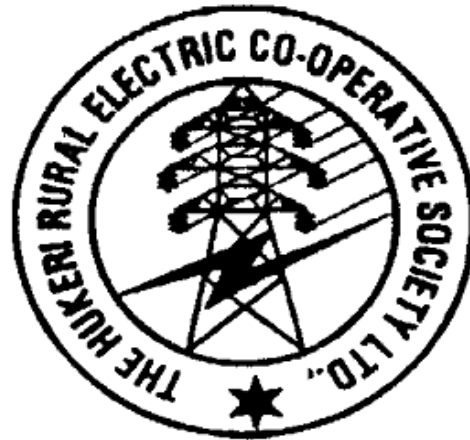


# **THE HUKERI RURAL ELECTRIC CO-OPERATIVE SOCIETY LTD., HUKERI**

**DIST: BELGAUM (Karnataka)**



## **Annual Performance Review of Accounts for the Financial Year-2013-14**

Registered Office  
Hukkeri  
Belgaum Dist - 591309



**THE HUKKERI RURAL ELECTRIC CO-OPERATIVE  
SOCIETY LTD., HUKKERI - 591 309.**

Dist.:BELGAUM. [Karnataka State]

**ಹುಕ್ಕೇರಿ ಗ್ರಾಮೀಣ ವಿದ್ಯುತ್ ಸಹಕಾರಿ ಸಂಘ, ನಿಯಮಿತ.**

**ಹುಕ್ಕೇರಿ - ೫೯೧೩೦೯.**

ಜಿಲ್ಲೆ : ಬೆಳಗಾವಿ (ಕರ್ನಾಟಕ ರಾಜ್ಯ)

Regd.No.AR/BG/456/69 dt.31-7-69  
Licence No.PWD/115/ELG/69 dt.19-11-69  
Licence No.KERC order dt.11-09-2001

☎ : Gen.: 265030  
M.D. (R) : 265632  
Fax : 08333-265677  
Grams : RELCOOP

KST - 5190190-0  
CST - 5195190-3  
w.e.f. 7-10-1970

Ref. No.: Accts/2014-15/

Date:

To,  
The Reciving Officer  
Karanataka Electricity Regulatory Commission  
6<sup>th</sup> & 7<sup>th</sup> Floor, Mahalaxmi Chambars,  
No-9/2, M.G.Road,  
Bangalore – 56001,

Sir,

Sub:- Application for approval of Annual Performance review of  
Accounts of our Society.

We are herewith submitting an application for approval of Annual  
Performance Review of Accounts of our Society for the financial year-2013-14  
in six sets along with Affidavit supporting the same for the approval of the  
commission.

Yours faithfully

Sd/-

Managing Director

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**BEFORE KARNATAKA ELECTRICITY REGULATORY COMMISSION**  
**BANGALORE.**

Filing No.....  
Case No.....

**IN THE MATTER OF**

An Application for approval and (iv)Annual Review of performance along with the audited Accounting Statements of Hukeri Rural Electric Co-operative Society Limited, under the provisions of the Electricity Act, 2003 and KERC (Terms and Conditions for Determination of Tariff for Distribution and Retail Sale of Electricity) Regulations, 2006 for FY 2013-14

**AND IN THE MATTER OF**

Hukeri Rural Electric Co-operative Society Limited, a Co-operative Society incorporated under the provisions of the Karnataka Co-operative Societies Act, 1959, having its registered Office at HUKKERI ---**APPLICANT**

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THE APPLICANT ABOVE NAMED MOST RESPECTFULLY SHOWETH  
THAT:

1. The applicant is a Co-operative Society, incorporated under the provisions of the Karnataka Co-operative Societies Act, 1959 and a 'Distribution and Retail Supply Licence" under Section 14 of the Electricity Act, 2003.

2. The applicant is hereby submitting its audited Accounting Statements for the financial Year 2013-14 for the scrutiny of the Hon'ble Commission and also for the purpose of Annual Review of Performance as provided under Regulation 2.8 of the Karnataka Electricity Regulatory Commission (Terms and Conditions for Determination of Tariff for Distribution and Retail Sale of Electricity) Regulations, 2006 (hereinafter referred to as "the **MYT Regulations**") or truing up exercise to be conducted by the Hon'ble Commission, in compliance of the directions of the Hon'ble Commission.
3. The applicant submitted that in the tariff order dated 10-7-2014, Hon'ble Commission had approved 284.87 MU of power purchase at the cost of Rs. 9495 lakhs and sale of 230.68 MU of energy resulting in 54.19 MU energy loss, which translates into 14.75% T & D loss, As against the above approval, the Society has achieved 270.36 MU of power purchase at the cost of Rs. 9531lakhs and sale of 229.12 MU of energy resulting in 41.24 MU loss, which translates into 14.90% T & D loss..
4. The audited Accounting Statements of the applicant for the Financial Year 2013-14 shows a revenue loss of Rs. 97.48 Lakhs, after taking into account a sum of Rs. 7731 lakhs IP set subsidy accounted in the books of account of the Society .The Government of Karnataka has required to pay a sum of Rs. 3425.98 lakhs towards outstanding Subsidy, as shown in Annexure D3A of the annexed Statement. The Government of Karnataka may be ordered to release this amount, at the earliest with carrying costs.

5. In the Tariff Order dated 10-7-2014, RoE for FY 13 and FY 15, total equity of the Society was considered as negative, after considering carry forward loss, but without considering free reserves created under various heads. As per the audited accounts of the Society, the Society had free reserve of Rs. 16.70 crores in FY 2013 and Rs. 18.62 crores in FY 14 after adjusting the negative balance in profit and loss account. Hence, the applicant prays that RoE for FY 13 and FY 14 may be allowed as per MYT Regulations.
6. The applicant prays that notional interest on working capital and other savings made by the Society may be allowed to be retained by the Society as reward for the efficiency, as provided under the MYT Regulations.
7. The applicant is ready and willing to provide any further information/clarifications, in due course, if sought by the Hon'ble Commission.

#### **PRAYER**

8. WHEREFORE, in the light of the above submissions, the applicant prays that this Hon'ble Commission may be pleased to :
  - (i) Approve the annexed audited Accounting Statements of the Applicant for the Financial Year 2013-14;
  - (ii) Direct the Government of Karnataka to release the outstanding Subsidy amount accounted in the books of the applicant, but pending;

- (iii) Allow the notional interest on working capital and other savings made by the Society may be allowed to be retained by the Society as reward for the efficiency, as provided under the MYT Regulations;
- (iv) Allow all savings made by the society as rewards for the efficiency gain;
- (v) Allow the recovery of filing fees, costs and other expenses to be incurred in this regard as a pass through;
- (vi) Pass such other and further orders as the Hon'ble Commission deems fit to pass under the facts and circumstances of the case; and
- (vii) Allow this application, in the interest of justice.

Place: Hukkeri  
Date: 27-11-2014

Applicant

**BEFORE KARNATAKA ELECTRICITY REGULATORY COMMISSION**  
**BANGALORE.**

Filing No.....  
Case No.....

**IN THE MATTER OF**

An Application for approval and (iv) Annual Review of performance along with the audited Accounting Statements of Hukeri Rural Electric Co-operative Society Limited, under the provisions of the Electricity Act, 2003 and KERC (Terms and Conditions for Determination of Tariff for Distribution and Retail Sale of Electricity) Regulations, 2006 for FY 2013-14.

**AND IN THE MATTER OF**

Hukeri Rural Electric Co-operative Society Limited, a Co-operative Society incorporated under the provisions of the Karnataka Co-operative Societies Act, 1959, having its registered Office at HUKKERI **---APPLICANT**

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**AFFIDAVIT**

I, Revappa Boragi, son of Basappa Boragi, aged 62 years working as Managing Director of the Applicant and residing at Hukkeri, do hereby solemnly affirm and state on oath follows.

1. I am the Managing Director of the Applicant Society and I am duly authorized by the said Applicant to make this affidavit. I am conversant with the facts of the matter and hence I am competent to depose to this Affidavit.



2. The averments made in paragraphs 1 to 8 of the Application accompanying this Affidavit, herein now marked with letter "A" are true to the best of my knowledge, information and belief.
  
3. I further say that the statements made and data presented in the aforesaid Application are true to the best of my knowledge, as per records of the Applicant Society and based on estimations. Further, to my knowledge and belief, no material information has been concealed in the aforesaid Application.

Solemnly affirmed at Hukkeri on this 28th day of Novemebr 2014 that the contents of the above affidavit are true to my knowledge, no part of it is false and nothing material has been concealed therefrom.

Place: Hukkeri

DEPONENT

Date : 28-11-2014

Identified by me: