

**BHARAT SANCHAR NIGAM LIMITED**  
**SCHEDULES FORMING PART OF THE FINANCIAL STATEMENTS**

	As at 31st March 2010 (Rs. in Lakh)	As at 31st March 2009 (Rs. in Lakh)
<b>SCHEDULE A : CAPITAL</b>		
(Refer Note 2.2 on Schedule U)		
<b>Authorised</b>		
10,000,000,000 (P. Y.: 10,000,000,000) Equity Shares of Rs. 10/- each	1,000,000	1,000,000
7,500,000,000 (P.Y.: 7,500,000,000) Preference Shares of Rs. 10/- each	750,000	750,000
	<u>1,750,000</u>	<u>1,750,000</u>
<b>Issued , Subscribed and Paid Up</b>		
5,000,000,000 (P. Y. : 5,000,000,000) Equity Shares of Rs 10/- each fully paid up	500,000	500,000
7,500,000,000 (P. Y. : 7,500,000,000) 9% Non- Cumulative Preference Shares of Rs 10/- each fully paid up	750,000	750,000
	<u>1,250,000</u>	<u>1,250,000</u>

Notes: Out of the above Equity shares 4,999,998,400 Equity shares of Rs. 10/- each (P.Y. : 4,999,998,400) and 7,500,000,000 Preference Shares of Rs. 10/- each P.Y. : 7,500,000,000) were allotted as fully paid up for consideration other than cash

	As at 31st March 2010 (Rs. in Lakh)	As at 31st March 2009 (Rs. in Lakh)
<b>SCHEDULE B : RESERVES AND SURPLUS</b>		
<b>Capital Reserves</b>		
As per last Balance Sheet	4,033,566	
Add: Assets recognised	113	
Less: Liabilities identified & transferred to liabilities (Refer Note 2.2 on Schedule U)	<u>454</u>	4,033,225
		4,033,566
<b>General Reserves</b>		
As per last Balance Sheet	463,270	
Less: Utilized for Leave Salary Encashment Provision for earlier period	<u>33,187</u>	430,083
		463,270
<b>Contingency Reserves</b>	200,000	200,000
<b>Surplus:</b>		
<b>Profit and Loss Account</b>		
As per last Balance Sheet	2,916,522	
Add: Carried from P&L account	<u>(182,265)</u>	2,734,257
		2,916,522
<b>Total</b>	<u>7,397,566</u>	<u>7,613,358</u>

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	<b>As at 31st March 2010 (Rs. in Lakh)</b>	<b>As at 31st March 2009 (Rs. in Lakh)</b>
<b>SCHEDULE C : UNSECURED LOANS</b>		
Loan from Govt. of India (Non refundable & non interest bearing )	72,000	72,000
15 Year Government of India Loan (Refer Note 3 on Schedule U)	79,450	269,384
Interest accrued and due on the above Govt. loan (Refer Note 3 on Schedule U)	1,920	-
Deferred Payment Liabilities	-	-
<b>Total</b>	<b>153,370</b>	<b>341,384</b>

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<b>SCHEDULE E : CAPITAL WORK-IN-PROGRESS</b>		
(Refer Note 2.1 & 5 on Schedule U)		
Land	93	5
Buildings	21,247	25,435
Apparatus and Plants	285,251	185,982
Cables	156,621	140,040
Subscriber Installations	4,931	4,782
Lines and Wires	2,475	1,804
Electrical Fittings and Appliances	29,232	31,576
Computers	20,869	33,829
Masts and Aerials	56,715	68,428
Installation Test Equipments	20,247	3,067
Office Machinery and Equipments	456	225
Furniture and fittings	79	161
Motor Vehicle and Launches	2	12
Intangible Assets	1,399	-
Overheads awaiting allocation on the above components	865	919
	600,482	496,265
Less: Provision for Impairment in pending projects etc.	3,959	3,401
<b>Total</b>	<b>596,523</b>	<b>492,864</b>

	As at 31st March 2010 (Rs. in Lakh)	As at 31st March 2009 (Rs. in Lakh)
<b>SCHEDULE F : DECOMMISSIONED ASSETS</b>		
Decommissioned Assets	61,118	59,770
Less : Provision for diminution in the value of decommissioned assets	53,221	55,126
<b>Total</b>	<b>7,897</b>	<b>4,644</b>

	As at 31st March 2010 (Rs. in Lakh)	As at 31st March 2009 (Rs. in Lakh)
<b>SCHEDULE G : INVESTMENTS</b>		
(At cost)		
<b>(Long Term , Unquoted, Non-trade)</b>		
20,000,000 (P. Y. 20,000,000) 7% Redeemable Cumulative Preference Shares of Rs. 100/- each Fully Paid in ITI Limited (A Government of India owned company).	20,000	20,000
<b>Total</b>	<b>20,000</b>	<b>20,000</b>

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	As at 31st March 2010 (Rs. in Lakh)	As at 31st March 2009 (Rs. in Lakh)
<b>SCHEDULE H : INVENTORIES</b>		
(Refer item 7 of Schedule T and Note 6 on Schedule U)		
Building materials	494	305
Lines and Wires	13,564	15,395
Cables	117,164	149,346
Apparatus and Plants	301,530	214,607
Telephone and Telex Instruments	20,026	21,111
Telegraph and Telex Spares	119	128
Broad Band Equipments	22,269	16,384
Raw material (at Factory)	17,697	22,127
Finished goods (at Factory)	1,366	1,413
Finished Stock (at various Circles)	14,450	14,165
Other Stores	22,999	24,329
Excess/(Short) in Inventory Account	30	63
	531,708	479,373
Less: Provision for obsolete inventory/short inventory	25,875	22,115
<b>Total</b>	<b>505,833</b>	<b>457,258</b>
	As at 31st March 2010 (Rs. in Lakh)	As at 31st March 2009 (Rs. in Lakh)
<b>SCHEDULE I : SUNDRY DEBTORS</b>		
(Refer Note 7 on Schedule U)		
Debtors	672,352	658,587
<b>Less:</b> Provision for Doubtful debts (Refer accounting policy 2 (a) of Schedule T)	396,231	399,712
	276,121	258,875
Accrued Revenue (Bills not raised)	198,336	213,179
<b>Total</b>	<b>474,457</b>	<b>472,054</b>
	As at 31st March 2010 (Rs. in Lakh)	As at 31st March 2009 (Rs. in Lakh)
<b>SCHEDULE J : CASH AND BANK BALANCES</b>		
(Refer Note 10 on Schedule U)		
Cash and Cheques in hand	2,257	2,415
Balances with Scheduled banks		
- Current Account	166,007	277,245
- Deposit Account	2,866,076	3,533,770
<b>Total</b>	<b>3,034,340</b>	<b>3,813,430</b>

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**SCHEDULES FORMING PART OF THE FINANCIAL STATEMENTS**

	As at 31st March 2010 (Rs. in Lakh)	As at 31st March 2009 (Rs. in Lakh)
<b>SCHEDULE K : LOANS AND ADVANCES</b>		
(Refer Note 8 on Schedule U)		
Unsecured, considered good unless otherwise stated)		
Advances recoverable in Cash or in kind or for value to be received	286,897	186,080
Capital Advance	33,402	37,222
Amount recoverable from DoT on Current Account	248,237	105,101
Claims recoverable from other Government departments	6,816	7,132
Claims recoverable from other Government companies	311,041	282,851
Claims recoverable from U.S.O. Administrator	137,553	72,674
Claims recoverable from others	12,243	13,614
Claims recoverable towards defence telecom projects (Net of advances)	12,590	8,145
Advance Income Tax (Net of Provision for tax Rs.715150 Lakh (P.Y. Rs.700649 Lakh)	446,173	279,147
Advance Fringe Benefit Tax (Net of Provision for FBT Rs.15300 Lakh (P.Y. Rs.15300 Lakh)	5,898	4,898
MAT credit receivable	-	21,641
Operating lease Charges	713	-
Excise Duty, Cenvat & Service Tax Recoverable	80,801	80,473
Sales Tax Recoverable	7,328	8,317
	1,589,692	1,107,295
Less: Provision for doubtful items	192,665	162,415
<b>Total</b>	<b>1,397,027</b>	<b>944,880</b>

	As at 31st March 2010 (Rs. in Lakh)	As at 31st March 2009 (Rs. in Lakh)
<b>SCHEDULE L : CURRENT LIABILITIES</b>		
Sundry Creditors	989,466	795,292
Including Rs. 244 Lakh dues to MSMEs (P.Y. Rs. 87 Lakh) (Refer note no. 25 (d) on Schedule U)		
Advances received from Customers and others	88,389	65,889
Deposits from Customers and others	525,912	558,034
Income received in advance against services	98,248	66,802
Claims payable to DoT	1,875,599	27,581
Claims payable to departments of Govt. of India	15,719	19,185
Claims payable to Government companies	98,173	98,145
Licence Fee, Spectrum charges and Transponder charges payable (Refer Note 13 on Schedule U)	(42,681)	(746)
Excise Duty payable	123	133
Payable for revised wages	412,433	213,758
Salary & Incentive payable to employees	76,318	86,456
Payable to SAARC Countries (Refer Note 12.3 on Schedule U)	-	110
Liabilities for services	69,608	75,112
Liabilities for Construction account	1,253	1,201
Claims Payable for USO Tower	3,422	3,330
Other Provisions for expenses	40,696	39,450
Other liabilities	22,767	19,859
Interest accrued but not due on Deposits	2,197	3,111
<b>Total</b>	<b>4,277,642</b>	<b>2,072,702</b>

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	<b>As at 31st March 2010 (Rs. in Lakh)</b>	<b>As at 31st March 2009 (Rs. in Lakh)</b>
<b>SCHEDULE M : PROVISIONS</b>		
Provision for Wealth Tax	415	418
Provision for Tax on Dividend	-	0
Proposed Dividend	-	-
Provision for Leave Encashment ( Refer Note 11.3 of Schedule U)	550,500	489,496
Provision for Gratuity liability (Refer Note 11.3 of Schedule U)	6,687	3,964
<b>Total</b>	<b><u>557,602</u></b>	<b><u>493,878</u></b>

**BHARAT SANCHAR NIGAM LIMITED**  
**SCHEDULES FORMING PART OF THE FINANCIAL STATEMENTS**

	<b>For the Year ended 31st March 2010 (Rs. in Lakh)</b>	<b>For the Year ended 31st March 2009 (Rs. in Lakh)</b>
<b>SCHEDULE N : Service Revenue and Other Operating Income</b>		
Telephones (other than WLL)	826,770	1,018,535
Cellular	976,089	1,020,253
Wireless in Local Loop (WLL)	57,463	64,520
Income from Broad Band Services	248,532	168,958
Leased line	106,431	100,064
Other Services	3,433	2,407
Installation / Reconnection Charges	-	-
Surcharge on delayed payments	-	-
Telegraph & Telex	1,504	1,361
Receipt from other operators	297,779	430,461
Other Operating Income	266,506	207,489
Miscellaneous Services	6,837	2,894
<b>Total</b>	<b>2,791,344</b>	<b>3,016,942</b>
	<b>For the Year ended 31st March 2010 (Rs. in Lakh)</b>	<b>For the Year ended 31st March 2009 (Rs. in Lakh)</b>

**SCHEDULE O : OTHER INCOME**

Interest		
- On deposits in Banks *	242,202	384,505
- Others	3,497	3,998
Profit on sale of Assets	2,468	2,165
Liquidated Damages	44,108	21,537
Excess provision written back	80,353	117,014
Rent of Staff Quarters	1,308	1,296
Sale of Scrap	4,927	4,339
Others including sale of Directories, Publications, Forms, Waste Paper etc.	30,954	28,756
Misc. Income from USO Towers	3,380	640
<b>Total</b>	<b>413,197</b>	<b>564,250</b>

\* Includes TDS: Rs. 31,169.68 lakh (P.Y. Rs. 104,808.03 lakh)

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	<b>For the Year ended 31st March 2010 (Rs. in Lakh)</b>	<b>For the Year ended 31st March 2009 (Rs. in Lakh)</b>
<b>SCHEDULE P : EMPLOYEES REMUNERATION AND BENEFITS</b>		
Salaries, Wages, Incentives & Allowances	1,070,564	945,196
Leave Encashment (including provisions)	60,085	49,905
Pension Contribution (Refer Note 11 on schedule U)	202,353	128,839
Contribution to Employees' Provident Fund and Gratuity (incl. provisions)	16,814	11,753
Leave Salary Contribution	1,265	71
Medical Expenses	48,406	43,122
Staff Welfare Expenses	2,724	2,885
	<u>1,402,211</u>	<u>1,181,771</u>
<b>Less:</b> Allocated to Capital Work-in-Progress/W.I.P.	56,707	45,448
<b>Total</b>	<b><u>1,345,504</u></b>	<b><u>1,136,323</u></b>

	<b>For the Year ended 31st March 2010 (Rs. in Lakh)</b>	<b>For the Year ended 31st March 2009 (Rs. in Lakh)</b>
<b>SCHEDULE Q : ADMINISTRATIVE, OPERATING AND OTHER EXPENSES</b>		
Rent	35,025	26,357
Rates and Taxes	6,408	5,624
Power and Fuel	203,057	177,997
Insurance	739	1,082
Repairs and Maintenance		
-Buildings	29,903	29,013
-Plant and Machinery	74,060	72,590
-Cables	46,376	42,666
- Others	7,952	4,115
Professional and Consultancy charges	6,286	2,992
Printing and Stationery	9,422	10,370
Lease Rent	286	323
Commission on Franchise Services	21,735	46,118
Transponder Charges	-	0
Bank charges	522	684
Advertisement	1,638	2,280
Business Promotion and marketing Expenses	31,023	35,536
Social Reponsibility expenses	500	501
Travel Expenses	14,647	15,883
Postage & Courier Charges	8,727	9,580
Security Services	36,021	32,992
Vehicle Running Expenses (Including hired vehicles)	21,129	20,539
IUC payable to other service providers	249,525	351,702
Expenditure on Services and other expenses	95,975	74,931
W/off & Losses other than Bad debts	25,590	22,853
Bad-Debt Provision other than services	4,408	2,014
Bad-Debt actually written off	28,781	68,601
Provision for doubtful debts and disputed bills	67,161	85,640
Foreign Exchange Fluctuation Loss/ (Gain) (Net)	(2,500)	3,865
Loss/(Profit) from Factories (Refer Note 6.2 on Schedule U)	2,275	(1,404)
Loss/(Profit) from Construction/Telecom services projects	(45)	(87)
	<u>1,026,626</u>	<u>1,145,357</u>
<b>Less:</b> Allocated to Capital Project Works/W.I.P.	6,721	7,560
<b>Total</b>	<b><u>1,019,905</u></b>	<b><u>1,137,797</u></b>

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	<b>For the Year ended 31st March 2010 (Rs. in Lakh)</b>	<b>For the Year ended 31st March 2009 (Rs. in Lakh)</b>
<b>SCHEDULE R : FINANCIAL EXPENSES</b>		
Interest on Government Loan	34,471	43,154
Interest on Subscribers Deposit	596	1,031
Interest - Others	94	140
<b>Total</b>	<b>35,161</b>	<b>44,325</b>

	<b>For the Year ended 31st March 2010 (Rs. in Lakh)</b>	<b>For the Year ended 31st March 2009 (Rs. in Lakh)</b>
<b>SCHEDULE S : PRIOR PERIOD ITEMS</b>		
<b>Income</b>		
Excess income booked earlier now reversed	(1142)	(11895)
USO Subsidy	(309)	513
<b>Total</b>	<b>(1451)</b>	<b>(11382)</b>

<b>Expenditure</b>		
Rent, Rates & Taxes	75	219
Repairs	605	186
Depreciation (Refer note 5 of Schedule D)	10464	4189
Interest	(32)	127
Other services	3779	2811
Expenditure booked earlier now reversed:		
- Salaries and Staff Expenses	70	(180)
- Power and Fuel	(48)	(2)
- Interconnect Usage Charges (IUC)	134	(80)
- USO Towers	(13)	(44)
<b>Total</b>	<b>15034</b>	<b>7226</b>
<b>Net</b>	<b>(16485)</b>	<b>(18608)</b>