

## INDEPENDENT AUDITOR'S REPORT

To  
The Members of,  
Power Transmission Corporation of Uttarakhand Limited

### Report on the Financial Statements

We have audited the accompanying financial statements of Power Transmission Corporation of Uttarakhand Limited ("**The Company**"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of





the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the financial statements.

### **Basis for Qualified Opinion**

1. *Inter-Units balances of the company are under reconciliation. The effect of above unreconciled accounts on the financial statements is unascertainable. ( Refer Note 2.31 para I. annexed to financial statements)*
2. *The title deeds of land were not produced for our verification and therefore we were unable to comment on the ownership status thereof.*
3. *Inclusion of Non-moving and obsolete stocks in the value of inventory resulting in over statement of current assets and profit for the period. Amount unascertainable.*
4. *Non-reconciliation of the amounts receivable from suppliers/ contractors/ employees/ other parties and amounts due to suppliers/ contractors/ employees/ other parties incorporated in the books of the company as on 1.06.2004. The effect thereof on the financial statements is unascertainable.*

### **Qualified Opinion**

In our opinion and to the best of our information and according to the explanations given to us, *except for the effects of the matter described in the Basis for Qualified Opinion paragraph*, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016, and its profit and its cash flows for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section 11 of section 143 of the Act, we give in the Annexure-I a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by the direction issued by the Office of the Comptroller & Auditors General of India under section 143(5) of the Act, we give in the Annexure-II a statement on the matters specified in the directions.
3. As required by section 143(3) of the Act, we report that:
  - (a) *Except the matters described in the basis for qualified opinion*, we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;





- (c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account;
- (d) *Except for the effects of the matter described in the Basis for Qualified Opinion paragraph*, in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (e) There are no observations or comments on the financial transactions or matters which have any adverse effect on the functioning of the company.
- (f) In terms of Notification No G.S.R. 463(E) dated 05<sup>th</sup> June, 2015 issued by the Ministry of Corporate Affairs, the provisions of Section 164(2) of the Act regarding disqualification of directors are not applicable to the Company.
- (g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure-A".
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i) The Company does not have any pending litigations which would impact its financial position.
  - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**Place:** Dehradun  
**Date:** 26-08-2016

**For Gianender & Associates**  
**Chartered Accountants**

FRN: 004661N

  
**Ramesh Koul**  
**Partner**

M No. 077804





**Annexures to the Independent Auditor's Report of Power Transmission Corporation of Uttarakhand Limited for the Year ended as on 31<sup>st</sup> March 2016**

**Annexure-I referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report on even date:-**

- i. a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;  
b) *The Fixed Assets have not been physically verified by the management;*  
c) *The title deeds of immoveable properties are not available with the company, therefore we are unable to comment whether the same are in the name of company or not.*
- ii. a) The inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable. *As per the information and explanation given to us, the discrepancies noticed on physical verification of inventories has not been dealt with in the books of account.*
- iii. The Company has not granted any loans, secured or unsecured to companies, firms, limited liabilities partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Hence, reporting under clause (a) to (c) of Para 3(iii) are not applicable.
- iv. The Company has not entered into any transaction in respect of loans, investments, guarantee and securities, which attracts compliance to the provisions of the sections 185 and 186 of the Companies Act, 2013. Therefore the paragraph 3(iv) of the Order is not applicable to the company.
- v. The Company has not accepted deposits in terms of the provisions of section 73 to 76 of the Companies Act, 2013 and rules framed there under.
- vi. According to the information and explanations given to us, we are of the opinion that prima facie, cost records prescribed, pursuant to the Rules made by the Central Government for the maintenance of cost records under Section 148 of the Act, are made and maintained.
- vii. a) According to the information and explanations given to us and on the basis of our examination of the books of accounts, the company has been generally regular in depositing undisputed statutory dues including provident fund, employee state insurance, income tax, service tax, value added tax, cess and other statutory dues during the year with the appropriate authorities. As on 31<sup>st</sup> March 2016, there are no undisputed statutory dues payables for period exceeding for a period more than six month from the date they become payable;  
b) According to the information and explanations given to us, there were no statutory dues pending in respect of income tax, sales tax, VAT, custom duty and cess etc. on account of any dispute.
- viii. The company has not defaulted in the repayment of loan or borrowing to a financial institution, bank or government. The company has not issued debentures during the year.
- ix. Money raised by way of term loans were applied for the purpose for which it was raised. The Company has not raised money by way of initial public offer or further public offer.





- x. According to the information and explanation given to us by the management which have been relied by us, there were no frauds on or by the company noticed or reported during the period under audit.
- xi. In view of the exemption given in terms of Notification No G.S.R. 463(e) dated 05<sup>th</sup> June, 2015 issued by the Ministry of Corporate Affairs, the provisions of Section 197 read with schedule V of the Act regarding managerial remuneration, are not applicable to the Company.
- xii. The company is not a Nidhi Company, therefore para 3(xii) of the Order is not applicable to the company.
- xiii. According to the information and explanations given to us by the management and on the basis of our examination of the records of the Company, the transaction entered with the related parties are in compliance with section 177 and 188 of the Act, where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Therefore, paragraph 3(xiv) of the Order is not applicable to the company.
- xv. According to the information provided to us, the company has not entered into any non-cash transaction with directors or the persons connected with him covered under section 192 of the Companies Act 2013. Therefore, paragraph 3(xv) of the Order is not applicable to the company.
- xvi. According to the information provided to us, the company is not required to be registered under section 45IA of the Reserve Bank of India Act, 1934. Therefore, paragraph 3(xvi) of the Order is not applicable to the company.

**Place:** Dehradun  
**Date:** 26-08-2016

**For Gianender & Associates**  
**Chartered Accountants**  
FRN: 004661N

  
Ramesh Koul  
**Partner**  
M No. 077804





## Annexure-II

(as referred to in paragraph 2 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date)

### Directions / Sub-directions under Section 143(5) of the Companies Act, 2013

Re: Power Transmission Corporation of Uttarakhand Limited

S. No.	Directions	Report
1	Whether the company has clear title/lease deeds for freehold and leasehold land respectively? If not please state the area of freehold and leasehold land for which title/lease deeds are not available.	The company is owning lands and rights in the state of Uttarakhand. <i>Title deed of such land were not produced for our verification.</i>
2	Please report whether there are any cases of waiver/ write off of debts/loans/interest etc., if yes, the reasons there for and the amount involved.	Based on our audit work, we report that there is no any case of waiver/ write off of debts/loans/interest etc during the financial year 2015-16
3	Whether proper records are maintained for inventories lying with third parties & assets received as gift from Govt. or other authorities.	As informed and verified by us, inventories are not lying with third parties and the company has not received any assets as gift from Govt.or other authorities.

### Power Sector

1. Adequacy of steps to prevent encroachment of idle land owned by Company may examined. In case land of the Company is encroached, under litigation, not put to use or declared surplus, details may be provided.	As reported by the company, The ideal land owned by the Company is free from any encroachment and litigation.
2. Where land acquisition is involved in setting up new projects, report whether settlement of dues done expeditiously and in a transparent manner in all cases. The cases of deviation may please be detailed.	Based on information provided to us, Land is acquired or procured through the Government agencies and the dues are settled expeditiously in a transparent manner.
3. Whether the Company has an effective system for recovery of revenue as per contractual terms and the revenue is properly accounted for in the books of accounts in compliance with the applicable Accounting Standards?	As observed during our audit of accounts, we report that, the wheeling charges alongwith incentive bills are raised to M/s. UPCL on monthly basis as per the approved tariff order and the revenue is accounted for in the books of accounts in compliance with the applicable Accounting Standards.
4. How much cost has been incurred on abandoned projects and out of this how much cost has been written off?	As informed and verified by us, no project have been abandoned during current Financial Year.





**Transmission**

1. Is the system of evacuation of power commensurate with power available for transmission with the generating company? If not, loss, if any, claimed by the generating company may be commented.	Based on information provided to us by the management, transmission system is commensurate with power received from generator for transmission to distributor. No claim for loss of power was reported / observed during the year.
2. How much transmission loss in excess of prescribed norms has been incurred during the year and whether the same been properly accounted for in the books of accounts?	Transmission losses are within the prescribed norms during the current Financial Year.
3. Whether the assets constructed and completed on behalf of other agencies and handed over to them has been properly accounted for in the financial statements.	As informed and verified by us, no construction has been made on behalf of other agencies.

**Others**

1. Examine the system of effective utilization of Loans/Grant-in-Aid/ Subsidy. List the cases of diversion of funds.	Money raised by way of loans/ amount received from Grant-in-Aid/ Subsidy have been used for the purpose, they were sanctioned for.
2. Examine the cost benefit analysis of major capital expenditure/ expansion including IRR and payback period.	The cost benefit analysis of major capital expenditure is to strengthen and augment transmission network infrastructure for ensuring reliable and quality power supply.
3. If the audited entity has computerized its operations or part of it, assess and report, how much of the data in the company is in electronic format, which of the area such as accounting, sales personnel information, pay roll, inventory etc. have been computerized and the company has evolved proper security policy for data/software/hardware?	As represented by the management, the company is in the process of computerization its operations. The transmission monitoring system, pay roll, personnel information system of the company has already been computerized and the financial accounting system, inventory management system is under the process. The users of the above module have been allotted user id to ensure proper security of the data.

**For Gianender & Associates**  
**Chartered Accountants**  
 FRN: 004661N

  
**Ramesh Koul**  
**Partner**  
 M No. 077804



**Place:** Dehradun  
**Date:** 26-08-2016



## **Annexure-A**

**Annexure referred to in paragraph 3 under the heading “Report on Other Legal and Regulatory Requirements” of our report of even date:-**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of **Power Transmission Corporation of Uttarakhand Limited**(“the Company”) as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### **Management’s Responsibility for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### **Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the





assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for my /our audit opinion on the Company's internal financial controls system over financial reporting.

### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India except as stated in para no. (i) and (ii) of 'Report on Other Legal and Regulatory Requirements' of our report and para 1 and 3 of the Basis for Qualified Opinion of our report.

**Place:** Dehradun  
**Date:** 26-08-2016

**For Gianender & Associates**  
**Chartered Accountants**  
FRN: 004661N

Ramesh Koul  
**Partner**  
M No. 077804





**POWER TRANSMISSION CORPORATION OF UTTARAKHAND LTD.**

CORPORATE ID No.: U40101UR2004GOI028675

VIDYUT BHAWAN 132 KV MAJRA CAMPUS, DEHRADUN

**BALANCE SHEET AS AT 31st MARCH 2016**

(Amount in lacs)

Particulars	Note No.	Amount as at 31.03.2016	Amount as at 31.03.2015
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	2.1	42,105.00	38184.00
(b) Reserve and Surplus	2.2	23,972.59	5135.61
<b>(2) Share Application Money Pending Allotment</b>	2.1	0.01	1365.37
<b>(3) Non- Current Liabilities</b>			
(a) Long Term Borrowing	2.3	44,380.43	49794.18
(b) Deferred Tax Liabilities	2.4	1,416.03	0.00
(c) Other Long Term Liabilities	2.5	35,927.35	33088.78
(d) Long Term Provision	2.6	2,850.09	2759.20
<b>(4) Current Liabilities</b>			
(a) Trade Payable	2.7	5,480.76	5530.56
(b) Other Current Liabilities	2.8	14,198.72	12265.60
(c) Short Term Provision	2.9	968.31	848.10
<b>TOTAL</b>		<b>1,71,299.28</b>	<b>148971.39</b>
<b>II. ASSETS</b>			
<b>(1) Non Current Assets</b>			
(a) Fixed Assets			
(i) Tangible Assets	2.10	80,926.39	80616.88
(ii) Capital Work-in-Progress	2.10	36,435.75	20758.57
(b) Long Term Loans and Advances	2.11	19,926.64	19631.27
(c) Deferred Tax Assets		-	3686.60
(d) Other Non Current Assets	2.12	13,103.91	7086.34
<b>(2) Current Assets</b>			
(a) Inventories	2.13	6,551.74	4348.05
(b) Trade Receivables	2.14	7,134.08	4301.20
(c) Cash and Cash Equivalent	2.15	5,691.54	7052.18
(d) Short Term Loans and Advances	2.16	1,529.23	1490.31
<b>TOTAL</b>		<b>1,71,299.28</b>	<b>148971.39</b>
Significant Accounting Policies and Notes to Accounts	1 to 2.32		

Notes Referred to above form an integral part of Balance Sheet

As per our report of even date attached

For Gianender & Associates  
Chartered Accountants  
FRN:- 004661N

(Ramesh Koul)  
M.No. :- 077804

Place:- DEHRADUN

Date:- 26/8/16



For & On behalf of the Board of Directors of PTCUL

Managing Director  
DIN:-05149362

Director (Finance)  
DIN:- 07299553

Company Secretary



**POWER TRANSMISSION CORPORATION OF UTTARAKHAND LTD.**

CORPORATE ID No.: U40101UR2004GOI028675

VIDYUT BHAWAN 132 KV MAJRA CAMPUS, DEHRADUN

**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDING 31st MARCH 2016**

(Amount in lacs)

Particulars	Note No.	Amount as at 31.03.2016	Amount as at 31.03.2015
<b>III. Revenue</b>			
I. Revenue From Operations	2.17	30,982.85	24,218.09
II. Other Income	2.18	611.33	242.27
<b>III. Total Revenue (I+II)</b>		<b>31,594.18</b>	<b>24,460.36</b>
<b>IV. Expenses</b>			
Employee Benefit Expenses	2.19	5,771.16	5,184.88
Financial Expenses	2.20	5,156.13	5,422.88
Depreciation and Amortization Expenses	2.21	6,179.55	6,176.31
Other Expenses	2.22	3,861.06	3,077.71
<b>IV. Total Expenses</b>		<b>20,967.90</b>	<b>19,861.79</b>
V. Profit Before Exceptional, Extraordinary Items, Rate Regulated Activities and Tax	(III-IV)	10,626.28	4,598.57
VI. Prior Period Item	2.24	1,255.31	-
VII. Profit Before Extraordinary Items, Rate Regulated Activities and Tax (V+VI)		11,881.59	4,598.57
VIII. Extraordinary Items	2.23	4.30	4.30
IX. Profit Before Rate Regulated Activities and Tax (VII+VIII)		11,877.28	4,594.27
X. Regulatory Income/ Expenses		(510.95)	-
XI. Profit Before Tax (IX-X)		12,388.23	4,594.26
XII. Tax Expense:			
(1)(a) Current Tax (during the year)		2,643.85	962.98
(b) Current Tax (Previous year 2013-14)		-	199.15
(2) Deferred Tax		5,102.63	(7,493.53)
(3) MAT Credit		(2,291.82)	(1,136.67)
XIII. Profit(Loss) for the Period From Continuing Operations	(IX-X)	6,933.58	12,062.34
<b>XIV. Profit/(Loss) for the Period</b>		<b>6,933.58</b>	<b>12,062.34</b>
XV. Earning Per Equity Share:			
(1) Basic (In Rs.)		176.06	364.95
Significant Accounting Policies and Notes to Accounts	1 to 2.32		

Notes Referred to above form an integral part of Balance Sheet

As per our report of even date attached

For Gianender & Associates  
Chartered Accountants  
FRN:- 004661N

(Ramesh Koul)  
M.No. :- 077804



Place:- DEHRADUN  
Date:- 26/8/16

For & On behalf of the Board of Directors of PTCUL

Managing Director  
DIN:-05149362

Director (Finance)  
DIN:- 07299553

Company Secretary



Power Transmission Corporation of Uttarakhand Limited				
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016				
(Amount in Lacs)				
	PARTICULARS	For the year ended 31.03.2016		For the year ended 31.03.2015
A	CASHFLOW FROM OPERATING ACTIVITIES:			
	Net Profit/(loss) before tax and extra-ordinary items	10,626.28		4,598.57
Add	Adjustment for:			
	Depreciation	6,179.55		6,176.31
	Interest and Other finance charges	5,156.13		5,420.79
	Regulatory Income/expenses			-
	Operating Profit Before Working Capital Charges	21,961.97		16,195.66
Add	Adjustment for Working Capital Changes			
	Increase/(Decrease) in Inventory	(2,203.69)		(1,626.16)
	Increase/(Decrease) in Debtors	(1,672.81)		(1,985.36)
	Increase/(Decrease) in Loans and Advances	(3,253.72)		(2,392.59)
	Increase/(Decrease) in Current Liabilities	4,839.50		9,546.86
	Other Long Term Liabilities & Provision	2,929.46		2,711.81
	<b>Cash Flow from Operations</b>	<b>22,600.71</b>		<b>22,450.22</b>
	Less-Extra ordinary item	4.30		4.30
	<b>Net Cash from Operating Activities</b>		<b>22,596.41</b>	<b>22,445.91</b>
B	CASH FLOW FROM INVESTING ACTIVITIES:			
	Purchase & Sale of Fixed assets	(309.51)		(5,659.26)
	Capital Work -in -progress	(15,677.18)		(1,896.11)
	Capital advances	(295.36)		(5,903.93)
	<b>Net Cash from Investing Activities</b>	<b>(16,282.06)</b>	<b>(16,282.06)</b>	<b>(13,459.29)</b>
C	CASH FLOW FROM FINANCING ACTIVITIES:			
	Increase in Capital	2,555.64		9,515.00
	Increase in Loans Balances & Cash Credit	(5,413.75)		(8,606.35)
	Increase in Contribution & Grants	339.26		(291.98)
	Interest and Other finance charges paid	(5,156.13)		(5,438.93)
	<b>Net Cash from Financing Activities</b>	<b>(7,674.99)</b>	<b>(7,674.99)</b>	<b>(4,822.27)</b>
D	NET CHANGES IN CASH AND CASH EQUIVALENTS (A+B+C)		<b>(1,360.65)</b>	<b>4,164.35</b>
E	OPENING CASH & CASH EQUIVALENTS		<b>7,052.18</b>	<b>2,887.82</b>
	CLOSING CASH & CASH EQUIVALENTS		<b>5,691.53</b>	<b>7,052.17</b>

Notes Referred to above form an integral part of Balance Sheet  
As per our report of even date attached

For & On behalf of the Board of Directors of PTCUL

For Gianender & Associates  
Chartered Accountants

FRN:- 004661N

(Ramesh Koul)  
M.No. :- 077804

Place:- DEHRADUN

Date:- 26/8/16



Managing  
Director  
DIN:-05149362

Director  
(Finance)  
DIN:- 07299553

Company  
Secretary



# **POWER TRANSMISSION CORPORATION OF UTTARAKHAND LIMITED**

Notes Forming Part of Balance Sheet & Statement of Profit & Loss

## **Note 1. Corporate Background and Significant Accounting Policies**

### **PART- (A) Corporate Background**

- I. As a part of Power reform Process for the State of Uttarakhand, the Uttarakhand Power Corporation Limited (UPCL) was brought into effect by the Govt. of Uttarakhand (GoU). Consequent to the unbundling of UPCL on 31.05.2004 The Power Transmission Corporation of Uttaranchal Limited (PTCUL) was incorporated on 27.05.2004 as separate Company under the Companies Act, 1956 and assigned separately the business of Transmission of Electricity and State load dispatch centre (SLDC) Function in the state of Uttaranchal. The Scope of the business, Assets & Liabilities of the said entity and other incidental & Consequential matters were laid down in the detailed transfer scheme notified by the Govt. of Uttaranchal vide Notification No. 86/1/2004-06(3) 2003 dated 31.05.2004 and 87/1/2004-06 (3) 2003 dated 31.05.2004. The Name of the Company was changed from Power Transmission Corporation of Uttaranchal Limited to Power Transmission Corporation of Uttarakhand Limited in February, 2007 and further vide its meeting held on 10th June, 2005 Board has directed that the function of State Load Dispatch Centre (SLDC) be separated from Power Transmission Corporation of Uttaranchal Ltd. by 01.10.2005.

### **PART – (B) SIGNIFICANT ACCOUNTING POLICIES**


#### **I. BASIS OF PREPARATION OF FINANCIAL STATEMENTS:**

- (i) The Power Transmission Corporation of Uttarakhand Ltd. 'Corporation' is a Company registered under the Companies Act., 2013 and therefore the same is governed by the provisions of the Companies Act, 2013 and rules made there under.
- (ii) The Financial Statements are prepared under the Historical Cost Convention following Accrual System of accounting on a going concern concept and in consistent with the accounting policies.
- (iii) Accounting Policies are consistent with Generally Accepted Accounting Principal (GAAP) except wherever stated other wise.
- (iv) The Corporation recognizes significant items of Income and Expenditure on accrual basis and the same are charged to relevant heads of accounts.
- (v) Insurance and other Statutory Claims, Refund of Custom Duty, Interest on mobilization advance, and interest on Income Tax and Trade Tax, if any are accounted for on Cash Basis.
- (vi) Interest on Loans to staff is accounted for on receipt basis after recovery of principal in full.
- (vii) Interest on deposits with various banks is accounted for on Accrual basis.
- (viii) Interest on ADB loan has been provided @ 9% per annum.

#### **II. GRANT IN AID:**

- (i) According to the provisions of the Electricity Supply Act, 1948 Grants-in-Aid/ Subsidies received from the Central/ State Government or other authorities towards Capital Expenditure as well as consumers Contribution to Capitals works are treated as Capital Reserve after the completion of the project.



  
Annual Report (PTCUL) 2015-16



# **POWER TRANSMISSION CORPORATION OF UTTARAKHAND LIMITED**

## **Notes Forming Part of Balance Sheet & Statement of Profit & Loss**

- (ii) Government Grants/ Subsidies are recognized only on reasonable assurance of the Government and compliance to the conditions attached thereto by the Corporation.
- (iii) Contribution towards deposit works has been shown under Contribution, Grant and subsidies towards cost of Capital assets in respect of completed deposit works and the same amount has been shown under the respective head of capital assets under fixed assets.

### **III. FIXED ASSETS:**

- (i) The Gross Block of Fixed Assets is stated at cost of acquisition or construction including any cost attributable to bringing the assets to their working condition for their intended use.
- (ii) The Depreciation is provided on Straight Line method on the historical cost of Fixed Assets, on pro-rata basis on other additions made during the year in accordance with the rates prescribed in Appendix VI to Para 362 of Chapter IX of Central Electricity Regulatory Commission and adopted by the State Commissions.

### **IV. CAPITAL WORKS IN PROGRESS:**

- (i) In the case of Commissioned Assets, where final settlement of bills with Contractors is yet to be effected, capitalization is done on provisional basis subject to necessary adjustments in the year of Final Settlement.
- (ii) In respect of supply-cum-erection contracts (Turn-Key Contracts), the value of supplies received at site and accepted, is treated as Capital Works-in-Progress.
- (iii) Claims of the Price Variation in case of contracts are accounted for on acceptance of Bills.
- (iv) Value of Construction Stores, are charged to Capital Works-in-Progress as and when material is issued. The material at the year end and lying at site is treated as part of the Capital Work-in-Progress, but the material lying in the stores is grouped under the head Stores and Spares.
- (v) Employees Cost and Administrative cost incurred on supervision of Capital works are capitalized on the basis of actual expenditure incurred for the Projects.
- (vi) The amount incurred upto 33 K.V. shall be transferred to UPCL after completion of works until that it will be shown under the Note 2.10 Capital work in progress.

### **V. BORROWING COST:**

- (i) Borrowing Costs attributable to the Fixed Assets during their construction/renovation and modernization are capitalized. Such borrowings are apportioned on the average balance of Capital Work-in-Progress for the year. Other Borrowing Costs are recognized as expense in the period in which they are incurred.
- (ii) The interest on Long Term loan taken from Asian Development Bank (ADB) has been provided @ 9% per annum on the net loan amount after deducting grant portion (90%) on the loan from the F.Y. 2012-13 in the books of account.





# **POWER TRANSMISSION CORPORATION OF UTTARAKHAND LIMITED**

## **Notes Forming Part of Balance Sheet & Statement of Profit & Loss**

### **VI. INVENTORIES**

- (i) Cost of Inventory held by the company is individually identifiable hence these are valued at their respective cost.
- (ii) The difference between stock as per books and as per physical verification is not yet adjusted as they are subject to finalization of transfer scheme.
- (iii) The non-moving stock approximately 10% of material in stock (stock as per transfer scheme) is being written off @ 2% of obsolete stock every year from F.Y 2008-09 onward.

### **VII. STATEMENT OF PROFIT AND LOSS:**

#### **A. INCOME RECOGNITION**

- (i) Transmission Charges & incentive bills are accounted for on the basis of Tariff Rates, notified/ approved by the Uttarakhand Electricity Regulatory Commission (UERC).
- (ii) Interest/ Surcharge recoverable in Advances to Suppliers as well as warranty Claims/ Liquidity Damages are not treated as accrued, due to uncertainty of realization/ acceptance and are, therefore, accounted for on receipt of acceptances.
- (iii) Interest on fixed deposits kept with bank is accounted for on Accrual basis, as the deposits are held against long term loans and on capital account.
- (iv) Claims for late payment surcharge recognized according to the agreement except when it is provable that amount is not recoverable.

#### **B. EXPENDITURE**

- (i) Depreciation is charged on Straight Line Method as per rates prescribed in Appendix VI to Para 362 of Chapter IX of Central Electricity Regulatory Commission and also adopted by the State Commissions.
- (ii) Depreciation on Fixed Assets is provided on the assets in existence at the beginning of the year and on pro-rata on other additions made during the year.
- (iii) Expenses on Training, Recruitments and Research Development are charged to Revenue in the year of incurrence.

### **VIII. EMPLOYEE BENEFITS:**

- (i) The liability for Retirement Benefits of Employees in respect of pension and gratuity has been made @ 16.78% and 2.30% respectively on the amount of Basic Pay and D.A. paid to employees, in accordance to the provisions contained in G.O. No. 248/9-3U/Pension/2002 dated 21.01.2003.
- (ii) Short-term employee benefits are recognized as an expense at the undiscounted amount in the profit and loss account of the year in which the related service is rendered.



A handwritten signature in blue ink, consisting of a stylized 'A' followed by a flourish.



# **POWER TRANSMISSION CORPORATION OF UTTARAKHAND LIMITED**

## **Notes Forming Part of Balance Sheet & Statement of Profit & Loss**

- (iii) Defined contribution plan: Company's contributions due/ payable during the year towards provident fund is recognized in the profit and loss account. The Company has no obligation other than the contribution payable to the contribution payable to the provident fund.
- (iv) Defined Benefit Plan: The liability in respect of the defined benefits in the form of gratuity, leave encashment, post retirement medical scheme is provided based on the actuarial valuation done as on March 31, 2016.

### **IX. INVESTMENTS:**

- (i) Investments, if any, are stated at cost
- (ii) Long term investments are stated at cost less provision for diminution in the value of such investments. Diminution in value is provided for where the management is of the opinion that the diminution is of permanent nature. Short term investments are valued at lower of cost and net realizable value.

### **X. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

- a. Provisions are recognized for liabilities that can be measured only by using a substantial degree of estimation, if:
  - (i) The Company has a present obligation as a result of a past event;
  - (ii) Probable outflow of resources is expected to settle the obligation; and
  - (iii) The amount of the obligation can be reliably estimated.
- b. Reimbursement expected in respect of expenditure required to settle a provision is recognized only when it is virtually certain that the reimbursement will be received.
- c. Contingent Liability is disclosed in the case of
  - (i) A present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation.
  - (ii) A present obligation when no reliable estimate is possible, and
  - (iii) A possible obligation arising from past events where the probability of outflow of resources is not remote.
- d. Provision, Contingent Liabilities, and Contingent Assets are reviewed at each Balance Sheet date.

### **XI. CASH FLOW STATEMENT**

Cash flow statements are reported using the indirect method, whereby profit before tax is adjusted for the effect of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from regular operating, Investing and financing activities of the company are segregated.

### **XII. TAXES ON INCOME**

- (i) Tax on the income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income Tax Act 1961, and based on expected outcome of assessments/appeals.



A handwritten signature in blue ink, likely belonging to an authorized signatory of the company.



# **POWER TRANSMISSION CORPORATION OF UTTARAKHAND LIMITED**

## **Notes Forming Part of Balance Sheet & Statement of Profit & Loss**

- (ii) Deferred Tax is recognized on timing difference between the accounting income and the taxable income for the year and quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date.
- (iii) Deferred tax assets are recognized and carried forward to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.
- (iv) Minimum Alternate Tax (MAT) paid in a year is charged to the Statement of Profit and Loss as current tax. The company recognizes MAT credit available as an asset only to the extent there is convincing evidence that the company will pay normal income tax during the specified period, i.e., the period for which MAT Credit is allowed to be carried forward.

### **XIII. Earning per Share**

Basic and Diluted per Share (EPS) is reported in accordance with Accounting Standard (AS)-20, "Earning per Share", issued by the institute of Chartered Accountants of India and specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014. EPS is computed by dividing the net profit or loss for the year by the weighted average number of Equity Shares outstanding during the year.

### **XIII. Regulatory Income/Expense**

Regulatory Income/Expenses are recognized based on excess recovered/unrecovered cost of service by the company as guided by "Guidance Note on Rate Regulated Activities" issued by ICAI.

For Gianender & Associates  
Chartered Accountants  
FRN:- 004661N



(Ramesh Koul)  
M.No.:- 0772804

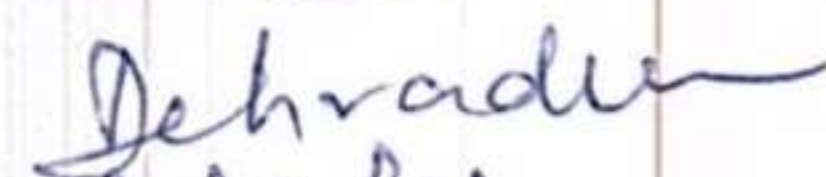
  
Managing Director  
(DIN:- 05149362)

  
Director (Finance)  
(DIN:-07299553)

  
Company Secretary

Place:

Date:

  
26/8/16



**Power Transmission Corporation of Uttarakhand Limited**  
Notes Forming Part of the Balance Sheet

**Note 2.1 – Share Capital**

(Amount in lacs)

Particulars	Amount	
	As at 31.03.2016	As at 31.03.2015
Authorised Share Capital 50,00,000 Equity Shares of Rs. 1000/- each	50,000.00	50,000.00
Issued, Subscribed and Paid up Capital 4210500 ( Previous Year 3818400) Equity Shares of Rs. 1000/- each, Fully Paid up	42,105.00	38,184.00
<b>Total</b>	<b>42,105.00</b>	<b>38,184.00</b>

**Terms/ Rights attached to Equity Shares:-**

1. The Company has only one class of equity shares having a par value of Rs 1000/- per share. Each holder of equity shares is entitled to one vote per share. During the year ended 31st March, 2016, no dividend (Previous Year Nil) is declared by the Board of Directors.
2. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of preferential amounts. The distribution will be in proportion to the number of equity shares held by the Shareholders.

There is no holding/ Ultimate holding company and/ or their subsidiaries/ associates.

**Note 2.1.1 Reconciliation of Nos. of Shares**

No. of Shares

Particulars	No. of Shares	
	As at 31.03.2016	As at 31.03.2015
Number of Equity Shares at the Beginning	38,18,400.00	29,26,436.00
Add: Number of Shares issued	3,92,100.00	8,91,964.00
Number of Equity Shares at the end	42,10,500.00	38,18,400.00

**Note : 2.1.2 Name of the Shareholders Holding more than 5% of Shares**

Name	Class of Share	No. of Share holding	Percentage of holding
Governor of State of Uttarakhand	Equity Share	42,10,493.00	99.99%
		(PY- 3818393)	(PY- 99.99%)

**Note : 2.1.3 Aggregate Number & Class of Share for the Period of 5 year immediately preceeding the dates as at which Balance Sheet is Prepared**

Particulars	Amount	
	As at 31.03.2016	As at 31.03.2015
Alloted as fully Paid-up pursuant to contract without Payment received in		
(a) Cash	—	—
(b) Alloted as Fully paid-up by way of Bonus Share	—	—
(c) Brought Back	—	—

**Note 2.1.4 Shares Application Money Pending for Allotment**

Particulars	Amount	
	As at 31.03.2016	As at 31.03.2015
Share application money pending allotment	0.01	1,365.37
<b>Total</b>	<b>0.01</b>	<b>1,365.37</b>

**Footnote:-**

- (i) The company has sufficient Authorised share capital to cover the issue of equity shares against application money.
- (ii) There is no refund due for application money as no excess application money has been received.





**Power Transmission Corporation of Uttarakhand Limited**  
Notes Forming Part of the Balance Sheet

**Note 2.2 – Reserve & Surplus**

(Amount in lacs)

S.NO.	Particulars	Amount	
		As at 31.03.2016	As at 31.03.2015
A	Surplus (Profit & Loss Account)		
	As per Last Balance Sheet	(242.62)	(12304.96)
	Add: Profit/(loss) for the year	6933.58	12062.34
	Gross Accumulated Profit/(loss)	6690.96	(242.62)
	Subtotal	6,690.96	(242.62)
B	Contribution towards Deposit Works		-
	Opening Balance	5378.23	5670.21
	Add: During the Year	470.04	130.78
	Less: Value written-off during the year (Equivalent to Depreciation during the Year on Deposit work assets)	426.30	422.76
	Subtotal	5,421.96	5378.23
C	Grant from Central Govt. (ADB funded scheme)	11,859.67	-
	Grand Total (A+B+C)	23,972.59	5135.61





# Power Transmission Corporation of Uttarakhand Limited

Notes Forming Part of the Balance Sheet

Note 2.3 – Long Term Borrowings

(Amount in lacs)

S.NO.	Particulars	Amount	
		As at 31.03.2016	As at 31.03.2015
	<b>Secured loans:-</b>		
	<b>Term Loan From Financial Institution</b>		
<b>A</b>	<b>Loan from REC</b>		
1	R.E.C. I & III- SCHEME CODE- (270001 to 270003) & 14500011	6543.14	7955.76
2	R.E.C. II - SCHEME CODE -(1450001 to 1450008)	4809.48	5979.63
3	R.E.C. IV -SCHEME CODE- 1450009	8222.82	8504.16
4	R.E.C. -V SCHEME CODE-1183637	5582.05	6279.81
5	REC XI- SCHEME CODE 5787	1213.33	1213.33
6	REC SCHEME CODE 4365	770.85	770.85
7	REC SCHEME CODE 5072	318.51	318.51
8	REC X- SCHEME CODE 5762	302.55	302.55
9	REC SCHEME CODE 5011	188.15	188.15
10	REC SCHEME CODE 5531	363.79	363.79
11	REC SCHEME CODE 5533	302.58	302.58
12	REC SCHEME CODE 5534	224.94	224.94
13	REC SCHEME CODE 6410	696.49	696.49
14	REC SCHEME CODE 5763	348.57	348.57
15	REC SCHEME CODE 7085	461.84	461.84
16	REC SCHEME CODE 9029	701.73	0.00
17	REC SCHEME CODE 8851	434.75	0.00
18	REC SCHEME CODE 5765	286.05	
	<b>Total Secured loans from REC</b>	<b>31771.63</b>	<b>33910.97</b>
<b>B</b>	<b>Loan from NABARD</b>	<b>0.00</b>	<b>0.00</b>
<b>C</b>	<b>Loan from PFC</b>		
1	PFC (NABARD GAP FUNDING) - Scheme no. 09303001	11227.33	12248.00
2	PFC (Capital R&M) - 9303002	2052.50	2227.18
3	PFC (Computer Loan) - 9312001	0.00	9.46
4	PFC- 09303004	2609.58	0.00
5	PFC - 09303005	154.78	130.61
6	PFC - 09303006	197.34	183.79
7	PFC - 09303007	363.37	313.32
8	PFC - 09303008	161.09	137.92
9	PFC - 09303009	76.41	39.77
10	PFC - 09303010	183.18	183.18
11	PFC - 09303012	556.69	532.99
12	PFC STL - 9322003	0.00	1507.77
13	PFC - 09303014	223.40	0.00
14	PFC - 09303015	39.20	0.00
15	PFC - 09303016	153.88	0.00
	<b>Total Secured loans from PFC</b>	<b>17998.75</b>	<b>17514.00</b>
<b>D</b>	<b>Loan from Asian Development Bank (ADB)</b>	<b>1317.74</b>	<b>6029.55</b>
<b>E</b>	<b>TOTAL (A+B+C+D)</b>	<b>51088.12</b>	<b>57454.52</b>

Note: The above loans have been secured by hypothecation of existing / future assets except REC-I Loan which is secured through State Government Gaurantee.

<b>F</b>	<b>Less: Current Maturity</b>	<b>6707.69</b>	<b>7660.34</b>
	<b>TOTAL (E-F)</b>	<b>44380.43</b>	<b>49794.18</b>

## Note : 2.3.1 Terms of Repayments of Long Term Borrowings

Sr. No	Particulars	Amount	
		As at 31.03.2016	As at 31.03.2015
1	<b>Terms of Repayments of PFC STL</b>		
	First Year	0.00	1507.77
	Second Year	0.00	0.00
	Third Year to Fifth Year	0.00	0.00
2	<b>Other Loans (Reffer Point 2.4.2)</b>	<b>44380.43</b>	<b>48286.41</b>
	<b>Total</b>	<b>44380.43</b>	<b>49794.18</b>

## Note 2.4.2

Loan of REC will be repaid in 10 years.

Loan of PFC (Different loan) will be paid within a period of 5 to 10 years

Perid of ADB Loan is not yet ascertained.





**Power Transmission Corporation of Uttarakhand Limited**

**Notes Forming Part of the Balance Sheet**

**Note : 2.4 Deferred Tax Liabilities**

(Amount in lacs)				
Sr. No	Particulars	Amount		
		As at 31.03.2016	As at 31.03.2015	
1	Opening balance	0.00	3806.93	
	During the year	1,416.03	(3,806.93)	
	<b>Total</b>	<b>1416.03</b>	<b>0.00</b>	

**Note : 2.5 Other Long Term Liabilities**

(Amount in lacs)				
Sr. No	Particulars	Amount		
		As at 31.03.2016	As at 31.03.2015	
	<b>Other Than Trade Payable</b>			
1	Security Deposit	647.85	539.30	
2	Retention Money	6824.34	4136.41	
3	UPCL Payable	1649.32	1648.72	
4	Deposits for Electrification	7327.39	7285.90	
5	Payable to UPCL/GoUA (Difference of Transfer Scheme)	18880.07	18880.07	
6	Payable to UPCL against Pension contribution	598.37	598.37	
	<b>Total</b>	<b>35927.35</b>	<b>33088.78</b>	

**Note : 2.6 Long Term Provisions**

(Amount in lacs)				
Sr. No	Particulars	Amount		
		As at 31.03.2016	As at 31.03.2015	
	<b>Provision for Employee Benefits</b>			
1	Provision for leave encashment	2176.87	1978.25	
2	Provision for Gratuity	673.22	780.95	
	<b>Total</b>	<b>2850.09</b>	<b>2759.20</b>	

**Note : 2.7 Trades Payable**

(Amount in lacs)				
Sr. No	Particulars	Amount		
		As at 31.03.2016	As at 31.03.2015	
1	Capital Supplies/Works	4387.88	4452.79	
2	O&M Supplies/Works	1092.89	1077.76	
	<b>Total</b>	<b>5480.76</b>	<b>5530.56</b>	





Note : 2.8 Other Current Liabilities			
(Amount in lacs)			
Sr. No	Particulars	Amount	
		As at 31.03.2016	As at 31.03.2015
1	Security Deposit & Retention Money from Contractors/ Suppliers	332.16	435.50
2	Other Liabilities	2238.81	2009.10
3	Interest Accrued & due on Borrowings	615.09	527.22
4	MAT (Minimum Alternative Tax) of during the year	3931.70	1088.70
5	MAT of prior period	0.00	199.15
6	Current Maturity of Long Term Borrowing (refer note no. 2.3)	6707.69	7660.34
7	Others (Pension Payable)	21.05	22.61
8	Salary Payable	352.22	322.98
	<b>Total</b>	<b>14198.72</b>	<b>12265.60</b>

Note : 2.9 Short Term Provisions			
(Amount in lacs)			
Sr. No	Particulars	Amount	
		As at 31.03.2016	As at 31.03.2015
	<b>Provision for Employee Benefits</b>		
1	Provision for Leave Encashment	96.25	0.00
2	Other Staff related Provision	872.06	848.10
	<b>Total</b>	<b>968.31</b>	<b>848.10</b>





**Power Transmission Corporation of Uttarakhand Limited**  
Notes Forming Part of the Balance Sheet  
As at 31st March 2016

Note : 2.10 Fixed Assets ( Including deposit work assets)

(Amount in lacs)

SL NO	Particulars	Gross Block						Provision of Depreciation						Net Block	
		Rate of Dep. (in %)	Value at the beginning	Additions during the year	Deductions during the year	Value at the end	Value at the beginning	Additions during the year	Deductions during the year	Value at the end	WDV as on 31.03.2016	WDV as on 31.03.2015			
1	2		3	4	5	6	7	8	9	10	11	12			
A	Tangible Assets														
1	Land and Rights		3893.29	11.37	0.00	3904.67	513.17	137.33	0.00	650.50	3254.17	3380.12			
2	Buildings	3.34	7000.13	57.15	1.00	7056.28	2597.50	234.26	0.90	2830.85	4225.42	4402.63			
3	Hydraulic Works	5.28	149.42	10.33	0.00	159.75	20.09	7.92	0.00	28.01	131.75	129.34			
4	Other Civil Works	3.34	606.62	67.91	0.00	674.53	155.62	20.35	0.00	175.97	498.56	451.01			
5	Plant & Machinery	5.28	58596.57	5488.54	195.80	63889.31	27873.28	3172.34	173.76	30871.85	33017.46	30723.29			
6	Lines&Cable Network	5.28	57182.16	1254.72	9.00	58427.88	16014.15	3029.97	8.10	19036.02	39391.86	41168.02			
7	Vehicles	9.5	89.84	0.04	0.00	89.89	80.86	8.54	8.50	80.90	8.99	8.98			
8	Furniture and Fixtures	6.33	259.96	4.23	7.41	256.79	64.29	16.50	3.19	77.61	179.18	195.67			
9	Office Equipment	6.33	222.13	82.98	14.06	291.04	64.31	14.48	6.75	72.03	219.01	157.82			
	SUB TOTAL (A)		128000.14	6977.28	227.27	134750.14	47383.26	6641.69	201.20	53823.75	80926.39	80616.88			
B	Capital Work in Progress														
	CWIP		20758.57	23710.76	8033.58	36435.75	0.00	0.00	0.00	0.00	36435.75	20758.57			
	SUB TOTAL (B)		20758.57	23710.76	8033.58	36435.75	0.00	0.00	0.00	0.00	36435.75	20758.57			
	SUB TOTAL (A+B)		148758.71	30688.04	8260.85	171185.90	47383.26	6641.69	201.20	53823.75	117362.14	101375.45			
	PREVIOUS YEAR		121783.33	41757.48	25072.85	138467.95	32833.57	5661.29	23.30	38471.56	99996.40				

Note:- For calculating the depreciation of FY 2015-16, Deposit work assets GFA as on 31.3.15 amounting to Rs.8113.89 has been included.

Note:- For calculating the depreciation of FY 2015-16, Deposit work assets GFA as on 31.3.15 amounting to Rs 8113.89 has been excluded from the opening GFA of PTCUL amounting Rs 128000.14 and addition during the year in deposit work assets amounting Rs 470.04 has been excluded from the addition in Fixed assets during the year of PTCUL amounting to Rs 6997.21 as UERC does not allow depreciation on deposit work assets.



*[Handwritten Signature]*



**Power Transmission Corporation of Uttarakhand Limited**  
Notes Forming Part of the Balance Sheet

As at 31st March 2016

Note : 2.10A Fixed Assets (Only Deposit work assets)

(Amount in lacs)

SL. NO	Particulars	Rate of Dep. (in %)	Gross Block				Provision of Dep./ deposit work assets written off.				Net Block	
			Value at the beginning	Additions during the year	Deductions during the year	Value at the end	Value at the beginning	Additions during the year	Deductions during the year	Value at the end	WDV as on 31.03.2016	WDV as on 31.03.2015
1	2		3	4	5	6	7	8	9	10	11	12
A	<b>Tangible Assets</b>											
1	Land and Rights					0.00				0.00	0.00	0.00
2	Buildings	3.34	52.97			52.97	3.22	1.77		4.99	47.98	49.75
3	Hydraulic Works	5.28				0.00				0.00	0.00	0.00
4	Other Civil Works	3.34	56.05			56.05	3.74	1.87		5.62	50.43	52.30
5	Plant & Machinery	5.28	2835.14	146.82		2981.97	1715.06	149.70		1864.76	1117.21	1120.08
6	Lines&Cable Network	5.28	5169.73	323.21		5492.95	1013.64	272.96		1286.60	4206.35	4156.09
7	Vehicles	9.5				0.00				0.00	0.00	0.00
8	Furniture and Fixtures	6.33				0.00				0.00	0.00	0.00
9	Office Equipment	6.33				0.00				0.00	0.00	0.00
	<b>SUB TOTAL (A)</b>		<b>8113.89</b>	<b>470.04</b>	<b>0.00</b>	<b>8583.93</b>	<b>2735.67</b>	<b>426.30</b>	<b>0.00</b>	<b>3161.97</b>	<b>5421.96</b>	<b>5378.23</b>



*[Handwritten signature]*



**POWER TRANSMISSION CORPORATION OF UTTARAKHAND LTD.**  
Notes Forming Part of the Balance Sheet

**Note : 2.11 Long Term Loans and Advances**

(Amount in lacs)			
Sr. No	Particulars	Amount	
		As at 31.03.2016	As at 31.03.2015
	<b>Secured</b>		
1	Advance for Capital Supplies/ Works	14,320.57	14,025.21
2	Receivable from UPCL	3,920.37	3,920.37
3	Receivable from GPF Trust, UPCL	1,685.69	1,685.69
	<b>Total</b>	<b>19,926.64</b>	<b>19,631.27</b>

**Note : 2.12 Other Non Current Assets**

(Amount in lacs)			
Sr. No	Particulars	Amount	
		As at 31.03.2016	As at 31.03.2015
1	Regulatory Assets	510.95	-
2	TDS Receivable	9,164.47	5,949.67
3	MAT Credit	3,428.50	1136.67
	<b>Total</b>	<b>13,103.91</b>	<b>7,086.34</b>

**Note : 2.13 Inventories**

(Amount in lacs)			
Sr. No	Particulars	Amount	
		As at 31.03.2016	As at 31.03.2015
	<b>Stores &amp; Spares</b>		
1	Stock Material at Construction Stores	5,818.60	3,994.32
2	Stock Material at Other Stores	691.79	312.39
3	Other Material Account	41.34	41.34
	<b>Total</b>	<b>6,551.74</b>	<b>4,348.05</b>

Note 2.13.1 The Store & Spare of the company is valued at Cost.

**Note : 2.14 Trade Recievables**

(Amount in lacs)			
Sr. No	Particulars	Amount	
		As at 31.03.2016	As at 31.03.2015
	<b>Outstanding for less than six months</b>		
	<b>Unsecured, Considered Good</b>		
1	Uttarakhand Power Corporation Limited	6,961.15	4,185.30
2	Bhilangna Hydro Power Ltd.	172.93	115.89
	<b>Total</b>	<b>7,134.08</b>	<b>4,301.20</b>



*[Handwritten signature]*



**POWER TRANSMISSION CORPORATION OF UTTARAKHAND LTD.**  
Notes Forming Part of the Balance Sheet

Note : 2.15 Cash & Cash Equivalent			
(Amount in lacs)			
Sr. No	Particulars	Amount	
		As at 31.03.2016	As at 31.03.2015
<b>A</b>	<b>Cash or Cash Equivalents</b>		
1	Balance With Banks		
a	Punjab National Bank	4785.56	6484.73
b	State Bank of India	59.01	32.08
c	Syndicate Bank	300.00	0.00
2	Cash-in-Hand (Including Imprest)	2.39	4.05
3	Remittance in Transit	544.58	531.33
	Sub Total (A)	5691.54	7052.18
	Total (A)	5691.54	7052.18

Note :2.16 Short Terms Loans and Advances			
(Amount in lacs)			
Sr. No	Particulars	Amount	
		As at 31.03.2016	As at 31.03.2015
	<b>Other Loans &amp; Advances</b>		
1	Advance Recoverable in cash or kind for value to be received		
	Advance for O & M Supplies/Works	1000.36	965.43
	Loans & Advances to staff	22.56	23.27
2	Sundry Receivable	472.14	415.91
3	Inter Unit Transaction	34.18	85.69
	Total	1529.23	1490.31



*[Handwritten signature]*



**POWER TRANSMISSION CORPORATION OF UTTARAKHAND LTD.**

Notes Forming Part of Statement of Profit &amp; Loss

**Note : 2.17 Revenue From Operations**

(Amount in lacs)			
Sr. No	Particulars	Amount	
		As at 31.03.2016	As at 31.03.2015
1	Revenue from Transmission Charges		
(A)	Revenue from UPCL	29945.18	22971.29
(B)	Revenue from SLDC	878.34	785.09
(C)	Revenue from BHPL	159.33	461.71
	<b>Total</b>	<b>30982.85</b>	<b>24218.09</b>

**Note : 2.18 Other Income**

(Amount in lacs)			
Sr. No	Particulars	Amount	
		As at 31.03.2016	As at 31.03.2015
1	Delayed payment charges (LPS from M/s BHPL)	0.00	55.11
2	Interest through sweep account	5.14	0.00
3	Interest on Advance to Contractors/Suppliers	347.22	10.17
4	Sale of Scrap	0.00	0.00
5	Sale of Tender Form	20.34	27.36
6	Registration Fees	3.55	3.84
7	Forfeited earnest money/security money	17.30	66.78
8	Balance Misc. Receipts includes resignation fees, connectivity charges, supervision charges etc)	165.46	7.88
9	Recoveries for Transport Facilities	3.88	3.38
10	Income from Inspection House	0.70	0.95
11	Rental from Staff	0.88	2.23
12	Excess found on physical verification of Fixed assets	0.00	0.34
13	Penalties for delay in Supplies/Execution of Works	45.30	63.57
14	Receipt of Fees under Right to Information Act-2005	0.00	0.00
15	Rental from Contractors	1.56	0.67
	<b>Total</b>	<b>611.33</b>	<b>242.27</b>





Note : 2.19 Employee Benefit Expense			
(Amount in lacs)			
Sr. No	Particulars	Amount	
		As at 31.03.2016	As at 31.03.2015
1	Salary, Wages, Allowances and Bonus	4087.58	3836.65
2	Director's Remuneration	52.77	49.05
3	Other Staff Cost/Welfare Expense	822.25	435.29
4	Terminal Benefits	808.55	863.89
	Total	5771.16	5184.88

**POWER TRANSMISSION CORPORATION OF UTTARAKHAND LTD.**  
Notes Forming Part of Statement of Profit & Loss

Note : 2.20 Financial Expenses			
(Amount in lacs)			
Sr. No	Particulars	Amount	
		As at 31.03.2016	As at 31.03.2015
1	Interest on PFC Loan	2010.66	1946.51
2	Interest on REC Loan	3145.28	3372.90
3	Interest on NABARD Loan	0.00	101.37
4	Other Bank Charges	0.19	2.10
	Total	5156.13	5422.88

Note : 2.21 Depreciation and Amortization Expense			
(Amount in lacs)			
Sr. No	Particulars	Amount	
		As at 31.03.2016	As at 31.03.2015
1	Depreciation & amortization exp.	6179.55	6176.31
	Total	6179.55	6176.31





**POWER TRANSMISSION CORPORATION OF UTTARAKHAND LTD.**  
Notes Forming Part of Statement of Profit & Loss

Note : 2.22 Other Expense			
(Amount in lacs)			
Sr. No	Particulars	Amount	
		As at 31.03.2016	As at 31.03.2015
	<b>Indirect Expenses</b>		
A	<b>Repairs &amp; Maintenance Expense</b>		
1	Plant and Machinery	1591.02	1004.58
2	Building & Civil Works	190.62	245.72
3	Lines, Cables Work, etc.	394.56	403.48
4	Others	5.39	2.60
	<b>Total R&amp;M expenses (A)</b>	<b>2181.58</b>	<b>1656.38</b>
B	<b>Administrative &amp; Gen. expenses</b>		
1	Rent	0.00	0.00
2	Rates & Taxes	0.00	0.03
3	Insurance of Assets	0.32	0.60
4	Telephone & Trunk Calls	63.96	80.85
5	Postage & Telegrams	1.53	1.37
6	Legal Charges	41.00	12.54
7	Audit Fee & expenses	9.55	10.16
8	Consultancy Charges	37.89	48.93
9	Other Professional Charges	16.13	61.81
10	Training Expenses	23.77	13.46
11	Conveyance Charges	3.90	5.31
12	Travelling expenses	39.97	43.68
13	Vehicle Expenses	73.33	60.14
14	Hiring Charges of Vehicles	170.60	141.33
15	Local outdoor Duty Allowance	8.51	8.24
16	Fees and Subscription	331.67	235.90
17	Books and Periodicals	0.24	0.29
18	Printing of Stationary	26.07	20.47
19	Advertisement Expenses	125.49	70.31
20	Electricity Charges	18.98	17.71
21	Security Guard Payment	566.71	512.29
22	Water Charges	2.89	4.68
23	Entertainment	9.86	4.97
24	Misc. Expenses includes expenses related to computer peripherals, sports, coal reimbursement etc	63.04	65.01
25	Corporate social responsibility expenditure	44.06	1.25
	<b>Total A&amp;G expenses (B)</b>	<b>1679.47</b>	<b>1421.33</b>
	<b>Total (A+B)</b>	<b>3861.06</b>	<b>3077.71</b>

**POWER TRANSMISSION CORPORATION OF UTTARAKHAND LTD.**  
Notes Forming Part of Statement of Profit & Loss

Note : 2.23 Extra Ordinary Item			
(Amount in lacs)			
Sr. No	Particulars	Amount	
		As at 31.03.2016	As at 31.03.2015
1	Stock Written off	4.30	4.30
2	Provision for Sundry Debit balances	-	-
	<b>Total</b>	<b>4.30</b>	<b>4.30</b>

Note : 2.24 Prior Period Items			
(Amount in lacs)			
Sr. No	Particulars	Amount	
		As at 31.03.2016	As at 31.03.2015
A	<b>Prior period Income</b>		
1	Excess Provision for Depreciation in Prior Periods	9.52	-
2	Other Excess Provisions in Prior Periods	121.82	
3	Incentive bills related to prior period	1,160.07	
	<b>Total (A)</b>	<b>1,291.40</b>	
B	<b>Prior period Expense</b>		
1	Short amortisation of previous years	27.34	
2	Short provision of prev. year of CSR	8.76	
	<b>Total (B)</b>	<b>36.10</b>	
	<b>Net (A-B)</b>	<b>1,255.31</b>	





# Power Transmission Corporation of Uttarakhand Limited

## Notes Forming Part of the Balance Sheet

- 2.25. The company was incorporated as on 27.05.2004 and the opening balances taken in the books of accounts as on 01-06-2004 during the period ending 31-03-2005 were provisional and subject to finalization and notification by the GoU. The opening balances transferred from UPCL as on 31-05-2005 in respect of transmission business may undergo change upon finalization of provisional transfer scheme (Transfer of Assets and Liabilities) between UPCL and UPPCL as on 19-11-2001, from where originally the assets and liabilities were transferred.

The variation in value of assets transferred and liabilities taken over as on 31-05-2004, amounting to Rs. 18880.07 Lakhs (Previous year Rs. 18880.07 Lakhs) as per schedule 2.5 has been considered as 'Other Long term Liability' payable to UPCL/GoUA. The terms and conditions have not been stipulated by the GOU in the transfer scheme as stated above.

### 2.26. Capital Commitment

- (a) The estimated amount of the contracts remaining to be executed on capital account is Rs. 165052.55 Lakhs (Previous year Rs. 147291.00 Lakhs) in respect of contracts executed from the date of incorporation of PTCUL to 31st March, 2016.
- (b) The estimated amount of contracts remaining to be executed on capital account and not provided for is not ascertainable, prior to the date of incorporation because of works details have not been furnished by UPCL under the transfer scheme.

### 2.27. Payment made to Auditors

Particulars	(Amount in Rupees)	
	Year ended 31.03.2016	Year ended 31.03.2015
Audit fees (excluding service tax)	380000.00	220000.00
Provision for Reimbursement of expenses	90000.00	110000.00
<b>Total</b>	<b>390000.00</b>	<b>330000.00</b>

### 2.28. Related Party Disclosure:

#### KEY MANGEMENT PERSONNEL:

Name	Designation
Shri S.S. Yadav	MD, PTCUL (upto 24.07.2016)
Shri S.N. Varma	MD, PTCUL (w.e.f. 25.07.2016)
Shri Shiv Kumar Sharma	Director (HR) (upto 20.04.15)
Shri Shrawan Kumar Sharma	Director (Project)
Shri R.K. Sharma	Director (O&M) (upto 25.04.2016)
Shri Ashish Kumar	Director (HR)
Shri Amitabh Maitra	Director (Finance)
Shri Praveen Tandon	Company Secretary



Annual Report (PTCUL) 2015-16



# Power Transmission Corporation of Uttarakhand Limited

## Notes Forming Part of the Balance Sheet

### Director's Remuneration:-

Particulars	Year ended 31.03.2016	Year ended 31.03.2015
Salaries and Allowances including Perquisites/reimbursement.	52.76 Lacs	49.04 Lacs
<b>Total</b>	<b>52.76 Lacs</b>	<b>49.04 Lacs</b>

### 2.29. Earning Per Share:

Particulars	(Amount in Lacs except share data)	
	FY 2015-16	FY 2014-15
<b>Basic/diluted</b>		
Earning attributable to Equity shareholders	6933.58	12062.34
Weighted average No. of shares	3938085	3305215
EPS	176.06	364.95

2.30. The Corporation operates in one segment only in the State of Uttarakhand i.e. Transmission of Power hence, disclosure under Accounting Standard (AS) 17 "Segment Reporting" is not required.

### 2.31. Contingent Liability:

Claims not acknowledged as debt

- Income Tax demand for AY 2009-10 Rs. 0.81 Lakhs.
- TDS default demand as per Form 26 AS Rs. 11.13 Lakhs.

### 2.32.

- Inter-Units Balances amounting to Rs 35.26 lacs (net) (Previous year 85.69 lacs (net)) as per Note 2.16 are under reconciliation and the effect of reconciliation shall be provided in the ensuing years.
- Based on the information available with the Company, there are no supplier/service providers who are registered as Micro, Small or Medium enterprises under "The Micro, Small and Medium Enterprises Development Act, 2006" as on 31st March, 2016.
- On an overall basis the Current Assets (Except Inventory for which decrease & depletion is not yet worked out), Loans and Advances have a value on realization in the ordinary course of business at least equal to amounts at which they are stated in the Balance Sheet.



Annual Report (PTCUL) 2015-16



# Power Transmission Corporation of Uttarakhand Limited

## Notes Forming Part of the Balance Sheet

- IV. An Amount of Rs 1649.32 lacs (Previous year Rs. 1648.73 lacs) as per Note no. 2.5 shown under "Other Long Term Liabilities" payable to UPCL represents amounts directly transferred by UPCL to various PTCUL units between 01.06.04 to 31.03.16, which is under reconciliation with UPCL. The effect thereof on the accounts is not ascertainable.
- V. Foreign Exchange Earning & Outgo: Nil (PY Nil).
- VI. Previous year's figures have been regrouped/rearranged/recast, wherever necessary, to make them Comparable with the current year's figures.
- VII. Most of the balances pertain to suppliers of capital works for which the party-wise details are available. However, there are some balances as on 31.05.2004 (prior to incorporation of the company) for which the party-wise break-up is not available. In the FY 2013-14, a provision of Rs 190.00 Lakhs has been made for old outstanding advances for which full detail were not available.
- VIII. The non-moving stock approximately 10% of material in stock amounting Rs 21.51 Crore (stock as per transfer scheme) is being written off @ 2% of obsolete stock every year from F.Y 2008-09 onward.
- IX. The bills for incentive for the period from 01.06.2004 to 31.03.2006 are yet to be raised as the related data is under completion.
- X. The balances between UPCL and PTCUL are subject to reconciliation.

For Gianender & Associates  
Chartered Accountants  
FRN:- 004661N

(Ramesh Koul)  
M.No.:- 077804  
Place: *Dehradun*  
Date: *26/8/16*



*[Signature]*  
Managing Director  
(DIN:- 05149362)

*[Signature]*  
Director (Finance)  
(DIN:-07299553)

*[Signature]*  
Company Secretary