23 TRADE RECEIVABLES

(Rs. In lakh)

SL. NO	PARTICULARS	ACCOUNT CODE	As at 31.03.2013		As at 31.03.2012	
23.1	TRADE RECEIVABLES					
23.1.1	Sundry Debtors for sale of Power – LT, HT & Others (Excluding Un billed revenue)	23, 47.607, 47.609		47668.62		40757.35
	Less :					
23.1.1.1	Provision for withdrawal of Revenue demand	23.800	710.42		336.20	
23.1.1.2	Provision for Doubtful Dues from consumers (Credit Account)	23.900	5567.99	6278.41	5300.26	5636.46
	Net Receivables against Supply of Power			41390.21		35120.89
23.2	(Sundry debtors outstanding for less than 6 months & considered good)		13208.52		11221.22	
23.3	(Sundry debtors outstanding for more than 6 months & considered good)		28181.69		23899.67	
	TOTAL			41390.21		35120.89

23.1.1 (a) The outstanding balance in Revenue Suspense Account representing collection from consumers pending allocation for want of details has been shown as deduction from the Sundry Debtors account since this amount is with the Company.

23.1.1 (b) The Trade receivables include an amount of Rs. 2532.93 lakh being the amount due from M/s Mysore Paper Mills (MPM) Bhadravathi. The principal amount outstanding as on 28.02.2011 was Rs. 948.33 lakh which was reconciled. But, M/s MPM has not made any payments to clear these dues. Besides M/s MPM is not paying even the monthly bills in full because of which the dues accumulated to Rs. 2532.93 lakh as on 31.03.2013. MESCOM is in the process of recovery of the dues from M/s MPM, for which once the installation was disconnected on 03.07.2012, but later reconnected on the same day with the assurance of making prompt payment of bills in future. The matter is being pursued with M/s MPM.

23.1.1(c) The Govt. of Karnataka in its order G.O. No. EN34/PSR 2013 dated 17.05.2013 has waived off the amount of Rs. 38.80 Crs payable by BJ/KJ installations upto 13.05.2013. This includes the sundry debtors of Rs. 30.49 Crs and 8.31 Crs of subsidy receivables from GoK. No adjustment is made in the accounts for the amount receivable from GoK. Hence the sundry debtors in para 23.1.1 includes Rs. 30.49 Crs.

NOTE 24 : CASH AND CASH EQUIVALENTS

(Rs. In lakh)

SL. NO	PARTICULARS	ACCOUNT CODE	As at 31.03.2013		As at 31.03.2012	
24.1	Balances with Banks					
24.1.1	Collecting Bank Accounts (Non-Operative)	24.300		294.21		1098.24
24.1.2	Disbursement Bank Account (Operative)					
24.1.2.1	State Bank of Mysore	24.401	2.39		2.13	
24.1.2.2	State Bank of India	24.402	0.94		3.11	
24.1.2.3	Canara Bank	24.404	5.40		4.16	
24.1.2.4	Syndicate Bank	24.405	43.44		34.80	
24.1.2.5	Vijaya Bank	24.409	39.94		72.48	
24.1.2.6	State Bank of Mysore	24.411	257.76		65.65	
24.1.2.7	State Bank of India	24.412	4.53		18.65	
24.1.2.8	Canara Bank	24.414	155.81		129.77	
24.1.2.9	Syndicate Bank	24.415	418.58		565.66	
24.1.2.10	Corporation Bank	24.424	220.78		17.28	
24.1.2.11	Punjab Sind Bank	24.425	44.32		0.14	
24.1.2.12	UCO Bank	24.426	231.49		0.01	
24.1.2.13	AXIS Bank	24.427	0.02		0.11	
24.1.2.14	Karnataka Bank	24.428	1.62		23.08	
24.1.2.15	Indian Bank	24.429	35.86		2.07	
	Sub-Total			1462.88		939.10
24.2	Cash on Hand	24.110, 24.210		478.28		504.56
24.3	Others					
24.3.1	Postage stamps on hand	24.120		2.58		2.23
24.3.2	Remittance to Head Office -Transit Account	24.500		0.00		4.20
24.3.3	Transfers from Head Office In Transit Account	24.600		15.48		113.87
24.4	Fixed deposits in Banks					
24.4.1	Margin Money towards L.C.	20.280	352.49		348.65	
24.4.2	Un-utilised R-APDRP fund	20.280	173.07		170.00	
24.4.3	Un-utilised RGGVY fund	20.280	1903.61		550.00	
24.4.4	Others	20.280	5.00		8.84	
	Sub-Total			2434.17		1077.49
	TOTAL			4687.60		3739.69

NOTE 25 : SHORT TERM LOANS AND ADVANCES

(Rs. In lakh)

SL. NO	PARTICULARS	ACCOUNT CODE	As at 31.03.2013		As at 31.03.2012	
25.1	Capital Advance					
25.1.1	Secured Considered good					
25.1.1.1	Advances to Suppliers (considered good & Fully Secured)	25.501	169.86		170.77	
25.1.1.2	Advances to Contractors	26.6	2029.38		1898.40	
25.1.2	Un-Secured Considered good		0.00		0.00	
	Sub-Total			2199.24		2069.17
25.2	Security Deposits					
25.2.1	Secured Considered good		0.00		0.00	
25.2.2	Un-Secured Considered good		0.00		0.00	
25.3	Loans and Advances to related Parties					
25.3.1	Secured Considered good		0.00		0.00	
25.3.2	Un-Secured Considered good		0.00		0.00	
25.4	Other Loans and Advances					
25.4.1	Secured Considered good		0.00		0.00	
25.4.2	Un-Secured Considered good					
25.4.2.1	Loans and advances to Staff - Interest bearing			0.00		0.00
25.4.2.2	Loans and advances to Staff - Interest Free					
25.4.2.2.1	Travel advance	27.202	6.90		2.94	
25.4.2.2.2	Festival advance	27.203	40.69		38.99	
25.4.2.2.3	Medical advance	27.204	25.40		29.69	
25.4.2.2.4	Advances to staff against expenses	27.205	11.55		11.87	
25.4.2.2.5	Transformers / meters etc. issued for repairs to the Corporation personnel	27.210	4.09		4.04	
	Sub-Total			88.63		87.53
25.5	Advance paid to Power Company of Karnataka Limited	28.913		16.01		25.95
25.6	Advance Power purchase Charges paid to M/s. UPCL	28.957		884.93		
	TOTAL			3188.81		2182.65

25.5 (a) Rs. 99 lakhs paid towards working Capital of PCKL during FY 2007-08 is accounted under Account Code 28.913 as advance and shown under "Loans and Advances" schedule. After adjusting the revenue expenditure of M/s. PCKL for FY 2007-08 to FY 2012-13, the net balance under account code 28.913 is Rs. 16.01 lakh.

NOTE 26 : OTHER CURRENT ASSETS

(Rs. In lakh)

SL. NO	PARTICULARS	ACCOUNT CODE	As at 31.03.2013		As at 31.03.2012	
26.1	Sundry Debtors for Un Billed Revenue	23.400		10529.28		11092.61
26.2	Sundry Debtors- Trading Account	28.100		225.23		983.83
26.3	Income accrued and due on Bank Deposits	28.210		35.61		6.80
26.4	Recoverable from GOK					
26.4.1	Subsidy receivable from GOK towards BJ/KJ consumers	28.626	830.97		830.65	
26.4.2	Amount receivable from State Govt. towards free supply of power to IP Sets upto 10 HP	28.627	19097.12		18209.77	
	Sub-Total			19928.09		19040.42

26.5	Recoverable from Employees				
26.5.1	Amount recoverable from Employees	28.401	15.39		64.27
26.5.2	Amount recoverable from Ex-employees	28.402	0.00		0.00
26.5.3	Amount recoverable from employees - material related	28.409	4.89		26.17
	Sub-Total			20.28	90.44
26.6	Others				
26.6.1	Claims for Loss / Damage to Capital Assets	28.749	7.36		15.98
26.6.2	Amount receivable from Panchayaths towards energisation of Rural Water Supply works	28.801	81.17		0.00
26.6.3	Expenses recoverable from suppliers / contractors	28.810	0.14		0.09
26.6.4	Prepaid Expenses	28.820	9.21		2.73
26.6.5	Receivable from others	28.898 & 28.899	1455.40		1447.57
26.6.6	Amount receivable from P&G Trust	28.907	81.67		190.61
26.6.7	Advances paid to SLDC towards UI Charges	28.910	0.00		258.88
26.6.8	Advance paid to KPTCL towards transmission charges	28.911	43.86		0.00
26.6.9	Advance made to M/s. PCKL towards short term power purchase	28.915	30.87		329.84
26.6.10	Advance made to M/s. PCKL towards Non-POC bills	28.916	0.00		5.32
26.6.11	Regulatory Assets - KERC	28.922	20256.00		3365.92
26.6.12	Deposit with Railways	28.933	5.76		0.00
26.6.13	M/s. Kalson Power	41.118	0.67		0.00
26.6.14	M/s. Subhash Kabini	41.119	2.22		0.00
26.6.15	M/s. Graphite India Ltd.,	41.120	0.26		0.00
26.6.16	M/s. BPCL (NERIA)	41.124	0.88		0.00
26.6.17	M/s. Maruthi Power Gen (Kabini) Pvt. Ltd.,	41.121	1.16		0.00
26.6.18	M/s NTPC VVNL	41.198	0.05		0.05
26.6.19	M/s. Malavalli Power Plant,	41.117	0.00		0.00
26.6.20	M/s. Sagar Power (Dandela) Pvt. Ltd	41.203	1.62		0.00
26.6.21	M/s. Soham Mannapitlu Power Pvt. Ltd	41.204	2.06		0.00
26.6.22	M/s. Sagar Power (Neerukatte) Pvt. Ltd	41.205	1.15		0.00
26.6.23	M/s. AMR Power Pvt. Ltd	41.206	3.93		0.00
26.6.24	M/s. SRM Power Pvt. Ltd	41.212	0.06		0.00
26.6.25	Advance received for sale of stores scrap	46.922	0.34		0.00
26.6.26	Flood Relief Fund	46.978	0.00		0.00
	Sub-Total			21985.84	5616.99
	TOTAL			52724.33	36831.09

26.4.1(a) The Govt. of Karnataka in its order G.O. No. EN34/PSR 2013 dated 17.05.2013 has waived off the amount of Rs. 38.80 Crs payable by BJ/KJ installations upto 13.05.2013. This includes the sundry debtors of Rs. 30.49 Crs and Rs. 8.31 Crs of subsidy receivables from GoK.

26.6.11 **Regulatory Asset:** In accordance with KERC Tariff order dated 7th December 2010, MESCOM has created Regulatory Assets to an extent of Rs. 7593.00 lakh. Out of the said amount Rs. 4227.08 Lakh was treated as recovered from the revenue realizations during FY 2011-12. Balance amount of Rs. 3365.92 lakh was treated as recovered during FY 2012-13.

In the current year, regulatory Asset is created to the extent of Rs. 20256.00 lakh being the excess Power purchase Cost incurred over the approved cost in ARR by KERC for FY 2012-13. Reconciliation of the Accounts is detaild below:

Particulars	FY	Created	Recovered	Balance
Regulatory Asset created according to KERC Tariff Order 2010	2010-11	7593.00		7593.00
According to KERC Tariff Order 2010	2011-12		4227.08	3365.92
Regulatory Asset is created for excess Power purchase Cost incurred over the approved cost in ARR by KERC for FY 2012-13	2012-13	20256.00	3365.92	20256.00

NOTE : 27 REVENUE FROM OPERATIONS

(Rs. In lakh)

Sl. No	Particulars	Account Code	For the Year 2012-13		For the Year 2011-12	
27.1	Revenue from Operations					
27.1.1	REVENUE FROM SALE OF POWER – LT					
27.1.1.1	Bhagya jyothi Scheme.	61.101	811.54		831.11	
27.1.1.2	Revenue from sale of power BJ/KJ up to 18 Units	61.402	720.38		719.78	
27.1.1.3	Domestic combined lighting, heating and motive power, Private, Professional and unaided educational institutions.	61.110 61.111	40989.89		35784.88	
27.1.1.4	Commercial and Non-Industrial Lights and Fans.	61.115	19900.84		18338.19	
27.1.1.5	Irrigation Pump Sets (10 HP & below)/ Water Lifting.	61.119	33568.08		32288.29	
27.1.1.6	Irrigation Pump sets (above 10 HP)/Water Lifting.	61.120	42.71		40.79	
27.1.1.7	Water supply-V.P, T.P and Others	61.125	3420.92		3845.24	
27.1.1.8	Private Horticultural Nurseries, Coffee, Tea, Coconut and Areca nut Plantations.	61.121	225.92		173.67	
27.1.1.9	Industrial, Non-Industrial, Heating and Motive Power including Lighting	61.129 To 61.133	7332.29		7121.26	
27.1.1.10	Public Lighting-V.P, T.P and Others	61.140	2750.12		2438.41	
27.1.1.11	Temporary Power Supply - Non-commercial lights and fans and other small appliances.	61.145	3057.65		2219.60	
	Sub-Total			112820.34		103801.22
27.1.2	Revenue from Sale of Power – HT					
27.1.2.1	Public Water Supply & Sewerage Pumping	61.250	3297.10		3346.80	
27.1.2.2	Industrial, Non-industrial and Commercial purposes & Railway Traction	61.255	36958.22		32633.23	
27.1.2.3	Commercial.	61.256	16500.24		14218.56	
27.1.2.4	Irrigation and Agricultural Farms. Lift Irrigation Societies, Lift Irrigation Schemes and Govt., Horticultural Farms.	61.260	283.70		189.36	
27.1.2.5	Private Horticultural Nurseries, Coffee and Tea Plantations	61.261	8.23		8.24	
27.1.2.6	Residential apartments and colonies availing power supply independently.	61.271	863.78		931.90	
27.1.2.7	Revenue from sale of power - HT5-Temporary power supply	61.290	225.09		0.00	
	Sub-Total			58136.36		51328.09
	TOTAL REVENUE FROM OPERATIONS			170956.70		155129.31
27.2	Less: Withdrawal of Revenue Demand	83.830, 83.831, 83.832, 83.833		249.98		82.07
	REVENUE FROM OPERATIONS			170706.72		155047.24

27.3	OTHER REVENUE FROM OPERATIONS				
27.3.1	Wheeling charges recoveries	61.800		1.66	0.01
27.3.2	Miscellaneous charges from Consumers.				
27.3.2.1	Reconnection Fee (D & R)	61.902	0.50		15.62
27.3.2.2	Service Connection charges	61.904	537.96		545.96
27.3.2.3	Other Receipts from consumers	61.906	147.30		136.89
27.3.2.4	Amount collected for green tariff	61.907	96.30		120.00
27.3.2.5	Incentives received	62.918	1160.60		891.66
27.3.2.6	Other income relating to purchase of power	62.919	358.54		2000.26
	Sub- Total			2301.20	3710.39
27.4	Regulatory Assets				
27.4.1	Income on account of Regulatory Assets/ Truing up Subsidy.	61.910		16890.08	-4227.08
	NET REVENUE FROM OPERATIONS			189899.66	154530.56

27.5 Total Revenue from sale of energy during 2012-13 includes Rs 10472.21 Lakh in respect of revenue accrued but pending billing at the year end as against a sum of Rs. 11092.61 Lakh during the previous year.

27.6 During the Year the amount to be received from the GOK as subsidy towards free power supply to IP set consumers having connected load of upto and inclusive of 10 HP and free power supply to BJ/KJ consumers with consumption upto 18 units, on actual basis are Rs. **34308.00** Lakh and Rs. **719.00** lakh respectively. Out of the said receivables, an amount of Rs. **29190.00** lakh and Rs. **719.00** lakh has been released for IP Set and BJ/ KJ installations respectively as per KERC Tariff Order. The balance amount of Rs. **5118.00** lakh is accounted as receivable from GOK for FY 2012-13.

27.4.1(a) Hon'ble KERC has approved the Power purchase cost of Rs. 133487.00 lakh for FY 2012-13 in the ARR computation of the Company. However the Company has incurred Rs. 153743.00 lakh towards cost of power purchase during the year. The MESCOM's Board in its 48th meeting held on 20th July 2013 vide Resolution No. 48/27 has approved for accounting the additional cost incurred for power purchase as "**Provision for Regulatory Asset recovery/ Truing up Subsidy**" in the year 2012-13 and to submit the proposal to the Energy Department in this regard. Accordingly the Company has created the Provision for Regulatory Asset recovery/ Truing up Subsidy in the year 2012-13 to the extent of Rs. 20256.00 lakh being the additional power purchase cost incurred during the FY 2012-13 and accounted as income on account of regulatory assets.

Further, the regulatory Asset amounting to Rs. 3365.92 lacs created during the year 2010-11 is treated as recovered during the year 2012-13 and income is reduced to that extent .

NOTE: 28 OTHER INCOME

(Rs. In lakh)					
Sl. No	Particulars	Account Code	For the Year 2012-13		For the Year 2011-12
28.1	Interest Income		0.00		0.00
28.1.1	From Consumers				
28.1.1.1	Delayed payment charges from	61.905	3382.21		2373.25
28.1.2	From Others				
28.1.2.1	Interest on Bank Fixed Deposits	62.222	91.47		104.41
	Sub-Total			3473.68	2477.66
28.2	Dividend Income		0.00		0.00
28.3	Net Gain/ Loss on sale of Investments		0.00		0.00
28.4	Other Non-operating Income				
28.4.1	Interest on Loans and Advances to Licenses	62.240	78.01		

28.4.2	Interest on advance to Suppliers/ Contractors.	62.260	32.93		
28.4.3	Profit on sale of stores	62.330	15.04		120.58
28.4.4	Sale of scrap	62.340	225.54		149.64
28.4.5	Other Miscellaneous receipts from Trading	62.360	0.75		1.25
28.4.6	Gain on Sale of Assets	62.400	119.01		49.28
	Sub-Total			471.28	320.75
28.5	Miscellaneous Receipts				
28.5.1	Rental from Staff Quarters	62.901	108.43		83.09
28.5.2	Rental from others	62.902	2.73		4.83
28.5.3	Excess found on physical verification of Materials Stock.	62.905	1.44		4.64
28.5.4	Rebate for collection of Electricity Duty.	62.916	30.77		29.50
28.5.5	Miscellaneous Recoveries.	62.917	290.14		978.42
28.5.7	Interest received from Income Tax Department	62.920	16.10		14.31
28.5.8	Subsidies against Loss on account of Flood, Fire, Cyclone etc.,	63.200	0.00		0.00
	Sub-Total			449.61	1114.79
28.6	Income relating to previous years :				
28.6.1	Receipts from Consumers Relating to Prior periods	65.200	0.00		0.00
28.6.2	Interest income for prior periods	65.400	0.00		2.00
28.6.3	Excess provision for Interest and Finance Charges in prior periods	65.700	13.00		0.00
28.6.4	Other Excess provision in prior periods	65.800	753.65		98.18
28.6.5	Other Income relating to prior periods	65.900	492.62		20.03
28.6.6	Tariff subsidy relating to prior period	65.910	1618.00		12326.00
	Sub-Total			2877.27	12446.21
	TOTAL			7271.84	16359.41

28.1.1.1 Since the arrears in respect of IP set Consumers having connected load upto 10 HP is freezed with effect from 01.08.2008, the Company has stopped charging interest on this arrears from the year 2011-12.

28.7 **Electricity Taxes:** Electricity Tax of Rs. 6500.00 lakh collected from Consumers and payable to GOK has been adjusted against the Tariff Subsidy receivable from Govt. vide order No. EN 14 PSR 2012/ Bangalore dated 30.03.2013.

NOTE : 29 PURCHASE OF POWER

(Rs. In lakh)

Sl. No	Particulars	Account Code	For the Year 2012-13		For the Year 2011-12	
29.1	Purchase of Power					
29.1.1	M/s. KPCL	70.108	47996.00		41215.93	
29.1.2	M/s. NTPC RSTPS	70.110	16633.92		14730.83	
29.1.3	M/s. Madras Automic Power Station	70.111	302.17		279.62	
29.1.4	M/s. Neyveli Lignite Corporation Ltd.,	70.112	7090.11		8642.19	
29.1.5	M/s NPCIL-Kaiga	70.114	3541.25		3411.70	
29.1.6	M/s. Sandur Power Company Ltd.,	70.115	2964.85		3200.43	
29.1.7	M/s. Sahyadri Power Company Ltd.,	70.116	30.83		33.36	
29.1.8	M/s. Malavalli Power Plant,	70.117	0.00		23.34	

29.1.9	M/s. Master Power	70.118	159.70	389.46
29.1.10	M/s. Subhash Kabini	70.119	1231.35	2682.19
29.1.11	M/s. Graphite India Ltd.,	70.120	90.46	181.99
29.1.12	M/s. Maruthi Power Gen(l) Kabini Pvt. Ltd.,	70.121	126.44	238.62
29.1.13	M/s. Maruthi Power Gen Hemavathi Pvt. Ltd.,	70.122	118.04	115.92
29.1.14	M/s. Moodabagil Power Pvt. Ltd.	70.123	41.40	35.02
29.1.15	M/s. Boruka power corporation Ltd., (NERIA)	70.124	646.24	801.22
29.1.16	M/s. Mrujara Power Plant	70.126	54.05	60.95
29.1.17	M/s. Rayalseema Alkalies	70.129	122.77	874.01
29.1.18	M/s. Tata Company Limited	70.131	1343.35	4872.69
29.1.19	M/s. UPCL	70.132	19591.47	12491.69
29.1.20	Wind Mill Projects	70.140	11569.82	8293.98
29.1.21	M/s. Mysore Paper Mills Ltd.,	70.195	52.09	146.55
29.1.22	M/s. Shamili Hydel Power Project	70.202	866.84	949.72
29.1.23	M/s. Sagar Power (Dandela) Pvt. Ltd.,	70.203	490.43	553.66
29.1.24	M/s. Soham Mannapitlu Power Pvt. Ltd.,	70.204	825.52	479.98
29.1.25	M/s. Sagar Power (Neerukatte) Pvt. Ltd.,	70.205	549.42	702.93
29.1.26	M/s. AMR Power Pvt. Ltd.	70.206	1355.86	1563.49
29.1.27	KPTCL transmission charges	70.161	15888.91	13737.34
29.1.28	SLDC Charges	70.162	19.51	181.67
29.1.29	PGCIL transmission charges	70.163	3103.00	3004.20
29.1.30	Transmission charges to M/s TNEB	70.164	12.12	0.00
29.1.31	Power purchased from M/s SRM Power	70.212	115.74	13.59
29.1.32	Power purchased from PGCIL NON POC bill	70.213	32.83	33.98
	Sub-Total		136966.49	123942.25
29.2	High Cost Energy Purchased			
29.2.1	UI Charges credits received	70.171	-677.26	-410.70
29.2.2	UI charges	70.172	186.29	620.60
29.2.3	Power purchased from JSWPTCL	70.125	2464.29	8002.57
29.2.4	Short term power purchased from M/s. NTPC - VVNL	70.198	0.00	567.52
29.2.5	Short term power purchased from M/s. PTC India Limited	70.199	0.00	2357.67
29.2.6	Short term power purchased from IEX / PXI	70.200	0.74	1016.27
29.2.7	Power purchases from M/s. LANCO Electric Utility Limited	70.201	0.00	405.21
29.2.8	Power purchased from Non PPA Co-generation Units	70.208	3617.33	2905.19
29.2.9	Power purchased from Peak Power Purchase	70.210	372.13	2638.75
	Purchases from others (Other than Short term Purchases)			
29.2.10	Bright Packages Ltd.,	70.211	0.00	16.15
29.2.11	JSW power trading Company limited.	70.211	8136.83	0.00
29.2.12	BMM Ispat Ltd.	70.211	506.46	0.00

29.2.13	National Energy Trading and Services limited.	70.211	4133.36	0.00
29.2.14	Hare Krishna Metalics & Others	70.211	48.84	0.00
29.2.15	Gujarath Urja Vikas Nigam Ltd.	70.211	8694.92	0.00
29.2.16	PTCIL (Vijayanagar Sugar & Satavahana ispat)	70.211	158.76	0.00
29.2.17	Satavahana Ispat	70.211	13.13	0.00
29.2.18	Vijayanagara Sugars	70.211	4.75	0.00
29.2.19	NSL Sugars Ltd.	70.211	78.21	0.00
	Sub-Total		27738.78	18119.23
29.3	Power Purchase cost withdrawn on basis of energy balancing	70.209	-10962.40	-14435.88
	TOTAL		153742.87	127625.60

29.3(a) With effect from 1.4.2012, share of power project capacity allocated to MESCOM has been revised vide GOK notification No. EN 61 PSR 2011 dated 23.04.2012. Power Purchase Cost is being accounted for and paid as per the above share which is readjusted at the end of the year based upon actual drawal of energy for the year.

29.3(b) MESCOM is arranging payment to the power suppliers based on the notional share basis fixed and notified by the Govt. of Karnataka from time to time. Based on the energy balancing report furnished by LDC for the year from 2008-09 to 2012-13, the results have been incorporated in the books of account of MESCOM as and when informed. The Energy Balancing results for the year 2012-13 are provisional, which are accounted based on joint reconciliation carried out by all the ESCOMs at LDC.

NOTE : 30 EMPLOYEE COSTS

(Rs. In lakh)

Sl. No	Particulars	Account Code	For the Year 2012-13	For the Year 2011-12
30.1	Salaries and Wages			
30.1.1	Salaries	75.100	12377.07	7471.58
30.1.2	Over Time	75.200	315.04	241.30
30.1.3	Dearness Allowance	75.300	605.47	5088.41
30.1.4	Other Allowances	75.400	1269.81	686.00
30.1.5	Bonus	75.500	144.09	154.60
30.1.6	Medical Expenses reimbursement	75.611	139.57	182.89
30.1.7	Leave travel assistance	75.612	0.03	0.00
30.1.8	Earned leave encashment	75.617	881.53	812.96
30.1.9	Earned leave encashment to retired employees	75.618	354.26	321.27
30.1.10	Payment under Workmen's Compensation Act	75.629	14.11	12.08
30.1.11	Payment to helpers/employees of Monsoon gang	75.630	37.26	174.31
30.1.12	Pansion & Leave contribution of employees on deputation	75.8907	22.78	11.07
	Sub-Total		16161.02	15156.47
30.2	Contribution to Provident and Other Funds			
30.2.1	Terminal benefits (PF) Corporation Contribution	75.8107	175.93	111.70
30.2.2	Terminal benefits (Pension) Corporation Contribution	75.8307	3155.95	2654.04

30.2.3	Terminal Benefits Company contribution to Contributory pension scheme with effect from 01.04.06	75.8317	343.83		352.80	
30.2.4	Terminal Benefits (Gratuity)	75.8407	581.69		192.12	
	Sub-Total			4257.40		3310.66
30.3	Expenses on ESOP and ESPP					
30.4	Staff Welfare expenses	75.7, 75.845, 75.860, 75.880	436.46	436.46	312.31	312.31
	GRAND TOTAL			20854.88		18779.44

30.5 Employee Benefits:

30.5.1 Short Term Employee Benefits:

30.5.1.1 Short Term Employee Benefits are recognized as an expense in the profit and loss Statement for the year in which related services are rendered.

30.2.5 Post Employment Benefits:

30.5.2.1 The Company makes contribution for Pension and Gratuity to KPTCL/ESCOM's Pension and Gratuity Trust. The same becomes a Multi-Employer Defined Benefit Plan. For employees who have joined the Company on or after 1.4.2006, the pension plan is Multi-Employer Defined Contribution Plan.

NOTE : 31 - FINANCIAL COSTS- INTEREST AND OTHER BANK CHARGES (NET)

(Rs. In lakh)

Sl. No	Particulars	Account Code	For the Year 2012-13	For the Year 2011-12
31.1	Interest Expenses			
31.1.1	Interest on Consumers' Security Deposits			
31.1.1.1	Interest on ISD, ASD & MSD	78.600	3026.62	1694.85
31.1.2	Interest on power purchase dues			
31.1.2.1	Interest on KPCL dues	80.108	9066.38	5151.10
31.1.2.2	Interest on belated payment to M/s JSW Energy Ltd	80.125	574.00	0.00
31.1.2.3	Interest on belated payment to M/s Soham Mannapitlu	80.204	0.62	0.00
31.1.3	Interest on Loans			
31.1.3.1	Interest on GOK Loans			
31.1.3.1.1	Interest on Central Govt. Loan towards Power Sector Automation	78.101	9.30	10.91
31.1.3.1.2	Interest on PMGY Loan	78.573	12.25	13.17
31.1.3.1.3	Interest on GOK Loan for energization of IP sets under GK Scheme	78.580	5.28	6.60
	Sub- Total		26.83	30.68
31.1.3.2	Interest on REC loans			
31.1.3.2.1	Interest on Loan from REC	78.540	78.01	82.62
31.1.3.2.3	Interest on loan drawn by MESCOM from REC- APDRP works	78.591	14.17	21.40
31.1.3.2.4	Interest on loan drawn by MESCOM from REC - General	78.592	62.29	65.89

31.1.3.2.5	Interest on loan drawn by MESCOM from – REC – RGGVY Works	78.593	86.45		87.58
	Sub- Total			240.92	257.49
31.1.3.3	Interest on PFC loans				
31.1.3.3.1	Interest on loan drawn from PFC for implementation of RAPDRP works	78.594		41.63	41.63
31.1.3.4	Interest on Loan from Commercial Banks	78.560		5204.86	4938.00
	Total Interest on Loans			5514.24	5267.80
31.2	Other Borrowing Costs				
31.2.1	Other Interest and Finance Charges	78.800		284.85	28.63
31.3	Applicable Net gain or loss on Foreign Currency Transactions		0.00		0.00
31.4	Other Interest Charges				
31.4.1	Interest on Income Tax	78.510	0.00		0.00
	Gross Finance Costs			18466.71	12142.38
31.5	Less : Interest and finance charges capitalised				
31.5.1	Capitalisation of interest on funds used during construction	78.900		206.67	224.83
	Total Finance Costs			18260.04	11917.55

31.6 Interest accrued but not due for the financial year 2012-13 in respect of long-term borrowing assigned by KPTCL to the extent of Rs 1.83 lakh has been provided for as per KPTCL letter No. FA (A & R)/ KCO 24/42964/2012-13 dated 05.04.2013.

NOTE :32 DEPRECIATION AND AMORTIZATION EXPENSES (NET)

(Rs. In lakh)

Sl. No	Particulars	Account Code	For the Year 2012-13		For the Year 2011-12	
32.1	Depreciation on Fixed Assets					
32.1.1	Depreciation on Lease hold Assets	77.110	0.42		0.37	
32.1.2	Depreciation on Buildings	77.120	78.34		72.62	
32.1.3	Depreciation on Hydraulic Works	77.130	10.45		9.40	
32.1.4	Depreciation on Civil Works	77.140	1.51		1.14	
32.1.5	Depreciation on Plant and Machinery	77.150	1175.79		1015.29	
32.1.6	Depreciation on lines, cable, network etc.,	77.160	5287.56		4756.26	
32.1.7	Depreciation on Vehicles	77.170	5.44		5.07	
32.1.8	Depreciation on furniture, fixtures	77.180	12.48		11.52	
32.1.9	Depreciation on Office equipments	77.190	2.45		2.59	
	Sub-Total			6574.44		
32.1.10	Depreciation withdrawn on Assets Created out of Govt. grants / Consumers Contributions			-1692.05	0.00	
	Total			4882.39		5874.26
32.1.11	Add : Depreciation under provided in previous years.	83.6	216.80		292.35	
32.1.12	Less : Excess provision for Depreciation in prior periods	65.6	13.89		49.96	
	Depreciation on Fixed Assets			5085.30		6116.65
32.2	Depreciation on Released Assets					

32.2.1	Depreciation on Released Good Asset-Plant and Machinery	77.151	22.90		12.73
32.2.2	Depreciation on Released Good Asset - lines. Cable, network etc	77.161	1.44		1.59
32.2.3	Depreciation on Released Good Asset-Office equipments	77.191	0.00		0.00
	Sub-Total			24.34	14.3200
	Depreciation (Net)			5109.64	6130.97

32.1.10 (a) Consequent to change in the Accounting Policy (as per para I(m) of Significant Accounting Policies), Company has not provided depreciation during 2012-13 on the fixed assets acquired out of govt. grants and Consumer Contribution. Since the fixed assets acquired out of govt. grants and Consumer Contribution could not be identified in fixed Asset registers, total depreciation chargeable on these assets for the year is withdrawn as an adjustment.

NOTE : 33 OTHER EXPENSES

(Rs. In lakh)					
Sl. No	Particulars	Account Code	For the Year 2012-13		For the Year 2011-12
33.1	Repairs				
33.1.1	Buildings	74.200	34.39		29.69
33.1.2	Plant and Machinery	74.100	545.80		511.64
33.1.3	Lines, Cable Net Work Etc.	74.500	872.12		741.01
33.1.4	Civil Works	74.300	26.29		21.04
33.1.5	Vehicles	74.600	21.01		20.29
33.1.6	Furniture and Fixtures	74.700	1.02		0.66
33.1.7	Office Equipments.	74.800	11.04		11.66
	Sub-Total			1511.67	1335.99
33.2	Power and Fuel				
33.2.1	Electricity Charges	76.1580	121.98		102.64
33.2.2	Fuel expenses for generators	76.161	0.68		0.99
	Sub- Total			122.66	103.63
33.3	Rent				
33.3.1	Rent (including lease rentals)	76.1010	163.73		138.46
	Sub- Total			163.73	138.46
33.4	Insurance				
33.4.1	Insurance on Fixed assets-11kv			0.00	0.00
33.5	Rates and Taxes excluding Taxes on Income	76.1020	10.71	10.71	18.61
33.6	Miscellaneous Expenses				
33.6.1	Payment to Auditors				
33.6.1.1	Payment to statutory Auditors				
33.6.1.1.1	As Auditor	76.122	1.10		1.24
33.6.1.1.2	Taxation Matter	72.122	0.40		0.45
33.6.1.1.3	Reimbursement of Expenses	76.125	0.33		0.16
33.6.1.2	Payment to Cost Auditors				
33.6.1.2.1	As Auditor	76.122	0.50		0.56
33.6.1.2.2	Taxation Matter		0.00		
33.6.1.2.3	Reimbursement of Expenses		0.00		
	Sub- Total Payment to Auditors			2.33	2.41

33.7	Other A&G Expenses				
33.7.1	Service Tax payment to service provider	76.107	34.47		0.00
33.7.2	Service Tax payment to central excise customs & service Tax Dept.	76.108	61.57		0.00
33.7.3	Pagers cellular phones E.mail & other communication charges	76.111	1.80		1.83
33.7.4	Telephone, Trunk call, Telegrams and Telex Charges-11kv	76.112	60.51		65.21
33.7.5	Mobile Phone Charges	76.114	39.96		37.27
33.7.6	Postage	76.113	17.30		18.11
33.7.7	Revenue Receipts Stamps	76.115	0.00		0.01
33.7.8	Legal Charges	76.121	8.04		19.81
33.7.9	Consultancy charges	76.123	2.88		3.18
33.7.10	Other Professional charges	76.125	3.70		0.28
33.7.11	Remuneration to Contract Agencies for opening & maintenance of ledger Accounts	76.126	425.71		480.33
33.7.12	Remuneration Private Contractor engaged for shift and minor maintenance duties of stations/MUSS	76.127	103.63		66.21
33.7.13	Remuneration paid to Chartered Accountants for auditing cash & Revenue Accounts	76.128	7.68		6.83
33.7.14	Remuneration paid Contract Agencies/ Services obtained	76.129	1160.27		949.93
33.7.15	Remuneration paid to Grama Vidhyuth Prathinidhis	76.130	46.62		85.29
33.7.16	Conveyance expenses	76.131	0.32		0.24
33.7.17	Travelling expenses	76.132	2.53		1.35
33.7.18	Travelling allowance employees	76.133	340.05		283.95
33.7.19	Travelling Allowance to Contract Employees	76.134	0.10		0.12
33.7.20	Vehicle hiring expenses for vehicles hired to stations	76.135	156.58		127.77
33.7.21	Vehicle running expenses other than store vehicles	76.136	99.97		88.56
33.7.22	Vehicle hiring expenses	76.137	248.89		199.13
33.7.23	Vehicle License, Registration fee and Taxes	76.138	9.30		9.23
33.7.24	Shared expenses of MESCOM with KPTCL	76.140	0.00		0.50
33.7.25	Shared expenses of MESCOM with PCKL	76.141	87.95		30.23
33.7.26	Fees & Subscriptions	76.151	54.71		88.04
33.7.27	Books, periodicals and dairies	76.152	2.03		1.30
33.7.28	Printing & Stationery	76.153	62.18		57.63
33.7.29	Factory License Fees	76.154	10.00		10.00
33.7.30	Advertisement Expenses	76.155	25.63		39.24
33.7.31	Computer stationery and floppies	76.156	6.40		4.34
33.7.32	Contributions	76.157	101.00		13.00
33.7.33	Statutory payments as per Company Act, 1956	76.159	2.10		2.04
33.7.34	Water Charges	76.160	4.89		3.69
33.7.35	Entertainment	76.162	0.04		0.09

33.7.36	Secret grant account	76.164	0.60		0.60
33.7.37	Miscellaneous expenses	76.190	99.39		65.16
33.7.38	Consumer Relation/ Education	76.196	4.23		6.97
33.7.39	Material related expenses	76.2	47.51		43.47
	Sub- Total			3340.54	2810.94
	Total A&G Expenses			3639.97	3074.05
33.7.40	Administration & General Expenses charged to capital works (credit Account)	76.900		-0.25	
	Net A&G Expenses			3639.72	3074.05
33.8	Other Debits				
33.8.1	Asset Decommissioning Costs	77.500	6.69		7.11
33.8.2	Small & Low value items Written off	77.610	6.26		7.19
33.8.3	Losses relating to Fixed Assets	77.700	70.02		60.71
33.8.4	Bad & Doubtful Debts Written off / provided for	79.400	275.54		239.62
33.8.5	Miscellaneous losses and Write offs	79.500	39.77		43.03
	Sub Total		0.00	398.28	357.66
33.9	Prior Period Expenses / losses :		0.00		
33.9.1	Short provision for power purchased in previous years	83.100	0.00		0.00
33.9.2	Operating Expenses of previous years.	83.300	0.77		1.97
33.9.3	Employee costs relating to previous years	83.500	28.73		29.28
33.9.4	Interest and other Finance charges relating to previous years	83.700	0.16		0.18
33.9.5	Short Provision for Income tax - previous years	83.810	0.03		0.00
33.9.6	Administrative Expenses - previous years.	83.820	2.26		0.50
33.9.7	Materials related expenses - previous years.	83.840	0.00		0.00
33.9.8	Other Expenses relating to prior periods	83.850	33.58		18.26
33.9.9	Prior Period Expenses relating to purchase of power	83.860	0.00		762.61
	Sub-Total			65.53	812.80
	TOTAL			5615.20	5580.50

NOTE : 34 EXCEPTIONAL ITEMS

(Rs. In lakh)					
Sl. No	Particulars	Account Code	For the Year 2012-13		For the Year 2011-12
34.1	Depreciation written back	62.917		7006.40	0.00
	TOTAL			7006.40	0.00

34.1 (a) Consequent to change in the Accounting Policy (as per para I(m) of Significant Accounting Policies), the depreciation provision created on the fixed assets acquired out of govt. grants and Consumer Contribution upto 31.03.2012 has been written back. This has resulted in increase in net profit to the extent of Rs. 7006.40 lakh for the current year.

NOTE : 35 MAT CREDIT ENTITLEMENT

(Rs. In lakh)

Sl. No	Particulars	Account Code	For the Year 2012-13		For the Year 2011-12	
35.1	Income on account of MAT credit Entitlement	62.922		836.83		0.00
	TOTAL			836.83		0.00

36 Disclosures required by Accounting Standards:**36.1 Segment Reporting:****36.1.1 Business Segment:**

36.1.1.1 Electricity distribution is the principal business activity of the Company. There are no other activities which form a reportable segment as per the Accounting Standard – 17 'Segment Reporting'.

36.1.2 Secondary Segment:

36.1.2.1 The operations of the Company are mainly carried out within the four districts of Karnataka State namely, Dakshina Kannada, Udupi, Chickmagalur and Shimoga. Therefore geographical segments are not applicable.

36.2 Disclosure of transactions with Related Parties as required by the Accounting Standard – 18

36.2.1 In view of paragraph 9 of AS 18, no disclosure is required as regards related party relationships with other state-controlled enterprises and transactions with such enterprises.

Other disclosures as required under AS 18 are as given below:

36.2.2 Managerial Remuneration paid / payable for the financial year 2012-13 to the Directors are as follows:

Particulars	Rs. in Lakhs	
	Current Year 2012-13	Previous Year 2011-12
WHOLE TIME DIRECTORS:		
Salary and Allowances	24.87	24.84
Ex-gratia	0.06	0.06
Medical Expenses	0.63	0.01
Travelling Expenses	4.04	1.85
PART TIME DIRECTORS:		
Travelling Expenses	0.00	0.17
Sitting Fees	0.26	0.19
TOTAL	29.86	27.12

36.3 Earnings Per Share

Particulars	2012-13	2010-12
Profit after tax as per Accounts (For Basic and Diluted Earnings Per Share) – (A) (Rs. in Lakhs)	1259.44	641.19
Weighted Average number of shares outstanding during the year for Basic and Diluted EPS – (B)	172174210	159110750
Basic and Diluted Earnings per Share (A/B) (in Rs.)	0.73	0.40

36.4 Taxation:**36.4.1 Current Taxation:**

36.4.1.1 The provision for Minimum Alternate Tax (MAT) under Section 115 JB of Income Tax Act 1961 has been created in the Accounts.

36.4.2 Deferred Taxation:

36.4.2.1 The Company has not recognized Deferred Tax Asset / Deferred Tax Liabilities since there is no such requirement under ESAAR, 1985.

36.5 Estimated amount of capital works remaining to be executed as on 31.03.2013 in respect of Projects amounts to Rs. 4265.81 Lakh.

36.6 The details of amount outstanding to Small and Medium Enterprises based on available information with the Company is as under:

Particulars	Rs. in Lakhs	
	As at 31st March 2013	As at 31st March 2012
Principal amount due and remaining unpaid	-	-
Interest due on above and the unpaid interest	-	-
Interest paid	-	-
Payment made beyond the appointed day during the year	-	-
Interest due and payable for the period of the delay	-	-
interest accrued and remaining unpaid	-	-
Amount of further interest remaining due and payable in succeeding Years	-	-

37 Others:

37.1 The details of energy purchase, sale of energy and distribution losses during the year 2012-13 are as follows:

Particulars	Units	For the year 2012-13	For the year 2011-12
Energy purchased at Generation point	Mus	4695.29	4734.70
Energy Balancing Adjustments	Mus	221.14	516.78
Net energy	Mus	4474.15	4217.92
Energy at interface point	Mus	4280.45	4154.38
Energy Sales	Mus	3771.88	3652.17
Distribution Loss	Mus	508.57	502.21
Percentage of Distribution Loss	%	11.88	12.09

37.2 Considering the financial implications involved, insurance on fixed assets or current assets has not been made as it is not economical.

37.3 The title deeds of properties transferred from KPTCL are completely transferred in the name of Company.

38 Contingent Liabilities:

38.1 The Company was subjected to EPF Inspection during the year 2006-07 and thereby a demand of Rs 4.44 Crores was raised on the Company towards the dues for EPF of Contract Employees. The Company has disputed the same in view of the error in calculation of demand and also with regard to applicability of the regulations to contractors' employees. A deposit of Rs 1.77 Crores has already been made with the EPF department and the case has been remanded to PF Office Mangalore for hearing once again in the year 2011-12. The Company is hopeful of a positive outcome on the said issue. No provision has been made in the accounts for the disputed demand.

The Regional Provident Fund Commissioner, Mangalore has issued notice to the O&M Division Puttur for payment of interest and damages for the belated remittances under Section 7Q and 14B of the Employees' Provident Fund and Miscellaneous Provision Act, 1952. The total amount of interest & damages payable are Rs. 6436970 and Rs. 8343738 respectively. The Company has deposited Rs. 6436970 on 06.03.2013 and Rs. 8343738 on 12.06.2013 under protest. Action has been taken to file an appeal before the Employees' Provident fund Appellate Tribunal at New Delhi. Hence no provision is made in the Accounts.

38.2 The appeal No. ITA/1118/Bang/09 AY 2006-07 preferred by MESCOM against the order CIT(A) Mangalore in respect of disallowance of 80 IA claim of MESCOM relating to AY 2006-07 is disposed by the Hon'ble ITAT Bangalore on 31.10.2012 stating that the appeal of the Company is partly allowed for statistical purpose. The Assessing Officer is yet to pass the order giving effect to the order of ITAT. As the major claim of disallowance of 80IA was not considered by the ITAT an appeal has been preferred before the Hon'ble High Court of Karnataka at Bangalore. The case is not yet come for hearing as on date. The entire demand pertaining to the Assessment Year 2006-07 has been paid and treated as deposit in view of the pending appeal for disposal before the Hon'ble High Court of Karnataka.

38.3 The Commissioner of Central Excise and Service tax, Mangalore has passed two orders bearing No. C.No. IV/09/114/2010 Hqrs. Adjn 1/2295 on 28.01.2011 and order No. IV/09/114/2010/Hqrs Adj(1)/17109 dated 26.10/2010 for Rs. 6,37,250/- and for Rs. 85,53,406/- which includes service tax of Rs. 3,18,625/- and Rs. 42,76,703/- respectively and penalty of Rs. 3,18,625/- u/s. 76 and penalty of Rs. 42,76,703/- u/s. 78 respectively excluding penalty u/s. 77 and rule 7(c). Further interest amount u/s. 75 has not been quantified. These orders have been passed in respect of service tax on Goods transport Agency Service since 2005 being not paid to the Department. The Company has got stay against the demand raised by the department from CESTAT Bangalore. The case is not come up for hearing so far.

38.4 The table given below indicates the number of pending cases before various authorities and courts as on 31.03.2013 and corresponding amount involved in it.

Particulars	No. of pending cases	Amount involved in lakh Rupees.
Revenue	28	115.4
Labour	36	11.72
Miscellaneous	227	1178.76
Total	291	1305.88

There may be contingent liability for the said amount if the cases are not decided in favour of MESCOM.

38.5 M/s UPCL have filed petition before CERC for determination of tariff for the period from 11.11.2010 to 31.03.2014 for Unit – I and from 01.04.2012 to 31.03.2014 for Unit – II, based on the CERC (Terms and Conditions of Tariff) Regulations, 2009.

The tariff is yet to be finalized by CERC. Mean while, as per ATE order dated 08.02.2013, the provisional tariff as decided by CERC vide order dated 24.12.2012 for Unit – I is being paid from 01.09.2012 for both Units I & II. As the finalization of tariff is pending before Hon' ble CERC, the same provision of Rs. 42.00 Crs for the period from 11.11.2010 to 31.03.2012 made in FY 12 is being continued in FY 13 also. The difference between the amount claimed by UPCL and bills admitted by MESCOM for the period FY 13 is Rs. 43.84 Crs.

38.6 In the case of petition, filed by M/s GMR Energy Ltd., in OP 47/2011 before KERC praying for offsetting of the stated adverse financial impact to them due to energy supplied under section 11(1) of EA 2003 during the period Jan – 09 to May – 09 as per G.O dated 30.12.2008 and 01.01.2009, Hon' ble KERC vide majority order dated 30.11.2012, allowed the tariff of Rs. 6.90/KWh in place of the tariff of Rs. 5.50/KWh provided in the G.O.

However, MESCOM along with BESCOM & PCKL has filed Review Petition before KERC in RP 01/2013. The case is pending for adjudication. Amount involved is Rs. 4.40 Crs.

38.7 In the case of petition, filed by M/s Himatsinglka Seide Ltd., & M/s J.K. Cements in OP 40/2010 & OP 41/2010, before KERC praying for offsetting of the adverse financial impact suffered by them due to energy supplied under section 11(1) of EA 2003 during the period Apr – 10 to Jun – 10 as per G.O dated 03.04.2010, Hon' ble KERC vide order dated 14.02.2013, allowed the tariff of Rs. 5.72/KWh in place of the tariff of Rs. 5.00/KWh approved by KERC vide common order dated 24.03.2011.

However, BESCOM & PCKL have filed Review Petition before KERC in RP 03/2013. Now action has been taken to transpose ESCOMs from Respondents to Petitioners. The case is pending for adjudication. Amount involved is Rs. 15.86 Lakhs.

38.8 The following generators/suppliers have raised surcharge claims of Rs. 17.05 Crs for the delay in payments as shown below :

Name of the Firm	Amount (Rs. in Crs)
National Energy trading & Services Limited	0.74
Power Trading Corporation India Ltd.	2.93
NTPC VVNL	0.47
Neyveli Lignite Corporation	11.45
Total	15.59

Above Surcharge claims are not admitted by MESCOM.

38.9 KPTCL had raised a demand at 26.23 paise per unit for the transmission of electricity for the year 2006-07 against which the company has admitted the bills at 19.42 paise per unit as per KERC order. However, KPTCL has appealed against the order of KERC with Appellate Tribunal for Electricity, New Delhi. The ATE has passed an order requiring KERC to carry out certain modification in its transmission tariff. The KERC preferred an appeal against the order of ATE at Hon'ble Supreme Court, New Delhi. The appeal is pending for disposal before the Hon'ble Supreme Court. MESCOM may contingently be liable for an amount of Rs. 19.74 Crs. if orders are passed in favour of KPTCL.

38.10 In accordance with the provisions of Section 185 (2)(d) of the Electricity Act, 2003, all rules made under sub-section (1) of section 69 of the repealed Electricity (Supply) Act, 1948 shall continue to have effect until such rules are rescinded or modified. Accordingly, the accounting system is based on the rules laid down under the Electricity (Supply) Act, 1948, since the modified rules have not yet been notified under the Electricity Act, 2003.

39 The Balances in respect of Sundry Debtors, Sundry Creditors, Loans, Advances to Supplies and other borrowings are subject to confirmation and other reconciliation if any.

40 The Energy Balancing dues between the ESCOMs as on 31.03.2013 were reconciled during the Financial year 12-13. Other balance with KPTCL and Other ESCOM's are subject to confirmation and reconciliation. The reconciliation is under process.

41 The previous figures have been regrouped/ reclassified, wherever necessary to conform to the current year presentation.

42 The Company's accounts that are approved by the Board on 29.08.2013 have been revised in the light of observations made by the Comptroller & Auditor General of India. The said revision has resulted in decrease in Reserves & Surplus by Rs. 267.94 lakh, increase in Trade Payables by Rs. 763.94 lakh, increase in other current liabilities by Rs. 803.87 lakh, increase in long term loans and advances by Rs. 67.02 lakh, increase in Trade Receivables by Rs. 411.78 lakh, increase in other current assets by Rs. 821.07 lakh. The total assets and liabilities are increased by Rs. 1299.87 lakh.

Sd/-
(K. JAYARAMA ALVA)
Financial Advisor

Sd/-
(N. LAKSHMAN)
Director (Tech)

Sd/-
(M. GOVINDAPPA)
Managing Director

In terms of our Report of even date
for **RODRIGUES & D'SOUZA**

Chartered Accountants
Firm Reg. No: 003284 S

Sd/-

CA EDMOND
D'SOUZA
PARTNER

Membership No.
015097

Place : Mangalore
Date: 27.09.2013

4.1.2.6 Reconciliation of loan Balances

[Rs. In Lakhs]

Sl. No	Name of the Bank / Lender	Loan Drawn	Charge ID No	Term of Loan in Yrs.	Floating Rate of Interest as on 31.03.2013 (%)	Loan Balance as on 01.04.2012	Loan Drawn during 2012-13	Repayment during 2012-13	Loan Balance as on 31.03.2013	Details for Loan Installment due for 2013-14	
										No of Instalments.	Amount
I	Term Loan-Secured										
A	Commercial Banks										
1	Syndicate Bank Loan from Syndicate Bank is secured by a first charge (floating) on fixed assets viz., transformers, transmission lines, meters, poles, conductors, cables and computers worth Rs. 40.00 crores situated at Company jurisdiction	4000	10149317	7	12.75	3172.98		515.19	2657.79	12	514.39
2	Syndicate Bank Secured by a first charge on assets such as Plant & Machinery, line cable networks including poles, towers, Transformers, Meters etc, Furniture, Office equipment etc located in Dakshina Kannada, Udupi, Shimoga & Chikmagalur Districts.	10000	10281594	8	11.25	9779.76	200.00	1423.32	8556.44	12	1428.60
3	Corporation Bank secured by Hypothecation of present and future current assets of the Company.	5000	10317820	6	-	742.49		742.49	0.00		
		10000	10190264	8	12.45	8073.68		1428.60	6645.08	12	1428.60
4	Vijaya Bank Secured by Hypothecation of the whole of present and future current assets including inventories and book debts belonging to the Company situated at Corporate Office.	5000		6	-	598.89		598.89	0.00		
5	Punjab & Sind Bank Secured by Hypothecation of the whole of present and future current assets including inventories and book debts belonging to the Company situated at Corporate Office.	10000	10105976	8	11.50	5833.33		1428.57	4404.76	12	1428.57
6	UCO Bank Secured by Hypothecation of the whole of present and future current assets including inventories and book debts belonging to the Company situated at Corporate Office.	6000	10149038	9	12.75	4500.00		563.15	3936.85	4 (Qtrly)	937.50

Sl. No	Name of the Bank / Lender	Loan Drawn	Charge ID No	Term of Loan in Yrs.	Floating Rate of Interest as on 31.03.2013 (%)	Loan Balance as on 01.04.2012	Loan Drawn during 2012-13	Repayment during 2012-13	Loan Balance as on 31.03.2013	Details for Loan Installment due for 2013-14	
										No of Instalments.	Amount
7	Indian Bank Secured by Hypothecation of the whole of present and future current assets including inventories and book debts belonging to the Company situated at Corporate Office.	5000	10185366	9	11.5	4062.50		625.00	3437.50	4 (Qtrly)	625.00
8	State Bank of Mysore Hypothication of the equipments/meters/transformers/ poles/aluminium wires/ conductors/ cables/ civil works etc. purchased/ acquired for the project out of the term granted.	6500	10369875	8	13.15	0.00	6500.00		6500.00	8	952.41
	Sub-Total	61500				36763.63	6700.00	7325.21	36138.42	56.00	7315.07
B	Others										
1	Loans from Rural Electrification Corporation Works at Mangalore and Udupi Town Secured by hypothecation of all existing unencumbered moveable properties including Machinery, Equipments, Machinery Spare, Tools, Implements and Accessories installed / created / erected and all future moveable properties including machinery etc purchased out of the loan amount.					4.58			4.58		4.58
2	REC- APDRP works Works at Shimoga, Bhadravathi and Chikmagalur are secured by way of first charge by hypothecation of moveable machinery, equipments, machinery spares, tools, implements and accessories installed and equipments created under the project and procured out of loan					155.81		16.09	139.72		16.09

Sl. No	Name of the Bank / Lender	Loan Drawn	Charge ID No	Term of Loan in Yrs.	Floating Rate of Interest as on 31.03.2013 (%)	Loan Balance as on 01.04.2012	Loan Drawn during 2012-13	Repayment during 2012-13	Loan Balance as on 31.03.2013	Details for Loan Installment due for 2013-14	
										No of Instalments.	Amount
3	REC – General Projects at Vogga, Kukkipady and Nellyadi in Dakshina Kannada district, are secured by first charge by hypothecation of all moveable machinery, equipments, machinery spares, tools, implements and accessories installed and equipments created under the project and procured out of loan sanctioned by REC.					506.97		63.37	443.60		63.37
5	PFC- R-APDRP works Loan from M/s PFC is secured by 1.moveable properties of newly financed Assets under projects installed at MESCOM project Area. 2.Existing and proposed Moveable plant and Machinery of the Company.	362	10184171		11.5	361.96			361.96		
	Sub-Total	361.96				1029.32	0.00	79.46	949.86		84.04
	Total Secured Loans	61862				37792.95	6700	7404.67	37088.28		7399.11
II	Term Loan-Un-Secured										
1	APDRP-REC Loan payable to KPTCL					163.58		158.38	5.20		
2	PMGY Loan Account					102.08		7.65	94.43		7.65
3	GOK loan for energization of IP sets under GK scheme					48.00		12.00	36.00		12.00
4	Central Govt. Loan towards Power Sector Automation					88.20		14.70	73.50		14.70
5	Loan from GOK - Interest free					62.34			62.34		
6	REC – RGGVY Works Shimoga & Chikmagalore Districts					765.32			765.32		
	REC – RGGVY Works - DK & Udupi Districts					0.00	343.82		343.82		
7	Loan from GOK under SCSP					275.00		275.00	0.00		
8	Loan from GOK under TSP					179.48		179.48	0.00		
	Sub-Total	0				1684.00	343.82	647.21	1380.61		34.35
	TOTAL LONG TERM LOANS	61862			15.88	39476.95	7043.82	8051.88	38468.89		7433.46
	Term loan due for repayment in next year (shown as current Liabilities in Note:10)					7767.65			7433.46		
	Net long term loan (Note-4)					31709.30			31035.43		

Note: Loan repayments as shown under SCSP (Rs. 275.00 lakhs) and TSP (Rs. 179.48 Lakhs) are the amounts transferred from Loan Account to Grant Account during FY 2012-13.

II. Assets

1. Non-Current Assets

Note : 12 Tangible Assets

Particulars	A/c Code	Original Cost				A/c code	Depreciation				Rs. in Lakhs	
		As at 01.04.2012	Additions during the Year	Deductions/Retirements during the Year	As at 31.03.2013		As at 01.04.2012	For the Year	Deductions/Adjustments during the Year	As at 31.03.2013	Net Block Value	
											As at 31.03.2012	As at 31.03.2013
Tangible Assets												
Land: Free hold	10.101	452.65	26.06	0.00	478.71	12.1	0.00	0.00	0.00	0.00	452.65	478.71
Buildings	10.2	2316.07	369.32	0.00	2685.39	12.2	502.82	79.42	0.00	582.24	1813.25	2103.15
Hydraulic Works	10.3	194.36	8.54	0.00	202.90	12.3	49.26	10.43	0.00	59.69	145.10	143.21
Other Civil Works	10.4	43.09	0.00	0.00	43.09	12.4	6.76	2.23	0.00	8.99	36.33	34.10
Plant & Equipments	10.5	21898.34	4859.25	2026.51	24731.08	12.5	5115.36	1309.42	409.74	6015.04	16782.98	18716.04
Lines, Cable Networks	10.6	111860.95	10889.39	491.92	122258.42	12.6	38638.82	5354.91	295.15	43698.58	73222.13	78559.84
Vehicles	10.7	353.09	0.00	6.39	346.70	12.7	279.17	5.44	5.75	278.86	73.92	67.84
Furniture & fixtures	10.8	252.44	28.82	2.22	279.04	12.8	117.16	12.48	1.97	127.67	135.28	151.37
Office Equipments	10.9	71.01	2.79	1.07	72.73	12.9	43.32	2.45	0.46	45.31	27.69	27.42
Assets & Depreciation withdrawn				33776.50				-1692.05	7006.40	-8698.45	0.00	8698.45
TOTAL		137442.00	16184.17	36304.61	151098.06		44752.67	5084.73	7719.47	42117.93	92689.33	108980.13
Lease hold	10.102	10.13	1.62	0.57	11.18		0.00	0.57			10.13	11.18
SUB-TOTAL		137452.13	16185.79	36305.18	151109.24		44752.67	5085.30	7719.47	42117.93	92699.46	108991.31
Assets Created out of Govt. grants / Consumers Contributions				-33776.50						0.00	0.00	33776.50
Total		137452.13	16185.79	2528.68	151109.24		44752.67	5085.30	7719.47	42117.93	92699.46	75214.81
Previous Year's Figures	10	123701.18	16182.13	2431.18	137452.13	12	39365.96	6116.65	729.94	44752.67	84335.22	92699.46

The account head 10.101 - Land free hold - includes an amount of Rs. 14.36 lakhs in respect of land purchased for Shikaripura Division from APMC, which has covenant that the land cannot be sold to any one until completion of 10 years period from the date of purchase.