

# **10th ANNUAL REPORT 2009-2010**

**RAJASTHAN RAJYA VIDYUT UTPADAN NIGAM LTD.**  
(A Government of Rajasthan Undertaking)

**BOARD OF DIRECTORS**  
**(AS ON DATE OF THE 10th AGM 28.12.2010)**

1. Sh. S. K. Kalla	-	Chairman & Managing Director
2. Sh. Shailendra Agarwal, IAS	-	Director
3. Sh. Abhay Kumar, IAS	-	Director
4. Sh. Kuldeep Ranka, IAS	-	Director
5. Sh. Naresh Pal Gangwar, IAS	-	Director
6. Sh. M. L. Gupta	-	Director
7. Sh. P. N. Singhal	-	Director (Projects)
8. Sh. Narendra Mal Mathur	-	Director (Technical)
9. Sh. Mukesh Chandra Gaur	-	Director (Finance)

**CHIEF ACCOUNTS OFFICER**

Sh. M. K. Khandelwal

**COMPANY SECRETARY**

Sh. S.G.V.S. Subrahmanyam

**AUDITORS**

M/s D. P. Khandelwal & Co.  
Chartered Accountants  
B-11, Saket Colony  
Adarsh Nagar, Jaipur - 302004

**BANKERS**

State Bank of Bikaner & Jaipur

**REGD. OFFICE & HEAD OFFICE**

Vidyut Bhawan  
Janpath, Jyoti Nagar  
Jaipur - 302005  
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## Contents

<b>S.No.</b>	<b>Particulars</b>	<b>Page Nos.</b>
1.	Directors' Report	1-10
2.	Management Response to Auditor's Report	11-13
3.	Auditors' Report	14-26
4.	Annual Accounts alongwith Schedules	27-47
5.	Significant Accounting Policies & Notes on Accounts	48-61
6.	Balance Sheet Abstract and Companies General Business Profile & Cash Flow Statement	62-65
7.	Comments of CAG	66-67
8.	Management's Response to CAG's Comments	68
9.	Statement pursuant to Section 212 of the Companies Act, 1956 relating to subsidiary companies	69-70
	<b>Annual Reports of Subsidiary Companies</b>	
10.	Chhabra Power Ltd.	73-88
11.	Dholpur Gas Power Ltd.	91-104

## **DIRECTORS' REPORT**

### **To the Members,**

Your Directors are pleased to present the **Tenth Annual Report** on the business and operations of the Company and the Audited Statement of Accounts for the financial year ended **31st March, 2010**.

### **1. Highlights of Year**

Your Company has successfully added 945 MW of additional Generation Capacity by commissioning four coal based Thermal Power Plant Units viz., 250 MW extension Unit-6 of Suratgarh TPS, 195 MW extension Unit-7 of Kota TPS and the Greenfield Project at Chhabra (Distt. Baran) comprising of 2x250 MW Units-1&2 under Phase-1 (Stage-I). The commercial operations of Unit-2 of Giral TPP have commenced w.e.f. 12th March, 2011.

Besides the above Units, the construction activities at other ongoing Projects viz., 2x250 MW Units-3&4 under Phase-2 (Stage-I) of Chhabra TPP, 2x600 MW Units-1&2 of the Greenfield Kalisindh Thermal Power Project (Distt. Jhalawar) and 160 MW Stage-III of Ramgarh Gas Thermal Power Project (Distt. Jaisalmer), are in full swing and are scheduled for commissioning during the financial year 2011-12.

The Company has initiated all the preliminary activities for setting up two 2x660 MW Supercritical technology based Coal Thermal Power Plants at Chhabra (Units 5 & 6 Stage-II) and Suratgarh (Units 7 & 8 Stage-V), totalling to an additional Generation Capacity of 2640 MW. Land acquisition, water allocation, obtaining various statutory clearances etc. and the tender process for award of total EPC contracts for these Projects are at an advanced stage. These projects are scheduled for commissioning during the 12th Five Year Plan period.

The State Government has reposed its trust in RVUN by according its 'Administrative & financial' approval to the Company for setting up an additional Generation Capacity of 5110 MW during the 12th Five Year Plan.

In recognition of its excellent performance in the field of Power Generation over the years, the Company has been awarded the Dainik Bhaskar's 'India Pride Gold Award 2010' on 13th September 2010 by Hon'ble Finance Minister of India.

### **2. Financial Results**

The summarised financial results of the Company for the year ended 31st March 2010 are as under -

**(Rs.in Crores)**

	<b>Current Year 2009-10</b>	Previous Year 2008-09
Revenue from Sale of Power*	<b>5620.93</b>	5101.12
Revenue Subsidies & Grants and other Income	<b>28.96</b>	32.48
Total Income	<b>5649.89</b>	5133.60
Cost of Generation of Power*	<b>4146.63</b>	4131.60

Other Expenditure*	<b>452.75</b>	421.71
Profit before depreciation, interest and tax	<b>1050.51</b>	658.00
Less: i) Depreciation	<b>496.12</b>	255.22
ii) Interest, finance charge and lease rentals*	<b>531.12</b>	512.06
Profit/ (Loss) for the period	<b>23.27</b>	(-) 187.09
Add/Less: Prior period credits/ expenses	<b>35.45</b>	(-) 307.99
Profit/ (Loss) before tax	<b>(-) 12.18</b>	(-) 495.08
Less: Provision for Tax (Fringe Benefit Tax)	<b>0.00</b>	0.46
Profit / (Loss) after tax	<b>(-) 12.18</b>	(-) 495.54
Appropriations	<b>NIL</b>	NIL

\*The figures are net of the amount capitalized during the year.

No profits being available for appropriation, the Board is unable to recommend payment of dividend for the year.

### 3. **Generation & Plant Performance**

The total installed capacity of various Thermal & Hydel Power Stations owned and run by your Company is presently 4097.35 MW (including Units which are yet to be declared in commercial operation) and the detailed list of Power Stations / Units is placed at Annexure- I. A total of 22114.64 Million Units (21591.43MU in 2008-09) of electricity was generated during the year 2009-10. 20156.71 Million Units (19614.496 MU in 2008-09) were sold to the three Power Distribution Companies of the State viz., Jaipur Vidyut Vitran Nigam Ltd., Ajmer Vidyut Vitran Nigam Ltd. and Jodhpur Vidyut Vitran Nigam Ltd. (Jodhpur Discom), as per the Power Purchase Agreement (PPA) with the aforesaid three Discoms, at a pre-determined ratio, after reducing the auxiliary consumption. The aforesaid generation does not include infirm power of Units-1 & 2 Giral TPP and other new / extension units commissioned during the year under review.

The Power Stations of RVUN have performed efficiently and economically during the period under review. Kota Super TPS achieved a Plant Load factor (PLF) of 89.65% (93.88% in 2008-09) while Suratgarh Super TPS achieved a PLF of 83.71% (88.96% in 2008-09), Dholpur Gas TPS achieved a Plant Load factor (PLF) of 83.88% (79.4% in 2008-09). The average PLF of the Thermal Power Stations of RVUN as a whole was 86.60% (88.36% in 2008-09).

The Dholpur Combined Cycle Power Station of your Company stood 2nd amongst the state owned gas based power stations in the country during the year for gross generation of power.

### 4. **Fuel Supply Management**

i) **Coal:** The long term linkages of coal for all the existing Power Stations and the ongoing Power Projects being set up at Chhabra (Stage-I, Phase-1), Suratgarh (Extension Unit-6) and Kota (Extension Unit-7) have been approved by the Standing Linkage Committee (Long Term Coal Linkage) of Ministry of Coal, Govt. of India.

The Company is making all efforts for securing long term coal linkage and allotment of coal block(s) for the upcoming Supercritical Thermal Power Projects at Suratgarh and Chhabra. The Ministry of Power, GoI has recommended for long term coal linkage to Ministry of Coal and the matter is pursued by Government of Rajasthan. Similarly, recommendations for allotment of 'Kente Extension' coal block has also been forwarded by the Ministry of Power, Govt. of India to the Ministry of Coal.

As per directions of Ministry of Coal/ Power, Govt. of India as well as the State Government, your company has purchased imported coal 8.00 lakh MT during the year 2009-10 and order has been placed for further 14.00 ( ± 5%) lakh MT for the year 2010-11.

**Captive Mining:** During the year, the mining capacity of the 'Parsa Kente' captive coal block allotted to RVUN in the State of Chattisgarh, has been increased from 10 to 15 Million tonnes per annum. The Coal Mining and Delivery Agreement (CMDA) executed with the Joint Venture Company - Parsa Kente Collieries Ltd., was accordingly amended. It was agreed that the 'Contract Price per MT' payable for coal supplied out of incremental quantity will be same Contract Price / MT as stipulated under existing CMDA for 10 MTPA. The JV Company has made substantial progress on Parsa East and Kanta Basan Coal blocks and completed various preliminary activities. The clearance from Ministry of Environment & Forests (MoEF) is still awaited and the JV Company can commence land acquisition and setting up physical infrastructure such as Coal washery, Coal Handling Plant, Rail Loading System, after obtaining the forest clearance. It may further be noted that ever since the policy of "go area" and "no go area" was formulated by the MoEF last year, there has hardly been any progress on forest clearance application for the coal blocks and this delay is likely to affect the scheduled coal production schedule in June 2011.

- ii) **Gas :** During the year, a Gas Sale & Transmission Agreement (GSTA) for supply of 0.95 MMSCMD gas has been executed between RVUN and GAIL on 7th August, 2009. As per the said GSTA, GAIL shall commence supply of 0.2 MMSCMD gas for the existing Ramgarh GTPP w.e.f April, 2010 and remaining 0.75 MSCMD gas shall be available from April, 2011 for the two extension Units (110 MW + 50 MW) Stage - III of Ramgarh GTPP.

The Company has been meeting the shortfall in contracted gas supply to Dholpur GTPP by purchasing gas on 'Spot basis' from GAIL (India) Limited, in order to run the Power Plant at optimum load and ensure sufficient power supply to the Discoms.

- iii) **Lignite & Limestone :** A Fuel Supply Agreement (FSA) for long term supply of lignite and limestone for the 2x125 MW Giral Lignite Thermal Power Project has been entered with Rajasthan State Mines & Minerals Ltd. (RSMML) on 19th May, 2009. The 2nd unit of 125 MW has also been commissioned on 26th December, 2008 and RSMML has been supplying lignite and limestone for operating the Power Station.

## 5. **Commissioning of Power Projects/ Units**

During the year 2009-10, the Company has commissioned the Unit - 6 (250 MW) at Suratgarh TPS on 29th August, 2009 and Unit-7 (195 MW) of Kota TPS on 31st August, 2009 respectively during the '100 Days' Agenda' of the Government of India. Besides, the Unit-1 of Chhabra TPP was commissioned on 30th October, 2009 and Unit -2 thereof was also commissioned on 3rd May, 2010.

Project Cost Escalation: The Board of Directors has recently accorded its approval for enhancement of capital cost of Unit-7 of Kota Unit-6 of Suratgarh Thermal Power Stations. In case of Unit-7 of KTPS the Project cost has increased from Rs.880 Crores to Rs.962 Crores, while in the case of Unit-6 of STPS, the cost has increased from Rs.1117 Crores to Rs.1167 Crores.

The above escalation has been mainly due the delays in Commissioning by the Bharat Heavy Electricals Ltd. (BHEL) in respect of Main Plant equipments and Balance of Plant (BoP) contractors and the consequent delay in Declaration of Commercial Operation (CoD) which in turn has increased the 'Interest during construction (IDC)'. Besides, the non-recovery of operating & maintenance expenditure from the State Power Distribution Companies against the power generated upto the date of CoD has also led to the increase in the capitalized pre-operative expenses of the above Units.

## 6. Ongoing/ new Power Projects

The status of construction activities of the ongoing Power Projects is given below:

- i. Chhabra Coal based TPP (2x250 MW Units-3 & 4 under Phase-2 Stage-I):** The construction & erection works of boiler, TG building, ESP, Cooling tower, CW pump house, ID Fan have commenced and outer shell of RCC Chimney has been completed. The coal requirement for this Power project will be met from the captive coal block(s). Both these Units are scheduled to be commissioned by the end of 2011.
- ii. Kalisindh Coal based TPP (2x600 MW Units-1 & 2):** The construction & erection works of Boiler, ESP Unit, Chimney, Mills, cooling tower, TG, Switch yard, CHP etc. have been commenced at site by the EPC contractor. Drums of Units- 1 & 2 were lifted at site on 19.05.10 and 14.08.10, respectively. The coal requirement for this Power Project will be met from the captive coal block(s). Both these Units are scheduled to be commissioned by March 2012.
- iii. Ramgarh Gas based TPP [160 (110+50MW) MW Stage - III]:** Land is already available within the existing Power Station and water has also been allocated by the Water Resources Deptt. Powertech Engg. Pvt Ltd. (formerly Mantech) has been appointed as Project Consultant. All statutory clearances have been received and orders for Main Plant & Balance of Plant packages have been placed on BHEL and Subhash Projects Ltd., respectively. The civil works have been commenced in full swing. These Units are scheduled to be commissioned by March, 2012.

Besides the above ongoing Projects, the Company is also taking up the following two Supercritical-technology based Power Projects in extension of the existing Thermal Power Stations at Suratgarh and Chhabra. The State Government, vide letter dated 2nd March, 2009, conveyed its "Administrative & Financial" approval for these Projects to be commissioned during the 12th Plan period, at an estimated cost of Rs.7920 Crores each with a debt- equity ratio of 80:20:

- i. Chhabra Supercritical Extn. Project (2x660 MW Units-5&6Stage-II):** Additional land has been acquired for the Extension Project with the approval of the State Govt. Water has also been allocated by the Water Resources Deptt. from various dams in the area. TCE Ltd. has been appointed as Project Consultants. The Terms of Reference (TOR) of the Expert Appraisal Committee of the Ministry of Environment & Forests (MoEF) have been approved for carrying out Environmental Impact Assessment studies. PCRI, BHEL Haridwar has been appointed as Consultant to assist in obtaining final Environmental Clearance and other statutory clearances.

Tenders for setting up the Project on 'Engineering, Procurement & Commissioning (EPC) basis' have been invited through International competitive basis (ICB) and the bids are under evaluation. Application for allotment of coal block and long term coal linkages have been submitted to the Ministry of Coal, GoI. These Units are scheduled to be commissioned during the 12th Plan period.

- ii. Suratgarh Supercritical Extn. Project (2x660 MW Units-7&8 Stage-V):** Additional land has been acquired for the project after approval of the State Govt. Water has been allocated by the Water Resources Deptt. from Indira Gandhi Nahar Pariyojana (IGNP). TCE Ltd. has been appointed as Project Consultant. The Terms of Reference (TOR) of the Expert Appraisal Committee of the Ministry of Environment & Forests (MoEF) have been approved for carrying out Environmental Impact Assessment studies. PCRI, BHEL Haridwar has been appointed as Consultant to assist in obtaining final Environmental Clearance and other statutory clearances. Tenders for setting up the Project on 'Engineering, Procurement & Commissioning (EPC) basis' have been invited through International competitive basis (ICB) and the bids are under evaluation. Application for allotment of coal block and long term coal linkages have been submitted to the Ministry of Coal, GoI. These Units are scheduled to be commissioned during the 12th Plan period.

## 7. New/ future Power Projects

The State Government has entrusted the Company to create additional Generation Capacity of 5110 MW by setting up the following Power Projects during the 12th Five Year Plan:

S.No.	Project	Planned Capacity	Planned commissioning in
1.	Dholpur Gas TPP (Stage-II)	3x110 MW	2013-14
2.	Chhabra Gas based Power Project	3x110 MW	2013-14
3.	Kota Gas based Power Project	3x110 MW	2013-14
4.	Ramgarh Gas TPS (Stage - IV)	160 MW	2015-16
5.	Suratgarh TPS Extn. (Stage-VI)	2x660 MW	2015-16
6.	Kalisindh TPS Extn. (Stage-II)	2x660 MW	2015-16
7.	Banswara TPP Units-1&2	2x660 MW	2016-17
	<b>Total Planned Capacity</b>	<b>5110 MW</b>	

The progress of various preliminary activities undertaken in respect of these Projects is given below:

- i. Dholpur Gas TPP (3x110 MW Stage-II):** The State Government has accorded its Administrative & Financial approval on 19th April 2010. Water has already allocated by Water Resources Deptt. Part of the land required is available with RVUN while additional land measuring 10.65 Hectares is being acquired. Desein Ltd has been appointed as Project Consultant. No objection Certificate for 'Stack height' has been received from Airports Authority of India and other



clearances, including the environmental clearance, are being pursued.

- ii. Kota Gas TPP (3x110 MW):** The State Government has accorded its Administrative & Financial approval on 13th October 2010. Water has been allocated by Water Resources Deptt. and land required is available with RVUN, while various statutory clearances, including the environmental clearance, are being pursued. Tenders for appointment of Project Consultant have been invited and the bids are being evaluated.
- iii. Chhabra Gas TPP (3x110 MW):** The State Government has accorded its Administrative & Financial approval on 13th October 2010. Water has been allocated by Water Resources Deptt. and land required is available with RVUN, while various statutory clearances, including the environmental clearance, are being pursued. Tenders for appointment of Project Consultant have been invited and the bids are being evaluated.
- iv. Ramgarh Gas TPS (160 MW Stage-IV):** The State Government has accorded its Administrative & Financial approval on 23rd/24th June, 2010. Water has been allocated by Water Resources Deptt., while various statutory clearances, including the environmental clearance, are being pursued.
- v. Suratgarh TPS Extn. Project (2x660 MW Stage-VI):** The State Government has accorded its Administrative & Financial approval on 23rd/24th June, 2010. Water has been allocated by Water Resources Deptt., while various statutory clearances, including the environmental clearance, are being pursued. Tenders for appointment of Project Consultant have been invited and the bids are being examined.
- vi. Kalisindh TPS Extn. Project (2x660 MW Stage-II):** The State Government has accorded its Administrative & Financial approval on 23rd/24th June, 2010. Water has been allocated by Water Resources Deptt., while various statutory clearances, including the environmental clearance, are being pursued. Tenders for appointment of Project Consultant have been invited and the bids are being examined.
- vii. Banswara coal based TPP (2x660 MW Units-1&2):** The State Government has accorded its Administrative & Financial approval on 23rd/24th June, 2010. Water has been allocated by Water Resources Deptt., while various statutory clearances, including the environmental clearance, are being pursued. Tenders for appointment of Project Consultant have been invited and the bids are being examined.

## **8. Environment**

Your Company continued to take adequate measures to control pollution and ensure atmospheric emissions within the prescribed limits of Environment (Protection) Act, 1986 at all its Coal/ Lignite based Thermal Power Stations. Similarly, several industries have been encouraged for utilizing the ash generated from all the existing and upcoming Thermal Power Stations and long term Agreements/ MoUs have been executed for the purpose.

The Company has also started to adopt the highly efficient Supercritical Technologies for its upcoming coal based Power Projects, so as to ensure lower emissions and greener environment.

Besides, the Company has also awarded a contract for installing 'High Pressure Mist Generating System'

for Dust Suppression in Coal Handling Plant of Kota Thermal Power Station as per condition stipulated in the 'No Objection Certificate' issued by the Ministry of Environment & Forests (MOEF), GoI. The High Pressure Mist Generating System is environment friendly and less water consuming. It effectively takes care to fugitive dust which reduces air pollution.

## **9. Corporate Social Responsibility**

Your Company attaches great importance to discharging its social responsibilities to the community and society, where the Power Projects are being taken up and has been contributing constantly towards the Project affected areas and people by contributing to various development works in the surrounding areas of the new Power Projects at Dholpur, Giral, Chhabra, Jhalawar, in addition to similar activities at the existing Power Stations of Suratgarh & Kota.

During the period, the Company has also formulated a comprehensive 'Corporate Social Responsibility Policy (CSR)' which provides for the financial contribution to implement CSR activities/ works in its ongoing as well as future Power Projects and Power Stations. The Policy also stipulates constitution of 'CSR Implementation Committees' at each Power Station/ Project comprising of Members under the Chairmanship of the concerned District Collector. The CSR Implementation Committee will be responsible for the implementation of CSR activities / works, as stated in the Policy. The above CSR Policy has been submitted to the State Government for approval.

## **10. Share Capital**

The State Government has continued with its equity support for all the ongoing Projects of the Company. The Authorized share capital of the Company is presently Rs.5000 Crores and it is proposed to increase the same to Rs.10,000 crores with the approval of the members in the ensuing Annual General Meeting. During the year, the paid-up share capital of the Company has been increased to Rs.4472.59 Crores by allotment of 65,00,00,000 equity shares of Rs.10/- each aggregating to Rs.650 Crores to the Hon'ble Governor of Rajasthan during the year 2009-10.

## **11. Loans & Bonds**

The Company has tied up financing for all the ongoing Power Projects with Power Finance Corporation Ltd. (PFC) and Rural Electrification Corporation Ltd. (REC). Financing for the upcoming Supercritical Power Projects is also being tied up, for which PFC has already sanctioned 60% of the total borrowings as per the Project cost. The additional financing to meet the revised/ enhanced Project cost of some of the Projects has also been tied up. The Company has made adequate arrangements to meet its working capital requirements through PFC, Commercial Banks, REC, etc. Presently, the borrowing power limit of the Company is Rs. 10,000 crores. The said limit is proposed to be increased to Rs. 20,000 crores.

During the financial year ended 31st March 2010, the Company raised Term Loans of Rs. 2194.17 Crores and Working Capital Loans of Rs. 410 crores. The outstanding amounts of such Loans as at 31st March, 2010 were at Rs. 6815.91Crores towards Term Loans, Rs. 138.07 Crores towards State Government Loan, Rs. 21.00 Crores towards Bonds, Rs. 1492.24 Crores towards Working Capital Loans and Rs. 839.57 Crores towards Transitional Loans.

## **12. Human Resources**

During the period, a proposal for creation of new posts for new/ extension Power Projects/ Units being

set-up by the Company and strengthening of its various wings/ Offices has been approved by the State Government. Besides, the Company has also recruited Junior Engineers (JENs) through an 'Online recruitment process' for the first time in the State Sector.

### 13. **Directors & Committees**

Shri P N Singhal has assumed charge as Chairman & Managing Director of the Company on 23rd April, 2011. Dr. S K Calla, earlier reappointed as Chairman & MD of the Company on 22nd April, 2010 for a period of one year, has completed his tenure on 21st April, 2011. The Board places on record its appreciation of the services of Dr. Calla during his tenure.

Earlier during the period under review, Shri P N Singhal and Shri N M Mathur were appointed as Wholetime Directors, designated as Director (Projects) and Director (Technical), respectively. Director (Projects) was in-charge of all the Power Stations & ongoing Power Projects of RVUN while Director (Technical) has been in-charge of Thermal Design, Fuel, Project Planning & Monitoring and Commercial and Civil wings at the Corporate Office. Consequent upon appointment of Shri Singhal as Chairman & MD, Shri P C Jain, Chief Engineer, Kalisindh TPP has been appointed as Wholetime Director designated as Director (Projects) w.e.f. 17.05.2011.

During the period under review, Shri Shailendra Agarwal, IAS, Shri Abhay Kumar, IAS, Secretary Finance (Revenue), Shri Kuldeep Ranka, IAS, Smt. Shashi Mathur and Shri Sudhansh Pant, IAS (as CMD, JVVNL) have been appointed as Directors on the Board. Shri Sudhansh Pant, IAS (as CMD, RVPN), Shri Rajat Mishra, IAS, Shri R G Gupta, Shri R M Singhvi, Shri M L Gupta, Shri M L Kothari and Shri Kuldeep Ranka, IAS have ceased to be Directors during the said period.

The Sub-Committees of Board, viz., 'Audit Committee' and 'Sub-Committee for Project Purchases', have been re-constituted consequent upon the aforesaid changes in Directors, keeping in view the provisions of Companies Act. The present constitution of the Board of Directors and its Sub-Committees is given below -

#### **Board**

- |    |                  |   |                              |
|----|------------------|---|------------------------------|
| 1. | Shri P N Singhal | - | Chairman & Managing Director |
|----|------------------|---|------------------------------|

#### **Wholetime Directors**

- |    |                 |   |                      |
|----|-----------------|---|----------------------|
| 2. | Shri N M Mathur | - | Director (Technical) |
| 3. | Shri M C Gaur   | - | Director (Finance)   |
| 4. | Shri P C Jain   | - | Director (Projects)  |

#### **Non-Executive Directors**

- |    |                              |   |                               |
|----|------------------------------|---|-------------------------------|
| 5. | Shri Shailendra Agarwal, IAS | - | CMD, RVPN                     |
| 6. | Shri Sudhansh Pant, IAS      | - | CMD, Jaipur Discom            |
| 7. | Shri Abhay Kumar, IAS        | - | Secretary Finance (Rev.), GoR |
| 8. | Shri Naresh Pal Gangwar, IAS | - | Secretary Energy, GoR         |
| 9. | Smt. Shashi Mathur           | - | Director (Finance), RVPN      |

**Audit Committee**

- |    |                               |   |                    |
|----|-------------------------------|---|--------------------|
| 1. | Shri P N Singhal, CMD         | - | Members            |
| 2. | Shri Shailendra Agarwal, IAS  | - | Members            |
| 3. | Shri Naresh Pal Gangwar, IAS  | - | Members            |
| 4. | Smt. Shashi Mathur            | - | Members            |
| 5. | Shri M C Gaur, Director (Fin) | - | Permanent Invitees |
| 6. | The Statutory Auditors        | - | Permanent Invitees |

**Sub-Committee for Project Purchases**

- |    |                              |   |          |
|----|------------------------------|---|----------|
| 1. | Shri P N Singhal, CMD        | - | Chairman |
| 2. | Shri Shailendra Agarwal, IAS | - | Members  |
| 3. | Shri N M Mathur              | - | Members  |
| 4. | Shri M C Gaur                | - | Members  |
| 5. | Shri P C Jain                | - | Members  |

**14. Auditors**

The Comptroller & Auditor General of India has re-appointed M/s D P Khandelwal & Co, Chartered Accountants, Jaipur as the Statutory Auditors of the Company, for the financial year 2009-10. The Board commends confirmation of their appointment at the ensuing 10th Annual General Meeting.

**15. Auditors' Observations**

The replies of the Management to the observations of the Statutory Auditors on the Annual Accounts for the financial year ended 31.3.2010, are attached hereto as Annexure-II. The report / comments, if any, of the Comptroller & Auditor General of India along with the replies of the Management, will be circulated separately upon receipt of the same.

**16. Subsidiaries**

As reported earlier, your Company has formed three wholly-owned subsidiary companies, namely, Giral Lignite Power Ltd., Dholpur Gas Power Ltd. and Chhabra Power Ltd. The Unit-1 of Giral LTPP was transferred to Giral Lignite Power Ltd. with effect from 1st January, 2009 and is being operated by the said subsidiary company. The process of transferring the Dholpur Gas Power Station and Chhabra TPP to the respective subsidiary companies will be initiated after taking a view in the matter.

Shri P N Singhal has been appointed as Ex-officio Director and Chairman of all the aforesaid subsidiary companies consequent upon his appointment as Chairman & Managing Director of the holding company (RVUN). Similarly, Dr. S K Calla ceased to be Director and Chairman of all the aforesaid subsidiary companies consequent upon his relinquishment of charge as Chairman & MD, RVUN.

Shri Shailendra Agarwal, IAS, CMD (RVPN) has been appointed as Director on the Boards of all the aforesaid subsidiary companies, apart from Shri M C Gaur, Director (Finance), RVUN. Government of Rajasthan, vide letter dated 30th April, 2010, directed that Chief Engineer(s) in charge of Giral Lignite Power Project and Dholpur Gas Power Project shall be designated as "Ex-officio Managing Director(s)" of Giral Lignite Power Limited and Dholpur Gas Power Limited, respectively.

The copies of the Balance Sheet, Auditors' Report and Directors' Report of the subsidiary companies for the financial year ended 31st March, 2010 and other documents required to be attached as per provisions of

Section 212 of the Companies Act, 1956, are attached with the Balance Sheet of the Company, except in case of Giral Lignite Power Ltd., as the same are yet to be finalized.

### **17. Directors' Responsibility Statement**

Pursuant to Section 217 (2AA) of the Companies Act, 1956, the Directors, to the best of their knowledge and belief, confirm that:

- i) in the preparation of the annual accounts, the applicable accounting standards have been followed by the Company, except as stated in the Significant Accounting Policies & Notes on Accounts;
- ii) appropriate accounting policies have been selected and applied consistently and such judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at end of financial year and of the profit/ loss of the Company for the year ended on that date, except as stated in the Significant Accounting Policies & Notes on Accounts;
- iii) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- iv) the annual accounts have been prepared on a going concern basis.

### **18. Disclosure of additional particulars under Section 217, etc. of the Companies Act, 1956**

- i) The Company is making continuous efforts for conservation of energy by reducing the Auxiliary Consumption at its various Power Stations by installation of modern state of the art Power Plant equipment, by optimizing the same through timely maintenance and various other methods to increase efficiency;
- ii) As regards technology absorption, the information required under this Section may be treated as nil;
- iii) There has been no foreign exchange inflow during the year while total foreign exchange outflow was at Rs. 273.60 crores (in rupee terms).
- iv) None of the employees of the Company is covered under the provisions of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, as amended; and
- v) The Company has not accepted any public deposits in terms of Section 58A of the Companies Act, 1956.

### **19. Acknowledgement**

The Board hereby places on record its appreciation of the continued support received from Government of Rajasthan and the concerned Ministries of Government of India. The Board further expresses its appreciation of the support extended by the Rajasthan Electricity Regulatory Commission, Power Finance Corporation & all other Financial Institutions, Bankers and other agencies which are instrumental in the RVUN's growth.

The Board places on record its appreciation of the valuable services rendered/ contributions made by its Directors and employees whose dedicated contribution has been a source of strength to your Company.

**On behalf of the Board of Directors**

**(P N Singhal)**

**Chairman & Managing Director**

**Date:**

**Place: Jaipur**

## **MANAGEMENT RESPONSE TO THE STATUTORY AUDITORS' REPORT ON THE ACCOUNTS OF RVUN FOR THE FINANCIAL YEAR 2009-10.**

### **MAIN REPORT**

No comments.

### **ANNEXURE-I OF THE AUDITORS' REPORT**

1. (a) Detailed Fixed Asset Registers are available with the company prepared / updated upto 2009-10 for all the power stations. As regards showing the full particulars including quantitative details and situation of fixed assets, most of the assets appearing in the register contain the information as required under the Act. Further, the extent of quantification has not been commented by the statutory auditors. However an effort shall be made to include the particulars as desired by the auditors by way of hiring services of experts on this subject.
  - (b) Steps are being taken to strengthen the system of physical verification of Fixed Assets at unit level. Regarding non availability of Fixed Assets, the same has already been disclosed at point no.41 of the "Notes on Accounts".  
Para No. 1 (c), 2 (a), 2 (b), 3, 5, 6, 10 to 16, 18 to 21: No comments.
2. (c) The unit officers are being asked to analyze and reconcile the reasons of discrepancies between physical stock and book records noticed on physical verification and make necessary accounting adjustment after due examination.
4. The unit officers are being asked to ensure timely accounting of SRN & SIN of their respective projects.
7. Efforts shall be made to further strengthen, the internal audit system.
8. Cost accounting records for the year 2009-10 were under preparation but are now available for inspection.
9. (a)i) The old balances are under process of reconciliation and year after year they are continuously been decreasing. Further action for liquidating these old balances are being taken up through the company's internal auditors in the current financial year.
  - (a)ii) The amount of Rs.400 crores is due to the reasons disclosed at point no 24(e) of the Notes on Accounts." The remaining balance of Rs.3.99 crores also includes outstanding provision of March,2010 payable in April,2010. However efforts for liquidating unreconciled liability is being taken during the current financial year.
9. (b) i & ii This has already been disclosed at point no. 24(d)(i) & 24(d)(vi) of the Notes on Accounts respectively.
17. Due to delay in commercial operation of Unit -II of GLTPP, (1x125MW) on account of initial teething problems, the total cost has increased over the approved project cost resulting into utilization of working capital loan for construction of fixed assets. The matter shall be regularized after arriving at the final figure of such additional cost upon declaration of commercial operation.

### **ANNEXURE-II OF THE AUDITORS REPORT**

#### **(1) VALUATION OF INVENTORIES:**

Deviation in this regard has already been disclosed vide point no 4(a) of the Accounting Policies (Schedule-29).

#### **(2) CASH FLOW STATEMENT:**

Efforts shall be made to comply with the shortcoming observed.

#### **(3) EMPLOYEE BENEFITS:**

The position in this regard has already been disclosed vide point no. 8 of the Accounting Policies (Schedule-29).

#### **(4) ACCOUNTING FOR TAXES ON INCOME:**

The position in this regard has already been disclosed vide point no. 16 of the Notes on Accounts (Schedule-30).

**(5) IMPAIRMENT OF ASSETS:**

The Company does not agree with the observation issued. The company has made impairment assessment and certificate to this effect has also been provided to the statutory auditors. In this regard also refer to the disclosure made at point no. 40 in the Notes on Accounts.

**(6) FIXED ASSETS AND DEPRECIATION:**

- a) The company has charged depreciation on fixed assets on straight line method at the rates notified by the Rajasthan Electricity Regulatory Commission, Rajasthan, vide Notification dated 23.01.2009. Regulatory Commission (RERC) has allowed depreciation as per their norms in tariff fixation. The fact is already disclosed in the Point No 2(b) of the Accounting Policies (Schedule-29).
- b) The company is having the details of individual blocks unit-wise and year-wise for all the assets appearing in the books of RVUN as on 19.07.2000 and the same practice has been followed thereafter and accordingly the company has calculated depreciation based on the block value. Thus individual assets wise written down value is not available. Moreover, there is no financial implication of any nature due to the above.
- c) The position regard part-I of the observation has already been disclosed vide point no 41 of the Notes on Accounts (Schedule-30). As regards part-II, the concerned project officer is asked to examine and report the status for further needful.
- d) The matter regarding transfer of 200.01 Bighas land in favour of RVUN is still under progress with respective departments of the State/Central Govt.

**(7) CAPITAL WORK IN PROGRESS:**

- a) Efforts to reconcile the balance are still under progress and necessary accounting adjustment shall be made accordingly after tracing the details thereof in the current year.

**8) CONSTRUCTION STORES AND ADVANCES**

- a) The concerned officers are being directed to get the details reconciled and carryout necessary adjustment.
- b) Efforts are being made for expediting the necessary adjustment/clearance of the old balances.

**9) INVENTORY, STORES AND SPARES**

The concerned unit officers are being directed to get the differences reconciled and carryout the necessary adjustment.

**10) CASH AND BANK BALANCES.**

Current year's transactions are reconciled. Further to mention here that last year the un-reconciled balance was Rs. 17.46 lacs as against this year's amount of Rs. 17.25 lacs. We have adjusted Rs. 0.21 lacs in the accounts after reconciliation and for the remaining old balances, reconciliation is in progress.

**11) LOANS AND ADVANCES TO STAFF**

Due to our efforts the old balances under these heads has continuously been reducing year after year. The total negative balance got reduced to Rs. 24.40 lacs as against Rs. 26.51 lacs last year (2008-09). Further efforts are under progress.

**12) ADVANCES FOR O&M SUPPLIES AND WORKS**

These represent very old balances since erstwhile RSEB period, for which complete details are not available. Still efforts are continued for reconciliation and adjustment.

**13) CURRENT LIABILITIES**

- a. These represent very old balances pertaining to erstwhile RSEB period for which complete details have not been made available. Continuous efforts are being made to reconcile these accounts and carry out necessary adjustments, wherever required/located. For specific observation concerned officer of the project has been asked to expedite the reconciliation and adjust the balances.
- b. This has already been disclosed at point No 12 in the Notes on Accounts (Schedule-30).
- c. Efforts are being made to reconcile these heads and carry out requisite accounting adjustment accordingly.
- d. Efforts shall be made to comply with the observations raised.

**14 STAFF RELATED LIABILITIES**

Due to continued efforts the debit balances have been reduced from Rs.4.24 lacs to Rs. 4.13 lacs (reduced by Rs.0.11 lacs) during the year. Further efforts are being continued.

**15 INCOME ACCRUED ON LOANS AND ADVANCE**

Efforts shall be made to comply with the observations raised.

**16 GENERAL**

- a) I,II,III,IV : Necessary disclosure has already been made in the Accounting Policies (Schedule-29) and "Notes on Accounts"(Schedule-30).
- b) Monthly contributions are made on the basis of payment of salary and wages paid to the employees and these are reconciled every month by the respective unit contributing the same. As per our records no current liability is pending to be provided or contributed to the trust fund. In this regard also refer to the disclosure made at point no.24(e) of the "Notes on Accounts".
- c) The fact stands disclosed vide point no.1(b) of "Notes on Accounts".
- d) The fact stands disclosed vide point no.29 of "Notes on Accounts".
- e) Regarding pending court cases etc the disclosure made vide point no. 24 (d) of the "Notes on Accounts" be referred. Further the amount of contract remaining to be executed on capital account has been arrived based on the total project cost less current booking/expenditure incurred. The calculation has been made for each project separately.
- f) The concerned unit officers shall be directed to get the same examined and carryout necessary corrections.
- g) Efforts shall be made to take up the suggestions in the current year.
- h) The concerned unit officers shall be directed to get the same examined and carryout necessary corrections.
- i) The concerned shall be asked to examine the necessity of continuing the provision in the light of the observation raised.
- j) The concerned officer shall be asked to take necessary action.

**GIRAL**

Giral Lignite Power Limited (GLPL) is a wholly owned subsidiary of RVUN and the allotment of equity shares towards consideration for transfer unit-I of GLTPP was initially to be made after increase in the Authorized Share Capital of GLPL from Rs.1 crore to Rs. 200 crores which got increased in the year 2009-10 but allotment of shares by GLPL was subject to a decision on the "mode of Purchase Consideration" of the total "Net Assets Value". Proposal for discharging the Purchase Consideration is under process. Further regarding execution of tripartite agreement, the status has already been disclosed vide point no.38 of the "Notes on Accounts". As regards the transfer of the business before commencement of commercial operation, it is stated that the initial decision of the Government was to transfer the business upon commissioning of the unit. Regarding funding of liabilities, adequate disclosure is already made vide point no. 38 of the "Notes on Accounts"

- (i) Separate books are maintained at the Giral unit 2nd by the company. Only the revenue expenses are initially booked in the Giral unit 1st and thereafter shared between the two units on the basis of basic accounting principles.
- (ii) The concerned officer is asked to examine the matter in the light of the observation and make the necessary correction if required.
- (iii) Unit 2nd of Giral has already commenced commercial operation w.e.f 12.03.2011. As the entire land was purchased against project provision for Unit-I, on transfer of business of Giral Unit-I into subsidiary company GLPL, the assets appeared in the books of accounts have also been transferred in GLPL. However the title of this land is continued to be in the name of RVUN. It is not possible to segregate land unitwise presently, as there are many services in operation shared by both the units commonly.
- (iv) The management does not agree with the views of the Auditors regarding transfer of WIP into Fixed Assets during the trial period and charging depreciation thereon. The same shall be recognized only after declaration of COD of the Unit.



**D.P. Khandelwal & Co.**

Chartered Accountants

B-II, Saket Colony,

Adarsh Nagar, Jaipur-302004

Ph. 2741056, 2741057

E-mail : deshnidhi@gmail.com

## **AUDITOR'S REPORT**

### **TO THE MEMBER'S OF RAJASTHAN RAJYA VIDYUT UTPADAN NIGAM LIMITED**

We have audited the attached Balance Sheet of **Rajasthan Rajya Vidyut Utpadan Nigam Limited** as at **31st March, 2010** and also the Profit and Loss Account and the Cash Flow Statement for the year ended on that date, annexure thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our Audit.

1. We conducted our audit in accordance with accounting 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 misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
2. As the company is governed by the Electricity Act, 2003 the provisions of the said Act have prevailed where ever the provisions of Companies Act, 1956 are inconsistent with the said Electricity Act,2003.
3. As required by the Companies (Auditor's Report) Order,2003 (CARO) issued by Central Government of India in terms of Sub Section (4A) of Section 227 of the Companies Act,1956,we enclose the Annexure I a statement on the matters specified in paragraph 4 & 5 of the said order.
4. **Subject to our observations in the annexure I (referred to in the paragraph 3 above) and annexure II** we report that:-
  - (a) We have obtained all the information & 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 account as required by law have been kept by the Company so far as it appears from our examination of those books **except that the items referred to in paragraph 1(b) and paragraph 11 of Significant Accounting Policies are accounted for on Cash Basis instead of Accrual basis as required by the Section 209 of the Companies Act, 1956.**
  - (c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with books of account.
  - (d) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub section (3C) of Section 211 of the Companies Act, 1956 **except as reported in annexure II**
  - (e) As explained to us, being a Government company, clause (g) of the sub section (1) of the section 274 of the Companies Act, 1956 is not applicable as per notification no.829 (E) dated 21/10/2003 of the Department of the Company Affairs.

- (f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts, read with notes thereon, **subject to our comments in annexure I and II which forms an integral part of this report**, give the information required by the Companies Act, 1956, in the manner so required and give the true and fair view in conformity with the accounting principles generally accepted in India:
- i) In the case of the Balance Sheet of the **State of affairs of the Company as at 31st March, 2010, and**
  - ii) In the case of the **Profit and Loss Account**, of the **Loss** for the year ended on that date, and
  - iii) In the case of the **Cash Flow Statement**, of the Cash Flows for the year ended on that date.

**For D.P. Khandelwal & Co.  
Chartered Accountants  
FRN000155C**

**Place : Jaipur  
Dated : 25/05/2011**

**(Desh Nidhi Gupta F.C.A.)  
Partner  
M No. 078560**

## ANNEXURE-I

**ANNEXURE REFERRED TO IN PARAGRAPH 3 OF OUR  
AUDIT REPORT OF EVEN DATE TO THE MEMBERS OF  
RAJASTHAN RAJYA VIDYUT UTPADAN NIGAM LTD., JAIPUR**

- 1) (a) The company has not maintained proper records showing the full particulars including sufficient description of the assets, quantitative details, situation and depreciation. In absence of complete records and reconciliation, we are unable to comment on the discrepancies including physical non-existence of assets, their being not in working condition and/or their location.  
  
(b) Physical verification report with working papers of Fixed Assets has not been made available to us. Company has not maintained complete records of fixed assets. In absence of complete information we are not in a position to comment as regards discrepancies, if any in relation to the physical existence of the assets and its book value. **However Fixed Assets as mentioned in the books of head office amounting to Rs. 62.04 crores were not physically available (as agreed by the management) with the company, hence the provision was made in the FY 2008-09.**  
  
(c) In our opinion, the company has not disposed off substantial part of its fixed assets during the year and therefore the going concern status of the company is not affected.
- 2) (a) In our opinion and as per certificates furnished, the inventories other than item of scrap have been physically verified at reasonable intervals by the management during the year.  
  
(b) In our opinion and as per the information and explanations given to us, the procedures of physical verification of stock and spares followed by the management were reasonable and adequate in relation to the size of the company and nature of its business.  
  
(c) In our opinion and as per information and explanations given to us, the company has maintained proper records of inventory and the discrepancies, if any between physical stock and book records noticed on such physical verification are said to be under reconciliation. At some units value of inventory as per store ledgers does not reconcile with the financial books (Refer point no. 9 of annexure II of this report).
- 3) As informed to us, the company has neither taken nor granted any loans, secured or unsecured to/from Companies, Firm or other parties listed in the register maintained under section 301 of the Companies Act, 1956, Therefore the provisions of clause 4 (iii) (b), (c), (d) are not applicable to the company.
- 4) In our opinion and according to the information and explanations given to us, and having regard to the explanation that some items purchased are of a special nature and for which suitable alternative source do not exist for obtaining comparable quotation, there are adequate internal control procedures commensurate with the size of the company and nature of its business with regard to purchases of inventory, Fixed assets and with regard to the sale of energy. During the course of audit, we have not observed any continuing failure to correct major weakness in internal controls except that the company does not have proper system for timely adjustment of Stores Requisition Notes and Stores Issue Notes at power plants. ( Refer point 17 (g) of Annexure II of our report)
- 5) According to the information and explanations given to us being a Government company contracts entered with another Govt. company is exempt from the provisions of section 297(1) of the Companies Act, 1956 hence sub clause (a) and (b) of clause (V) are not applicable to the company.
- 6) According to the information and explanations given to us, the company has not accepted any deposits from the public .

- 7) As explained to us the company has outsourced some of the areas for internal audit and some of the areas are audited by internal staff In our opinion the area of the Internal Audit System should be strengthened to make it more effective.
- 8) As per information given to us, Cost records under section 209 (1) (d) of the Companies Act , 1956 for the activities carried out by the company, are prepared up to Financial Year 2008-09, However we have not made a detailed examination of such records. Records for the financial year 2009-10 were provisionally prepared but not finalised hence we cannot verify the same.
- 9) (a)i) As per information and explanations given to us, we report that the company is generally regular in depositing undisputed statutory dues with appropriate authorities, including Provident Fund, Income Tax, Sales Tax, Value Added Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues to the extent applicable to it, however some delays in depositing the same has been observed. Further in some cases where debit and credit balances in these accounts pertaining to earlier years are being carried over un reconciled/ unadjusted / unpaid for which no details / reasons have been furnished to us and as such we are not in a position to comment with regard genuineness of such dues or otherwise and we are unable to express any opinion thereof
- ii) Contribution to Superannuation and Gratuity Fund, the company has not remitted Rs.403.99 crores to the trust as on 31st March 2010
- (b) According to the information and explanations given to us, there are no dues of sales tax, income tax, customs duty, wealth tax, excise duty and cess which have not been deposited on account of any dispute except :
- i. Liability of Rs.12.03 crore on account of cess charges for which appeal is pending with appropriate authority.
- ii. Liability of Rs.11.19 crores on account of Taxation matters on which appeals are pending at different levels.
- 10) In our opinion and according to the information and explanations given to us, the accumulated losses of the company are less than 50% of its net worth. During the year company has not incurred cash losses.
- 11) According to the information and explanations given to us, the company has not defaulted in repayment of dues to any financial institution/ bank or debenture holders.
- 12) According to the explanations given to us, we are of opinion that the company has not granted loans and advances on the basis of security by way of pledge of shares, debenture and other securities.
- 13) In our opinion, the company is not a chit fund or a Nidhi/ mutual benefit and society. Therefore, the provisions of clause 4 (xiii) of the Companies (Auditors Report) Order, 2003 are not applicable to the company.
- 14) In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investments.
- 15) According to the explanation given to us, we are of the opinion that the company has not given guarantees for loans taken by others from banks or financial institutions that are prejudicial to the interest of the company.
- 16) In absence of adequate information and records we cannot comment that term loans are applied for the purpose they have been taken.

- 17) According to the information and explanation given to us and on an overall examination of the balance sheet of the company, we report that no funds raised on short term basis have been used for long term investment except Giral II, where working Capital loan of Rs.29.00 crores (approx) have been used for construction of Fixed Assets. No long term funds have been used to finance short term assets except permanent working capital.
- 18) According to the information and explanations given to us, the company has not made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act.
- 19) According to the information and explanation given to us, during the period covered by our audit report, the company has not issued any debentures.
- 20) The company has not raised any money by public issue during the year.
- 21) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported.

**For D.P. Khandelwal & Co.**  
**Chartered Accountants**  
**FRN000155C**

**Place : Jaipur**  
**Dated : 25/05/2011**

**(Desh Nidhi Gupta F.C.A.)**  
**Partner**  
**M No. 078560**

**ANNEXURE-II****ANNEXURE REFERRED TO IN PARAGRAPH 4 OF OUR REPORT  
OF EVEN DATE TO THE MEMBERS OF  
RAJASTHAN RAJYA VIDYUT UTPADAN NIGAM LTD., JAIPUR****1. VALUATION OF INVENTORIES :**

Valuation of inventory was not in accordance with Accounting Standard-2 "Valuation of Inventories" was not done at lower of cost and net realizable value. In absence of details we were unable to quantify the effect on profit and loss account.

**2. CASH FLOW STATEMENT:**

In cash flow statement, Inter Unit accounts have not properly been classified in Operating and Investing Activities. Therefore Cash Flow Statement prepared by the company is not in accordance with the Accounting Standard-3" Cash Flow Statement" issued by the ICAI.

**3. EMPLOYEE BENEFITS:**

Accounting of pension, gratuity and leave encashment is not in accordance with Accounting Standard-15, "Employee Benefits" issued by the ICAI. As such no actuarial valuation is made in respect of liability at the year end for gratuity and pension. Further leave encashment is being accounted for on cash basis. In the absence of actuarial valuation and details we are unable to comment about the effect on Profit/Loss and shortfall / excess in provision.

**4. ACCOUNTING FOR TAXES ON INCOME:**

No provision for deferred tax assets / liability pursuant to the requirement of AS-22 "Accounting for Taxes on Income" issued by the ICAI has been made by the company.

**5. IMPAIRMENT OF ASSETS:**

The company has not conducted any assessment in respect of impairment of assets and no provision has been made in respect of impairment loss as required by Accounting Standard-28, "Impairment of Assets" issued by the ICAI. Also impairment test of the assets of the subsidiary Companies was not carried by the Company.

The effect of above non- compliance of Accounting Standards on the Financial Statements is not ascertainable except wherever specified specifically.

**6. FIXED ASSETS AND DEPRICIATION**

- a) The company has not followed the depreciation rates prescribed in Scheduler XIV of Companies Act, 1956 but has followed the rates notified under Rajasthan Electricity Regulatory Commission (RERC). The impact of such deviations has not been quantified.
- b) The depreciation on assets has been computed on the block value of assets. Individual assets wise written down value are not available with company.
- c) The opening written down value of the assets amounting to Rs.62.04 crores as appearing as on 1st April

2008 in the books of head office were informed to be not physically available with the company, Hence the same were provided at Rs.62.04 crores in the books of the company for these unidentified assets in the year 2008-09. Also in the year 2009-10 it was observed that at RGTP Ramgarh, following items shown under the accounting code 22.201 to 22.602 Capital Material Stores & Spares were physically/ actually not available with the Company:

- (a) 22.201 Steel - Rs. 78,73,526.83
- (b) 22.202 Cement - Rs.4,527.41
- (c) 22.602 Capital Material stock cement Rs55,200.00

In our opinion these items were to be provided in the books of the Company, **hence the provisions are understated to that extent & Capital Material Stores are overstated to that extent.**

- d) Company had acquired 557.14 Bigha of Land for Dholpur Gas Power Project from "M/s RPG Enterprise" through Govt. of Rajasthan for a consideration of Rs.151.15 Lacs. Out of which 200.01 Bigha of Land is not yet allotted in favour of RRVUNL as it is appearing as forest Land in the revenue records. Also no title deed is executed in favour of company.

## 7. CAPITAL WORK IN PROGRESS:

- a) In STPS-MMH units, Rs.3.72 crores has been shown as work-in progress. However, the construction works in these units have already been completed long before and assets have been put to use. **As a result, the fixed assets are understated by Rs.3.72 crores and Capital work In Progress is overstated by same amount.** In absence of full details regarding date of completion of assets / ready for use, we are unable to quantify the amount by which depreciation under charged.

## 8. CONSTRUCTION STORES AND ADVANCES

- a) Advances to Suppliers at SSTPS unit include credit balance of Rs.9.33 Lacs. The credit balance should be shown under the head current liabilities instead of showing it under the head Capital Work in Progress. **This has resulted into understatement of current liabilities and Construction store and advances by Rs.9.33 Lacs.** Further it also includes Rs.0.51 crores for which company does not have any detail.

- b) Further advances to suppliers and contractors for capital works includes Rs.54.19 crores as detailed below are lying unadjusted/unreconciled, though the works have already been completed and commissioned:-

Ramgarh	-	4.98 crores
Kota	-	23.08 crores
Suratgarh	-	24.85 crores
Bikaner	-	0.09 crores
Mahi	-	0.92 crores
Mangrol	-	0.11 crores
H & GP	-	0.16 crores

**This has resulted into overstatement of Construction store and advances and under/over statement of Fixed Assets/ Liabilities by Rs.54.19 crores.** In absence of required details the under statement of depreciation could not be quantified.

## 9. INVENTORY, STORES AND SPARES

In the following units, value of inventory as per financial statements is not reconciled with the value of inventory as per stores ledger. In absence of reconciliation, effect of the above on Profit/Loss/Assets/ liability could not be quantified

(Rs. In Lacs)

NAME OF UNIT	Inventory as per account (as per schedule 9 of the Balance Sheet)	Inventory as per Stores Ledger (as given by the management)	Difference
KSTPS, Kota	5019.05	5022.32	-3.27
SSTPS (O&M) Suratgarh	2336.00	2641.09	-305.09
SSTPS (Const), Suratgarh	438.36	863.90	-425.54
RGTPP, Jaisalmer Stores	1658.21	1473.78	184.43
DCCP	209.79	209.85	-0.06

In Bikaner (H&GP) Amount Rs.110150 is pending since long in financial books for which no details are available on record.

At Giral-II, balancing of Stores Ledger as on 31st March 2010 was not done as no stock was informed to be maintained by Unit II.

## 10 CASH AND BANK BALANCES

Transfer within Circles- cash (TWC) amounting to Rs.17.25 lacs includes unreconciled balances at many units. It also includes negative balance of Rs.0.74 Lacs. In absence of details, we are unable to comment on the financial impact, if any.

## 11. LOANS AND ADVANCES TO STAFF

Subsidiary records are not properly maintained at many units. Further loans and advances include old unadjusted and un-reconciled balances. In absence of full details we are unable to comment on the financial impact, if any. Further following heads in different units are having negative balances (net):-

a) Scooter Advance	-	Rs.7.96 Lacs
b) House Building Advance	-	Rs.15.68 Lacs
c) Food Grain Advance	-	Rs.0.02 Lacs
d) Pay Advance	-	Rs.0.24Lacs



e) Traveling Advance	-	Rs.0.31 Lacs
f) Departmental Advance	-	Rs.0.15 Lacs
g) Miscellaneous Advance- Others	-	Rs.0.04 Lacs

## 12. ADVANCES FOR O&M SUPPLIES & WORKS

Several accounts under the head "Advance to Suppliers" and "Advance to Contractors (O&M)" are not reconciled. Some of the accounts are being brought forward from the last several years without any adjustment. Further at some units even details are not available. In absence of full details, we are unable to comment on the amount by which assets/liabilities are overstated / understated. We are also unable to comment on the financial impact, if any, due to non-adjustment of these accounts.

## 13. CURRENT LIABILITIES

- a) Several accounts under liabilities for coal suppliers, freight payables, Liabilities for expenses, Sundry Creditors for supplies & works under the head Current Liabilities are un-reconciled. These are continued to be brought forward from last several years without any payments/adjustments. Even at some units, debit balances are appearing in the Creditors / Other Liability accounts.

Also at Suratgarh O&M Unit details of following accounts were not available:

EMD Rs. 23,69,950/-,

Retention Money Rs. 1,86,86,157/-,

Security Deposit Rs. 4,43,94,964/-,

Other Misc Deposit Rs. 7,77,60,364/-,

Old differences of Rs. 185567/- and Rs. 1335762 in Gratuity & Pension are not yet reconciled & explained.

Accounting code 46.924 TDS of contractor reflects a Dr balance Rs. 59,912/- due to old difference of Rs. 2,11,277/- lying since long.

Suratgarh Construction:

Rs. 19,23,82,821.95 were lying as pending since long under the head liability for Supply Material capital for which no party wise details was available with the Company.

In absence of the details, we are unable to comment on the financial impact, if any.

- b) Provision for Bonus/ ex- Gratia to employees was made on adhoc basis. Employee wise calculation is not available; hence we were unable to comment on correctness of amount.-
- c) Liability for State Sales Tax, TDS, GPF and PF are subject to reconciliation and old balances not yet paid are not scrutinized so far.
- d) Accounting heads of Retention money, EMD, Security deposit and Miscellaneous Deposits others were unreconciled for which no clear information was provided to us. Segregation of old balances and current balances were not available with the company.

#### 14. STAFF RELATED LIABILITIES

The balances of Net Salary Payable and unpaid salary in units were not reconciled. Further Staff related Liabilities include debit balances at certain units, which amount to Rs.4.13 lacs. Hence staff related liabilities were subject to reconciliation / adjustment.

#### 15. INCOME ACCRUED ON LOANS AND ADVANCE

A sum of Rs. 413367 is appearing under this head in following units as mentioned below since long for which no details are available:

1. STPS Cons Rs.48245
2. Bikaner Rs.86994
3. H &GP Rs.193330
4. TD RS.84798

The company has not made any provision to write off these amounts being uncertain to realize. **This has resulted into overstatement of Income accrued on loans and advances and understatement of loss Of the company by Rs.0.04 crore**

#### 16. GENERAL

- a) Accounting of following items of Income/ Expenditure is not on accrual basis as required by the Companies Act,1956:
- I. Interest Income from staff loans. ( Refer note no.11 (c ) of Schedule-29)
  - II. Interest payable on defaulted installments of sale consideration of fixed assets by lease finance companies. (Refer note no.7 of Schedule-30)
  - III. Generation linked incentives and productivity awards to its employees. (Refer note no.11 (e) of Schedule-29)
  - IV. Price variation claims ( Refer note no. 1 ( b) of Schedule 29)
- b) Pension and Gratuity Liabilities are being funded through Trust on the basis of contribution by the company. However no reconciliation / confirmation are provided to us for verification. In absence of reconciliation, we are not in a position to comment whether Company has paid or provide all its liabilities towards the trust as per the rules and regulations of the said Trust.
- c) Reconciliation of inter company accounts with other successor entities of erstwhile RSEB was done except Jodhpur which was pending on 31.03.10. Financial impact, if any can not be ascertained and therefore the amount by which assets/liabilities/profit /loss, under/over stated can not be quantified.
- d) The company has not identified the Enterprises qualifying under the definition of Medium and Small Enterprises, as defined under Micro, Small and Medium Enterprises Development Act 2006 (MSMED). As a result no disclosure is given, as per requirement of schedule VI to the Companies Act, 1956 vide Notification No. GSR 719 (E), with regard to amounts unpaid as at the year- end together with the interest paid/payable under the MSMED Act.

- e) Figures of the Contingent Liability as disclosed in respect of pending court/ arbitration / legal / tax related cases and estimated amounts of contract remaining to be executed on capital account have not been properly compiled and ascertained. In the absence of details of each case with present status and individual detail of contract remaining to be executed on capital account, we are unable to verify the correctness of said disclosure.
- f) Loans and Advances, Debtors, Creditors, Suppliers and Staff balances are shown after netting off credit/ debit balances which is not as per the generally accepted accounting practice resulting in understatement of assets / liabilities. Detailed list of such debit balances have not been furnished. Hence the Company is not in a position to identify their genuineness.
- (g) It is observed that store accounting at SSTPS (Suratgarh), Giral-II and RGTP (Ramgarh) are not done on regular basis. Looking to the size of the Company in our opinion computerization is essential at power plants.
- (h) Current Liabilities & Provisions: This includes Rs. 61.03 Lacs pertaining to provision for supply of O&M materials by Hydel & Generation Project of the Company. The figure shown under this head pertains to the erstwhile RSEB i.e. prior to formation of the Company There is no O&M store or spares maintained in the H&GP wing and since inception of the company, the O&M materials are being procured by the generating stations themselves thus there appears no justification to maintain provision for supply of O&M materials at H&GP wing for indefinite period. Thus this idle provision should have been reversed back which was not done. This matter was pointed by the C&AG Office in the supplementary audit last year also but the same was not set right by the Company in the current year hence the loss is overstated by Rs. 61.03 Lacs .
- (i) It was observed that the balance amount of Rs. (-)15.24 crore, shown as Provision for Unserviceable Stock/ Stores (Code Head 22.910), was pertained to erstwhile RSEB period against which there was no Inventories/ Stores balance available with the Company on 31.03.2010. As a result, negative inventories of Rs.15.24 crore appeared under Inventories, Stores and Spares at SSTPS (Construction) Suratgarh ,Kota & Ramgarh. The Company was required either to trace out the inventories received on unbundling of RSEB against which the provision was appearing and to adjust the same there against or to disclose this fact in the accounts pending reconciliation of inventories. In case of non-availability of respective inventory/ stores, this provision was required to be written back. Despite lapse of a considerable period, the Company neither traced out the inventory nor disclosed this fact in the accounts or written back the provision amount of Rs. 15.24 crore. Hence the loss is overstated to that extent & provisions are also overstated to that extent.
- (j) RERC had allowed the Company to recover the sum of Rs. 40.00 Crores towards shortfall in pension & gratuity from the tariff for a period of 5 years & this amount recovered from the Tariff was to be paid to the PF trust . However the Company had recovered an installment for the year 2010 Rs. 40.00 Crores but the same was not remitted to the P.F. trust.

## **GIRAL**

The company had transferred its Giral- I unit to its wholly owned subsidiary Giral Lignite Power Limited on and with effect from 1st January 2009 as per the decision of Board of Directors for a consideration of allotment of equity shares equivalent to the net book value of 31st December, 2008, however no equity shares were allotted

by GLPL to RVUN in consideration of transfer of unit. The authorized share capital of the subsidiary company as on 31st March 2010 was Rs.200.00 Crores **but the paid up capital was Rs.5 lacs** only also the debts of the power plant transferred are being served by the RVUN without any agreement with GLPL. The financier of Giral-I mainly PFCL has agreed to transfer the debt in the name of the subsidiary GLPL but a tripartite agreement was to be executed between the three companies which has not been executed so far. The Company had transferred the Giral I unit before the commencement of commercial operation. The unit was commissioned on 28/02/07 but the unit could not run at its full load. The liabilities of the subsidiary company (GLPL) are met by RVUN. The subsidiary co was not in a position to meet out its expenses. Further during the course of audit at Giral Barmer it was observed that :

- (i) Even though the Giral Unit 1st was transferred to the subsidiary Company M/s. Giral Lignite Power Limited & Giral Unit 2 was under the ownership of RVUN but no separate books of accounts were maintained at Giral Unit 2nd by the Company. Since the staff was common(all staff working at Giral was of RVUN but was on deputation to GLPL) hence expenses were booked by GLPL in its books of account & at year end partial expenses were charged in the books of Giral Unit 2nd. However the basis and authenticity of that expenditure was not made available. Also the expenses were booked in the books of GLPL hence we were not in a position to verify them as GLPL was having separate auditor and the audit for the year 2009-10 had not yet commenced.Hence we are not in a position to express our opinion on the expenditure of Giral Unit 2 of RVUN.
- (ii) The main input material at Giral Lignite power plant was lignite, however it was informed to us that the sole agreement of purchase of lignite from Rajasthan State Mines & Minerals was with RVUN hence the lignite used by GLPL was a subsequent sale by RVUN after purchasing the same from RSMM. However it was observed that the bills were issued in the name of RVUN Unit 1 by RSMM & it was informed that the purchases of lignite were directly booked in the books of GLPL either sales bill must have been issued to Unit 2 by Unit 1 or vice versa ( if purchases were booked in RVUN) however it was observed that neither sales bill were issued where as it was a case of clear subsequent sale. Also accounting for shortages/ transit loss & closing stock was not done at Unit 2nd GLTP. Also the Company was required to file its VAT return claiming the input Tax credit of the lignite purchased from GLPL.
- (iii) As per the terms approved by the Board for transfer of Unit 1 to GLPL the ownership of land building & plant was to be transferred to GLPL but till date the land building plant machinery were not actually transferred to GLPL.
- (iv) It was clearly evident from the expenditure incurred & units generated by the Company at GLTPP Unit 2nd that GLTP Unit was operational & put to use but the Company had not provided any depreciation on the assets amounting to Rs.7,62,04,72,693/- of Unit 2nd the **un provided depreciation comes to Rs.36,50,72,648/- hence the loss of the Company is understated to that extent also these assets amounting to Rs.7,62,04,72,693/- were to be transferred from capital work in progress to fixed assets but the same were not transferred to fixed assets hence fixed assets are understated & capital work in progress are overstated to that extent.**

**We further report that without considering observations above, the effect of which could not be ascertained on surplus and on assets and liabilities. Had the observations made by us in this report being considered, the fixed assets would have been Rs.9974.30 crores (as against the reported figure of Rs.9190.86 crores), Capital WIP would have been Rs.4296.13 crores (as against the**

reported figure of Rs.5061.89 crores), Construction store and advances would have been Rs.1230.68 crores (as against the reported figure of Rs.1285.57 crores), income Accrued on loans and advances would have been Rs.0.468 crores (as against the reported figure of Rs.0.508 crores), Current Liabilities and provisions would have been Rs.1777.743 crores (as against the reported figure of Rs.1793.50 crores) and the loss of the company would have been Rs.529.20 crores (as against the reported figure of Rs.507.71 crores) in the accounts.

For D.P. Khandelwal & Co.  
Chartered Accountants  
FRN000155C

Place : Jaipur  
Dated : 25/05/2011

(Desh Nidhi Gupta F.C.A.)  
Partner  
M No. 078560

**BALANCE SHEET AS AT 31<sup>st</sup> MARCH, 2010***(Amount in Rs.)*

<b>Particulars</b>	<b>Schedule Number</b>	<b>As at 31<sup>st</sup> March, 2010</b>	<b>As at 31<sup>st</sup> March, 2009</b>
<b>SOURCES OF FUNDS</b>			
<b>SHARE HOLDERS' FUNDS</b>			
Share Capital	1	44725900000	38225900000
Reserves and Surplus	2	198545912	0
Deferred Revenue :-			
On Account of Advance Against Depreciation	2 (A)	6910274572	6928766000
<b>LOAN FUNDS</b>			
Secured Loans	3	61013251064	40694944084
Unsecured Loans	4	30464030402	34517638319
<b>TOTAL</b>		<b>143312001950</b>	<b>120367248403</b>
<b>APPLICATION OF FUNDS</b>			
<b>FIXED ASSETS</b>			
Gross Block	5	91908695951	71898918705
Less: Accumulated Depreciation	5	28761727486	23791133082
Net Block		63146968465	48107785623
Capital Work in Progress	6	50618910467	46297667608
Construction Stores and Advances	6 (A)	12855718304	9419313204
<b>INVESTMENTS</b>	7	1500001	1500000
<b>CURRENT ASSETS, LOANS &amp; ADVANCES</b>			
Income accrued on Investment, Loans and Advances	8	5080975	8871805
Inventories, Stores and Spares	9	3609314238	2061981051
Sundry Debtors	10	15726683162	10958275690
Cash and Bank Balances	11	648053463	913157301
Loans and Advances	12	1221553435	1377653406
Other Assets	13	8040864158	8675097001
<b>TOTAL CURRENT ASSETS</b>		<b>29251549431</b>	<b>23995036254</b>

Less: Current Liabilities & Provisions	14	17935054059	12840237414
<b>NET CURRENT ASSETS</b>		<b>11316495372</b>	<b>11154798840</b>
<b>MISCELLANEOUS EXPENDITURE</b>	<b>15</b>	<b>295218367</b>	<b>430769740</b>
(To the extent not written off/adjusted)			
<b>PROFIT &amp; LOSS ACCOUNT</b>		<b>-5077190973</b>	<b>-4955413388</b>
<b>TOTAL</b>		<b>143312001950</b>	<b>120367248403</b>

**Significant Accounting Policies** **29**

**Notes on Accounts** **30**

**As per our separate report of even date**

**For and on behalf of the Board of Directors**

**For D.P. KHANDELWAL & CO.**

Chartered Accountants  
FRN 000155C

**(M.C. GAUR)**

Director (Finance)

**(P.N. SINGHAL)**

Chairman &  
Managing Director

**(DESHNIDHI GUPTA)**

Partner  
M.No. 078560

**(SGVS SUBRAHMANYAM)**

Company Secretary

**(M.K. KHANDELWAL)**

Chief Accounts Officer

Place : Jaipur

Date : 25/05/2011

**PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2010**

(Amount in Rs.)

Particulars	Schedule Number	For the year ended 31 <sup>st</sup> March, 2010	For the year ended 31 <sup>st</sup> March, 2009
<b>INCOME</b>			
Revenue from Sale of Power	16	56209260618	51011189981
Revenue Subsidies and Grants	17	394760	427515
Other Income	18	289277860	324341846
<b>Sub Total</b>		<b>56498933238</b>	<b>51335959342</b>
<b>EXPENDITURE</b>			
Generation of Power	19	43046983768	41316007039
Repairs and Maintenance	20	1510684783	1089524410
Employees Costs	21	1384666159	2223524231
Administration and Other Expenses	22	328376520	652567525
Less: Incidental expenses during construction transferred to capital work in progress	23	1818091064	642461223
Depreciation	24	4962111225	2552178792
<b>Sub Total</b>		<b>49414731391</b>	<b>47191340773</b>
Profit before Interest & Taxes		7084201847	4144618570
Net Interest Finance Charges & lease Rental	25	5311281849	5237458035
Extraordinary Items	26	1540229418	778060637
Profit before Tax		232690580	-1870900102
Fringe Benefit Tax	27	0	4620310
Add/Less : Prior period charges or credits	28	-354468165	-3079892976
<b>Net Profit / Loss for the year</b>		<b>-121777585</b>	<b>-4955413388</b>
<b>Balance brought forward</b>		<b>-4955413388</b>	<b>0</b>
<b>Balance carried over to Balance Sheet</b>		<b>-5077190973</b>	<b>-4955413388</b>

Significant Accounting Policies 29

Notes on Accounts 30

As per our separate report of even date

For and on behalf of the Board of Directors

For D.P. KHANDELWAL &amp; CO.

Chartered Accountants  
FRN 000155C

(M.C. GAUR)

Director (Finance)

(P.N. SINGHAL)

Chairman &  
Managing Director

(DESHNIDHI GUPTA)

Partner  
M.No. 078560

(SGVS SUBRAHMANYAM)

Company Secretary

(M.K. KHANDELWAL)

Chief Accounts Officer

Place : Jaipur

Date : 25/05/2011



**SHARE CAPITAL  
SCHEDULE NO. 1**

*(Amount in Rs.)*

S. No.	Particulars	Account Code	As at 31 <sup>st</sup> March, 2010	As at 31 <sup>st</sup> March, 2009
<b>1.</b>	<b>Authorised Capital</b> 500,00,00,000 (500,00,00,000) Equity Shares of Rs 10/- each		50000000000	50000000000
<b>2.</b>	<b>Issued,Subscribed and Paid up Capital</b> 447,25,90,000 (382,25,90,000) Equity Shares of Rs. 10/- fully paid up.( Out of which 924590000 shares were issued for consideration other than cash.)*	54.600	44725900000	38225900000
	<b>TOTAL</b>		<b>44725900000</b>	<b>38225900000</b>

\* Issued to Govt. of Rajasthan pursuant to Rajasthan Power Sector Reforms Scheme.

**RESERVES AND SURPLUS  
SCHEDULE NO. 2**

*(Amount in Rs.)*

<b>S. No.</b>	<b>Particulars</b>	<b>Account Code</b>	<b>Balance As At 1<sup>st</sup> April 2009</b>	<b>Addition during 2009-10</b>	<b>Deduction during 2009-10</b>	<b>Balance As At 31<sup>st</sup> March 2010</b>
1	General Reserve	56.lx-58.2x	-	-	-	-
2	Capital Reserve	56.200	0	1	-	1
3	Bond Redemption Reserve	56.310	-	-	-	-
4	Debenture Redemption Reserve	56.320	-	-	-	-
5	Other Res.for Mat.Cost Variance	56.610	-	-	-	-
6	Exchange Variance	56.620	-	-	-	-
7	Other Reserve Funds	56.600	0	198545911	0	198545911
8	SURPLUS-Net Revenue & Appropriation	58.210	-	-	-	-
<b>TOTAL</b>			<b>0</b>	<b>198545912</b>	<b>0</b>	<b>198545912</b>

**DEFERRED REVENUE - ON ACCOUNT OF  
ADVANCE AGAINST DEPRECIATION**

**SCHEDULE NO. 2 A**

*(Amount in Rs.)*

<b>S. No.</b>	<b>Particulars</b>	<b>Account Code</b>	<b>As at 31<sup>st</sup> March, 2010</b>	<b>As at 31<sup>st</sup> March, 2009</b>
1.	Deferred Revenue-on account of Advance Against Depreciation	56.300	6910274572	6928766000
<b>TOTAL</b>			<b>6910274572</b>	<b>6928766000</b>

**SECURED LOANS  
SCHEDULE NO. 3**

*(Amount in Rs.)*

<b>S. No.</b>	<b>Particulars</b>	<b>Account Code</b>	<b>As at 31<sup>st</sup> March, 2010</b>	<b>As at 31<sup>st</sup> March, 2009</b>
<b>LONG TERM LOANS</b>				
1	Loan From Lic(8.5 %) (!!) (Secured Against The Mortgage Of Fixed Assets & Escrow Account)	52.501	932648189	1170227490
2	Loan From PFC (10.75% -14.00%) (!)	53.550	57345602875	37099983594
3	Loan From Central Bank of India (8.75%) ****	53.580	276250000	361250000
4	Loan From Obc ( 8.75%) *****	53.596	308750000	403750000
5	Loan From Canara Bank (9.00%)******	53.599	150000000	200000000
<b>Sub Total</b>			<b>59013251064</b>	<b>39235211084</b>
<b>SHORT TERM LOANS</b>				
1	WCL From SBBJ *****	50.850	2000000000	1160000000
2	WCL From Bank of Rajasthan (!)	50.870	0	299733000
<b>Sub Total</b>			<b>2000000000</b>	<b>1459733000</b>
<b>Total</b>			<b>61013251064</b>	<b>40694944084</b>

\*\*\*\* Secured by Govt. Guarantee and pari passu charge on assets.

\*\*\*\*\* Secured by Govt. Guarantee, Default Escrow and Hypothecation of Assets.

\$ State Govt. Guarantee and Hypothecation of Assets.

(!) Default Escrow and Hypothecation of Assets.

(!!) Charge on Assets & Escrow Account.

**UNSECURED LOANS  
SCHEDULE NO. 4**

(Amount in Rs.)

S. No.	Particulars	Account Code	As at 31 <sup>st</sup> March, 2010	As at 31 <sup>st</sup> March, 2009
<b>LONG TERM LOANS</b>				
1	Public Bonds (SLR) - 1989-90 (11.5%)	52.110	0	200000000
2	Public Bonds (SLR) - 1990-91 (11.5%)	52.110	130000000	130000000
3	Public Bonds (SLR) - 1991-92 (12%)	52.110	80000000	80000000
4	Loan from World Bank (12%-13%)	53.598	9774805	10672102
5	State Govt Loans (13.75%)	54.200	1380700000	1380700000
6	Loan from PFC (Int. Free)	53.555	209793	700963
7	LOAN FROM PFC (4.75% -12.50%) ***	53.550	6145179134	8188598587
8	LOAN FROM NCRPB (8% - 9.50%) ***	53.551	1400000000	1600000000
<b>Sub total</b>			<b>9145863732</b>	<b>11590671652</b>
<b>TRANSITIONAL LOANS</b>				
1	Allahabad Bank***	50.830	1600000000	0
2	Canara Bank ***	50.982	0	333200000
3	Bank of India **	50.955	0	337500000
4	Bank of India ***	50.955	850000000	1700000000
5	Central Bank of India ***	50.953	2058266670	3316666667
6	Indian Bank ***	50.959	1062500000	1912500000
7	Oriental Bank of Commerce ***	50.970	1125000000	1500000000
8	Andhra Bank***	50.987	1700000000	0
<b>Sub total</b>			<b>8395766670</b>	<b>9099866667</b>
<b>SHORT TERM LOANS</b>				
1	WCL from HUDCO **	50.820	406000000	514000000
2	WCL from DENA BANK **	50.840	166600000	500000000
3	WCL from DENA BANK ***	50.840	1000000000	1000000000
4	WCL from KARNATAKA BANK ***	50.860	0	400000000
5	WCL from BANK OF RAJASTHAN ***	50.870	500000000	500000000
6	WCL from UCO Bank ***	50.880	750000000	583300000
7	WCL from CBI ***	50.953	500000000	916600000
8	WCL from BANK OF INDIA ***	50.955	1400000000	1730000000
9	WCL from BOB ***	50.956	2500000000	1500000000
10	WCL from PNB ***	50.957	100000000	166600000
11	WCL from INDIAN BANK ***	50.959	766600000	1000000000
12	WCL from OBC ***	50.970	166600000	500000000
13	WCL from CANARA BANK ***	50.982	1000000000	1000000000
14	WCL from UNION BANK ***	50.984	1333300000	2250000000
15	WCL from PUNJAB & SIND BANK ***	50.985	0	166600000
16	WCL from FEDERAL BANK ***	50.986	333300000	500000000
17	WCL from ANDHRA BANK **	50.987	1000000000	600000000
18	WCL from CORPORATION BANK \$	50.988	1000000000	0
<b>Sub total</b>			<b>12922400000</b>	<b>13827100000</b>
<b>TOTAL</b>			<b>30464030402</b>	<b>34517638319</b>

\* Secured by Govt. Guarantee and Escrow account.

\*\* Guaranteed by State Govt.

\*\*\* State Govt. Guarantee &amp; Default Escrow.

\$ Default Escrow

**FIXED ASSETS  
SCHEDULE NO. 5**

(Amount in Rs.)

S. No.	Particulars	Account Code	GROSS BLOCK				DEPRECIATION				Net Block as at 31 <sup>st</sup> March, 09	
			Balance as at 1 <sup>st</sup> April, 09	Additions during the year	Adjustments/ Deductions	Closing Balance as at 31 <sup>st</sup> March, 10	Balance as at 1 <sup>st</sup> April, 09	Additions during the year	Adjustments/ Deductions	Closing Balance as at 31 <sup>st</sup> March, 10		Net Block as at 31 <sup>st</sup> March, 10
1	Land & Rights	10.1xx	396994752	623909648	0	1020904400	658069	58433	0	716502	1020187898	396336688
2	Buildings	10.2xx	5026508660	3536172175	0	8562680835	2314831751	173089476	0	2487921227	6074759608	2711676909
3	Hydraulic Works	10.3xx	2604930337	269525682	0	2874456020	1074266627	96087313	0	1170353939	1704102080	1530663711
4	Other Civil Works	10.4xx	1026054083	94768427	0	1120822510	307807971	64856001	0	372663971	748158539	718246112
5	Plant & Machinery	10.5xx	60977322978	15241498626	0	76218821604	18466019253	4591397957	0	23057417209	53161404395	42511303725
6	Lines & Cable Networks	10.6xx	740596521	20941844	0	761538365	296434220	27607176	0	324041396	437496969	444162301
7	Vehicles	10.7xx	46963257	0	0	46963257	35867799	2487194	0	38354993	8608264	11095458
8	Furniture & Fixtures	10.8xx	20608430	10043018	0	30651448	11307815	1163466	0	12471280	18180168	9300615
9	Office Equipment	10.9xx	22418682	43265416	0	65684098	12279845	2954611	0	15234456	50449642	10138837
	<b>Sub - Total (1-9)</b>		<b>70862397699</b>	<b>19840124837</b>	<b>0</b>	<b>90702522537</b>	<b>22519473349</b>	<b>4959701625</b>	<b>0</b>	<b>27479174974</b>	<b>63223347563</b>	<b>48342924350</b>
10	Capital Spares											
	At Generating Stations	11.300	1036521006	169652408	0	1206173414	651249442	10892778	0	662142220	544031194	385271564
11	Prov. For loss-Fix Ass pending invstg.*		0	0	0	0	620410292	0	0	620410292	-620410292	-620410292
	<b>TOTAL(10+11+12)</b>		<b>71898918705</b>	<b>20009777245</b>	<b>0</b>	<b>91908695951</b>	<b>23791133082</b>	<b>4970594403</b>	<b>0</b>	<b>28761727486</b>	<b>63146968465</b>	<b>48107785623</b>
	<b>Previous year figures</b>		<b>71048714941</b>	<b>952073332</b>	<b>101869568</b>	<b>71898918705</b>	<b>20683296756</b>	<b>2492979738</b>	<b>5553703</b>	<b>23170722791</b>	<b>48728195915</b>	<b>50365418185</b>

Note :- (i) The figure in the addition column is shown after netting off the deductions/adjustments.

(ii) Provision for loss on fixed assets pending investigation has been shown as deduction from fixed assets by clubbing the amount alongwith the accumulated depreciation.

**CAPITAL WORKS IN PROGRESS  
SCHEDULE NO. 6**

(Amount in Rs.)

S. No.	Particulars	Account Code	As at 31 <sup>st</sup> March, 2010	As at 31 <sup>st</sup> March, 2009
1.	Capital works in progress	14-15 XXX	50618910467	46297667608
	<b>TOTAL</b>		<b>50618910467</b>	<b>46297667608</b>

**CONSTRUCTION STORES AND ADVANCES  
SCHEDULE NO. 6 (A)**

(Amount in Rs.)

S. No.	Particulars	Account Code	As at 31 <sup>st</sup> March, 2010	As at 31 <sup>st</sup> March, 2009
1	Stock of material at const.stores	22.201-219 22.601-619 & 22.680	1346839860	183065776
2	Less: Prov. towards unserviceable O&M & Capital Store	22.910	152372082	152372082
	<b>Sub total</b>		<b>1194467778</b>	<b>30693694</b>
3	Advances to suppliers & Contractors for Capital Works	25.XXX	11661250526	9388619510
	<b>TOTAL</b>		<b>12855718304</b>	<b>9419313204</b>

**INVESTMENTS  
SCHEDULE NO. 7**

(Amount in Rs.)

S. No.	Particulars	Account Code	As at 31 <sup>st</sup> March, 2010	As at 31 <sup>st</sup> March, 2009
	<b>Investment (Unquoted)</b>			
1.	Investments in Shares of Subs. Comp.	20.270	1500001	1500000
	<b>TOTAL</b>		<b>1500001</b>	<b>1500000</b>

**INCOME ACCRUED ON INVESTMENT, LOANS, ADVANCES AND OTHERS  
SCHEDULE NO. 8**

(Amount in Rs.)

S. No.	Particulars	Account Code	As at 31 <sup>st</sup> March, 2010	As at 31 <sup>st</sup> March, 2009
1.	Income accrued & due	28.21X-28.290	17752263	22798321
2.	Income accrued but not due	28.31X-28.390	5063143	3807915
3.	Less : Provision for doubtful debts	28.900	-17734431	-17734431
	<b>TOTAL</b>		<b>5080975</b>	<b>8871805</b>

**INVENTORIES, STORES AND SPARES  
SCHEDULE NO. 9**

(Amount in Rs.)

<b>S. No.</b>	<b>Particulars</b>	<b>Account Code</b>	<b>As at 31<sup>st</sup> March, 2010</b>	<b>As at 31<sup>st</sup> March, 2009</b>
1	Coal Stock	21.101	1936316350	885002442
2	Oil Stock	21.105	213289244	234601355
3	Gas Stock	21.108	0	0
4	Coal in transit	21.121	223591665	222681902
5	Coal Stock in Transit lying with Third party	21.122	340167193	0
	<b>Sub total</b>		<b>2713364451</b>	<b>1342285700</b>
6	Stock of material at other stores	22.621-690	893649271	717394835
7	Other material A/C	22.710-770	2300516	2300516
	<b>Sub total</b>		<b>895949787</b>	<b>719695351</b>
	<b>Net Total</b>		<b>3609314238</b>	<b>2061981051</b>

**SUNDRY DEBTORS  
SCHEDULE NO. 10**

(Amount in Rs.)

<b>S. No.</b>	<b>Particulars</b>	<b>Account Code</b>	<b>As at 31<sup>st</sup> March, 2010</b>	<b>As at 31<sup>st</sup> March, 2009</b>
1	Receivable against sale of Power to JVVNL *	23.802	7969671796	4073931370
2	Receivable against sale of Power to AVVNL *	23.803	4388147273	3983971369
3	Receivable against sale of Power to JDVVNL *	23.804	3315019757	2846528615
	<b>Sub Total</b>		<b>15672838826</b>	<b>10904431354</b>
4	Less: Prov.for doubtful dues from Discoms	23.9XX	-	-
5	Net Receivables against sale of Power		15672838826	10904431354
6	Deferred sale consideration (Lease) **	28.101	53844336	53844336
	<b>TOTAL</b>		<b>15726683162</b>	<b>10958275690</b>

\* Outstanding for a period less than six months.

\*\* Outstanding for a period more than six months.

**CASH AND BANK BALANCES  
SCHEDULE NO. 11**

(Amount in Rs.)

S. No.	Particulars	Account Code	As at 31 <sup>st</sup> March, 2010	As at 31 <sup>st</sup> March, 2009
1	Cash in Hand	24.110	557964	703018
2	Cash Imprest with Staff	24.210-24.220	42838	62445
3	Balances with Banks	24.300-24.491	625996956	890840859
4	Balances with Public Deposit Accounts	24.451-452	30000	30000
5	Remittance in Transit	24.501-24.652	1650704	1745980
6	FDR with Scheduled Banks	20.21X-20.28X	19775000	19775000
<b>TOTAL</b>			<b>648053463</b>	<b>913157301</b>

**LOANS AND ADVANCES  
SCHEDULE NO. 12**

(Amount in Rs.)

S. No.	Particulars	Account Code	As at 31 <sup>st</sup> March, 2010	As at 31 <sup>st</sup> March, 2009
1	Advances for O&M supplies and works	26.1XX-26.7XX	1080392558	877767955
2	Advances for fuel supply	26.8XX-26.805	137580739	497262265
3	Loans & Advances to staff *	27.1XX-27.210 27.500	-514718	-429755
4	Advance Income Tax & TDS	27.410	52500	0
5	FBT Receivable	27.411	3305746	1993123
6	Income From Investment	27.421	7820	7820
7	Advance to RVPN - Comman Facility	27.510	0	255328
8	Loan & Advance (Others)	27.801-27.805	728789	796670
<b>TOTAL</b>			<b>1221553435</b>	<b>1377653406</b>

\* Include house building advance and conveyance advance, which is fully secured.



**OTHER ASSETS  
SCHEDULE NO. 13**

*(Amount in Rs.)*

S. No.	Particulars	Account Code	As at 31 <sup>st</sup> March, 2010	As at 31 <sup>st</sup> March, 2009
1	Amount recoverable from Employees	28.4XX	11863	10133
2	Fuel Related Receivables & Claims	28.511-28.59x	41418871	50749035
3	Subvention Receivable From State Govt.	28.624	2916125384	3105971384
4	Interest accrued on subvention rec.from Govt.	28.624	0	909628036
5	Other Claims	28.721-28.790	17915	17915
6	Other Receivables	28.810-28.891	545884441	545260225
7	Deposits	28.911-28.93X	327364154	293873793
8	Receivables from Subsidiaries Companies	28.931-33	4178436909	3107265535
9	Receivables from RVPN & Discoms	28.941-44	4136309	4490050
10	Inter-Unit Accounts	30.XXX-38.XXX	27468313	657830895
<b>TOTAL</b>			<b>8040864158</b>	<b>8675097001</b>

**CURRENT LIABILITIES AND PROVISIONS  
SCHEDULE NO. 14**

(Amount in Rs.)

S. No.	Particulars	Account Code	As at 31 <sup>st</sup> March, 2010	As at 31 <sup>st</sup> March, 2009
<b>A) CURRENT LIABILITIES</b>				
1	Liab.to Railways for Coal Receipts	40.110-40.180	265283286	267263611
2	Retention on A/c of inferior grade of Coal	40.230	333625337	333625337
3	Coal supplier account	40.240	976416085	307865880
4	Other Fuel related liability	40.310-40.330	1036998	1036998
5	Oil supplier account	40.420,620	77225641	59941801
6	Gas related cost	40.630	95140810	101554391
7	Prov.for Coal related cost	40.641	4178852	3966390
8	Liabilities for Capital Works/Supplies	42XXX	648179196	549378751
9	Liabilities for O&M Works/Supplies	43XXX	627433987	514757527
10	Staff related liabilities	44XXX	72876983	66355284
11	Liabilities for expenses	46.410-46.430	1913723047	396919266
12	Int. accrued but not due on term loans	46.710	1387064825	1107319795
13	Deposit and retention from supp./cont.	46.1XX	4625655483	2983376812
14	Other levies payable to State Govt.	46.230-46.390	86577751	12351544
15	Other liabilities and prov.	46.901-46.970	2592868791	1966418378
16	Amount Payable to RVPN	46.981	32232389	19757318
17	Amount Payable to JVVN	46.982	135791606	89700085
18	Amount Payable to AVVN	46.983	10017628	9750586
19	Amount Payable to JD.VVN	48.100	265150	265150
<b>Sub Total</b>			<b>13885593846</b>	<b>8791604904</b>
<b>B) PROVISIONS</b>				
20	RRVK Gratuity Fund	44.110	1504766283	1504882832
21	RRVK Superannuation Fund	44.120	2535170578	2535749478
22	Exgratia / Bonus	44.140	9523352	8000200
<b>Sub Total</b>			<b>4049460213</b>	<b>4048632510</b>
<b>Total</b>			<b>17935054059</b>	<b>12840237414</b>

**MISCELLANEOUS EXPENDITURE TO THE EXTENT  
NOT WRITTEN OFF OR ADJUSTED  
SCHEDULE NO. 15**

(Amount in Rs.)

S. No.	Particulars	Account Code	Balance As At 1 <sup>st</sup> April 2008	Addition during 2008-09	Deduction during 2008-09	Balance As At 31 <sup>st</sup> March 2009
1	Deferred revenue expenditure	17.222	404385892		109226093	295159799*
2	Preliminary Exp. not yet written-off	17.225	12877753		12877753	0**
3	Exp. on survey/Proj. not yet sanc.	17.300	13506095		13447527	58568
<b>TOTAL</b>			<b>430769740</b>	<b>0</b>	<b>135551373</b>	<b>295218367</b>

\* This is the amount of premium paid to financial institutions on debt restructuring.

\*\* This figure pertains to Jhalawar Project.

**REVENUE FROM SALE OF POWER  
SCHEDULE NO. 16**

(Amount in Rs.)

S. No.	Particulars	Account Code	For the year ended 31 <sup>st</sup> March, 2010	For the year ended 31 <sup>st</sup> March, 2009
1	Revenue from Sale of Power	61.410	59270374921	54731447002
2	Less : Advance Against Depreciation Deferred	61.940	0	3581966000
3	Less : Trial Run Revenue (Infirm Power)	61.950	3061114303	138291021
<b>TOTAL</b>			<b>56209260618</b>	<b>51011189981</b>

**REVENUE SUBSIDIES AND GRANTS  
SCHEDULE NO. 17**

(Amount in Rs.)

S. No.	Particulars	Account Code	For the year ended 31 <sup>st</sup> March, 2010	For the year ended 31 <sup>st</sup> March, 2009
1	Interest subsidies received from Govt.	63.21X	394760	427515
<b>TOTAL</b>			<b>394760</b>	<b>427515</b>

**OTHER INCOME  
SCHEDULE NO. 18**

(Amount in Rs.)

S. No.	Particulars	Account Code	For the year ended 31 <sup>st</sup> March, 2010	For the year ended 31 <sup>st</sup> March, 2009
1	Interest on Loans and Advances to Staff	62.21X-62.21X	339072	556404
2	Interest Income from Investments/Deposits	62.22X-62.26X	1322805	2055622
3	Income from sale of scrap	62.3X	31474305	22814258
4	Miscellaneous Receipts(Rebate)	62.9XX	256141678	298915562
<b>TOTAL</b>			<b>289277860</b>	<b>324341846</b>

**GENERATION OF POWER  
SCHEDULE NO. 19**

(Amount in Rs.)

S. No.	Particulars	Account Code	For the year ended 31 <sup>st</sup> March, 2010	For the year ended 31 <sup>st</sup> March, 2009
<b>FUEL CONSUMPTION :</b>				
1	Cost of Coal consumed( Steam)	71.110	35113020661	34442244426
2	Cost of Oil consumed (Steam)	71.120	1123199793	502517754
3	Cost of Gas consumed (Internal combustion)	71.140	6054726202	5390025963
4	Cost of Oil consumed (Internal combustion)	71.150	2732147	8622084
5	<b>Sub Total (1-4)</b>		<b>42293678803</b>	<b>40343410227</b>
6	Other Fuel Related Cost	71.2	61179961	7827382
7	<b>Sub Total (5-6)</b>		<b>42354858764</b>	<b>40351237609</b>
<b>OPERATING EXPENSES :</b>				
8	Cost of water	71.5	80656064	81790719
9	Lubricants & Consumable Stores	71.6	27597627	28934112
10	Station Supplies	71.7	85781159	157207981
11	Other Cost	71.8	124022696	154344068
12	<b>Sub Total (8-12)</b>		<b>318057546</b>	<b>422276879</b>
13	<b>Cost of Generation of Power (7+12)</b>		<b>42672916310</b>	<b>40773514488</b>
14	Fuel Related Losses	72.1XX-72.2XX	374067458	542492551
15	<b>Sub Total (14)</b>		<b>374067458</b>	<b>542492551</b>
<b>Grand Total (13+15)</b>			<b>43046983768</b>	<b>41316007039</b>

**REPAIRS AND MAINTENANCE  
SCHEDULE NO. 20**

(Amount in Rs.)

S. No.	Particulars	Account Code	For the year ended 31 <sup>st</sup> March, 2010	For the year ended 31 <sup>st</sup> March, 2009
1	Plant & Machinery	74.1XX	1392616865	989199007
2	Buildings	74.2XX	45448321	41308490
3	Civil Works	74.3XX	63520578	45299992
4	Hydraulic Works	74.4XX	5162038	10125704
5	Vehicles	74.6XX	2914553	3243933
6	Furniture & Fixtures	74.7XX	299180	149020
7	Office & Other Equipments	74.8XX	723249	198263
<b>TOTAL</b>			<b>1510684783</b>	<b>1089524410</b>

**EMPLOYEES COSTS  
SCHEDULE NO. 21**

(Amount in Rs.)

S. No.	Particulars	Account Code	For the year ended 31 <sup>st</sup> March, 2010	For the year ended 31 <sup>st</sup> March, 2009
1	Basic Pay	75.1	695449681	618285061
2	Dearness Pay	75.0	7290734	38237619
3	Overtime	75.2	26816446	16301184
4	Dearness Allowances	75.3	148603255	116112339
5	Other Allowances	75.4	56417168	49258901
<b>Sub Total (1-5)</b>			<b>934577284</b>	<b>838195105</b>
6	Other Staff Related Cost	75.6	282225331	249737956
7	Staff Welfare Expenses	75.7	32621421	19946958
8	Terminal Benefits	75.8	135242123	1115644212
<b>Sub Total (6-8)</b>			<b>450088875</b>	<b>1385329126</b>
<b>Grand Total</b>			<b>1384666159</b>	<b>2223524231</b>

**ADMINISTRATION AND OTHER EXPENSES**  
**SCHEDULE NO. 22**

(Amount in Rs.)

S. No.	Particulars	Account Code	For the year ended 31 <sup>st</sup> March, 2010	For the year ended 31 <sup>st</sup> March, 2009
<b>ADMINISTRATION EXPENSES</b>				
1	Rent	76.101	6001973	2300045
2	Rates & Taxes	76.102	146978	347529
3	Licence & Registration Fee	76.103	972140	1135805
4	Insurance on Fixed Assets	76.104	0	68323363
5	Insurance on Vehicles- Motor Car & Jeeps	76.107	938662	333564
6	Security & Service Charges	76.108	124053674	94772297
7	Insurance on Vehicles- Other Than Car & Jeeps	76.109	78170	104931
8	Telephone/Trunk call	76.111	7784283	5482454
9	Post & Telegram Exp.	76.112	627593	588261
10	PBX Expenses	76.114	245640	622114
11	Legal Charges	76.121	1171578	1118912
12	Audit Fee	76.122	675295	374496
13	Consultancy Charges	76.123	53172140	75978560
14	Other Professional Charges	76.125	0	1900
15	Tariff Fee	76.126	3397001	0
16	Conveyance Expenses	76.131	868887	709405
17	Travelling Expenses - Actual Fare	76.132	2795128	3577624
18	Traveling Exp. - Other than Actual Fare	76.133	5138334	5259726
19	Hiring of Vehicles - Car & Jeeps	76.135	11106701	10599703
20	Vehicle Running Exp.	76.136	4923921	5403365
21	Hiring of Vehicles - Other than Car & Jeeps	76.137	15507729	15485707
22	Registration fee - Other than Car & Jeeps	76.138	19328	477203
23	Registration fee - Car & Jeeps	76.139	1500	3500
<b>Sub Total (1-23)</b>			<b>239626655</b>	<b>293000464</b>
<b>OTHER EXPENSES</b>				
24	Festival Expenses	76.148	29811	21600
25	News Paper & Magazines	76.150	116427	28895
26	Fees & Subscriptions	76.151	2888980	1098917
27	Books & Periodicals	76.152	47836	33930
28	Printing & Stationery	76.153	7419219	3193766

*(Amount in Rs.)*

S. No.	Particulars	Account Code	For the year ended 31 <sup>st</sup> March, 2010	For the year ended 31 <sup>st</sup> March, 2009
29	Ferros & Chemicals	76.154	630	0
30	Advert.Charges-Other than Purchases	76.155	5081219	2658062
31	Hot/Cold weather charges	76.156	318571	17997
32	Electricity Charges	76.158	19990652	35998769
33	Water Charges	76.160	467647	250590
34	Meeting Exp. Outside Plant	76.161	244014	315821
35	Exp. On National Festivals	76.162	2475	0
36	Expenditure on Examination	76.164	1091697	1667926
37	Orderly Expenses	76.166	3349486	2660285
38	Secret Fund	76.167	0	8302
39	Sumptuary Expenses	76.168	344752	498560
40	Decretal Expenses	76.169	875273	0
41	Computer Hiring Charges	76.170	3385598	2695107
42	Exa.Pay.Reward Bring. Down T& Losses	76.174	0	120279
43	Head Office Supervision Charges	76.180	0	3904570
44	Misc. Expenses	76.190	3387283	4284813
	<b>Total (76.1)</b>		<b>288668224</b>	<b>352458654</b>
	<b>MATERIAL RELATED EXPENSES</b>	76.2		
45	Purchase related expenses	76.2xx	38672021	281169084
46	Vehicle Running Exp.	76.240	1036047	1206622
	<b>Total (76.2)</b>		<b>39708068</b>	<b>282375706</b>
	<b>Total (76 = 1+2)</b>		<b>328376292</b>	<b>634834360</b>
	<b>OTHER DEBITS</b>			
47	Sundry debit / credit balances written-off	77.730 & 79.120	228	(2867)
48	Bad & Doubtful Debts-Others	79.480	0	17734431
49	Sundry Debit/Credit Balacnes Written off	79.571	0	1600
	<b>Total (other debits)</b>		<b>228</b>	<b>17733164</b>
	<b>Grand Total</b>		<b>328376520</b>	<b>652567525</b>

**INCIDENTAL EXPENSES DURING CONSTRUCTION  
TRANSFERRED TO CAPITAL WIP  
SCHEDULE NO. 23**

(Amount in Rs.)

S. No.	Particulars	Account Code	For the year ended 31 <sup>st</sup> March, 2010	For the year ended 31 <sup>st</sup> March, 2009
1	Cost of Generation Capitalised (Trial Run)	71.900	1580673321	167705445
2	Repairs, Maintenance Expenses Capitalised	74.900	8857625	2133379
3	Employees Cost Capitalised	75.900	107403062	78070086
4	Administ.and other Gen.Exp. Capitalised	76.900	120227837	390930765
5	Depreciation Capitalised	77.900	929220	3621549
<b>TOTAL</b>			<b>1818091064</b>	<b>642461223</b>

**DEPRECIATION  
SCHEDULE NO. 24**

(Amount in Rs.)

S. No.	Particulars	Account Code	For the year ended 31 <sup>st</sup> March, 2010	For the year ended 31 <sup>st</sup> March, 2009
1	Amortisation of lease hold lands	77.110	58433	104541
2	Depreciation on Building	77.120	170215888	119191278
3	Depreciation on Hydraulic Works	77.130	96087313	67828742
4	Depreciation on Other Civil Works	77.140	64856001	23801445
5	Depreciation on Plant & Machinery	77.150	4585811417	2322474034
6	Depreciation on lines and Cables Net Works	77.160	27607176	9474084
7	Depreciation on Vehicles	77.170	2676182	1050615
8	Depreciation on Fixtures & Furnitures	77.180	1084559	883278
9	Depreciation on Office Equipments	77.190	2858949	794796
10	Dep. on Capital spares at generating stations	77.230	10855308	6575979
<b>TOTAL</b>			<b>4962111225</b>	<b>2552178792</b>



**INTEREST, FINANCE CHARGES & LEASE RENTAL  
SCHEDULE NO. 25**

(Amount in Rs.)

S. No.	Particulars	Account Code	For the year ended 31 <sup>st</sup> March, 2010	For the year ended 31 <sup>st</sup> March, 2009
1	Interest on State Government Loans	78.100	189846000	189846000
2	Interest on Bonds & Debentures	78.200-78.210	35394657	78846308
3	Interest on Loans from Financial Institution	78.501-78.522	6839199767	4803326146
4	Interest on Loans from Commercial Banks	78.520-78.530	74020028	194937312
5	Interest on Working Capital Loan	78.7XX	2181464484	2514734273
<b>Sub-Total (1-5)</b>			<b>9319924936</b>	<b>7781690039</b>
6	Finance Charges	78.8XX	53052334	47723715
7	Lease Rental	78.891	15988293	54731
8	Deferred Revenue Exp.written-off	79.610	109226093	116790714
<b>Grand Total (1-7)</b>			<b>9498191656</b>	<b>7946259199</b>
9	Interest and Finance Charges Capitalised	78.900	-4186909807	-2708801164
<b>Net Total</b>			<b>5311281849</b>	<b>5237458035</b>

**EXTRAORDINARY ITEMS  
SCHEDULE NO. 26**

(Amount in Rs.)

S. No.	Particulars	Account Code	For the year ended 31 <sup>st</sup> March, 2010	For the year ended 31 <sup>st</sup> March, 2009
1	Provision for W/O of Fixed Assets	79.450	0	620410292
2	Accrued Interest on Subvention Receivable from State Govt. Write off	79.571	909628036	0
3	Written off of old Inter Unit Balances	79.571	630601382	157650345
<b>Total</b>			<b>1540229418</b>	<b>778060637</b>

**TAXATION  
SCHEDULE NO. 27**

(Amount in Rs.)

S. No.	Particulars	Account Code	For the year ended 31 <sup>st</sup> March, 2010	For the year ended 31 <sup>st</sup> March, 2009
1	Finge Benefit Tax	81.200	0	4620310
<b>Total</b>			<b>0</b>	<b>4620310</b>

**PRIOR PERIOD CHARGES AND CREDITS  
SCHEDULE NO. 28**

(Amount in Rs.)

S. No.	Particulars	Account Code	For the year ended 31 <sup>st</sup> March, 2010	For the year ended 31 <sup>st</sup> March, 2009
<b>Prior Period Income/Credits</b>				
1	Fuel Related Gains	65.110	18265391	106106946
2	Interest and Finance Charges	65.400	1228367	327800708
3	Others Credits	65.XXX	18501232	155336459
4	Less:-Prior Period Income Capitalised	65.950	0	63109390
<b>Sub Total(1-4)</b>			<b>37994990</b>	<b>526134722</b>
Less :- Prior Period Expenses / Charges				
5	Interest & Finance Charges	83.2X -7X	-2309484	442765345
6	Fuel Related Cost	83.210	215653	89322435
7	Prior Period Expenses-Coal related	83.230	0	77302740
8	Operating expenses	83.300	9235237	20949122
9	Employees Cost	83.500	40353104	767496
10	Emp. Cost- Pension & Gratuity contribution	83.500	0	300000000
11	Depreciation under provided	83.600	8645686	14105420
12	Administration and Other Expenses	83.820	272302885	1036673
13	Fringe Benefit Tax	83.830	0	15696270
14	Excess Revenue charged from Discoms in Prev. years	83.850	64445904	0
15	Less:-Prior Period Expenses Capitalised	83.900	-425829	55917803
<b>Sub Total (5-15)</b>			<b>392463155</b>	<b>3606027698</b>
<b>Grand Total</b>			<b>-354468165</b>	<b>-3079892976</b>

**Schedule-29****SIGNIFICANT ACCOUNTING POLICIES****1. Basic Accounting Policy**

- a) The financial statements of the Company have been prepared under historical cost convention and in accordance with generally applicable accounting standards issued by the Institute of Chartered Accountants of India, the provisions of Companies Act, 1956, the applicable provisions of Electricity Act, 2003 and generally accepted accounting principles as adopted consistently by the Company.
- b) The Company generally follows Mercantile System of Accounting and recognizes significant items of income and expenditure on accrual basis except those with significant uncertainties and price variation claims which are accounted for on cash basis.

**2. Fixed Assets and Depreciation**

- a) The fixed assets are stated at cost, after reducing accumulated depreciation. All costs including financing costs till the commencement of the commercial production attributable to acquisition/construction of fixed assets are capitalized.
- b) Till 2008-09, Depreciation was charged on straight line method at the rates notified by the Central Electricity Regulatory Commission, New Delhi vide Notification No. L-7/25(5)/2003-CERC dated 26-03-2004. From the current year 2009-10, depreciation is being charged at the rates notified by the Rajasthan Electricity Regulatory Commission, Rajasthan, vide Notification dated 23.01.2009, effective from the financial year 2009-10. The fixed assets are depreciated upto 90% of the original cost. Regulatory Commission (RERC) has been allowing depreciation as per the CERC/RERC norms in tariff fixation. Therefore we have been charging depreciation as per CERC/RERC rates in the accounts since 2004-05.

**The rates as applied for depreciation are different from the rates prescribed under Schedule XIV to the Companies Act, 1956, which are disclosed as below:-**

S.No.	Particular	Rate of Depreciation (%)
1	Buildings	3.34.
2	Hydraulic Works	5.28.
3	Other Civil Works	3.34.
4	Plant & Machinery	5.28.
5	Lines & Cable Networks	5.28.
6	Vehicles	9.50.
7	Furniture & Fixtures	6.33.
8	Office Equipment	6.33, 15.
9	Capital Spares at Generating Stations	5.28.

- c) In view of terms of agreement entered into by erstwhile RSEB with lessors, the Company has not charged depreciation during the year on assets sold and leased back in the year 1994-95, 1995-96, 1996-97 and 1997-98, pertaining to generating stations.
- d) Depreciation on additions to/deductions from fixed assets during the year is charged on pro-rata basis from/up to the month in which the asset is available for use/disposal.
- e) Pending receipt of the completion reports in respect of capital works, the works completed are transferred to fixed assets on the basis of the statements approved by the head of the project.
- f) Where the cost of depreciable assets has undergone a change during the year due to increase/decrease in long term liabilities on account of exchange fluctuation, price adjustment, change in duties or similar factors, the unamortised balance of such asset is depreciated retrospectively from the commencement of the unit based on the applicable rates of depreciation.
- g) Leasehold Land is amortised over the period of the lease.

### **3. Investments**

- a) Long term investments are carried at cost less provision, if any, for permanent diminution in value of such investments.
- b) Current investments are carried at lower of cost and fair value.

### **4. Stores and Spares**

- a) Stores and spares have been valued at cost. Weighted average method has been used to work out the pricing of issues and valuation of inventories. Various equipment & materials which are mostly heavy and earmarked for specific works are issued / valued at cost.

Here the Company deviates from the Accounting Standard-2 "Valuation of Inventories" issued by ICAI which requires Inventories to be valued at the lower of cost and net realisable value.

- b) The material lying at site for capital works are being shown as capital works in progress.
- c) The stock of low value items of consumables are not maintained and are fully charged to revenue.

### **5. Revenue Recognition**

- a) Revenue from sale of power has been accounted for on accrual basis and has been billed on Discoms as per the power station wise tariff determined by Rajasthan Electricity Regulatory Commission vide tariff order dated 31.08.2009, 21.01.10 and 28.05.10 respectively. The energy sold to each Discom has been arrived at by apportioning the total units sold by all the power stations amongst JVVNL, AVVNL and Jd.VVNL in the approved ratio determined from time to time.
- b) Advance against depreciation, forming part of tariff to facilitate repayment of term loans, is reduced from sales and considered as deferred revenue to be included in sales in subsequent years.

**6. Foreign Exchange Transactions**

Monetary assets and liabilities related to foreign currency transactions remaining unsettled at the year end are translated at the year end rate and the difference in translation and realised gains and losses on foreign exchange transactions (other than for fixed assets) are recognised in the Profit and Loss Account.

**7. Preliminary and Deferred Expenses**

- a) Consultancy charges, if any, paid through World Bank Loan are treated as deferred revenue expenditure and one fifth of the same is written off every year.
- b) The premium, if any, paid to Financial Institutions / Banks on debt restructuring are deferred and charged to Profit and Loss Account over the balance period of the loan.

**8. Retirement Benefits**

The retirement benefits in respect of pension & gratuity liabilities of personnel have been funded through trust on the basis of contribution by the RVUN and other successor entities of erstwhile RSEB. However, the liability for leave encashment is accounted for on actual basis.

Here the Company deviates from the Accounting Standard-15 "Employee Benefits" issued by ICAI, which requires the contribution to be made on the basis of actuarial valuation and the company is not complying with this requirement.

**9. Government Grants & Subsidies**

Revenue subsidies and grants, if any, received during the year from the State Govt. are treated as income and is shown separately in the Profit & Loss Account.

**10. Provision, Contingent Liabilities and Contingent Assets**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as result of past event and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

**11. Miscellaneous**

- a) Expenses on training and recruitment, research and development are charged to revenue.
- b) Expenses incurred on raising finance are being charged to revenue in the year in which these are incurred.
- c) Interest on loans and advances to staff is recovered after completion of recovery of principal amount.
- d) Claims for grade difference, shortage of coal etc. lodged on coal companies are accounted for as and when the credit notes are received by adjusting/recognizing the same in the Profit and Loss account of the current year, irrespective of the period to which it pertain. No provision is made for above claims due to uncertainty of receipt of the same.
- e) The generation linked incentive and productivity award admissible to the officers/employees of the Power Stations are accounted for on cash basis.

- f) The rebate (by way of reduction in the interest rate) in interest under AG&SP scheme of Govt. of India on loan given by PFC are directly deducted from interest cost and not separately shown as income and accordingly net interest is charged to Profit & Loss Account.
- g) Interest on the Deferred Subvention Receivable from the State Government @ 5% is not accounted for on accrual basis from the year 2004-05.

**As per our separate report of even date**

**For and on behalf of the Board of Directors**

**For D.P. KHANDELWAL & CO.**

Chartered Accountants  
FRN 000155C

**(M.C. GAUR)**

Director (Finance)

**(P.N. SINGHAL)**

Chairman &  
Managing Director

**(DESHNIDHI GUPTA)**

Partner  
M.No. 078560

**(SGVS SUBRAHMANYAM)**

Company Secretary

**(M.K. KHANDELWAL)**

Chief Accounts Officer

Place : Jaipur

Date : 25/05/2011

**Schedule-30****NOTES ON ACCOUNTS**

1. a) In respect of Inter Company transactions with other successor Companies of erstwhile RSEB, no interest/surcharge has been charged/paid by the Company during the year.
- b) The Inter Company & Inter Unit Transactions upto 31-03-2009 (except Jd.VVNL reconciled upto 31.03.2006) and 31-03-2010, respectively, have been reconciled and transactions of the current year in respect of Inter Company are in the process of reconciliation.
2. Penal interest/commitment charges, if any, have not been shown separately and are included in interest & finance charges.
3. In absence of determination of rent of buildings of the Company occupied by other successor Companies and vice-versa neither income nor expenditure has been accounted for during the period. Further the credit of HRA has also not been transferred / received in respect of residential accommodation owned by RVPN & occupied by employees of RVUN and vice-versa, respectively. As regards Common facilities at Head Office building like Electricity, Telephone, Security charge etc are concerned, these are shared by all the five successor entities of erstwhile RSEB and the share of RVUN is 28% of the expenditure.
4. Provision for liability for expenses/creation of prepaid expenses is not generally made for small / petty amounts.
5. No credit has been taken in the accounts for interest payable on defaulted installments of sale consideration by lease finance Companies, since as per specific provision in the agreements. Consequential action has been taken by the Company by way of with-holding payments of lease rentals on occurrence of defaults.
6. The ownership of leased assets of the following firms have not been transferred in the favour of the company after expiry of lease agreements due to pending litigation in court or in absence of power of attorney. The security deposit equivalent to residual value of the lease assets have already been deposited with lessors except M/s ICICI Ltd. for which payment will be made. The details are as under:-

**(Amt in Lacs)**

<b>S.No.</b>	<b>Name of Lessor</b>	<b>Lease Value</b>	<b>Residual Value</b>
1	ICICI Ltd	8,400.00	84.00
2	Indo Nissan Oxo Chemical Ltd	623.34	155.84
3	SCICI	10000	4000
	<b>TOTAL</b>	<b>19023.34</b>	<b>4239.84</b>

7. As per the final FRP approved by GOR in Nov,2005, it has been provided that subvention receivable from State Govt. Rs. 491.87 crores will be discharged by State Govt. through adjustments against dividends and interest on Govt. loans payable to State Govt. From the year 2006-07, accounting treatment for interest payable to the State Govt. on State Govt. loan has been made by way of adjustment against deferred subvention receivable from the State Govt. as per the directions issued by the State Govt. Till

- 2005-06 it was treated as income on account of interest subsidy as per sanction Issued by the State Govt. However, as per the directions issued by the State Government, the interest subsidy treated as income in previous years till 2005-06, has been adjusted against deferred subvention receivable in the books. During the year the interest subsidy adjusted is Rs.18.98 crores. Thus the closing balance as on 31.3.2010 of the subvention receivable from the State Govt. as mentioned above after adjustment is Rs. 291.61 crores.
8. Decision regarding realization of Rs.90.96 crores which the company has shown as Interest accrued on subvention receivable from Government (@5% p.a on Rs.491.87 crores) for the period 2000-01 to 2003-04 has been received. The State Govt. has accorded approval for write off of the above amount from out of profit available in the books. Accordingly an amount of Rs. 90.96 crores has been written off in the books of account in the current year 2009-10.
  9. The Internal Audit of the Accounting Units is being conducted by the Company's own internal audit wing.
  10. During the year, Net Interest & Finance charges pertaining to projects under construction amounting to Rs 419 crores (Rs. 270.88 crores) have been capitalised. Further an amount of Rs.5.28 crores towards interest and finance charges has been charged to GLPL on pro-rata basis on the funds utilized for GLPL.
  11. The Debtors and Creditors balances are subject to reconciliation and confirmation.
  12. The provision for ex-gratia has been created on ad-hoc basis.
  13. Land and rights (free hold/lease hold) have been acquired pursuant to Power Sector Reform Scheme as such the title deeds pertaining to these assets in the name of erstwhile RSEB have been continued.
  14. The title of land on which road leading to STPS is built Valuing Rs. 88.05 lacs, does not vest with RVUN.
  15. The company has taken certain assets on lease, the original cost of which is Rs. 527.25 crores. Lease rental on such assets are paid as per terms of lease agreements with lessors i.e Banks.
  16. No provision for deferred tax assets / liability pursuant to AS-22 "Accounting for Taxes on Income" has been made by the company as there is no virtual certainty supported by convincing evidence that there shall be any future tax liability against which the provisions can be adjusted. Therefore it has been considered that no provision be made pursuant to AS-22.
  17. The land on which the Rest House and Residential Colony are developed at GLTPP in Barmer city stands owned by RRVPNL and Jd.VVNL respectively.
  18. The land on which the Rest House and Residential Colony are developed at DCCPP in city stands owned by RRVPNL.
  19. An excess amount of Rs. 35.72 lacs has been paid by STPS (Const.) unit to Govt. for acquisition of Land. This amount was to be recovered from the payment to be made by Transmission Company to Govt.
  20. Coal Stock in transit included coal stock worth Rs. 34.05 crores lying with third parties.
  21. Staff related liabilities and Loans and advances to staff are under Reconciliation/ Adjustment.



22. In absence of tangible details of Inter unit balances of Rs. 78.83 crores transferred by the State Govt. under the transfer scheme, the Board of Directors of the company in its 137th meeting held on dated 13.05.2008 has approved to write off these balances in five equal annual tranches beginning from 2008-09. Accordingly the second instalment of Rs. 15.76 crores was due for write off in the current year, but due to continuous observation of the Auditors regarding 100% write off, the matter was examined in the light of AS-1, 9 & 29 and as concluded the remaining balance of Rs. 63.07 crores has been written off completely in compliance to the applicable Accounting Standards in the current year.
23. During the year the paid up share capital of the company increased by Rs. 650 crores.
24. Capital commitments and contingent liabilities:

### **Capital commitments**

The estimated amount of contracts remaining to be executed on capital account, and not provided for (net of advances) is Rs. 3720.77 crores (Rs. 6381.66 crores) as at 31.3.2010.

### **Contingent liabilities**

During the year the company reviewed the disclosure of contingent liabilities keeping in view the provisions of AS-29 "Provisions, Contingent Liabilities and Contingent Assets" issued by the Institute of Chartered Accountants of India as under:

- a) The company has outstanding bank guarantees given by the State Bank of Bikaner & Jaipur, Bank of India and Dena Bank in favour of following firms :-

<b>S. No.</b>	<b>Name of Bank</b>	<b>In favour of</b>	<b>Amount (Rs. in crore)</b>	<b>Purpose</b>
1.	State Bank of Bikaner & Jaipur	Ministry of Coal	46.80	As security for allocation of Coal Blocks
2.	State Bank of Bikaner & Jaipur	Eastern Central Railway	1.50	Making payment of Railway freight through E-payment of NCL for STPS
3.	State Bank of Bikaner & Jaipur	South East Central Railway	6.00	Making payment of Railway freight through E-payment of SECL for STPS
4.	State Bank of Bikaner & Jaipur	South East Central Railway	1.65	Making payment of Railway freight through E-payment of ECR for STPS

5.	State Bank of Bikaner & Jaipur	South East Central Railway	4.00	E-Banking system Pre-pay of Rail Freight to CTPP (SECR)
6.	State Bank of Bikaner & Jaipur	South East Coal fields Ltd.	4.16 1.19	For Coal supply to KTPS unit-VII
7.	State Bank of Bikaner & Jaipur	South East Coal fields Ltd.	13.73	Coal supply to Chhabra Commitment to SECL
8.	State Bank of Bikaner & Jaipur	South East Coal fields Ltd.	6.86	Making payment of Coal supply to SECL for STPS unit-VI
9.	State Bank of Bikaner & Jaipur	South East Coal fields Ltd.	5.29	Coal supply to Chhabra unit-I (for Security Deposit)
10.	State Bank of Bikaner & Jaipur	South East Coal fields Ltd.	5.03	Coal supply to Suratgarh unit-VI (for Security Deposit)
11.	State Bank of Bikaner & Jaipur	South East Coal fields Ltd.	3.97	Coal supply to Kota unit-VII (for Security Deposit)
12.	State Bank of Bikaner & Jaipur	South East Central Railway	4.00	E-payment for SECR Kota
13.	State Bank of Bikaner & Jaipur	Member, Secretary RSPCB	0.38	Rajasthan State Pollution Control Board for STPS unit-VI
14.	Dena Bank	GAIL India Ltd.	6.38	Supply of Gas to existing and extension Power Project at RGTP

- b) The company has outstanding letter of credit (LC) of Rs. 3.30 crores issued by State Bank of Bikaner & Jaipur in favour of M/s GAIL as security for transmission of Gas to DCCPP and letter of credit (LC) of Rs. 33.55 crores issued by Bank of India in favour of M/s GAIL for supply of Gas by GAIL for DCCPP.
- c) Government Guarantee of Rs. 8.16 crores for KTPS project have been issued to West Central Railway on account of credit note facility for payment of coal freight to railways.
- d) Claims against the company not acknowledged as debts as at 31.03.2010
- i) At KTPS, a disputed liability of Rs. 12.03 crores on account of water cess claimed by Rajasthan Pollution Control Board for which appeal has been filed with the Chairman RPCB.

- ii) ESI Deptt. has seized an amount of Rs.1.34 crores from bank account of KSTPS against ESI contribution of contractor's labour working as on 07.07.2005 along with interest thereon. Amount of Rs. 0.19 crores has been recovered from concerned contractors by KSTPS in the financial year 2008-09 and for excess deduction by ESI, appeal has been filed in office of Director, ESI, Delhi. The company has also filed an appeal in the Hon'ble High Court, Jaipur against such recoveries. The decision of the appeal is pending. In this regard the aggrieved contractors has also filed appeal before Hon'ble High Court, the decision of which is pending.
- iii) At STPS payment for water charges to the irrigation department is made upto 88% of the bills raised based on the measurement made by STPS authorities. Accounting treatment for the balance 12% amounting to Rs.10.65 crores (approx) shall be made as and when dispute of measurement gets resolved.
- iv) Liability on account of the matters under litigation has not been provided for, as claims in respect thereof have not been entertained and are being contested. The total amount of liability which can reasonably be ascertained is Rs. 7.12 Crores. Other matter mostly pertains to the employees where the amount of probable liability/obligation is not ascertainable.
- v) There is a demand of Rs.11.39 crores towards interest on delayed payment against gas supply to Ramgarh Gas Thermal Power Plant (RGTPP) by GAIL (India) Ltd. The same is not acceptable to the company.
- vi) Taxation matters for which liability is disputed and provision is not made (computed on the basis of assessments/demand made by the department):

**Rs. In Crores**

- |    |   |       |
|----|---|-------|
| a) | Matters on which there are decisions of the appellate authorities in the company's favour, not accepted by the tax authorities and other matters in respect of which the company is in appeal | 11.19 |
|----|---|-------|
- e) As per the Actuarial Valuation report there was a shortfall of Rs. 3143.32 crores in respect of liabilities for pension and gratuity as on 31.03.2007. The liability was further estimated to have increased to Rs.5000 crore (approx) as on 31.03.2009, subject to revision on receipt of final Actuarial Valuation report, which is likely to take some more time. Based on the above estimation the share of RVUNL in the shortfall was Rs. 400 crores, which the company had provided in the books of accounts for the year 2008-09. However out of the above shortfall the RERC vide its Order dated 31.08.2009 has allowed the Nigam to recover Rs.40crores per annum (total amount of Rs.200 crores) out of the such past years cost for the MYT period i.e 2009-10 to 2013-14. Accordingly the first instalment of Rs.40 crores has been received by the company through tariff in the current year 2009-10.
  - f) The Income-tax assessment of the company completed upto Assessment year 2008-09. Further appeal with the department is pending against the assessment order for the Assessment year 2000-01, 2001-02, 2002-03, 2003-04, 2004-05, 2005-06, 2006-07, 2007-08 and 2008-09.

The out flow on account of the claims against the company not acknowledged as debts and tax disputes is contingent upon the decision of the courts/other authorities and may differ from the amounts disclosed

- as contingent liability on the basis of estimates.
25. At RGTP, the Gas Authority of India Limited has claimed an amount of Rs. 7.73 crores towards Minimum Gas Off Take claim which is disputed and RVUNL do not admit the claim even though liability has been provided in the books, the payment shall only be released after appropriate decision in the matter.
  26. RVUNL is engaged in the generation of electricity and selling thereof to the Distribution Companies. Generation of electricity is one and single product. Hence AS 17- "Segmental Reporting" is not applicable on RVUNL.
  27. During the year 2006-07 the Mining Department recovered an amount of Rs.7.6 lacs by seizing our Bank Account at DCCPP, Dholpur, against penalty of Royalty not deposited. This royalty amount was Rs.0.76 lacs against which ten times penalty was recovered. The liability to pay the royalty lied with the contractor M/s. D.K.Sharma. The matter is still under correspondence with the department for getting the refund of the ceased amount.
  28. In view of multiplicity and difficulty in identification of accounts relating to small scale industrial undertaking, information for determining the particulars relating to current indebtedness to such undertaking as required under Part - I of Schedule VI to the Companies Act - 1956 is not readily available.
  29. In view of multiplicity and difficulty in identification of accounts relating to small scale industrial undertaking, information for determining the particulars relating to current indebtedness to such undertaking as required under Micro, Small and Medium Enterprises Development Act, 2006, is not readily available.
  30. The GLTPP Unit-II, commissioned on dated 28.12.2008, since then it is running on Trial -run. The units generated during this period has been charged to Discoms as Infirm Power. Further the expenditure incurred during this period has been charged to Profit & Loss account in view of the applicable accounting standards.
  31. During the year Commercial Operations (COD) of KTPS (Kota) Unit-VII on dated 31-12-2009 and STPS(Suratgarh) Unit-VI on dated 30-12-2009 were declared.
  32. Title deed in respect of Giral Unit-I project amounting to Rs. 0.43 crores is yet to be transferred/executed in favour of GLPL (subsidiary of RVUN).
  33. The Board of Directors of the company in its 154th meeting held on 05-03-2009 decided to refund to BHEL Rs.59.82 crores, the equivalent amount of WCT deducted from their bills subject on the condition that the BHEL shall promptly refund entire amount including interest, if any, to the RVUN within seven days from the date of receipt of the same by BHEL from the commercial taxes department. Till such time the same has been shown as Advance receivable from BHEL.
  34. In the year 2006-07 a theft of stores occurred in SSTPS site at Suratgarh. FIR lodged with the local police for theft of stores valued for Rs. 23.02 lacs. Out of the theft, material of Rs.20.00 lacs (approx) has been recovered and lying in the police custody. Efforts have been made by the authorities of SSTPS to get back the recovered items from the police. Final Report in the matter is under investigation. Accounting treatment shall only be possible and be carried out after finalisation of investigation. However till such time the material has been reduced from the normal stock and transferred to the code head 22.830 "Stock shortage pending Investigation".

35. The internal audit of financial accounts and physical verification of stock & spares of the power stations of RVUNL was carried out by the external auditors M/s. Shyam L. Agarwal & Co., Chartered Accountants. The physical verification report reflected short items Rs. 3169292.46, excess items Rs.121210.91, non moving items Rs.13.12 crores, damages Rs.321077.61 and other discrepancy Rs. 3.37 crores. The accounting adjustment towards discrepancies as observed in the report for the year 2009-10 shall be made upon verification/reconciliation of the same.
36. The Discoms namely JVVNL, JDVVNL, AVVNL are not admitting the Mvarh charges claimed by RVUNL in its monthly energy bills. The total of such claim is Rs.52.52 crores (Rs.8.21 crores for 2006-07, Rs.13.91 crores for 2007-08, Rs. 13.75 crores for 2008-09 and Rs.16.65 crores for 2009-10). Due to non verification/confirmation, accounting of such claim to the above extent has not been recognized in the books of relevant year of RVUNL.
37. The Board of Directors of RVUNL in its 149th and 150th meeting held on 8th October,2008 and 7th November,2008, respectively accorded approval to transfer the business of its 1x125 MW Unit-1 (Stage-I) of Giral Lignite Thermal Power Project situated at Giral in District Barmer, Rajasthan to Giral Lignite Power Limited (GLPL), a wholly owned subsidiary of the Company on a 'going concern basis' alongwith all its assets & liabilities on book value, at such consideration, being not lower than the net book value, to be issued in the form of equity shares in the said subsidiary company (GLPL) to RVUN, with effect from 1st January,2009 (to be considered as effective date of transfer). Accordingly all the assets & liabilities of GLTPP has been transferred to GLPL w.e.f 1st January,2009. The consideration for the above transfer is being received in the form of equity shares in GLPL for the amount of "Net Book Value of Assets transferred" and other transactions shall be treated as Debtors/Creditors as the case may be. An agreement for the purpose has also been approved by the Board of Directors of RVUN.
38. Lenders for GLPL i.e PFC and banks are agreed in principle for transfer of their loan to GLPL. However tripartite agreement is still to be executed. It has also been agreed between RVUN and GLPL that RVUN shall meet out the financial/contractual commitments (including debt servicing) regarding loans availed from the financial institutions. Expenditure, if any, incurred by RVUN in this regard shall be reimbursed by GLPL.
39. The Company had entered (3 August 2007) a Joint Venture (J.V.) Agreement with M/s Adani Enterprises Ltd.(AEL) under which a separate Company (PKCL) was formed in which ratio of equity capital of RVUN Ltd. and AEL was fixed at 26:74 respectively. Accordingly, 13,00,000 equity shares of PKCL were issued (March 2008) to the Company, free of cost, representing 26 percent voting rights in PKCL. The company has recorded these shares in the form of investment at notional value of Re.1/- in the books of accounts in the current year. Further under JV Agreement, Company handed over its Coal mines located in the State of Chhattisgarh (Parsa East & Kanta Basin Coal Blocks) to PKCL in the year 2008-09, free of cost, for prospecting, exploration and coal mining over it for a period of 30 years from commencement of supply of coal from the Coal Blocks. Actual commencement of work and supply to RVUNL is yet to be started.
40. As required by the Accounting Standard (AS-28) "Impairment of Assets" issued by the Institute of Chartered Accountants of India, the company has carried out the assessment of impairment of assets. Their has been no impairment loss during the year.
41. The Fixed Assets of the company includes net assets amounting Rs.62.04 crores as on 01-04-2008,

accounted for in the books of HQ. These assets were transferred by the State Govt. under the transfer scheme. Details of these assets like situation and location are not available due to which provision for the above amount has been made in the books of accounts in the year 2008-09. Final adjustment of these assets is under process.

42. The RVUNL (Thermal Design wing) has shared the construction cost of the new 'RERC Building' situated at Lal Kothi campus, Sahkar Marg, Jaipur, constructed by RVPNL. The cost portion on the part of RVUNL works out Rs.327.70 crores. Further RVUNL has agreed to pay monthly lease rent of Rs.1.05 lacs over a period of 20 years (term period of lease). The capital cost appearing in the books of RVUNL shall also be amortised equally over the period of lease.

- 43 Details of remuneration to Auditors:

	<b>Current Year</b> (Amount in Rs.)	<b>Previous Year</b> (Amount in Rs.)
a) For Audit fees to Statutory Auditors Other than Statutory Auditors	3,75,000*	2,25,000*
b) For Audit fees to Tax & Vat Auditors	46,000*	46,000*
c) For other services	61,000*	61,000*
d) For reimbursement of out of pocket expenses.	1,20,000	60,000
<b>Total:</b>	<b>6,02,000</b>	<b>4,14,000</b>

(\* Excluding service tax)

44. Licensed & installed capacities

	<b>Current Year</b>	<b>Previous Year</b>
a) Licensed capacity (MW)	Not applicable	Not applicable
b) Installed capacity (MW)	3344.35	2899.35

45. Quantitative information in respect of Generation and Sale of Electricity:

(in Million Units)

PARTICULARS	Units Generated	Aux. Consumption	Net Units Sold
<b>Commercial Period</b>			
Coal	17776.731629 (18414.81308)	1670.771306 (1717.047166)	16105.960323 (16697.765914)
Gas	2778.801900 (2647.325665)	85.842402 (99.074595)	2692.959498 (2548.251070)
Hydel	90.864704 (122.487476)	1.155210 (1.095356)	89.709494 (121.392120)

<b>Sub-Total (A)</b>	<b>20646.398233</b> <b>(21184.626221)</b>	<b>1757.768918</b> <b>(1817.217117)</b>	<b>18888.629315</b> <b>(19367.409104)</b>
Pre-commercial Period	1468.239800 (406.804000)	202.159200 (159.716614)	1268.080600 (247.087386)
<b>GRAND TOTAL</b>	<b>22114.638033</b> <b>(21591.430221)</b>	<b>1957.928118</b> <b>(1976.933731)</b>	<b>20156.709915</b> <b>(19614.496490)</b>

46. (a) No earning in foreign exchange was accrued during the year.  
(b) The foreign exchange outgo during the year was Rs.273.60 crores.

(c) Value of components, Stores and spare parts Consumed (including Fuel, lubricants, etc.)	% of total consumption	Current year (Rs. in crores)	Previous year (Rs. in crores)
Indigenous	87	3886.17	3679.53
Imported	13	587.20	501.89
<b>Total</b>	<b>100</b>	<b>4473.37</b>	<b>4181.42</b>

47. Disclosure as required by Accounting Standard 18 (AS-18) "Related Party Disclosures" issued by The ICAI are as follows;

**Names of the related party and description of relationship :**

(a) <b>Related parties where control exists:</b>	<b>Relationship</b>
1. Dholpur Gas Power Ltd. 2. Giral Lignite Power Ltd. 3. Chhabra Power Ltd.	Subsidiary Companies
4. Parsa Kente Collieries Ltd.	Joint Venture
5. Sh. P.N.Singhal, CMD 6. Sh. Shailendra Agrawal, IAS Director 7. Sh. Naresh P Gangwar, IAS Director 8. Sh. R.G.Gupta, Director 9. Sh. R.M.Singhvi, MD(GLPL) 10. Sh. M.L.Kothari, MD(DGPL) 11. Sh. M.L.Gupta, Director 12. Sh. M.C.Gaur, Director(F)	Key Managerial Personnel

**b) Details of Transactions with subsidiary companies:**

	Rs.(in crores)
i) Equity Contribution ( in the nature of Investments) (50000 equity shares of Rs.10/- each in each of the Subsidiaries)	0.15
ii) Other Receivable in subsidiaries	417.84

S. No.	Nature of Transaction during the year	2009-10	2008-09
1	Debt Servicing and other financial transaction	107.11	310.73*

\*Includes figures related to sale of business to the subsidiary (GLPL)

- c) Employees remuneration and benefits include remuneration to the Chairman & Managing Director and Directors are as follows:-

	Current Year (Amount in Rs.)	Previous year (Amount in Rs.)
Salary & Allowances	35,10,623	22,42,214
Contribution to provident Fund and other funds	1,30,505	1,08,518
Other benefits	-	-
<b>Total</b>	<b>36,41,128</b>	<b>23,50,732</b>

48. Information relating to part IV of schedule VI is enclosed as schedule-31.
49. Schedules 1-31 forms an integral part of accounts and have duly been authenticated.
50. The figures in the bracket represent previous year figures.
51. The figures have been rounded off to nearest rupee wherever considered necessary.
52. Previous year's figures has been restated, regrouped and rearranged, wherever considered necessary, to confirm to this year's classification.

**As per our separate report of even date**

**For and on behalf of the Board of Directors**

**For D.P. KHANDELWAL & CO.**

Chartered Accountants  
FRN 000155C

**(M.C. GAUR)**

Director (Finance)

**(P.N. SINGHAL)**

Chairman &  
Managing Director

**(DESHNIDHI GUPTA)**

Partner  
M.No. 078560

**(SGVS SUBRAHMANYAM)**

Company Secretary

**(M.K. KHANDELWAL)**

Chief Accounts Officer

Place : Jaipur  
Date : 25/05/2011



**Schedule-31**

**INFORMATION PURSUANT TO PART IV OF SCHEDULE-VI  
OF THE COMPANIES ACT, 1956**

**BALANCE SHEET ABSTRACT AND COMPANIES GENERAL BUSINESS PROFILE :****I. Registration Details**

Registration No. 016484	State Code : 17
Balance Sheet date :	31.3.2010

**II. Capital raised during the year (Rs. in thousands)**

Public Issue	Rights Issue
Nil	Nil
Bonus Issue	Private Placement*
Nil	65,00,000

\*Issued to Govt. of Rajasthan

**III. Position of mobilisation and deployment of funds (Rs. in thousands)**

<b>Total Liabilities</b>	<b>Total Assets</b>
14331,20,02	14331,20,02

**Sources of funds**

Paid up capital	Reserved Surplus
4472,59,00	19,85,46
Secured Loans	Unsecured loans
6101,32,51	3046,40,30

Deferred Revenue-Advance against Depreciation  
691,02,75**Application of Funds**

Net Fixed Assets	Capital works
6314,69,69	In progress
	5061,89,11
Investments	Capital Stores & Advances
15,00	1285,57,18
Misc. Expenditure	Net Current Assets
29,52,18	1131,64,95

Profit & Loss (Deficit)  
507,71,91**IV. Performance of Company (Rs. in thousand)**

Turn over*	Total Expenditure
5649,89,33	5662,07,11

\* Including Govt. subsidy other Income

Profit/Loss before tax (12,17,78)	Profit/loss after tax (12,17,78)
Earning per share -0.028	Dividend Rate % Nil

**V. Generic Names of principal product/services of Company  
(As per monetary terms)**

Product description	Item code No.
Generation of Electricity	Not applicable

**As per our separate report of even date**

**For and on behalf of the Board of Directors**

**For D.P. KHANDELWAL & CO.**

Chartered Accountants  
FRN 000155C

**(M.C. GAUR)**

Director (Finance)

**(P.N. SINGHAL)**

Chairman &  
Managing Director

**(DESHNIDHI GUPTA)**

Partner  
M.No. 078560

**(SGVS SUBRAHMANYAM)**

Company Secretary

**(M.K. KHANDELWAL)**

Chief Accounts Officer

Place : Jaipur

Date : 25/05/2011

**Schedule-32****CASH FLOW STATEMENT 2009-10**

S.No.	PARTICULARS	Inflow (Outflow)	
		Current Year	Previous Year
	Net Profit before taxation & Extraordinary items	1418451833	-4157036171
	<b>Adjustment</b>		
1	Add : Depreciation	4970594403	2487426035
2	Less : Rebate received-PFC	(124573027)	(96764039)
3	Add : Deferred revenue exp.	109226093	116790714
4	Add : Intt incl. prior period	5198517905	5563432666
	Adjusted Profit for the year	<b>11572217207</b>	<b>3913849205</b>
<b>(A)</b>	<b>Cash Flow from Operating Activities</b>		
1	Sundry Debtors	(4768407472)	(679828551)
2	Loans and Advances	157412594	(175494657)
3	Inventories, Stores and Spares	(1547333187)	71932685
4	Other Current Assets	(433147701)	(2149545105)
5	Current Liabilities and Provision	4716271170	2857277582
6	Misc. exp. to the extent not written off/adjusted	0	(2745811)
7	Fringe Benefit Tax Paid	(1312623)	(21487882)
8	Extraordinary Items	(1540229418)	(778060637)
	<b>Net Cash Flow from Operating Activities</b>	<b>8155470569</b>	<b>3035896828</b>
<b>(B)</b>	<b>Cash Flow from Investing Activities</b>		
1	Fixed Assets	(20009777245)	(850203764)
2	Capital Works In Progress	(6593873875)	(16192203597)
3	Inventories, Stores and Spares	(1163774084)	16495766
4	Other Current Assets	1071171374	3106457551
5	Current Liabilities and Provision	98800445	(331064142)
6	Investments	(1)	3000
7	Misc. exp. to the extent not written off/adjusted	26325280	(15570872)
8	FBT Capitalised	0	(979251)
	<b>Cash used in Investing Activities</b>	<b>(26571128107)</b>	<b>(14267065310)</b>

**(C) Cash Flow from Financial Activities**

1	Proceeds from Borrowings	29341779769	23812128770
2	Repayment of Borrowings	(13077080706)	(15859356557)
3	Property Insurance Reserve	198545912	0
4	Deferred Revenue-on account of Advance Against Depreciation	(18491428)	3581966000
5	Share Capital	6500000000	7060000000
6	Rebate received-PFC	124573027	96764039
7	Less : Interest paid	(4918772875)	(5273396751)
	<b>Net Cash surplus from Financing Activities</b>	<b>18150553699</b>	<b>13418105501</b>
<b>(D)</b>	<b>Net increase (Decrease) in Cash &amp; Cash Equivalent (A+B+C)</b>	<b>(265103838)</b>	<b>(919520532)</b>
<b>(E)</b>	<b>Opening Cash &amp; Cash Equivalent</b>	<b>913157301</b>	<b>1832677833</b>
<b>(F)</b>	<b>Closing Cash &amp; Cash Equivalent</b>	<b>648053463</b>	<b>913157301</b>

As per our separate report of even date

For and on behalf of the Board of Directors

**For D.P. KHANDELWAL & CO.**  
Chartered Accountants  
FRN 000155C

**(M.C. GAUR)**  
Director (Finance)

**(P.N. SINGHAL)**  
Chairman &  
Managing Director

**(DESHNIDHI GUPTA)**  
Partner  
M.No. 078560

**(SGVS SUBRAHMANYAM)**  
Company Secretary

**(M.K. KHANDELWAL)**  
Chief Accounts Officer

Place : Jaipur

Date : 25/05/2011

**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 619(4) OF THE COMPANIES ACT, 1956 ON THE ACCOUNTS OF RAJASTHAN RAJYA VIDYUT UTPADAN NIGAM LIMITED FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2010.**

The preparation of financial statements of Rajasthan Rajya Vidyut Utpadan Nigam Limited for the year ended 31<sup>st</sup> March 2010 in accordance with the financial reporting framework prescribed under the 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 25-05-2011.

I on the 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 Rajasthan Rajya Vidyut Utpadan Nigam Limited for the year ended 31<sup>st</sup> March, 2010. 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. Based on my supplementary audit. I would like to highlight the following significant matters under section 619(4) of the Companies Act, 1956 which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and the related Audit Report.

**A. Comments on Profitability**

**Income**

**1. Revenue from Sale of Power (Schedule-16) : Rs. 5620.93 crore**

(i) The above has been overstated by Rs. 89.83 crore due to excess billing to Discoms as tabulated below :-

<b>Comment No.</b>	<b>Particulars</b>	<b>Amount (Rs. n crore)</b>
(a)	The Company charged Fuel Price Adjustment (FPA) from Discoms in respect of Kota Super Thermal Power Station by considering transit and handling losses on actual basis instead of allowed normative losses up to 1.5 percent by Rajasthan Electricity Regulatory Commission.	20.02
(b)	The Company recovered fixed cost on the basis of cumulative availability of 79.23 percent of all six units of Suratgarh Super Thermal Power Station instead of individual availability of 5.46 percent of VI unit as allowed in accordance with the tariff orders of RERC.	21.05
(c)	The Company recovered excess Fuel Price Adjustment (FPA) from Discoms in respect of Suratgarh Super Thermal Power Station on the basis of provisional cost of fuel without giving effect to the opening cost of the coal, which was, however, to be recovered on the basis of actual cost of fuel including opening cost of coal.	48.76
	<b>Total</b>	<b>89.83</b>

Consequently, Sundry Debtors are overstated by Rs. 89.83 crore and loss for the year is understated to the same extent.

- (ii) The above is understated by Rs. 3.84 crore due to non-recovery of incentive in respect of units I to V of Suratgarh Super Thermal Power Station on the basis of actual plant load factor of 83.71 percent as against the largest plant load factor of 82 percent. Consequently, Sundry Debtors are understated by Rs. 3.84 crore and loss for the year is overstated to the same extent.

### **Expenditure**

#### **2. Administration & Other Expenses (Schedule-22) : Rs. 23.96 crore**

The above is understated by Rs. 14.47 crore due to non-provision of liability of statutory dues of Municipal Badies. Consequently, Current Liabilities and Provisions and loss for the year are understated by Rs. 14.47 crore.

### **B. Comments on Financial Position**

#### **1. Defferred Revenue-On Account of Advance against Depreciation (Schedule-2A) Rs. 691.03 crore**

The above is overstated by Rs. 8.30 crore due to debiting the Discoms with the amount which had already been allowed by Rajasthan Electricity Regulatory Commission as Advance against Depreciation. Consequently, Sundry Debtors are overstated to this extent.

#### **2. Other Assets (Schedule-13) : Rs. 804.09 crore**

The above is overstate by Rs. 2.39 crore due to inclusion of Inter Unit Account balance for which no tangible details are available. Consequently, Provision for Doubtful Assets and loss for the year understated to this extent.

### **C. General**

1. As per the provisions of AS-20, Earning Per Share, calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. works out to Rs. (-) 0.032 as against Rs. (-) 0.028 incorrectly calculated by the Company.

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

**(H.K. DHARMADARSHI)**

Accountant General  
(C & RA), Rajasthan

Place : Jaipur

Date : 15.09.2011

**MANAGEMENT RESPONSE TO THE COMMENTS OF COMPTROLLER AND AUDITOR  
GENERAL OF INDIA UNDER SECTION 619(4) OF THE COMPANIES ACT, 1956 ON  
THE ACCOUNTS OF RAJASTHAN RAJYA VIDYUT UTPADAN NIGAM LIMITED  
FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2010**

**A. Comments on Profitability**

**Income**

**1. Revenue from Sale of Power (Schedule-16) Rs. 5620.93 crore**

- (i) (a), (b), (c) - Observation noted. Necessary adjustment/correction shall be made in the accounts for the FY 2010-11.
- (ii) Observation noted. Necessary adjustment/correction shall be made in the accounts for the FY 2010-11.

**B. Comments on Financial Position**

**1. Deferred Revenue- On Account of Advance Against Depreciation (Schedule-2A): Rs.691.03 crore**

Observation noted, matter shall be examined and if found necessary, adjustment/correction shall be made in the accounts for the FY 2010-11.

- 2. It is agreed that balance under this head should normally be "Nil" but sometimes there remains the possibility of non accountal due to raising of certain debit/credit notes by the inter unit at the year ends while finalizing the annual accounts. However efforts are under process for adjusting the pending accounting transactions.

**C. General**

It was an inadvertent omission. Care shall be taken to avoid such mistakes in future.

**STATEMENT PURSUANT TO SECTION 212 OF  
THE COMPANIES ACT, 1956 RELATING TO SUBSIDIARY COMPANIES**

<b>S. No.</b>	<b>Name of the Subsidiary</b>	<b>Giral Lignite Power Ltd.</b>	<b>Dholpur Gas Power Ltd.</b>	<b>Chhabra Power Ltd.</b>
1.	Financial Year of the subsidiary ended on	31.03.2010	31.03.2010	31.03.2010
2.	Shares of the subsidiary held by the Company on the above date			
(a)	Number and Face Value (alongwith the Subsidiaries)	50,000 Equity Shares of Rs. 10/- each fully paid	50,000 Equity Shares of Rs. 10/- each fully paid	50,000 Equity Shares of Rs. 10/- each fully paid
(b)	Extent of holding	100%	100%	100%
3.	Net aggregate amount of profits / losses of the subsidiary for the above financial year of the subsidiary so far as they concern members of the company (in Rs.)			
(a)	Dealt with in the accounts of the Company for the year ended 31 <sup>st</sup> March, 2010	See note below	Nil	Nil
(b)	Not dealt with in the accounts of the Company for the year ended 31 <sup>st</sup> March, 2010	-do-	Nil	Nil
4.	Net aggregate amount of profits/ (losses) for previous financial year of the subsidiary since it became a subsidiary so far as they concern members of the company (in Rs.)			
(a)	Dealt with in the accounts of the Company for the year ended 31 <sup>st</sup> March, 2010	-do-	N/A	N/A
(b)	Not dealt with in the accounts of the Company for the year ended 31 <sup>st</sup> March, 2010	-do-	N/A	N/A
5.	Changes in the Companies interest in the subsidiary company between the end of the financial year or of the last of the financial year of the subsidiary and the end of the Companies financial year (alongwith subsidiaries)	-do-	Nil	Nil



6.	Material changes between the end of the financial year or of the last of the financial year of the subsidiary and the end of the companies financial year in respect of			
i)	Fixed Assets purchased (Rs.)	-do-	N/A	N/A
ii)	Investment sold (Rs.)	-do-	N/A	N/A
iii)	Moneys lent recovered (Rs.)	-do-	N/A	N/A
iv)	Borrowings repaid (Rs.)	-do-	N/A	N/A

Note : The details in respect of Giral Lignite Power Limited (GLPL), a wholly owned subsidiary of the Company could not be given in the above statement as the annual accounts of the said subsidiary company for the financial year 2008-09 and 2009-10 are under finalisation.

**For and on behalf of the Board of Directors**

**(M.C. GAUR)**  
Director (Finance)

**(P.N. SINGHAL)**  
Chairman &  
Managing Director

**(SGVS SUBRAHMANYAM)**  
Company Secretary

**(M.K. KHANDELWAL)**  
Chief Accounts Officer