

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

	As at 31 st March 2004 (Rs.000's)	As at 31st March 2003 (Rs.000's)
SCHEDULE A : CAPITAL		
(Refer Note 2.2 and 3(ii) on Schedule U)		
Authorised		
10,000,000,000 (Previous Year: 10,000,000,000)		
Equity Shares of Rs 10/- each	100,000,000	100,000,000
7,500,000,000 (Previous Year: 7,500,000,000) Preference Shares of Rs. 10/- each	75,000,000	75,000,000
	175,000,000	175,000,000

Issued, Subscribed and Paid Up

5,000,000,000 (Previous Year: 5,000,000,000) Fully paid		
Equity Shares of Rs 10/- each	50,000,000	50,000,000
7,500,000,000 (Previous Year: 7,500,000,000) Fully paid Preference Shares of Rs 10/- each	75,000,000	75,000,000
	125,000,000	125,000,000

Notes: Of the above Equity Shares 4,999,998,400 (Previous Year: 4,999,998,400) Equity Shares of Rs. 10/-each and Preference Shares 7,500,000,000 (Previous Year: 7,500,000,000) of Rs. 10/- each are allotted as fully paid up for consideration other than cash

	As at 31 st March 2004 (Rs.000's)	As at 31st March 2003 (Rs.000's)
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SCHEDULE B : RESERVE AND SURPLUS**Bond Redemption Reserve**

As per last Balance Sheet	1,704,657		
Additions during the year	-		
Less: Transferred to General Reserve	1,704,657	-	1,704,657

General Reserve

As per last Balance Sheet	364,776,293		
Additions during the year (Refer Note 2.2 on Schedule U)	14,380,088		
Transfer from Bond Redemption Reserve	1,704,657	380,861,038	364,776,293

Contingency Fund (Refer Note 14 on Schedule U)

	20,000,000	-	
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Profit and Loss Account

As per last Balance Sheet	67,737,061		
Additions during the year	36,585,160	104,322,221	67,737,061

Total

	505,183,259	434,218,011
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BHARAT SANCHAR NIGAM LIMITED
SCHEDULES FORMING PART OF THE FINANCIAL STATEMENTS

	As at 31 st March 2004 (Rs.000's)	As at 31 st March 2003 (Rs.000's)
SCHEDULE C : SECURED LOAN		
Bonds (Refer Note 10 on Schedule U)		
5 years 10.40% (Taxable), Secured, redeemable, non-convertible bonds of Rs 10,00,000 /- each.	-	5,100,000
	-	5,100,000

	As at 31 st March 2004 (Rs.000's)	As at 31 st March 2003 (Rs.000's)
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SCHEDULE D : UNSECURED LOANS

Deferred Payment Liabilities		
(Refer note 5.2 on Schedule U)	376,842	1,530,235
Loan		
15 Years Government Loan (Refer Note 2.2 and 3 (i) on Schedule U)	75,000,000	75,000,000
Loan from Government	-	10,000
	75,000,000	75,010,000
Interest accrued and due on Bonds	-	2,324,146
GRAND TOTAL	75,376,842	78,864,381

Note :
Deferred payment liabilities represents arrangement with various suppliers (mainly for cables) with interest ranging from 12% to 15% p.a. payable over a period of 5 to 7 years.

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	As at 31 st March 2004 (Rs.000's)	As at 31 st March 2003 (Rs.000's)
SCHEDULE F: CAPITAL WORK-IN-PROGRESS		
(Refer Note 2.1, 5.7 and 5.8 on Schedule U)		
Land	12,630	18,015
Buildings	5,396,358	8,233,182
Apparatus and Plant	24,070,838	31,834,034
Cables	20,496,549	41,549,345
Subscriber Installations	1,682,759	2,149,234
Lines and Wires	2,137,480	3,462,471
Electrical Fittings and Appliances	2,972,857	4,026,757
Computer	303,013	285,785
Mast and Aerials	895,853	763,857
Installation Test Equipments	148,447	162,758
Office Machinery and Equipment	67,104	82,183
Furniture and fittings	23,389	44,412
Motor Vehicle and Launches	14,423	38,521
Satellite Earth Stations	1,124	-
Overheads awaiting distribution on above components	327,093	-
Total	58,549,917	92,650,554

	As at 31 st March 2004 (Rs.000's)	As at 31st March 2003 (Rs.000's)
SCHEDULE G : INVESTMENTS		
(At cost, unless otherwise specified)		
(Long Term , Unquoted, Non-trade)		
7% Fully paid Redeemable Cumulative Preference Shares of ITI Limited 20,000,000 (Previous Year 20,000,000) shares of Rs. 100/- each	2,000,000	2,000,000
Total	2,000,000	2,000,000

	As at 31 st March 2004 (Rs.000's)	As at 31st March 2003 (Rs.000's)
SCHEDULE H : INVENTORIES		
(Refer Note 6 on Schedule U)		
Building material	83,706	135,353
Lines and Wires	1,916,357	2,447,592
Cables	7,107,924	9,925,298
Apparatus and Plant	9,177,773	9,798,695
Telephone and Telex Instruments	1,930,501	1,465,654
Telegraph and Telex Spares	13,392	32,186
Stock at Factories		
Raw material	661,447	596,615
Finished goods	31,778	18,943
Finished Stock at Various Circles	1,887,466	3,091,778
Stores	627,152	2,676,628
Stores - in - Transit	-	344,068
Total	23,437,496	30,532,810

BHARAT SANCHAR NIGAM LIMITED

SCHEDULES FORMING PART OF THE FINANCIAL STATEMENTS

	As at 31 st March 2004 (Rs.000's)	As at 31st March 2003 (Rs.000's)
SCHEDULE I : SUNDRY DEBTORS		
(Unsecured, Considered Good)		
Debtors*	61,898,072	46,715,121
Less: Provision for Bad and Doubtful debts (Refer Note 2.2(a) on Schedule T)	(22,103,567)	(17,263,146)
Total	39,794,505	29,451,975

*Not possible to ascertain secured sundry debtors and its ageing.

	As at 31 st March 2004 (Rs.000's)	As at 31st March 2003 (Rs.000's)
SCHEDULE J : CASH AND BANK BALANCES		
(Refer Note 8 on Schedule U)		
Cash on hand including remittances in transit	386,685	1,854,124
Balances with Scheduled bank		
- On Current account	15,155,804	10,382,852
- On Deposit account	99,970,820	22,098,957
Balances in contra accounts	61,442	60,911
Total	115,574,751	34,396,844

	As at 31 st March 2004 (Rs.000's)	As at 31 st March 2003 (Rs.000's)
SCHEDULE : K - LOANS AND ADVANCES		
(Unsecured, Considered Good)		
(Refer Note 7 on Schedule U)		
Advances recoverable in Cash or in kind or for value to be received	13,214,426	6,304,795
Capital Advance	2,658,093	970,655
Amount recoverable from DoT on Current Account	18,241,334	20,786,605
Accrued Revenue on Services	28,372,923	24,218,811
Deposits with Government departments / Companies	14,281,761	3,378,692
Advance Tax	20,271,665	12,426,370
Total	97,040,202	68,085,928

	As at 31 st March 2004 (Rs.000's)	As at 31 st March 2003 (Rs.000's)
SCHEDULE : L - CURRENT LIABILITIES		
(Refer Note 7 on Schedule U)		
Sundry Creditors	30,280,648	33,741,474
Advances received from customers and others	229,342	48,194
Deposits from customers and others	64,478,336	65,247,301
Income received in advance against services	3,122,637	3,696,140
Claims payable to Government departments	12,253,845	752,838
Claims payable to DoT	18,106,567	37,240,136
Interest accrued on Deposits	255,154	385,302
Other liabilities	8,996,313	8,806,822
Licence Fee, Spectrum charges and Transponder charges payable (Refer Note 12 on Schedule U)	11,424,221	23,182,620
Claims payable to SAARC Countries (Refer Note 11.3 on Schedule U)	133,621	-
Total	149,280,684	173,100,827

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SCHEDULES FORMING PART OF THE FINANCIAL STATEMENTS

	As at 31 st March 2004 (Rs.000's)	As at 31 st March 2003 (Rs.000's)
SCHEDULE : M - PROVISIONS		
Provision for revised wage estimate (Refer Note 9.1 on Schedule U)	2,951,962	6,770,610
Provision for Bonus	2,111,386	2,512,755
Provision for Income - Tax (Refer Note 15.2 on Schedule U)	30,725,416	10,273,406
Provision for phased out assets (Refer Note 5.9 on Schedule U)	1,508,250	2,652,157
Provision for decommissioned assets	1,170,264	1,170,300
Provision for Capital work in progress (Refer Note 5.7 & 5.8 on Schedule U)	468,432	851,262
Provision for obsolete inventory (Refer Note 6.1 and 6.2 on Schedule U)	1,229,333	1,295,770
Provision for leave encashment (Refer Note 9.2 on Schedule U)	12,353,360	7,074,711
Provision for payment to SAARC Countries (Refer Note 11.3 on Schedule U)	1,157,593	-
Other Provisions	2,010,085	1,297,968
Proposed Dividend	2,812,500	-
Provision for Tax on Dividend	367,559	-
Total	58,866,140	33,898,939

	Year ended 31 st March 2004 (Rs.000's)	Year ended 31st March 2003 (Rs.000's)
SCHEDULE : N - INCOME FROM SERVICES		
Telephones (other than WLL and PCO's)	172,249,034	157,333,024
Income from PCO's	61,554,627	51,742,776
Telegraph & Telex	332,145	440,419
Circuits	5,008,018	4,665,697
Cellular	21,058,923	4,022,752
Value Added Services	2,296,192	1,318,016
Installation / Reconnection Charges	3,954,308	4,808,971
Surcharge on delayed payments	1,791,964	1,572,980
Wireless in Local Loop	1,879,989	668,089
Income from VSNL-net (Refer Note 11.1 on Schedule U)	3,948,675	6,744,851
IUC from MTNL (Refer note 11.2 on Schedule U)	12,169,879	10,547,001
IUC from Other basic service providers	17,338,789	3,543,874
IUC from Other Cellular service providers	9,764,045	4,964,804
Others	646,848	558,239
Total	313,993,436	252,931,493

	Year ended 31 st March 2004 (Rs.000's)	Year ended 31st March 2003 (Rs.000's)
SCHEDULE : O - OTHER INCOME		
Refund from Universal Service Fund (Refer Note 12.3 on Schedule U)	3,102,468	2,302,000
Interest		
- From Banks	2,892,071	1,473,020
(includes TDS: Rs. 555,005 thousand, Previous Year : Rs. 303,285 thousand)		
- Others	117,909	191,464
Profit on sale of Assets	17,425	21,402
Liquidity Damages	767,190	794,848
Excess provision written back (Refer 12.4 of Schedule U)	16,866,372	-
Others including sale of Directories, publications, Forms, Waste Paper etc.	1,429,032	1,211,791
Total	25,192,467	5,994,525

BHARAT SANCHAR NIGAM LIMITED
SCHEDULES FORMING PART OF THE FINANCIAL STATEMENTS

	Year ended 31 st March 2004 (Rs.000's)	Year ended 31st March 2003 (Rs.000's)
SCHEDULE : P - EMPLOYEES REMUNERATION AND BENEFITS		
Salaries, Wages , Allowance and Other Benefits (Refer Note 9.1 on Schedule U)	52,249,037	54,658,989
Medical Expenses	2,231,324	570,257
Incentive / Bonus	1,951,825	2,672,100
Pension Contribution (Refer Note 9.3 on schedule U)	5,143,574	5,948,212
Leave Contribution (Refer Note 9.2 on Schedule U)	(413,188)	1,122,280
Leave encashment (Refer Note 9.2 on Schedule U)	6,231,374	7,694,504
Contribution to Employees' Provident Fund	109,155	38,864
Staff Welfare Expenses	196,327	321,593
Less: Allocation to Capital Work-in-Progress	(3,933,117)	(10,366,494)
Total	63,766,311	62,660,305

	Year ended 31 st March 2004 (Rs.000's)	Year ended 31st March 2003 (Rs.000's)
SCHEDULE : Q - ADMINISTRATIVE, OPERATING AND OTHER EXPENSES		
Rent	1,718,824	1,665,724
Rates and Taxes	445,910	714,059
Power and Fuel	11,448,168	10,509,435
Insurance	57,060	45,261
Repairs and Maintenance		
- On Buildings	1,793,977	1,238,348
- On Plant and Machinery	2,134,908	3,028,004
- On Others	4,561,166	4,080,408
Professional and Consultancy charges	362,833	439,393
Printing and Stationery	1,441,914	922,895
Lease Rent (Refer Note 18 on Schedule U)	90,487	259,947
Commission paid on Franchise Services	16,081,844	13,234,544
Communication and Bank charges	353,337	456,656
Advertisement	90,016	926,982
Loss on Sale of Assets	-	364,188
Travel Expenses	1,852,347	1,436,043
Postage	1,134,164	933,825
Security Services	1,829,420	1,377,215
Vehicle Running Expenses (Including hired vehicles)	1,561,521	1,285,322
W/off & Losses other than Bad debts	1,505,038	3,380,832
Provision for doubtful debts and disputed bills	5,605,374	4,846,313
IUC payable to other service providers	13,103,565	21,575
Expenditure on Services and other expenses	4,398,510	4,456,996
Less: Chargeable to Capital Project Works	(428,944)	(501,006)
Less: Chargeable to Stores	-	(29,800)
Less: Income from Factories (Refer Note 6.3 on Schedule U)	(23,159)	(438,200)
Total	71,118,280	54,654,959

BHARAT SANCHAR NIGAM LIMITED

SCHEDULES FORMING PART OF THE FINANCIAL STATEMENTS

	Year ended 31 st March 2004 (Rs.000's)	Year ended 31st March 2003 (Rs.000's)
SCHEDULE : R - FINANCIAL EXPENSES		
Interest on Bonds	527,494	2,909,295
Interest on Others	343,746	532,192
Finance Charges	11,204	204,029
Total	882,444	3,645,516

	Year ended 31 st March 2004 (Rs.000's)	Year ended 31st March 2003 (Rs.000's)
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SCHEDULE : S - PRIOR PERIOD ADJUSTMENT

Credits		
Income from Services and others	348,610	59,727
Excess depreciation charged in earlier year (Refer Schedule E)	-	557,395
Excess provision for bad debt on earlier years	457,161	1,113,928
Others	2,494,610	885,042
Total	3,300,381	2,616,092
Debit		
Excess income booked last year now reversed	403,940	4,353,809
Salaries and Staff Expenses	183,054	359,538
Power and Fuel	11,211	28,033
Rent	44,113	30,560
Rates and Taxes	-	2,575
Repair	72,631	143,382
Depreciation (Refer Schedule E)	2,925,001	1,394,135
Others	249,449	861,319
Total	3,889,399	7,173,351
Net Adjustment	(589,018)	(4,557,259)