

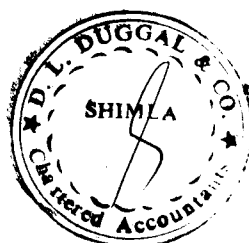
# **D.L.DUGGAL & Co.**

**CHARTERED ACCOUNTANTS**

FLAT No.4. BLOCK No. C-16, VIKAS NAGAR, SHIMLA (H.P.)-171009 PH.: 2626895 (M) 9736142644

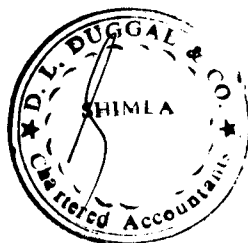
## **AUDITOR'S REPORT TO THE MEMBERS OF HIMACHAL PRADESH POWER CORPORATION LIMITED**

- 1) We have audited the attached Balance Sheet of Himachal Pradesh Power Corporation Limited, Shimla as at 31<sup>st</sup> March, 2011 and the Statement of incidental Expenses during construction (pending allocation) for the year ended on 31<sup>st</sup> March, 2011 annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
- 2) We have conducted the audit in accordance with the Auditing & Assurance 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 any 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 management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- 3) As required by the companies (Auditor's Report) Order 2003, issued by the central Government of India in terms of Sub- Section (4A) of Section 227 of the Companies Act, 1956 and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given thereto, we enclose in annexure-A, a statement on the matters specified in paragraph 4& 5 of the said order.



4) Further to our comments in Annexure-A referred to above in paragraph 3, subject to following points:

- i. A number of assets and liabilities have been transferred by Himachal Pradesh State Electricity Board (HPSEB) to Pabbar Valley Corporation Ltd. (PVPCL) and Kinner Kailash Power Corporation Ltd. (KKPCL) which have now become assets and liabilities of the Company by virtue of amalgamation. Besides, HPSEB had been disbursing funds to the Company, PVPCL and KKPCL from time to time. In the absence of relevant details, we are unable to ascertain effect on assets and liabilities of the Company. The reconciliation with HPSEB is yet in progress.
- ii. No provision has been made in the books of accounts in respect of cases filed against the corporation being pending in different courts and outstanding unascertained capital commitments. {refer Note No. 1(a), (c) and (d)}
- iii. No provision has been made in respect of award made in favour of M/S Bahufort Colonizers Pvt Ltd. for sum of Rs. 10,32,631.00. {Refer Note No. i,(b) }
- iv. The Corporation has incurred an expenditure of Rs. 89,98,674/- up to 31.03.2011 (out of which Rs.478555/- incurred by HPSEB). Allotment of Tidong-II Power Project was set aside by High Court of Himachal Pradesh. However, the order was stayed by the Division Bench. No provision thereof has been made pending final decision of the Court (Refer note no. ix).
- v. Interest earned on bank accounts in the name of LAO have not been accounted for being pending under reconciliation. {Refer Note No. xi}.
- vi. Rs. 537.15 Crores being equity contribution of state Govt has been refunded back to state Govt and the same was received from HPIDB as substitution of the same. However the process of transfer of shares is pending. {Refer Note No. x}
- vii. No provision has been made for Rs. 777.35 Lacs in respect of expenditure claimed by HPSEBL in respect of five HEP's allotted to the corporation. {Refer Note No. xii}.
- viii. No provision has been made in respect of Catchment area treatment (CAT) plan as the amount is unascertainable. {Refer Note No. xiv}.

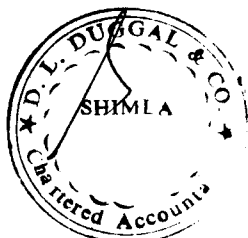


- ix. Balances outstanding in the names of various parties and HPSEB appearing under Current Assets, Loans and Advances and Current Liabilities are not confirmed by the parties.
- x. Fixed Assets of the company are not insured.

Contrary to the statement that all Accounting Standard have been followed and accounts have been prepared on the basis of the Generally Accepted Accounting principles ,there are material departures from the Accounting Standards which have been appropriately qualified elsewhere in this report.

We report that:

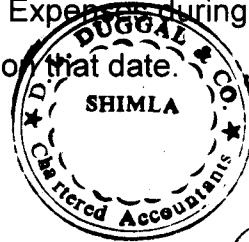
- i. We have obtained all the information and explanations, which to the best of our Knowledge and belief were necessary for the purpose of our audit.
- ii. In our opinion proper books of accounts as required by law have been kept by the company so for as appears form our examination of those books.
- iii. The Balance Sheet and the statement of Incidental Expenditure during Construction (Pending Allocation) dealt with by this report are in agreement with the books of accounts.
- iv. In our opinion, the Balance Sheet and the Statement of Incidental Expenditure during construction (Pending Allocation ) dealt with by this report has been prepared in compliance with the applicable accounting standards referred to in sub-section (3C) of section 211 of the company Act,1956 except for non compliance of Accounting Standard, AS-3 regarding cash flow statements, AS-15 regarding non-accounting of terminal benefits of employees in the financial statements {Refer Note No (xiii) and accounting policy No. i(c )}, AS-18 regarding non-disclosure of related party transactions and AS-28 regarding contingencies and provisions. The AS-13 regarding interest earned on temporary investment of borrowed funds has been complied with, but as per the decision in the case of TUTICORIN ALKALI CHEMCALS AND FERTILIZERS LTD vs. COMMISSIONER OF INCOME TAX by the Hon'ble Supreme Court of India vide 227 (1997) ITR (SC) the interest earned on temporary investments becomes taxable and no provision for income tax has been provided for the same. {Refer Note No. 3(c )}
- v. In terms of Govt. of India Ministry of Finance Department of the Company Affairs Notifications No.-GSR 829 (E) 21<sup>ST</sup> October 2003, Govt. Companies it is exempted



from the provision section 274(1)(g) of the Company Act ,1956 regarding disqualification of Directors.

vi. In our opinion, and to the best of our information and according to the explanations given to us the said Balance sheet and the incidental expenses during the construction ( pending allocation), read together with the Significant accounting policies ,notes to accounts and qualifications in Para (i) to (x) above , dealt with by this report comply with the accounting standards refer to in sub section 3 (c) of section 211 of the companies Act, 1956 in the manner so required and the said accounts give a true and fair view.

- a) In the case of the Balance Sheet of the state of affairs of the company as at 31<sup>st</sup> March, 2011. And
- b) In the case of the Statement of Incidental Expenses during construction pending allocation for the year ended as on that date.



Place:- Shimla

Dated:- 12-08-2011

For D.L. DUGGAL & CO.,  
Chartered Accountants

(D.L. DUGGAL)

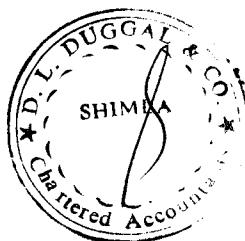
Partner

Membership No. 085692  
FRN No. 06906N

# HIMACHAL PRADESH POWER CORPORATION LIMITED

**ANNEXURE- 1 REFERRED TO IN PARAGRAPH 3 OF OUR REPORT OF EVEN DATE OF HIMACHAL PRADESH POWER CORPORATION LIMITED FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2011.**

- i) a) The Corporation has maintained proper records showing full particulars including quantitative detail and situation of fixed assets.
- b) As per explanation and information given to us, we are of the opinion that, the frequency of physical verification of the fixed assets is not reasonable having regard to the size of the Corporation and nature of its assets.
- c) During the year, the company has not disposed off any substantial part of fixed assets.
- ii) a) As explained to us, the inventory has not been physically verified during the year by the management.
- b) The Corporation is maintaining proper records of inventory.
- iii) a) The Corporation has not granted /taken any loan secured or unsecured to/ from Companies, firms or other parties recovered in the register maintained under section 301 of the Companies Act, 1956.
- iv) In our opinion and according to the information & explanations given to us, there are adequate internal control procedures commensurate with the size of Corporation and nature of its business with regard to purchase of Consumable Stores, Fixed Assets and other expenses.
- v) a) According to the information and explanation given to us, there is no transaction that needs to be entered in the register maintained under section 301 of the Companies Act, 1956.
- b) In our opinion and according to the information & explanations given to us, there is no transaction that needs to be entered in the register maintained under section 301 of the Companies Act, 1956.
- vi) The Corporation has not accepted deposits from the public under section 58-A of the Companies Act, 1956.
- vii) The Corporation has appointed firms of Chartered Accountants to conduct the internal Audit and in our opinion, the Internal Audit System is commensurate with the size and nature of the business of the Corporation.



viii) We have been informed that Central Government has not prescribed the maintenance of cost accounting records under Section 209 (1) (d) of the Companies Act, 1956, in respect of the activities of the Corporation.

ix) a) The Corporation is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund & Employee's States Insurance, Income Tax, Sale Tax, Wealth Tax, Service Tax, custom duty, excise duty, cess and any other material statutory dues applicable to it.

b) According to the information and explanations given to us, there are no disputed sales tax, income tax, custom duty, wealth duty and cess which have been deposited as on March 31, 2011.

x) As the Commercial Operation of the Corporation has still not commenced, the provisions of clause of 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Corporation.

xi) In our opinion and according to the information and explanations given to us the Corporation has not defaulted in repayment of dues to financial institutions.

xii) The Corporation has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

xiii) In our opinion, the Corporation is not a chit fund or a nidhi/mutual benefit fund/ society. Therefore the provisions of clause of 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Corporation.

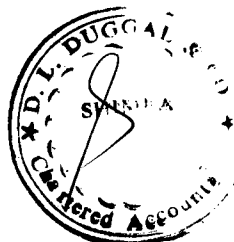
xiv) In our opinion, the Corporation is not dealing in or trading in share, securities, debentures and other investments. Accordingly, the provisions of clause 4 (xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Corporation.

xv) The Corporation has not given guarantees for loans taken by other from banks or Financial Institutions.

xvi) The Corporation has availed Term Loan Rs. 247.64 Crores from H.P. Govt. (ADB) during the year, and the same has been utilized for the purpose it was availed.

xvii) According to the information & explanations given to us and on an overall examination of the Balance Sheet of the Corporation, we report that no funds raised on short term basis have been used for long term investment. No long term funds have been used to finance short term assets.

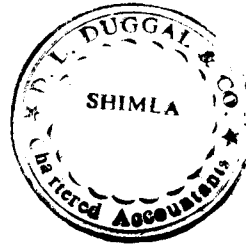
xviii) The Corporation, during the year, has not made any preferential allotment of shares to any party.



- xix) The Corporation has not issued any debentures during the period under audit.
- xx) The Corporation has not raised any money by public issues during the year under audit.
- xxi) According to the information & explanations given to us and as per our examination of books of accounts, no fraud on or by the Corporation has been noticed or reported during the course of our audit.

Place:- Shimla

Dated:- 12-08-2011

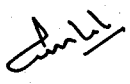


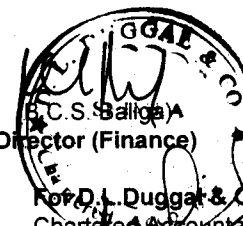
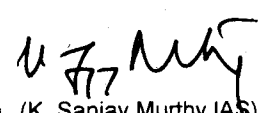
For D.L. DUGGAL & CO.,  
Chartered Accountants

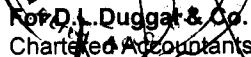
(D.L. DUGGAL)  
Partner

<b>H.P. POWER CORPORATION LIMITED</b>			
<b>Balance Sheet As At 31st March-2011</b>			<b>(in ₹)</b>
<b>Particulars</b>	<b>Schedule No.</b>	<b>Amount</b>	<b>Amount</b>
		<b>As at 31.03.2011</b>	<b>As at 31.03.2010</b>
<b>SOURCES OF FUNDS</b>			
<b>1 Shareholder's Funds:</b>			
(a) Share Capital	1	6,393,489,000	3,899,782,000
(b) Advance from State Govt. towards Share Capital		2,500,000	1,738,607,000
(c) HPSEB (Expenditure) Pending Allocation		69,136,258	723,323,819
<b>2. Loan Funds</b>	2		
(a) Secured loans		3,016,088,892	1,148,855,446
<b>Total</b>		<b>9,481,214,150</b>	<b>7,510,568,265</b>
<b>APPLICATION OF FUNDS</b>			
<b>1. Fixed Assets</b>	3		
Gross Block		1,355,373,728	786,223,310
Depreciation		76,409,303	35,714,824
<b>Net Block</b>		<b>1,278,964,425</b>	<b>750,508,486</b>
<b>Capital Work in Progress</b>	4	<b>4,700,522,226</b>	<b>3,038,853,696</b>
<b>Incidental expenses pending Allocation</b>	5	<b>1,509,810,347</b>	<b>886,381,943</b>
<b>Total</b>		<b>7,489,296,998</b>	<b>4,675,744,125</b>
<b>2. Investments</b>	6	<b>24,750,000</b>	<b>17,750,000</b>
<b>3. Current Assets, Loans &amp; Advances:</b>	7		
a) Inventories		8,430,302	9,079,094
b) Cash & Bank Balances		3,052,808,492	4,202,788,769
c) Current Assets		266,420,688	258,837,702
d) Loans & Advances		1,562,900,793	894,694,317
<b>Total (A)</b>		<b>4,890,560,275</b>	<b>5,365,399,882</b>
<b>4. Less: Current Liabilities &amp; Provisions</b>			
(a) Liabilities	8	2,941,367,873	2,569,304,288
(b) Provisions		11,706,898	8,703,102
<b>Total (B)</b>		<b>2,953,074,771</b>	<b>2,578,007,390</b>
<b>Net Current Assets (A-B)</b>		<b>1,937,485,504</b>	<b>2,787,392,492</b>
<b>5. Pre Operating Expenss to the extent not written off:</b>		<b>29,681,648</b>	<b>29,681,648</b>
<b>SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE ACCOUNTS</b>	9		
<b>Total</b>		<b>9,481,214,150</b>	<b>7,510,568,265</b>

  
(Sudershan K. Sharma)  
Company Secretary

  
(V.K. Gupta)  
Dy. General Manager (Fin)

  
(K. Sanjay Murthy, IAS)  
Managing Director  
  
Director (Finance)  
K. Sanjay Murthy, IAS  
Managing Director

  
Chartered Accountants

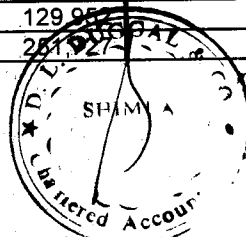
(C.A. D.L. Duggal)  
Partner  
Membership No. 085692  
FRN No.06906N

Place: Shimla

Date: 12-08-2011

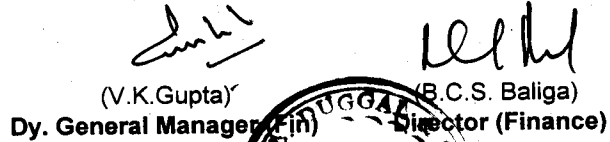


H.P. POWER CORPORATION LIMITED				
Statement of Incidental Expenses during Construction				(in ₹)
Particulars	Schedule 5	Amount As at 31.03.11	Amount FY 2010-11	Amount As at 31.03.10
Employees Renumeration & Benefits	Annexure-3	1,461,718,177	488,387,291	973,330,886
Honorarium		104,000	37,000	67,000
Application fee/filing fee		140,444	48,649	91,795
Postage & Telegram		1,082,055	371,278	710,777
Printing & Stationery Exp.		11,386,035	4,403,115	6,982,920
Hospitality exp.		7,572,340	3,456,356	4,115,984
Hospitality exp. (ADB)		469,149	75,250	393,899
Telephone Expenses (MD)		154,207	88,493	65,714
Telephone Expenses (Directors)		215,809	158,910	56,899
Telephone Expenses		12,363,499	4,772,382	7,591,117
Telephone Expenses (Consultant)		1,200	1,200	-
Elect., Water Charges		10,034,562	3,425,388	6,609,174
Bank Charges		412,268	116,724	295,545
Consumable Items		83,541	83,541	-
Rent		31,478,021	15,194,387	16,283,634
Rates & Taxes		13,645	(95,314)	108,959
News Papers & Periodicals		1,816,746	819,359	997,387
Fringe Benefit Tax Paid		2,110,584	-	2,110,584
Legal & Professional Charges		2,668,665	1,148,677	1,519,988
Registration Fees		93,037	84,687	8,350
Misc. Expenses		2,405,856	409,996	1,995,860
Freight & labour		1,467,317	458,732	1,008,585
Insurance (Vehicle/Others)		685,984	167,251	518,733
Petty balances written off		30	1	29
Vehicles Repair & Maintenance		2,626,449	1,077,170	1,549,279
Vehicles Running		9,644,828	1,611,788	8,033,040
Hired Vehicle Charges.		46,024,337	23,624,510	22,399,827
Training & Seminar		2,344,736	1,300,756	1,043,980
Training & Seminar (ADB)		11,226,117	5,566,304	5,659,813
General Repair & Mtc.		4,338,804	2,848,613	1,490,191
Repair & Mtc. Of Building		15,746,602	6,497,930	9,248,672
Repair & Mtc. Of Computers		1,131,254	455,738	675,516
Repair & Mtc. Plant & Machinery		40,004	(33,846)	73,850
Repair & Mtc. (Electro-Mech)		-	(97,689)	97,689
Repair & Mtc. (Roads& Bridges)		-	(388,119)	388,119
Office Mtc.		36,828	(58,911)	95,739
Office Expenses		209,939	(21,730)	231,669
Gift & Presentation A/c		165,404	67,604	97,800
Entertainment Exp. A/c		458,592	225	458,367
Raising Day Expenses		1,996,150	1,116,380	879,770
Board Meeting Expenses		75,088	-	75,088
Audit fee		395,139	105,370	289,769
Depreciation		76,409,303	40,694,479	35,714,824
Publicity and Advertisemnet		11,520,790	3,216,947	8,303,843
Interest on Term Loan		388,707,410	56,588,186	332,119,224
Transit Camp Expenses		1,076,342	555,479	520,863
Consultancy Fee		52,032,588	27,487,618	24,544,970
Consultancy Fee (ADB)		32,336,032	27,279,860	5,056,172
Expenses Relating to P. Year		4,587,655	23,661	4,563,994
Stores & Spares Consumed		5,126,279	440,856	4,685,423
EDLI Charges		479,667	479,667	-
Annual Maintenance Charges		380,651	184,005	196,646
Fees and Subscription		1,422,403	956,763	465,640
Recruitment Expenses		1,410,385	87,209	1,323,176
Misc. Exp. Not written off		29,681,648	-	29,681,648
Lease Rent to Directors		129,952	49,452	80,500
Lease Rent to Staff		281,927	147,300	104,427




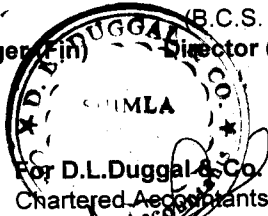
Statement of Incidental Expenses during Construction				(in ₹)
Particulars	Schedule 5	Amount As at 31.03.11	Amount FY 2010-11	Amount As at 31.03.10
Lease Rent (Others)		963,200	153,650	809,550
Business Promotion Expenses		15,814,000	-	15,814,000
Taxes Vehicle		65,878	65,878	-
Compensation (Workman)		297,154	-	297,154
Land Acquisition Related expenditure		8,277,674	3,873,214	4,404,460
Winter Heating Exp.		1,684,724	594,788	1,089,936
Interest on Govt Loans (ADB)		128,939,674	117,075,405	11,864,269
Expenditure on cutting of trees		436,089	436,089	-
ATS-ERP		1,826,475	1,826,475	-
<b>Sub-Total</b>		<b>2,408,795,143</b>	<b>849,502,426</b>	<b>1,559,292,717</b>
Less:-				
Interest On Loans		3,857,633	-	3,857,633
Interest on FDR's (Gross includes TDS ₹10,952,504/-)		780,110,910	204,390,646	575,720,264
Interest on Savings		919,486	919,486	-
Sale of Tender Forms		3,411,869	330,499	3,081,370
Misc. Receipts/Excess Provision W/o		80,528,629	36,085,567	44,443,062
LD Charges Receipts		-	(16,126,796)	16,126,796
House Rent Collection		474,621	474,621	-
<b>Total</b>		<b>869,303,148</b>	<b>226,074,023</b>	<b>643,229,125</b>
Less: Pre Operating Expenses to the extent not written off:		29,681,648	-	29,681,648
<b>Incidental expenses pending allocation transferred to CWIP</b>		<b>1,509,810,347</b>	<b>623,428,403</b>	<b>886,381,943</b>

  
(Sudershan K. Sharma)  
Company Secretary

  
(V.K. Gupta)  
Dy. General Manager (Fin)

  
(B.C.S. Baliga)  
Director (Finance)

  
(K. Sanjay Murthy, IAS)  
Managing Director

  
For D.L. Duggal & Co.  
Chartered Accountants

Place: Shimla  
Date:

12-08-2011

(C.A. D.L. Duggal)  
Partner  
Membership No. 085692  
FRN No.06906N

H.P. POWER CORPORATION LIMITED (in ₹)			
Schedule-1 SHARE CAPITAL		Amount	Amount
		As at 31.03.2011	As at 31.03.2010
<b>AUTHORISED SHARE CAPITAL</b>			
10000000 Equity Shares (Previous year 4000000 Equity Shares) of Rs 1000/- each		10,000,000,000	4,000,000,000
<b>ISSUED, SUBSCRIBED AND PAID UP CAPITAL</b>			
63.93.489 Equity Shares (Previous Year 38.99.782 Equity Shares) of Rs. 1000/- each (fully paid up)		6,393,489,000	3,899,782,000
A) Advance from State Govt. towards Share Capital		2,500,000	1,738,607,000
B) HPSEB (Expenditure) Pending Allocation		69,136,258	723,323,819
<b>TOTAL</b>		<b>6,465,125,258</b>	<b>6,361,712,819</b>

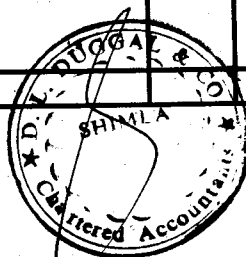
Schedule-2 LOAN FUNDS		Amount	Amount
		As at 31.03.2011	As at 31.03.2010
<b>Secured Loans</b>			
PFC Loan		475,221,775	505,221,775
State Govt Loans (ADB)		2,476,370,000	623,444,000
Interest Accrued but Not Due		64,497,117	20,189,671
<b>TOTAL</b>		<b>3,016,088,892</b>	<b>1,148,855,446</b>

Schedule-3 FIXED ASSETS & CWIP		Amount	Amount
		As at 31.03.2011	As at 31.03.2010
Gross Block		1,355,373,728	786,223,310
Less: Depreciation		76,409,303	35,714,824
<b>TOTAL</b>		<b>1,278,964,425</b>	<b>750,508,486</b>

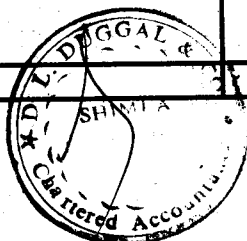
Schedule-4 CAPITAL WORKS IN PROGRESS		Amount	Amount
		As at 31.03.2011	As at 31.03.2010
Capital Works in Progress		4,700,522,226	3,038,853,696
<b>TOTAL</b>		<b>4,700,522,226</b>	<b>3,038,853,696</b>

Schedule-5 INCIDENTAL EXPENSES		Amount	Amount
		As at 31.03.2011	As at 31.03.2010
Incidental expenses pending allocation		1,509,810,347	886,381,943
<b>TOTAL</b>		<b>1,509,810,347</b>	<b>886,381,943</b>

Schedule-6 INVESTMENTS		Amount	Amount
		As at 31.03.2011	As at 31.03.2010
Himachal EMTA		24,750,000	17,750,000
<b>TOTAL</b>		<b>24,750,000</b>	<b>17,750,000</b>



H.P. POWER CORPORATION LIMITED		(in ₹)	
Schedule-7 CURRENT ASSETS, LOANS & ADVANCES		Amount	Amount
		As at 31.03.2011	As at 31.03.2010
<b>CURRENT ASSETS:</b>			
(a) Inventories		8,430,302	9,079,094
Total (a)		8,430,302	9,079,094
(b) Cash and Bank Balances			
(1) Cash in hand (including Imprest)		104,859	72,442
(2) Stamps in hand		9,312	7,377
(3) Bank Balances with schedule bank			
(i) In current Account		147,716,690	436,202,660
(ii) In Saving Account		365,645,301	8,023,364
(iii) In fixed Deposits		2,539,332,330	3,758,482,926
Total (b)		3,052,808,492	4,202,788,769
(c) Loans & Advances			
Advances to Govt.		164,900	-
Advances to others/ Contractors		1,551,907,611	891,731,127
Advance against LC		-	972,660
Advances to staff		430,540	155,869
Advances to MD		2,380	-
Advances to Director		-	20,000
Advance to HPTCL against works		1,690,655	1,690,655
Warm Clothing Advance		55,820	88,354
Travelling Advance		22,888	35,652
Advances to Land Owners		8,497,287	-
Advances to Land Acquisition Officer		128,712	-
Total (c)		1,562,900,793	894,694,317
(d) Current Assets			
Pre paid expenses		2464096	240,913
Recoverable from Contractor/Supplier		651637	242,611
Recoverable from HPMC		2623367	-
Recoverable from Forest Dept.		1919823	-
Advance for Land		502000	8,999,287
Security/EMD		251290	3,314,986
Advance Tax A-Y 2009-10		96698090	96,303,144
Advance Tax A-Y 2010-11		50243496	49,699,264
TDS Recoverable A-Y 2011-12		10952504	-
Advance Tax A-Y 2008-09		4809545	4,809,545
Advance Tax A-Y 2008-09		1057610	-
Other Current Assets		171692	57,189
Bills Receivable (Staff)		0	9,166
VAT input/output adjustable		3709802	-
Advance FBT		0	939,178
PLA to Contractors		4536945	6,793,389
PLA to employees		121516	233,109
Bills Receivable		621437	-
Amt Recoverable from Staff		22389	6,131
Pay Advance		10000	-
Securities deposit to Govt. Department		7948465	-
Receivable from HPSEBL		3214408	958,159
Interest Accrued but not due on F.D.R.		73435574	85,459,669
Interest Recoverable from Bank		444854	771,962
Other Recoverable		10148	-
Total (d)		266,420,688	258,837,702



H.P. POWER CORPORATION LIMITED			(in ₹)
Schedule-8 CURRENT LIABILITIES & PROVISIONS	Amount		Amount
	As at 31.03.2011		As at 31.03.2010
<b>A. Current Liabilities</b>			
Retention Money	118099357		37,348,424
Audit Fee Payable	55150		55,150
Payable to Govt. HP (HPIDB)	0		30,000
Expenses Payable/Provision for Exp	116172171		32,551,332
Payable to Contractors	6273250		17,357,304
Salary & Wages payable	17549365		10,045,828
Provision for Gratuity	15965442		202,349
Provision for Leave encashment	1316914		-
E.M.D./Security	6829403		5,877,058
Other Payable	35339442		9,945,443
LIC Payable	953813		-
EPF Payable	1996464		-
Bills Payable/ Expenses Payable	12069476		17,904,251
Payable to Supplier Material Purchases	0		1,865,524
Staff Deduction Payable	350878		207,913
Interest on Staff loans	12518		14,858
Sundry Creditors	17281213		1,225,327
Legal and Professional (Payable)	173832		40,000
GPF Payable (including GPFAG)/GIS	2187588		-
EPF/GPF Payable	1489855		6,468,915
Security	48929806		29,271,235
Royalty	427035		302,148
Payable to HPSEBL (Remittance)	50074		-
Bills payable	1073212		-
Advances from Other States Pending Allocation	2398379755		2,398,379,755
Payable to Ganvi agt Rental for staff Qtrs	152842		151,474
Suspense Account	0		60,000
Postal Life Insurance Premium	34251		-
GIS Payable	9015		-
Security Deposit Refundable	179441		-
Provisions for Expenses	132984396		-
Stipend Payable	18129		-
Other Payable	5013786		-
<b>Sub Total A</b>	<b>2,941,367,873</b>		<b>2,569,304,288</b>
<b>B. Provisions</b>			
Sales Tax Payable	2,387,390		3,103,567
Labour Cess Payable	361,779		1,543,945
TDS Payable	3,610,554		1,913,578
TDS Contractor	4,411,523		2,142,012
Service Tax Payable	52,798		-
Construction Workers Cess	882,854		-
<b>Total (B)</b>	<b>11,706,898</b>		<b>8,703,102</b>
<b>Grand Total (A+B)</b>	<b>2,953,074,771</b>		<b>2,578,007,390</b>

(Sudershan K. Sharma)

Company Secretary

(V.K. Gupta)

Dy. General Manager (Fin)

(B.C.S. Baliga)

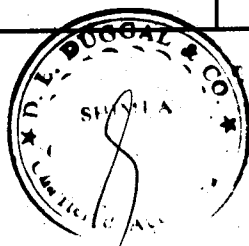
Director (Finance)

(K. Sanjay Murthy, IAS)

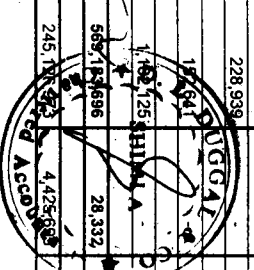
Managing Director



HIMACHAL PRADESH POWER CORPORATION LIMITED				(in ₹)
CAPITAL WORK IN PROGRESS & INCIDENTAL EXPENDITURE				
[A] CAPITAL WORK IN PROGRESS				
Particulars	Schedule 4	As at 31.03.2011	As at 31.03.2010	
Head Race Tunnel		486,377,603	275,138,725	
Adits		24,245,762	101,079,712	
Land (Site Development)		1,111,168	1,066,323	
Building		250,251,635	173,972,820	
Desilting Dam		5,452,618	889,093	
Civil Works		13,304,740	14,581,600	
Civil Works (Others)		39,685,644	14,885,848	
Roads		216,667,698	160,639,965	
Traffic Tunnel		-	2,097,818	
Line Cable Network		-	14,974,900	
Power House (Civil Works)		796,146,283	345,447,366	
Transformer Hall		53,094,306	-	
Surge Shaft		1,598,936	12,290,751	
O-Miscellaneous		41,895,030	41,152,423	
Main Access Tunnel		19,884,062	470,917	
TRT		23,607,043	-	
Conveyance Channels		11,231,893	-	
Power Channels		5,759,142	-	
Intake		8,124,486	4,346,524	
R-Roads & Bridges		139,631,257	106,838,511	
Non Residential Building-Guest House & Canteen		6,053,069	-	
Non Residential Building- (Others)		849,938	3,058,847	
Non Residential Building- (Office)		19,910,130	16,028,496	
Hydraulic Works		217,500	16,555,357	
Construction Power HPSEBL		4,558,639	280,762,770	
DAM		993,538	-	
Bridge		44,000	-	
Pressure Shaft		69,704,496	-	
Construction of Transmission Line		15,625,626	-	
Main Work Electromechanical		187,754,809	-	
Preliminary Expenses (Projects)		124,310	124,310	
Barrage (Main Civil Works)		639,223,764	72,695,677	
ERP Package		333,338	333,338	
EMP		16,270,593	6,766,631	
Survey, Investigation & Associated Expenditure		727,549,797	929,472,422	
Environment & Ecology		69,027,814	40,358,660	
LADA		227,339,937	87,479,075	
Study & Research		10,272,088	5,300,227	
CAT-Plan		189,310,258	190,003,442	
Plantation		7,177,321	7,177,321	
A-Priliminary		15,432,464	-	
R/R Plan		49,790,023	8,521,571	
Cost of Forest Trees		29,678,415	35,308,040	
Developing of Mining sites		31,102	-	
Compensatory Afforestation		83,918,914	9,492,116	
Land Acquisition (R&R Plan)		191,261,037	59,542,100	
<b>Total</b>		<b>4,700,522,226</b>	<b>3,038,853,696</b>	
[B] INCIDENTAL EXPENDITURE PENDING ALLOCATION		1,509,810,347	886,381,943	
<b>Total [A+B]</b>		<b>6,210,332,573</b>	<b>3,925,235,639</b>	



FIXED ASSETS & DEPRECIATION						DEPRECIATION				NET BLOCK		
Particulars	Dep. Rates	GROSS BLOCK Balance As at 1.4.2010	Addition	Transfer/ Sale	Total As at 31.03.2011	Up to 31.03.2010	Previous Year		For the Year	Total Depreciation	As at 31.03.2011	up to 31.03.2010.
							Deletion	Addition				
Land	0.00%	606,285,690	480,896,698	-	1,087,182,388	-	-	-	-	-	1,087,182,388	606,285,690
Land Lease Hold	0.00%	43,049,721	-	-	43,049,721	-	-	-	-	-	43,049,721	43,049,721
Residential Building	5.00%	35,496,944	6,542,422	-	42,039,366	5,006,252	-	-	1,913,654	6,918,906	35,120,460	30,491,692
Non- Residential Building	10.00%	1,608,287	-	-	1,608,287	367,423	-	-	115,811	483,234	1,125,053	1,240,864
Office Equipments	13.91%	10,601,079	3,074,072	-	13,675,151	1,928,610	21,509	-	1,455,846	3,382,947	10,312,204	8,672,469
Plant & Machinery	13.91%	4,694,225	918,423	-	5,612,648	1,006,284	-	-	538,451	1,544,735	4,067,913	3,897,941
Wireless System	13.91%	975,027	-	-	975,027	133,403	-	-	117,070	250,473	724,554	841,624
Transit Camp	10.00%	1,245,880	-	-	1,245,880	80,259	-	-	116,562	196,821	1,049,059	1,165,621
Furniture & Fixtures	18.10%	23,074,278	9,603,026	-	32,677,304	5,555,813	-	-	3,955,166	9,510,979	23,166,324.65	17,518,465
Vehicles	25.89%	9,699,858	-	28,332	9,671,526	4,983,312	-	-	1,210,771	6,194,083	3,477,443	4,716,546
Project Planner	40.00%	260,000	-	-	260,000	221,811	-	-	15,276	237,087	22,913	38,189
Computers	40.00%	20,525,066	7,701,482	-	28,226,548	8,119,007	-	-	5,532,302	13,651,309	14,575,239	12,406,069
Shed	100.00%	6,578,997	22,889,066	-	29,468,063	6,578,996	-	-	22,889,066	29,468,062	1	1
Software	40.00%	2,628,113	30,068,670	-	32,696,783	563,348	-	-	1,071,234	1,634,582	31,062,201	2,064,765
Recreation Centre	10.00%	461,805	-	-	461,805	87,743	-	-	37,406	125,149	336,656	374,062
Survey Instrument	13.91%	124,876	2,084,250	-	2,209,126	13,087	-	-	63,208	76,295	2,132,831	111,789
Laboratory equipments	13.91%	430,984	-	-	430,984	39,184	-	-	54,499	93,683	337,301	391,900
Testing Labs	10.00%	46,360	-	-	46,360	8,808	-	-	3,755	12,563	33,797	37,552
Water Treatment System Plant	15.33%	356,400	-	-	356,400	92,532	-	-	40,451	132,983	223,417	263,868
Roads and Bridges	5.00%	17,541,645	3,921,882	-	21,463,527	879,365	-	-	1,221,929	2,101,294	19,362,233	16,662,290
Misc. Fixed Assets	13.91%	533,129	228,939	-	762,068	48,853	-	-	84,118	132,971	629,097	484,216
Cable Network	40.00%	-	15,641	-	152,641	-	8,686	-	49,596	58,282	94,359	-
Project Models	13.91%	-	1,102,125	-	1,102,125	-	-	-	222,864	222,864	879,261	-
Total		786,218,364	565,154,696	28,332	1,355,373,728	35,713,090	21,509	8,686	40,709,036	76,409,303	1,278,964,425	750,505,274
Previous Year		545,522,032	245,155,423	4,425,682	786,223,310	15,336,531	-	-	20,378,293	35,714,824	750,508,486	530,185,501



FIXED ASSETS AND DEPRECIATION FOR FY 2010-11 (CORPORATE OFFICE)												
Particulars	Dep. Rates	As at 1.4.2010	GROSS BLOCK			DEPRECIATION					NET BLOCK	
			Addition	Transfer/Sale	Total	up to 31.03.2010	Previous Year	For the Year	Total	WDV As at 31.03.11	WDV As at 31.03.2010	
						Deletion	Addition					
Vehicles	25.89%	3,225,729	-	-	3,225,729	1,643,025	-	-	409,762	2,052,787	1,172,942	1,582,704
Furniture & Fixtures	18.10%	10,154,869	787,020	-	10,941,889	2,198,182	-	-	1,443,570	3,641,752	7,300,137	7,956,687
Office Equipments	13.91%	2,815,001	95,760	-	2,910,761	578,838	-	-	315,283	894,121	2,016,640	2,236,163
Computers	40.00%	8,480,644	4,807,434	-	13,288,078	3,950,973	-	-	2,004,483	5,955,456	7,332,622	4,529,671
Software	40.00%	1,248,633	-	-	1,248,633	368,689	-	-	351,978	720,667	527,966	879,944
ERP Software	40.00%	-	28,384,668	-	28,384,668	-	-	-	-	-	28,384,668	-
Cable Network	40.00%	-	152,641	-	152,641	-	-	8,686	49,596	58,282	94,359	-
Electrical/Electronic Items	13.91%	-	114,990	-	114,990	-	-	-	3,822	3,822	111,168	-
Total		25,924,876	34,342,513	-	60,267,389	8,739,707	-	8,686	4,578,495	13,326,888	46,940,502	17,185,169



FIXED ASSETS AND DEPRECIATION FOR FY 2010-11 (INTEGRATED KASHANG)												
GROSS BLOCK						DEPRECIATION				NET BLOCK		
Particulars	Dep. Rates	As at 1.4.2010	Addition	Transfer/Sale	Total	up to 31.03.2010	Previous Year		For the Year	Total	WDV As at 31.03.11	WDV As at 31.03.2010
							Deletion	Addition				
Land		210,717,002	308,570,655		519,287,657	48,853			84,118	132,971	519,287,657	210,717,002
Misc Fixed Assets	13.91%	533,129	228,939		762,068				51,751	127,035	629,097	484,276
Wireless System	13.91%	447,327			447,327	75,284			78,262	427,162	320,292	372,043
Plant & Machinery	13.91%	911,531			911,531	348,900			263,300	1,508,225	484,369	562,631
Vehicles-Light	25.89%	2,261,921			2,261,921	1,244,925			698,931	1,380,598	753,696	1,016,996
Furniture & Fixtures	18.10%	3,082,340	2,775,035		5,857,375	681,667			116,708	217,928	1,064,747	2,400,673
Office Equipments	13.91%	625,033	657,642		1,282,675	101,220			683,522	1,543,769	1,059,557	523,813
Computers	40.00%	2,498,504	104,822		2,603,326	860,247			124,100	132,607	177,642	1,638,257
Software	40.00%	310,249			310,249	8,507			982,795	7,463,284		301,742
Temporary Shed	100.00%	6,480,489	982,795		7,463,284	6,480,489			15,276	237,087	22,913	38,189
Project Planner	40.00%	260,000			260,000	221,811			833,114	1,712,479	15,829,166	16,662,280
Roads & Bridges	5.00%	17,541,645			17,541,645	879,365			63,208	76,295	2,132,831	111,789
Survey Instrument	13.91%	124,876	2,084,250		2,209,126	13,087			18,305	18,305	471,820	-
Project Models	13.91%	-	490,125		490,125	-			54,499	93,683	337,301	391,800
Laboratory Equipment	13.91%	430,984			430,984	39,184						
Total		246,225,030	315,894,263	-	562,119,293	11,003,539			4,067,889	15,071,428	547,047,865	235,221,491

FIXED ASSETS AND DEPRECIATION FOR FY 2010-11 (CHIRGAON MAJHAON)											
Particulars	Dep. Rates	As at 1.4.2010	Addition	Transfer/Sale	Total	up to 31.03.2010	DEPRECIATION			NET BLOCK	
							Previous Year	For the Year	Total	WDV/As at 31.03.11	WDV/As at 31.03.2010
							Deletion	Addition			
Computers	40.00%	-	139,273	-	139,273	-	-	2,452	2,452	136,821	-
Office Equipments	13.91%	-	168,742	-	168,742	-	-	10,096	10,096	158,646	-
Plant & Machinery	13.91%	225,376	-	-	225,376	146,385	-	10,988	157,373	68,003	78,991
Total		225,376	308,015	-	533,391	146,385	-	23,536	169,921	363,470	78,991

FIXED ASSETS AND DEPRECIATION FOR FY 2010-11 (THANA PLAIN)												
GROSS BLOCK						DEPRECIATION					NET BLOCK	
Particulars	Dep. Rates	As at 1.4.2010	Addition	Transfer/Sale	Total	up to 31.03.2010	Previous Year		For the Year	Total	WDV As at 31.03.11	WDV As at 31.03.2010
							Deletion	Addition				
Furniture & Fixtures	18.10%		820,348		820,348				91,719	91,719	728,629	-
Computer	40.00%		555,566		555,566				31,873	31,873	523,693	-
Office Equipments	13.91%		662,158		662,158				71,420	71,420	590,738	-
Total			2,038,072		2,038,072				195,012	195,012	1,843,060	-

FIXED ASSETS AND DEPRECIATION FOR FY 2010-11 (RENUKAJI DAM)										DEPRECIATION				NET BLOCK	
Particulars	Dep. Rates	As at 1.4.2010	Addition	Transfer/Sale	Total	up to 31.03.2010	Previous Year		For the Year	Total	MDV As at 31.03.11	MDV As at 31.03.2010			
							Deletion	Addition							
Land	0.00%	36,711,191	780,984		37,492,175	-			189,084	743,190	37,492,175	36,711,191			
Vehicle	25.89%	1,284,440	-		1,284,440	554,106				98,507	541,250	730,334			
Building (Shed)	100.00%	98,508	-		98,508	98,507			-	98,507	1	1			
Building (Store)	5.00%	178,523			178,523	95,767			4,138	99,905	78,618	82,756			
Furniture & Fixtures	18.10%	2,699,343	166,743		2,866,086	1,293,560			255,606	1,549,166	1,316,920	1,405,793			
Computer	40.00%	2,046,933	194,563		2,241,496	393,907			684,156	1,078,063	1,163,433	1,653,026			
Office Equipments	13.91%	2,943,097	63,636		3,006,733	451,262			350,706	801,968	2,204,765	2,491,835			
Plant & Machinery (Generator)	13.91%	71,443	-		71,443	10,547			8,471	19,018	52,425	60,896			
Software	40.00%	295,729			295,729	41,459			101,708	143,167	152,592	254,270			
Model(Renukaji Dam)	100.00%	-	612,000		612,000	-			204,559	204,559	407,441	-			
Total		46,329,207	1,817,926	-	48,147,133	2,939,115			1,798,428	4,737,543	43,409,590	43,390,082			

FIXED ASSETS AND DEPRECIATION FOR FY 2010-11 (SAWARA KUDDU)												
Particulars	Dep. Rates	As at 1.4.2010	GROSS BLOCK			DEPRECIATION				NET BLOCK		
			Addition	Transfer/Sale	Total	up to 31.03.2010	Previous Year Deletion	Previous Year Addition	For the Year	Total	WDV As at 31.03.11	WDV As at 31.03.2010
Land	0.00%	358,445,571	78,286,839		436,732,410	-			1,085,796	4,311,266	436,732,410	358,445,571
Building (Residential)	5.00%	17,242,771	6,542,422		23,785,193	3,225,470			21,906,271	4,311,266	19,473,927	14,017,301
Building (Prefabricated Residential)	100.00%	-	21,906,271		21,906,271	-			21,906,271	21,906,271	-	-
Road & Road	5.00%	-	3,921,882		3,921,882	-			388,815	388,815	3,533,067	-
Computer & peripheral	40.00%	4,009,186	38,845		4,048,031	2,001,807			816,361	2,818,168	1,229,863	2,007,379
Furniture & Fixtures	18.10%	1,865,788	1,963,212		3,829,000	632,765			380,233	1,012,998	2,816,002	1,233,023
Office Equipments	13.91%	1,094,305	338,590		1,432,895	360,868			149,012	509,880	923,015	733,437
Vehicles	25.89%	1,487,179	-		1,487,179	969,277			134,085	1,103,362	383,817	517,902
Plant & Machinery	13.91%	1,519,479	15,325		1,534,804	224,362			182,037	406,399	1,128,405	1,295,117
Total		385,664,279	113,013,386	-	498,677,665	7,414,549			25,042,610	32,457,159	466,220,506	378,249,730

FIXED ASSETS AND DEPRECIATION FOR FY 2010-11 (SUNDER NAGAR)												
GROSS BLOCK						DEPRECIATION				NET BLOCK		
Particulars	Dep. Rates	As at 1.4.2010	Addition	Transfer/Sale	Total	up to 31.03.2010	Previous Year		For the Year	Total	WDV As at 31.03.11	WDV As at 31.03.2010
							Deletion	Addition				
Furniture & Fixtures	18.10%	1,143,434	1,284,534		2,427,968	40,845			283,613	324,458	2,103,510	1,102,589
Computer	40.00%	1,128,787	574,557		1,703,344	263,084			502,959	766,043	937,301	865,703
Office Equipments	13.91%	1,756,730	560,068		2,316,798	238,643			251,510	490,153	1,826,645	1,518,087
Plant & Machinery (Generator)	13.91%	202,746	-		202,746	6,336			27,322	33,658	169,088	196,410
Software	40.00%	334,805	1,684,002		2,018,807	21,673			236,260	257,933	1,760,874	313,132
Total		4,566,502	4,103,161	-	8,669,663	570,581			1,301,664	1,872,245	6,797,418	3,995,921
		2										

FIXED ASSETS AND DEPRECIATION FOR FY 2010-11 (TIPOONG)										
Particulars	Dep. Rates	As at 1.4.2010	Addition	Transfer/Sale	Total	up to 31.03.2010	DEPRECIATION		NET BLOCK	
							Previous Year	For the Year	WDV As at 31.03.11	WDV As at 31.03.2010
							Deletion	Addition		
Furniture & Fixtures	18.10%	1,038,614		-	1,038,614	92,547		171,238	774,829	946,067
Office Equipments	13.91%	330,404		-	330,404	18,147		43,435	268,822	312,257
Total		1,369,018	-	-	1,369,018	110,694		214,673	1,043,651	1,258,324

FIXED ASSETS AND DEPRECIATION FOR FY 2010-11 (SAINJ)												
GROSS BLOCK						DEPRECIATION				NET BLOCK		
Particulars	Dep. Rates	As at 1.4.2010	Addition	Transfer/Sale	Total	up to 31.03.2010	Previous Year		For the Year	Total	WDV As at 31.03.11	WDV As at 31.03.2010
							Deletion	Addition				
Land free Hold	0.00%	411,926	76,863,655	-	77,275,581	-	-	-	-	-	77,275,581	411,926
Land Lease Hold	0.00%	43,049,721	-	-	43,049,721	-	-	-	-	-	43,049,721	43,049,721
Residential Building	5.00%	18,254,173	-	-	18,254,173	1,779,782	-	823,720	2,603,502	15,650,671	16,474,391	
Non Residential Building	10.00%	1,429,764	-	-	1,429,764	271,656	-	115,811	387,467	1,042,287	1,158,108	
Transit camp	10.00%	1,245,880	-	-	1,245,880	80,259	-	116,562	196,821	1,049,059	1,165,621	
Recreation Centre	10.00%	461,805	-	-	461,805	87,743	-	37,406	125,149	336,656	374,062	
Testing Labs	10.00%	46,360	-	-	46,360	8,808	-	3,755	12,563	33,797	37,552	
Electronics and Electrical Items	13.91%	435,426	167,807	-	603,233	76,617	-	60,313	136,930	466,303	358,809	
Plant & Machinery-Survey Instrumen	13.91%	794,573	616,300	-	1,410,873	163,171	-	113,045	276,216	1,134,657	631,402	
Plant & Machinery -hospital Equipme	13.91%	-	998	-	998	-	-	12	12	986	-	
Water Treatment System Plant	15.33%	356,400	-	-	356,400	92,532	-	40,451	132,983	223,417	263,968	
Furniture & Fixtures	18.10%	1,585,151	1,179,447	-	2,764,598	345,082	-	314,127	659,219	2,105,379	1,240,059	
Jeeps & Car	25.89%	687,207	-	-	687,207	289,543	-	102,965	392,498	294,709	397,664	
Softwares	40.00%	321,277	-	-	321,277	95,337	-	221,293	316,630	4,647	225,940	
Multimedia Projectors and Accessori	13.91%	82,437	-	-	82,437	32,975	21,509	9,872	21,338	61,089	49,462	
Computers and Accessories	40.00%	1,494,120	657,054	-	2,151,174	400,106	-	506,241	906,347	1,244,827	1,094,014	
Total		70,656,220	79,485,261	-	150,141,481	3,723,621	21,509	-	2,465,563	6,167,675	143,973,806	66,932,599



**Annexure (i) to Schedule-3**

FIXED ASSETS AND DEPRECIATION FOR FY 2010-11 (SHONGTONG KARCHHAM)												
GROSS BLOCK					DEPRECIATION				NET BLOCK			
Particulars	Dep. Rates	As at 1.4.2010	Addition	Transfer/Sale	Total	up to 31.03.2010	Previous Year		For the Year	Total	WDV As at 31.03.11	WDV As at 31.03.2010
							Depreciation	Addition				
Land free Hold	0.00%	-	16,394,565.00	-	16,394,565	-	-	-	-	-	16,394,565	-
Wireless System	13.91%	527,700	-	-	527,700	58,119	-	65,319	123,438	404,282	469,581	469,581
Plant and Machinery	13.91%	751,841	257,465	-	1,009,306	100,653	-	96,066	196,719	812,587	651,168	651,168
Vehicles	25.89%	753,382	-	28,332	725,050	282,436	-	111,585	394,021	331,029	470,946	470,946
Furniture and Fixture	18.10%	1,504,739	299,993	-	1,804,732	271,155	-	272,668	543,823	1,260,909	1,233,564	1,233,564
Office Equipments	13.91%	413,326	117,273	-	530,599	58,284	-	52,568	110,852	419,747	355,042	355,042
Computers	40.00%	866,892	76,990	-	943,882	248,883	-	275,806	524,689	419,193	618,009	618,009
Softwares	100.00%	-	-	-	-	-	-	-	-	-	-	-
Softwares	40.00%	117,420	-	-	117,420	27,683	-	35,885	63,578	53,842	89,737	89,737
Misc. Fixed Assets	13.91%	-	-	-	-	-	-	-	-	-	-	-
Electronic & Elect. Items	13.91%	105,320	70,000	-	175,320	11,756	-	16,565	28,321	146,989	93,564	93,564
Electro Mech. Equipment	13.91%	217,236	-	-	217,236	5,930	-	19,226	25,156	192,080	211,306	211,306
Total		5,257,856	17,216,286	28,332	22,445,810	1,064,899	-	945,698	2,010,597	20,435,213	4,182,957	4,182,957

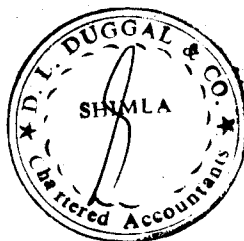
FIXED ASSETS AND DEPRICIATION FOR FY 2010-11 (BERI NICHL)												
GROSS BLOCK						DEPRECIATION				NET BLOCK		
Particulars	Dep. Rates	As at 1.4.2010	Addition	Transfer/Sale	Total	up to 31.03.2010	Previous Year		For the Year	Total	WDV As at 31.03.11	WDV As at 31.03.2010
							Deletion	Addition				
Furniture & Fixtures	18.10%	0.00	0.00		0.00	0.00			0.00	0.00	0.00	0.00
Computer	40.00%	0.00	0.00		0.00	0.00			0.00	0.00	0.00	0.00
Office Equipments	13.91%	0.00	0.00		0.00	0.00			0.00	0.00	0.00	0.00
Plant & Machinery (Generator)	13.91%	0.00	0.00		0.00	0.00			0.00	0.00	0.00	0.00
Software	40.00%	0.00	0.00		0.00	0.00			0.00	0.00	0.00	0.00
Total		0.00	0.00	0.00	0.00	0.00			0.00	0.00	0.00	0.00

FIXED ASSETS AND DEPRECIATION FOR FY 2010-11 (NAKTHAN)												
	GROSS BLOCK					DEPRECIATION					NET BLOCK	
	Dep. Rates	As at 1.4.2010	Addition	Transfer/Sale	Total	up to 31.03.2010	Previous Year Deletion	Addition	For the Year	Total	WDV As at 31.03.11	WDV As at 31.03.2010
Particulars												
Plant & Machinery-Survey Instruments	13.91%	-	28,335		28,335	-			3,022	3,022	26,313	-
Computers and Accessories	40.00%	-	182,830		182,830	-			3,595	3,595	179,235	-
Total		-	211,165	-	211,165	-			6,617	6,617	204,548	-

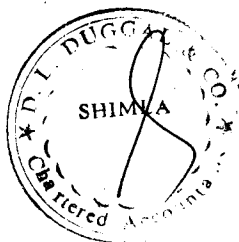
FIXED ASSETS AND DEPRECIATION FOR FY 2010-11 (Gyspa)												
GROSS BLOCK					DEPRECIATION				NET BLOCK			
Particulars	Dep. Rates	As at 1.4.2010	Addition	Transfer/Sale	Total	up to 31.03.2010	Previous Year Deletion	Addition	For the Year	Total	WDV As at 31.03.11	WDV As at 31.03.2010
Furniture & Fixtures	18.10%	-	326,694		326,694	-			43,461	43,461	283,233	-
Computer	40.00%	-	369,548		369,548	-			20,854	20,854	348,694	-
Electronic & Elect. Items	13.91%	-	57,406		57,406	-			4,536	4,536	52,870	-
Total		-	753,648	-	753,648	-			68,851	68,851	684,797	-

FIXED ASSETS AND DEPRICIATION FOR FY 2010-11 (Surgani Sundia)															
Particulars	Dep. Rates	As at 1.4.2010	Addition	Transfer/Sale	Total	GROSS BLOCK					DEPRECIATION			NET BLOCK	
						up to 31.03.2010	Previous Year		For the Year	Total	WDV As at 31.03.11	WDV As at 31.03.2010			
							Deletion	Addition							
Furniture & Fixtures	18.10%	0.00	0.00		0.00				0.00		0.00		0.00		
Computer	40.00%	0.00	0.00		0.00				0.00		0.00		0.00		
Office Equipments	13.91%	0.00	0.00		0.00				0.00		0.00		0.00		
Plant & Machinery	13.91%	0.00	0.00		0.00				0.00		0.00		0.00		
Software	40.00%	0.00	0.00		0.00				0.00		0.00		0.00		
Total		0.00	0.00	0.00	0.00				0.00		0.00		0.00		

H.P. POWER CORPORATION LIMITED			(in ₹)
			Annexure 1
INTER UNIT DEBIT BALANCES		Amount	Amount
		As at 31.03.2011	As at 31.03.2010
Sawra Kuddu HEP		1,960,050,288.61	2,008,350,230.80
Renukaji Dam HEP		-	-
Sainj HEP		1,321,692,821.18	474,167,048.80
Kashang HEP		1,767,920,538.00	1,530,122,023.80
Songtong-Karchham HEP		364,055,351.00	74,610,289.80
Chirgaon-Majhgaon HEP		34,855,370.80	3,716,999.00
Thana Plaun & Nichli Beri HEP		20,247,784.00	2,000,000.00
Gyspa HEP		23,058,482.20	-
Tidong II HEP		9,028,345.00	10,939,588.00
Corporate Office		1,607,009,291.00	1,897,558,225.00
Design Wing Sunder Nagar		228,269,617.00	125,675,207.80
Surgani Sundla HEP		2,177,472.00	-
Nakthan HEP		7,772,159.00	-
Sub-Total		7,346,137,519.79	6,127,139,613.00
INTER UNIT CREDIT BALANCES			
		As at 31.03.2011	As at 31.03.2010
Sawra Kuddu HEP		-	-
Renukaji Dam HEP		1,607,009,291.00	1,897,558,225.00
Sainj HEP		-	-
Kashang HEP		-	-
Songtong-Karchham HEP		-	-
Chirgaon-Majhgaon HEP		-	-
Thana Plaun & Nichli Beri HEP		-	-
Gyspa HEP		-	-
Tidong II HEP		-	-
Corporate Office		5,739,128,228.79	4,229,581,388.00
Design Wing Sunder Nagar		-	-
Surgani Sundla HEP		-	-
Nakthan HEP		-	-
Sub-Total		7,346,137,519.79	6,127,139,613.00
Total		-	-



Employees Renumeration & Benefits		Annexure 2 (in ₹)		
Particulars		Amount	Amount	Amount
		As at 31.03.11	FY 2011	As at 31.03.10
Salary & Wages		1,317,375,670	410,134,236	907,241,434
Salary (MD)		3,164,628	1,124,229	2,040,399
Salary (Director)		4,741,608	2,799,362	1,942,246
Outsource Man Power		50,319,476	24,855,129	25,464,347
Medical re-imbursement to Staff		14,785,488	5,042,693	9,742,795
Medical re-imbursement to MD		26,319	9,659	16,660
Medical re-imbursement to Directors		73,920	41,809	32,111
TA To Director		361,332	148,983	212,349
TA To M/D		734,294	224,335	509,959
TA To Consultant (ADB)		286,554	-	286,554
TA To Director (ADB)		16,527	-	16,527
Travelling & Local conveyance		11,518,695	3,311,904	8,206,791
Travelling & Convyn. To Consultant		31,082	17,511	13,571
Travelling & Local conveyance (ADB)		549,813	186,761	363,052
Conveyance Charges to Directors		64,520	46,651	17,869
Conveyance Charges to MD		176,990	75,143	101,847
Staff Welfare		2,402,120	1,948,906	453,214
Leave Travel Expenses (LTC/HTL)		323,360	(20,868)	344,228
Leave Encashment		1,312,880	-	1,312,880
Gratuity		20,896,826	20,652,199	244,627
Employer Contribution(CPF)		2,153,470	2,153,470	-
Pension Fund Contribution		548,820	345,938	202,882
Employer Contribution (EPF)		9,806,203	5,367,352	4,438,851
Administrative Charges		1,078,774	771,635	307,139
EDLI Charges		-	(132,085)	132,085
Exgratia		37,067	10,000	27,067
Livery & Uniform Charges		10,219,396	5,619,730	4,599,666
Stipend		8,386,066	3,326,330	5,059,736
Pension Contribution(HPSEBL)		187,239	187,239	-
Leave Encashment (HPSEBL)		139,040	139,040	-
Sub-Total		1,461,718,177	488,387,291	973,330,886



CASH & BANK BALANCE AS ON 31.03.2011		(in ₹)
<b>BANK BALANCE AS ON 31.03.2011</b>		
<b>CORPORATE OFFICE</b>		
<b>FDR</b>		
HDFC, Shimla	110,100,000.00	
UCO Bank Shimla	98,000,000.00	
Bank of Baroda	135,000,000.00	
Yes Bank	360,550,662.00	
IndusInd Bank	194,060,458.34	
ICICI Bank	98,200,000.00	
SBOP	584,009,749.00	
Oriental Bank of Commerce	610,493,154.69	
DENA Bank	108,490,627.00	
United Bank of India	240,427,679.00	
<b>Total</b>	<b>2,539,332,330.03</b>	
<b>CORPORATE OFFICE</b>		
<b>SAVING ACCOUNT</b>		
Uco Bank The Mall Shimla	17,534,477.26	
Imprest A/C UCO Bank	342,699,854.00	
<b>Sub-Total (a)</b>	<b>360,234,331.26</b>	
<b>HDFC Renukaji Dam Project</b>	<b>5,410,969.56</b>	
<b>Sub-Total (b)</b>	<b>5,410,969.56</b>	
<b>Total (a)+(b)</b>	<b>365,645,300.82</b>	
<b>CURRENT ACCOUNT</b>		
<b>Corporate Office</b>		
HDFC Bank	3,734,720.31	
Axis Bank	2,884,494.05	
SBOP	11,720,993.22	
Corporation Bank	7,934.00	
Axis Bank, Delhi	48,400.95	
State Bank of India	33,578.00	
PNB New Shimla	692,103.53	
<b>Sub-Total</b>	<b>19,122,224.06</b>	
<b>Corporate Office</b>	<b>19,122,224.06</b>	
Gyspa	1,331,842.00	
Sunder Nagar	7,946,383.00	
Sawara	8,574,890.00	
Renukaji	-	
Integrated Kashang	6,482,026.00	
Shongtong-Karcham	79,082,374.00	
Sainj	20,394,421.00	
Chirgaon-Majhgaon	-	
Thanaplaun & Nichali Beri	4,254,227.00	
Nakthan	297,322.00	
Surgani Sundla	227,981.00	
Tidong	-	
<b>Total</b>	<b>147,713,690.06</b>	
<b>Cash in Hand including Imprest</b>		
Corporate Office	19,089.00	
Gyspa	41,301.00	
Sunder Nagar	-	
Sawara	8,244.00	
Renukaji	10,329.00	
Integrated Kashang	160.00	
Shongtong-Karcham	-	
Sainj	19,711.00	
Chirgaon-Majhgaon	-	
Thanaplaun & Nichali Beri	-	
Nakthan	6,025.00	
Surgani Sundla	-	
Tidong	-	
<b>Total</b>	<b>104,859.00</b>	
<b>Stamps in Hand</b>		
Corporate Office	1,397.00	
Gyspa	-	
Sunder Nagar	1,670.00	
Sawara	2,027.00	
Renukaji	-	
Integrated Kashang	2,171.00	
Shongtong-Karcham	4.00	
Sainj	2,043.00	
Chirgaon-Majhgaon	-	
Thanaplaun & Nichali Beri	-	
Nakthan	-	
Surgani Sundla	-	
Tidong	-	
<b>Total</b>	<b>9,312.00</b>	
<b>Grand Total</b>	<b>3,052,805,491.91</b>	

<b>FDR</b>	<b>2,539,332,330</b>
<b>CURRENT ACCOUNT</b>	<b>147,713,690</b>
<b>SAVING ACCOUNT</b>	<b>365,645,301</b>
<b>Cash in Hand including Imprest</b>	<b>104,859</b>
<b>Stamps in Hand</b>	<b>9,312</b>
<b>TOTAL</b>	<b>3,052,805,492</b>





**HIMACHAL PRADESH POWER CORPORATION LTD.**

**NOTES ANNEXED TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR  
ENDED 31<sup>ST</sup> MARCH 2011**

**1. Significant Accounting Policies:**

**a) Accounting conventions and Basis of Preparation of Financial Statements.**

The Corporation follows the mercantile system of Accounting and recognizes income and expenditure on accrual basis. The financial statements are prepared under the historical cost convention. These statements have been prepared in accordance with applicable mandatory Accounting Standards and relevant presentational requirements of the Companies Act, 1956.

**b) Fixed Assets:**

- (i) Fixed Assets are stated at cost of procurement/construction inclusive of freight, taxes, duties and incidental expenses.
- (ii) Payment/Liability made / provided provisionally towards award, compensation, rehabilitation and other expenses other than the amount deposited with land acquiring authorities is treated as cost of land. No provisions are made for land yet to be acquired.

**c) Depreciation:**

Depreciation has been provided for on Written Down Method at the rates and in the manner specified in schedule XIV of Companies Act, 1956.

**d) Capital Work in Progress:**

Expenditure during construction period is included under Capital work in Progress and shall be allocated to respective fixed assets on completion of construction.

**e) Investments:**

Investments are stated at Cost.

**f) Inventories:**

Inventories are valued at cost (FIFO Method).

**g) Foreign currency transactions**

Transactions in foreign currency are recorded on initial recognition at the exchange rate prevailing at the time of transactions

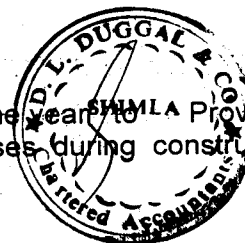
**h) Incidental Expenses during Construction:**

The Profit and Loss Account has not been prepared as the Corporation has yet not started commercial operations. However, the statement showing incidental expenditure during construction (pending allotment) has been prepared.

**i) Retirement Benefit:**

**a) Defined Contribution Plan (Provident Fund):**

Corporation's Contribution paid/payable during the year to SHMLA Provident Fund is recognized in the statement of incidental expenses during construction Pending allocation.



**b) Defined Benefit Plan (Gratuity):**

Liability towards Gratuity for the year has been provided on the basis of Payment of Gratuity Act, 1972.

**C) Defined Benefit Plan (Leave Encashment):**

Payment towards encashment of earned leaves will be accounted for at the time of actual encashment of leave.

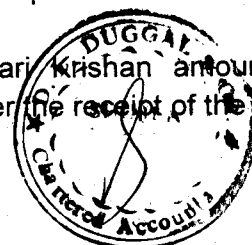
**j) Prior period adjustments:**

The corporation follows the practice of making adjustments for prior period items through expenses / income for the current year.

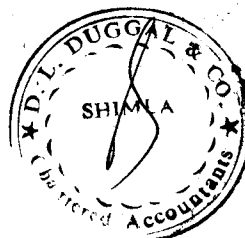
**NOTES ON ACCOUNT:**

**i) Contingent Liability not provided for:**

- a) The project affected families had preferred suit(s) against the amount of compensation paid for land acquisition in different Ld. Courts. As likely outcome of these suits cannot be ascertained, no liability has been provided for in the books.
  - b) Arbitration proceedings in the case of M/S Bahu Fort Colonizers (P) Ltd. V/S HPPCL have been completed. The Arbitrator has pronounced his decision vide which ₹ 44,28,058/- is awarded to contractor & ₹ 33,95,697/- is recoverable from contractor. Therefore, the net payable to contractor is ₹ 10,32,631/- including interest. However, the arbitrator has passed an order to provide the material back to the HPPCL. The list of material is yet to be finalized by the HPPCL, therefore, the liability has not been provided for in the books.
  - c) Two Court cases for claim aggregating ₹ 2,36,388/- including interest are pending in Ld. Courts. No provisions have been made in the books as the cases are sub-judicious.
  - d) Outstanding commitments for capital expenditure unascertained.
- ii) There is no deferred tax liability for the period.
- iii) a) The Assessment for FY 2007-08 has been completed by the assessing authority (ACIT) and a demand of ₹ 10, 57,610/- was raised and deposited. The Corporation has filed an appeal with CIT against the orders of the ACIT.
- b) The cases of Income Tax Return for the F.Y 2008-09 & 2009-10 are pending for assessment.
- c) The Corporation has not deposited any advance tax on the interest income for the F.Y 2010-11. However, the TDS deducted by the Banks ₹43701912 has been shown as "TDS recoverable".
- iv) All generating units of HPPCL are currently under construction. Hence, no Profit & Loss Account has been prepared and no provision for tax has been made.
- v) Case filed by HPPCL against Sh. Hari Krishan amounting to ₹ 39,379/- Accounting treatment would be given after the receipt of the verdict of the court.



- vi) The Corporation has made an investment of ₹ 247.50 lakh in the equity of Himachal EMTA Power Limited (HEPL) which has been established as HPPCL's joint venture with EMTA for setting up a (2\*250 MW) thermal power plant. HPPCL has 50% equity participation in HEPL.
- vii) The Renukaji Dam Hydro Electric project is being implemented by HPPCL as a national project and is fully funded by the Government of India and Governments of beneficiary states. Contributions received from the Delhi Jal Board and the Haryana Government aggregating ₹ 2,398,379,755/- has been shown as "Advances from other States Pending Allocation" under the head "Current Liability" as no MOU has yet been finalized.
- viii) The investment of ₹ 1,01,79,82,000/- made by HPSEBL in the amalgamating companies i.e. M/s PVPCL and KKPCCL which had been accounted for at the time of merger (31<sup>st</sup> July, 2007). Shares in respect of this amount have already been issued. The amount of ₹ 65, 85, 48000/- incurred by HPSEBL on transmission lines and transferred to HPPCL as expenditure has been reversed as the transmission lines have been allocated to HPTCL. Thus, the HPSEB (Expenditure) pending allocation has been reduced to ₹ 69,136,258/-
- ix) The Tidong-II Power Project was allotted to HPPCL on 24.10.2008. The expenditure on this power project is ₹ 89,98,674/- up to 31<sup>st</sup> March 2011 which includes ₹ 4,78,555/- expended by HPSEBL and ₹ 85,20,119/- expended by HPPCL. The allotment of this project to HPPCL has been set aside by the Ld. Single Bench of the Hon'ble High Court of Himachal Pradesh vide its order dated 5<sup>th</sup> January 2010. The H.P. Government has preferred a revision petition before DB of Hon'ble High Court of HP. The Hon'ble DB of High Court upheld the decision of Single Bench through judgment dated 15<sup>th</sup> Jan, 2010. A Special Leave Petition has been filed on behalf of State Government and HPPCL before Hon'ble Apex Court on dated 28<sup>th</sup> March, 2011 and the matter is sub-judice. Hence, Tidong-II project has been treated as a unit of HPPCL for the purpose of these accounts.
- x) The State Government vide its letter number Fin-2-C (12)-2/2011 dated 28<sup>th</sup> March, 2011 has decided to substitute its equity contribution in HPPCL through Himachal Pradesh Infrastructure Development Board (HPIDB). Accordingly, contribution of the State Government amounting to ₹ 537.15 crore was refunded and the same amount has been received from the HPIDB. However, the process of transfer of shares in the name of HPIDB is in progress.
- xi) The Corporation remits money to the Land Acquisition officer for making payments to the land owners as per award. The amount so paid to the Land acquisition officer is kept by him in separate Bank Accounts opened in the name of LAO till the amount is released to land owners. This money earns interest for the period it remains unutilized. The reconciliation of accounts with LAO is underway. The Corporation would account for the same after reconciliation/confirmation.
- xii) The State Government has allotted five HEPs to the Corporation for execution in the year 2009-10 and 2010-11. The HPSEB limited has claimed a sum of ₹ 777.35. lakh on account of expenditure incurred on these projects. Since, the claim has been received in the month of July 2011; the reconciliation of the same is in progress. The credit to HPSEB limited would be given after due reconciliation of expenditure account.



- xiii) Principal Secretary (Power) to the Government of HP has issued a notification dated 10 June 2010 called "Himachal Pradesh Power Sector Reforms Transfer Scheme". It has been notified that the contribution towards pension and terminals benefits of the HPSEB limited employees shall be paid to them by the HPPCL. A sum of ₹ 1.39 lakh has been released on this account during the year. However, the provision for the remaining amount except for gratuity has not been made in the books for want of some information/ details from the HPSEB limited. Besides, no provision for leave encashment has been made in the books in respect of HPPCL employees.
- xiv) No provision has been made towards Catchment Area Treatment (CAT) plan, as the amount payable is not ascertainable.
- xv) In the opinion of the Board of Directors, the value of current assets, loans and advances etc. if realized in ordinary course of business, shall not be less than the amount at which the same are stated in the Balance-Sheet.
- xvi) As per the information available with the company there is no amount due to any party under Micro, Small and Medium Enterprises Development Act, 2006.
- xvii) None of the employees of company are covered under Sec. 217 (2A) of the Companies Act, 1956.
- xviii) No Director of the company has interest in any contract awarded within the provisions of Section 301 of the Companies Act, 1956.
- xix) The details of amount due from Directors of the company:

(1) Amount due from Director:

	Current Year	Previous year
Amount due from Managing Director	NIL	NIL
Amount due from Directors.	NIL	NIL

(2) Expenses of Chairman

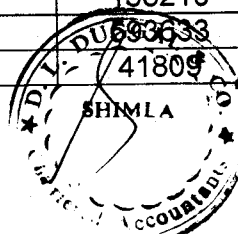
	Current Year	Previous year
A. Remuneration	NIL	NIL
B. Telephone Expenses	NIL	NIL
C. Vehicle Expense.	NIL	NIL
D. Medical Expenses.	NIL	NIL

(3) Expenses of Managing Director

	Current Year	Previous Year
A. Remuneration	1124229	1153808
B. Telephone Expenses.	88943	65714
C. Vehicle Expenses	168923	127447
D. Medical Expenses	9659	6738


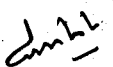
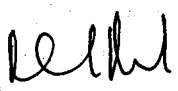

(4) Expenses of Directors

	Current Year	Previous Year
A. Remuneration	2799362	801314
B. Telephone Expenses.	158210	56899
C. Vehicle Expenses	593633	197340
D. Medical Expenses	41809	17443



xx) The previous year's figures have been regrouped / recast wherever felt necessary.

xxi) Figures have been rounded off to the nearest rupee.

 (Sudershan K. Sharma) Company Secretary	 (V. K. Gupta) Dy. General Manager (Finance)	 (B.C.S Baliga) Director (Finance)	 (Sanjay K. Murthy) Managing Director
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Place: Shimla

Date: 12-08-2011

As per report of even date  
For D. L. Duggal & Company,  
Chartered Accountants

(C.A. D.L. Duggal)  
Partner

Membership No. 085692  
FRN No.06906N

# HIMACHAL PRADESH POWER CORPORATION LTD.

## Balance Sheet abstract and company's general business profile

### I. Registration details

Registration No. **U40101HP2006SGC030591**

State code **0 6**

Balance Sheet date

**31 03 11**

(₹ in '000)

### II. Capital raised during the year

Public issue

**N I L**

Right issue

**N I L**

Bonus issue

**N I L**

Private placement

**N I L**

### III. Position of Mobilisation and Deployment of Funds

Total Liabilities

**1 2 4 3 4 2 8 9**

Total Assets

**1 2 4 3 4 2 8 9**

#### Sources of Funds

Paid Up Capital

**6 3 9 3 4 8 9**

Share Application Money

**7 1 6 3 6**

Secured Loans

**3 0 1 6 0 8 9**

#### Application of Funds

Net Fixed Assets

**1 2 7 8 9 6 4**

Net Current Assets

**1 9 3 7 4 8 6**

Accumulated Losses

**N I L**

Reserves & Surplus

**N I L**

Unsecured Loans

**N I L**

Investments

**2 4 7 5 0**

Work In Progress

**4 7 0 0 5 2 2**

Misc. Expenditure not written off

**2 9 6 8 2**

### IV. Performance of Company

Turnover

**N I L**

**+ -**

Profit/ Loss before tax

**N I L**

Earning Per Share in ₹

**N I L**

Total Expenditure

**N I L**

**+ -**

Profit/ Loss after tax

**N I L**

Dividend rate %

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

Product

Item Code No.

1	Generation of Hydro Power	N.A
2	Maintenance of Power	N.A
3	Management of Power Stations/ Projects	N.A

(Sudershan K Sharma)

Company Secretary Dy. General Manager (Fin)

(V.K. Gupta)

(B.C.S. Baliga)

Director (Finance)

(K. Sanjay Murthy, IAS)

Managing Director

