

N KUMAR GUPTA & ASSOCIATES

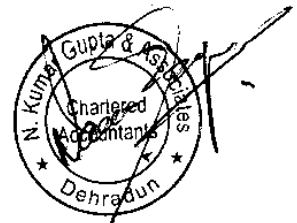
CHARTERED ACCOUNTANTS

AUDITOR'S REPORT

To
The Members,
Power Transmission Corporation of Uttarakhand Ltd.,
Dehradun.

1. We have audited the attached Balance Sheet of **POWER TRANSMISSION CORPORATION OF UTTARAKHAND LIMITED, Dehradun**, as at 31st March 2014 and also Statement of Profit and Loss and Cash flow statement of the company for the period 01.04.2013 to 31.03.2014, annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We have conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. The Company is governed by the Electricity Act, 2003. Though the said Act has repealed the Electricity (Supply) Act, 1948 and Electricity Regulatory Commission Act, 1948, certain provisions of the repealed Acts, to the extent they are not inconsistent with the provisions of said Act, continued to be applied by the Company while preparing the financial statements. Further, the provisions of the said Act, read with rules thereunder have prevailed wherever the same have been inconsistent with the provisions of the Companies Act, 1956.
4. As required by the Companies (Auditor's Report) Order, 2003 read with Companies (Auditor's Report) (Amendment) Order, 2004 issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956, and on the basis of such checks as we considered appropriate and the information and explanations given to us during the course of our audit. We enclose in the 'Annexure I' a statement on the matters specified in paragraphs 4 & 5 of the said order.
5. Further to our comments in the Annexure referred to in paragraph 4 above, along with our observations in "ANNEXURE II" we report that:
 - a) We have 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 & Loss and Cash Flow statement dealt with by this report are in agreement with the books of account;

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CHARTERED ACCOUNTANTS

- d) In our opinion, subject to our observations in paragraph 3 above, the Balance Sheet, Statement of Profit and Loss and Cash Flow statement dealt with by this report comply with the mandatory accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
- e) In pursuance to the notification No. GSR 829(E) dated 21.10.2003, issued by the department of Company affairs; clause (g) of sub-section (1) of section 274 of Companies Act, 1956 pertaining to disqualification of Directors is not applicable to the Government Company.
- f) In our opinion and to the best of our information and according to the explanation given to us, the said accounts read with the notes to accounts and Accounting policies annexed thereto, in so far as these are not inconsistent with the Electricity Act, 2003, **subject to our observations in "ANNEXURE II"** referred above, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:-
- i) In the case of the Balance Sheet, of the State of the affairs of the Company as at 31st March 2014 and;
 - ii) In case of the Statement of Profit & Loss , of the profit for the year ended on that date; and
 - iii) In the case of Cash Flow Statement of the Cash Flows for the year ended on that date.

For N. Kumar Gupta & Associates
Chartered Accountants



Place: Dehradun
Date: 19 SEP 2014

'ANNEXURE I' REFERRED TO IN PARAGRAPH 1 OF THE AUDITORS' REPORT TO THE SHAREHOLDERS OF POWER TRANSMISSION CORPORATION OF UTTARAKHAND LIMITED ON THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2014:

1. In respect of Fixed Assets:
 - a) The Company has maintained adequate records showing full particulars including quantitative details and location of fixed assets, however the said records are updated till 31.3.2011 and updation of fixed assets records for the year under audit i.e. 2013-14 and for the previous years 2012-13 & 2011-12 was under process as on the date of audit.
 - b) Physical verification of the Fixed Assets at different units has not been carried out during the year under audit, since the updation of fixed assets records was under process till date of audit.
 - c) As explained to us no substantial part of fixed assets have been disposed off during the period.

2. In respect of its inventories:
 - a) As per the information and explanations given to us, inventory including stocks with third parties in certain locations, has been physically verified by the management during the year.
 - b) In our opinion, the procedures of physical verification followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c) As per information given to us, the Company has maintained proper records of inventory.

3. According to information and explanations given to us, the Company has not granted or taken any loans, secured or unsecured, to or from Companies, Firms or other Parties listed in the register maintained under section 301 of the Companies Act, 1956.

4. In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the company and the nature of its business with regard to the purchase of inventory and fixed assets and also for the sale of goods & services. During the course of audit, no major weakness has been noticed in internal control system and there is a scope of improvement in existing internal control system.

5. According to the information and explanations given to us, in our opinion, there are no transactions that require to be entered into a register in pursuance of Section 301 of the Companies Act, 1956.

6. The Company has not accepted any deposits from the public.



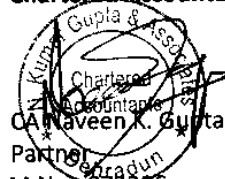
7. Company has an Internal Audit System commensurate with its size and nature of its business & the company have paid up capital & Reserve exceeding Rs. 50 lacs at the commencement of the financial year Concerned, or having annual turnover exceeding Rs. 5 crores or a period of 3 consecutive financial year immediately preceding the financial year concerned.
8. The Central Government has prescribed maintenance of Cost Records under Section 209(1)(d) of the Companies Act, 1956 in respect of Transmission of the company. We have broadly reviewed the records prepared by the company and are of the opinion that, Prima facie, the prescribed records have been made and maintained.
9. Statutory and other dues:
 - a) On the basis of our examination of the books of account and other relevant records, the Company has been generally regular in depositing with appropriate authorities, undisputed statutory dues, including provident fund, employees' state Insurance, Income Tax, Sales Tax, Excise Duty, Cess and other material statutory dues applicable to it.
 - b) According to the information and explanations given to us, no undisputed amounts payable in respect of Income-Tax, Sales-Tax, Customs Duty and Excise Duty were in arrears, as at 31st March 2014 for a period of more than six months from the date they became payable.
10. The company has accumulated losses of Rs 12304.96 Lacs (previous year Rs. 9643.87 Lacs) which are less than fifty percentage of its net worth and Company has not incurred any cash losses either during the current financial year or the immediately preceding financial year.
11. Based on our audit procedures and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to banks, with which transactions have been made during the year.
12. Based on our examination of documents and records, we are of the opinion that the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures or other securities.
13. The Company is not a Chit Fund, Nidhi, Mutual Benefit Fund or a Society.
14. According to the information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures and other investments.
15. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
16. According to the information and explanations given to us, the Company has raised the following term loans during the period and have been applied for the purpose for which they were raised:-

(i)	From PFC	Rs. 2950.23 Lacs (Prev. year Rs. 3068.04 Lacs)
(ii)	From REC	Rs. 3767.51 Lacs (Prev. year Rs. 9106.65 Lacs)
(iii)	From ADB	Rs. 1630.55 Lacs (Prev. Year Rs. 1574.00 Lacs)



17. Business Profit before tax of Rs. 1271.57 lacs as per profit and loss statement has been earned during the year under consideration. Thus, liability of Rs. 125.72 lacs has been recognised as current year tax expense due to applicability of provisions of Minimum Alternate tax u/s 115JB of the Income Tax Act, 1961. Hence, provision for the same has been made for the Financial Year 2013-14.
18. According to the information and explanation made available to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investments by the Company.
19. Deferred tax liability on account of timing differences (depreciation) amounting to Rs. 2994.81 lacs as on 31.03.2013 (pertaining to previous years) has been considered and shown under the head Reserves & surplus in the balance sheet and deferred tax liability amounting Rs 812.12 lacs pertaining to financial year 2013-14 has been considered in account on prudent basis and charged to Profit & Loss account.
20. The company has not made any preferential allotment of shares to parties and Companies covered in the register maintained under Section 301 of the Companies Act, 1956.
21. The Company has not issued any debentures.
22. The Company has not raised money through public issues during the year.
23. Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the company has been noticed or reported during the year.

**For N. Kumar Gupta & Associates
Chartered Accountants**


CA Naveen K. Gupta
Partner
M.No.: 672386
FRN: 003637C

Place: Dehradun

Date: 19 SEP 2014.

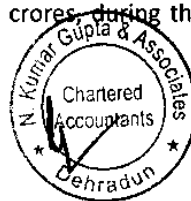
'ANNEXURE II' REFERRED TO IN PARAGRAPH 2 OF THE AUDITORS' REPORT TO THE SHAREHOLDERS OF POWER TRANSMISSION CORPORATION OF UTTARAKHAND LIMITED ON THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2014:

1. The outstanding balances as on 31.03.2014 for the amount receivable from suppliers /contractors/employees/other parties is Rs. 91.33 crores net (Previous Year Rs. 170.34 crores net).

The outstanding balances for the amount due to suppliers /contractors/employees/other parties is Rs. 84.89 crores net (Previous Year Rs. 90.54 crores net).

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 formation of the Company) for which the party wise break up is not available. In the current year, a provision of Rs. 1.90 crores has been made for old outstanding advances for which full details were not available.

2. In the balance sheet as on 31.03.2014, the variation in value of assets transferred and liabilities taken over as on 31.05.2004, amounting to Rs.18880.07 Lacs (Previous year Rs. 18880.07 Lacs) as per schedule 4 in pursuance of Govt. of Uttaranchal (GOUA) notification No.86/1/2004-06(3)/259/2003 dated 31.05.2004 and 87/1/2004-06(3)/259/2003 dated 31.05.2004, has been considered as unsecured loan from the State Government by the company, whereas as per the transfer scheme Page 7 the same has to be taken as 'Payable to UPCL'.
3. Inter-Units Balances amounting to Rs. 1.03 crore (net) (Previous year Rs. 1.03 crore (net) as per Note no 2.15 and balance amounting to Rs. 4.67 Lacs (Previous year Rs. 41.56 Lacs) as per Note 2.8 are under reconciliation the effect thereof on the accounts is not ascertainable.
4. An Amount of **Rs 16.49 Crores (Previous year Rs. 16.49 Crores)** 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 31.03.14, which is under reconciliation with UPCL. The effect thereof on the accounts is not ascertainable.
5. The amount of various deposit works completed has been included and shown under the fixed assets (Note No. 2.10) under the respective heads. The contribution towards deposit works of Rs. 5670.21 lacs (Previous year Rs. 5913.34 Lacs (Note No. 2.3) have been included in Fixed Assets and shown as Contribution towards deposit Works in the balance sheet, the assets to that extent have been over stated and since this amount is shown under the head Contribution towards Deposit Works the Current liabilities to that extent are under stated.
6. Land and Rights of Rs. 3907.06 Lacs (Previous year Rs. 4083.02 Lacs) and Lease Hold Lands of Rs 3246.05 Lacs (Previous year Rs. 3422.01 Lacs) as per Note no 2.10 in different divisions of the corporation are amortized (the values of lease hold property amounting to Rs.2.25 crores had been amortized over the period of 99 years on notional basis from F.Y 2004-05 and onwards and the value of lease hold property acquired during the year 2008-09 amounting to Rs.17.31 crores , during the year 2010-11 amounting to Rs. 12.70 crores, during the year 2011-12 amounting to Rs. 0.43 crores, during the year 2012-13



amounting to Rs. 1.53 crores and during the year 2013-14 amounting to Rs 0.33 crores had been amortized over the period of 30 years on notional basis.

7. The interest on loan taken from Asian Development Bank (ADB) has been provided in the book of accounts by the company @ 8% per annum (provisional) on the net loan amount after deducting grant portion (90%) on the loan from the current F.Y. 2013-14. The above provision shall be adjusted/ revised once the terms and conditions of the borrowing are issued by the GoU.
8. Provision for Accrued Liabilities on account of Gratuity has been made as per the actuarial valuation done by LIC upto 31.03.2014 in order to comply with the requirement of AS-15 issued by the ICAI, which is mandatory in nature.
9. Store Spares of Rs 2721.89 Lacs (Previous year Rs. 2873.06 Lacs) as per Notes no 2.12 includes the value of surplus / obsolete inventory lying idle in the stores. The non moving stock estimated approximately 10 % of total stock as per transfer scheme is being written off @ 2 % every year from F.Y. 2008-09 onwards as per approval of Board of Directors. Value of obsolete stores other than transfer scheme has not been ascertained being no details are available form respective units, the same has not been provided for due to the stated reason which has resulted in over statement of Current Assets and under statement of Loss to that extent.
10. The Title Deeds of lands are not available in certain cases, due to non receipt of the lease deed/title deed from UPCL at the time of finalization of transfer scheme.

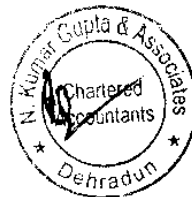
**For N. Kumar Gupta & Associates
Chartered Accountants**



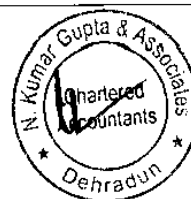
Place: Dehradun
Date: 19 SEP 2014
FRN: 003637C

POWER TRANSMISSION CORPORATION OF UTTARAKHAND LIMITED
AUDITOR'S REPORT UNDER SECTION 619 (3) (a) OF THE COMPANIES ACT, 1956
FOR THE YEAR ENDING 31ST MARCH, 2014

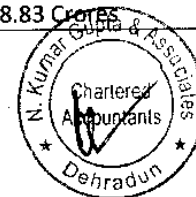
(1)	System of Accounts :	
(1)	Examine the following systems and give your views as regards their deficiencies along with suggestions for remedial measures :-	
(a)	Recording of receipts and expenditure	The receipts and expenditures have been recorded regularly as per accounting practices followed by the company.
(b)	Drawing periodical trial balance	Trial balance has been drawn monthly.
(c)	Compilation of accounts	The compilation of accounts is being done at Head office (Dehradun).
(d)	Recording procurement and disposal of stores.	As explained to us, the procurement is done at actual cost and issues are made at actual rates.
(e)	Reconciliation of inter-office accounts	Reconciliation of inter-office accounts is being done at Head Office (Dehradun). There is an un-reconciled difference of Rs. 1.03 Crore (debit). Similarly, amounts transferred from UPCL to various PTCUL units during the period 01.06.2004 to 31.03.2014, is still under reconciliation and the same is declared as amount payable to UPCL Rs. 16.49 crore in the Balance Sheet.
(2)	Indicate whether expenditure during construction period is appropriately accounted for with proper allocation between capital and revenue expenditure?	The allocation of employees cost and administrative cost charged to capital work-in progress during the year amounting to Rs. 6.51 crore and Rs. 1.86 crore respectively is based on actual expenditure of project units.



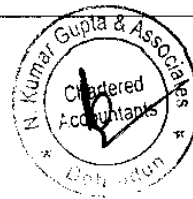
(3)	Are the bank accounts of the company reconciled with the bank statements regularly? If not, describe the failures.	Yes
(4)	Are control accounts and subsidiary accounts up to date and reconciled regularly. If not, describe the failures.	The party-wise break-up of sundry creditors/advances to suppliers is not maintained before the transfer scheme. However, same were maintained after transfer but were reconciled only for during the year transactions.
(5)	Examine the accounting policies of the company. Are these in conformity with the Accounting Standard (National and in the absence of National Standards on certain issues, the corresponding International Standards)?	Since Power Transmission of Uttarakhand Limited (PTCUL) is formed by splitting from Uttarakhand Power Corporation Ltd. (UPCL), all the policies, rules and regulations prevalent therein are adopted by the company and Company has followed all the National Accounting Standards which are made applicable.
	Give particulars of material departures from these standards, if any, along with their effects on the financial statements; quantify the impact wherever possible.	No Material departures noticed.
(II)	System of Financial Control :	
(1)	Examine the delegation of financial powers and indicate whether these are clearly and legally made within the company, if not, describe the defects in the delegation of powers and suggest remedial measures.	Delegation of Financial Powers are clearly laid down and followed.
(2)	Indicate whether the credit obtained (including overheads) from banks were necessary and monitored regularly?	Not Applicable
(III)	Assets and Investments :	
(1)	Have the dates of installation and commissioning of plant and machinery been clearly fixed by the authority to whom the powers have been delegated by the board?	Yes



(2)	Indicate whether the property and assets registers are posted up to date and are reconciled with the financial books.	Property and assets registers are in the process of updation therefore reconciliation could not be drawn. Effect of discrepancies of current financial year shall be given in the subsequent years.
(3)	Examine and indicate whether the company has a system of monitoring the timely recovery of outstanding dues? Highlight the significant instances of failure of the system, if any	Yes
(4)	Indicate whether the cash and Imprest balances were physically verified during the year on a regular basis by an authorized officer? Highlight the inadequacies in this regard, if any.	Yes the cash balances were verified on a regular basis.
(5)	Indicate whether the Company has laid down an investment policy? If yes, please indicate the following:-	No, since the company is incurring Losses.
(a)	Authority which approved the policy	NA
(b)	Is it in accordance with the laws, rules and regulations applicable to the company?	NA
(c)	In Your opinion, are there any defects in the policy?	NA
(d)	Has the company followed it in case of all material investments made during the year?	NA
(e)	Were the investments made by the company in its best interest?	NA
(f)	Is the shortfall in market value of the current investment and permanent diminution in the value of long term investments reflected in the books? If not, describe the failure.	NA
(6)	Indicate whether the deposits with Banks/Financial Institutions and others have been in accordance with laws, rules, regulations etc. applicable to the company? Further state whether these were properly authorized by a competent authority?	Yes
(IV)	Liabilities and Loans :	
	Give the total amount of loans (including interest and penal interest separately) and defaults made in repayment as at end of the accounting period.	Outstanding balances of loans taken by company are as under:- REC : 352.84 Crores NABARD : 18.83 Crores

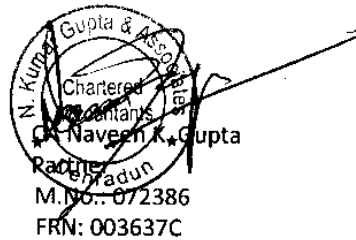


		PFC : 152.04 Crores ADB : 60.30 Crores There is no default in repayment of Principal & Interest.
(V)	Profit and loss Account :	
	Does the company prepare segment-wise accounts and profit/loss statement? If so, indicate the loss making segments, if any; and if not, whether in your opinion, it would be in the overall interest of the company to prepare segment-wise profit/loss statement?	There is only single revenue segment in the company viz. wheeling charges. Wheeling Charges are invoiced and received at H.O Level only.
(VI)	Inventory and Contracting :	
(1)	Examine whether the company has prescribed the following in regards to the management of stores;	
(a)	Maximum and Minimum limits of stores and spares etc.	No
(b)	Economic order quantity for procurement of stores.	No
(2)	Indicate whether the company usually makes advance payments to suppliers/contractors? If so, indicate whether the company has an efficient system for monitoring and adjusting such advances?	Yes, but party-wise break-up of advances to contractors/suppliers is not maintained due to non finalization of Transfer Scheme.
(VII)	Costing:	
(1)	Does the company prepare cost accounts and reconcile them with financial accounts?	Yes
(2)	Indicate whether the company is following the proper system of costing and is computing the cost of major operations, jobs, products, processes and services regularly? If not, describe the failures.	NA
(3)	Indicate whether the company has an effective system for identification of Idle labour-hours and Idle machine-hours?	NA
(4)	Was cost audit ordered in the case of company? If so, highlight the major deficiencies pointed out in the latest cost audit report?	YES. No Major Deficiencies pointed out by Cost Auditor.



(VIII)	Internal Audit:	
	Give Your comments on Internal Audit system stating whether its reporting status, scope of work, level of competence, etc. are adequate? If not, describe the shortcomings thereof. Is there an adequate compliance mechanism on internal audit observations?	Internal Audit reports are submitted to the Audit Committee for review and Compliance. Compliance reports are submitted to Internal Auditors periodically.
(IX)	Audit Committee:	
	Does the company have an Audit Committee of the Board of Directors? If so, give your comments on its functioning.	The Audit Committee had been formed in its 5 th Board meeting held on 10 th June, 2005. The Audit Committee met five times in the financial year 2013-14.
(X)	Additional Directions:	
	Part A	
	(Applicable for audit of trading companies including Food Corporation of India)	NA
	Part B	
	(Applicable for audit of companies engaged in financing)	NA

**For N. Kumar Gupta & Associates
Chartered Accountants**



Place: Dehradun
Date: 19 SEP 2014

COMPLIANCE CERTIFICATE

We have conducted the audit of accounts of POWER TRANSMISSION CORPORATION OF UTTARAKHAND LIMITED, DEHRADUN, for the year ended 31st March, 2014 in accordance with the directions/sub-directions issued by the C&A G of India under section 619(3)(a) of the Companies Act, 1956 and certify that we have complied with all the directions/sub-directions issued to us.

**For N. Kumar Gupta & Associates
Chartered Accountants**



N. Kumar Gupta & Associates
Chartered Accountants
Naveen K. Gupta
Partner
Dehradun
M.No. 272386
FRN: 003637C

Place: Dehradun

Date: **19 SEP 2014**

**POWER TRANSMISSION CORPORATION OF UTTARAKHAND LTD.
VIDYUT BHAWAN 132 KV MAJRA CAMPUS, DEHRADUN
BALANCE SHEET AS AT 31st MARCH 2014**

(Amount in lacs)

Particulars	Note No.	Amount as at 31.03.2014	Amount as at 31.03.2013
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	2.1	29264.36	25069.02
(b) Reserve and Surplus	2.2	(12304.96)	(9643.87)
(c) Contribution Towards Deposit Works	2.3	5670.21	5913.34
(2) Share Application Money Pending Allotment	2.1	770.01	3305.35
(3) Non- Current Liabilities			
(a) Long Term Borrowing	2.4	77280.60	77514.53
(b) Other Long Term Liabilities	2.5	6438.19	5594.52
(c) Long Term Provision	2.6	1251.85	1216.30
(4) Current Liabilities			
(a) Trade Payable	2.7	3699.55	5107.74
(b) Other Current Liabilities	2.8	11500.51	5537.85
(c) Short Term Provision	2.9	3126.33	2839.62
TOTAL		126696.66	122454.39
II. ASSETS			
(1) Non Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	2.10	81133.93	73164.20
(ii) Capital Work-in-Progress	2.10	18862.46	15785.56
(b) Long Term Loans and Advances	2.11	7.50	223.71
(2) Current Assets			
(a) Inventories	2.12	2721.89	2873.06
(b) Trade Receivables	2.13	2315.84	1433.70
(c) Cash and Cash Equivalent	2.14	2887.82	4800.87
(d) Short Term Loans and Advances	2.15	18767.23	24173.31
TOTAL		126696.66	122454.39
Significant Accounting Policies and Notes to Accounts	1 to 2.23		


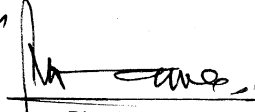

Notes Referred to above form an integral part of Balance Sheet

As per our report of even date attached

**For N. Kumar Gupta & Associates
Chartered Accountants**


Chartered Accountant
(Naveen K. Gupta)
M.No. - 072386
FRN:- 003637C
Place:- DEHRADUN
Date:- 19 SEP 2014

For & On behalf of the Board of Directors of PTCU

  
Managing Director Director Company Secretary

POWER TRANSMISSION CORPORATION OF UTTARAKHAND LTD.
VIDYUT BHAWAN 132 KV MAJRA CAMPUS, DEHRADUN
STATEMENT OF PROFIT & LOSS FOR THE MONTH ENDING 31st March 2014

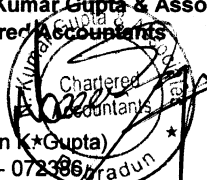
(Amount in lacs)

Particulars	Note No.	Amount as at 31.03.2014	Amount as at 31.03.2013
III. Revenue			
I. Revenue From Operations	2.16	20167.47	16125.75
II. Other Income	2.17	313.48	151.03
III. Total Revenue (I+II)		20480.95	16276.79
IV. Expenses			
Employee Benefit Expenses	2.18	5060.78	4940.07
Financial Expenses	2.19	5214.02	4354.52
Depreciation and Amortization Expenses	2.20	5661.29	2808.92
Other Expenses	2.21	3163.50	3555.31
IV. Total Expenses		19099.59	15658.82
V. Profit Before Exceptional and Extraordinary Items and Tax	(III-IV)	1381.36	617.96
VI. Exceptional Items	2.23	84.31	129.53
VII. Profit Before Extraordinary Items and Tax (V+VI)		1465.67	747.49
VIII. Extraordinary Items	2.22	194.10	4.30
IX. Profit Before Tax (VII - VIII)		1271.57	743.19
X. Tax Expense:			
(1) Current Tax		125.72	
(2) Deferred Tax		812.12	
XI. Profit(Loss) for the Period From Continuing Operations	(IX-X)	333.72	743.19
XII. Profit/(Loss) for the Period		333.72	743.19
XIII. Earning Per Equity Share:			
(1) Basic (In Rs.)		-	
Significant Accounting Policies and Notes to Accounts	1 to 2.23		

Notes Referred to above form an integral part of Statement of Profit & Loss.

As per our report of even date attached


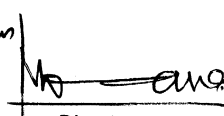

For N Kumar Gupta & Associates
Chartered Accountants



(Naveen Kumar Gupta)
M.No. :- 072396
FRN:- 0036376
Place:- DEHRADUN
Date:-

19 SEP 2014

For & On behalf of the Board of Directors of PTCUL


 Managing Director
 
 Director
 
 Company Secretary

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 31.3.2014	As at 31.03.2013
Authorised Share Capital 50,00,000 Equity Shares of Rs. 1000/- each	50000.00	50000.00
Issued, Subscribed and Paid up Capital 2926436 (Previous Year 2506902) Equity Shares of Rs. 1000/- each, Fully Paid up	29264.36	25069.02
Total	29264.36	25069.02
Share Application Money (Amount received pending allotment)	770.01	3305.35
Total Application Money	770.01	3305.35

Note 2.1.1 Reconciliation of Nos. of Shares

No. of Shares

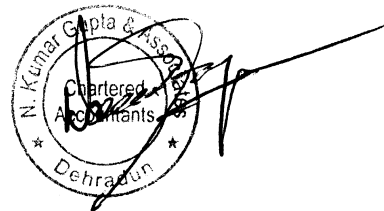
Particulars	No. of Shares	
	As at 31.3.2014	As at 31.03.2013
Number of Equity Shares at the Beginning	2506902	2238033
Add: Number of Shares issued	419534	268869
Number of Equity Shares at the end	2926436	2506902

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	2926429	99.99%

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

Particulars	Amount	
	As at 31.3.2014	As at 31.03.2013
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	—	—



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

Note 2.2 – Reserve & Surplus

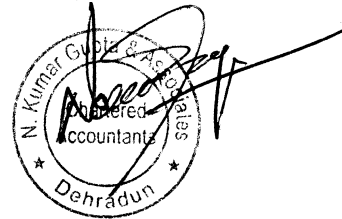
(Amount in lacs)

S.NO.	Particulars	Amount	
		As at 31.3.2014	As at 31.03.2013
1	Surplus (Profit & Loss Account)		
	As per Last Balance Sheet	(9643.87)	(10387.07)
	Add: Profit/loss for the year	333.72	743.19
	Add: Provision of DTL	(2994.81)	0.00
	Total	(12304.96)	(9643.87)

Note 2.3 – Contribution Towards Deposit Works

(Amount in lacs)

S.NO.	Particulars	Amount	
		As at 31.3.2014	As at 31.03.2013
1	Contribution towards Deposit Works		-
	Opening Balance	5913.34	6167.89
	Add: During the Year	174.99	0.00
	Less: Depreciation during the Year	418.12	254.55
	Total	5670.21	5913.34



Power Transmission Corporation of Uttarakhand Limited

Notes Forming Part of the Balance Sheet

Note 2.4 – Long Term Borrowings

(Amount in lacs)

S.NO.	Particulars	Amount	
		As at 31.3.2014	As at 31.03.2013
	Secured loans:-		
	Term Loan From Financial Institution		
1	R.E.C. I & III	9384.21	10722.40
2	R.E.C. II	7149.79	7325.63
3	REC Short term loan	0.00	2736.36
4	R.E.C. IV	7858.05	6810.32
5	R.E.C. -V	6631.35	6273.56
6	REC XI- SCHEME CODE 5787	1213.33	1213.33
7	REC SCHEME CODE 4365	770.85	770.85
8	REC SCHEME CODE 5072	318.51	318.51
9	REC SCHEME CODE 5762	181.72	181.72
10	REC SCHEME CODE 5011	188.15	188.15
11	REC SCHEME CODE 5531	363.79	363.79
12	REC SCHEME CODE 5533	302.58	302.58
13	REC SCHEME CODE 5534	224.94	224.94
14	REC SCHEME CODE 6410	696.49	0.00
A	Total Secured loans of REC	35283.77	37432.14
B	NABARD	1883.20	4362.10
C (1)	Power Finance Corporation Ltd. (PFC)	13904.01	12441.22
C (2)	PFC STL	1300.00	0.00
C	Power Finance Corporation Ltd. (PFC)	15204.01	12441.22
D	Asian Development Bank (ADB)	6029.55	4399.00
E	TOTAL (A+B+C+D)	58400.53	58634.46

Unsecured loans:-

Other loans & Advances

F	Uttarakhand Government Loan	18880.07	18880.07
	TOTAL (F)	18880.07	18880.07
	TOTAL (E+F)	77280.60	77514.53

Note : 2.4.1 Terms of Repayments of Long Term Borrowings

Sr. No	Particulars	Amount	
		As at 31.3.2014	As at 31.03.2013
1	Terms of Repayments of REC STL		
	First Year	0.00	2736.36
	Second Year	0.00	0.00
	Third Year to Fifth Year	0.00	0.00
2	Other Loans (Refer Point 2.4.2)	77280.60	74778.17
	Total	77280.60	77514.53

Note 2.4.2

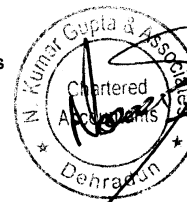
Loan of REC will be repaid in 10 years.

Loan of NABARD will be repaid in 5 years.

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

Loan of PFC STL will be paid in 01 year

Period of ADB Loan is not yet ascertained.



Power Transmission Corporation of Uttarakhand Limited

Notes Forming Part of the Balance Sheet

Note : 2.5 Other Long Term Liabilities			
(Amount in lacs)			
Sr. No	Particulars	Amount	
		As at 31.3.2014	As at 31.03.2013
	Other Than Trade Payable		
1	Security Deposit	521.14	517.04
2	Retention Money	4268.33	3428.76
3	UPCL Payable	1648.73	1648.73
	Total	6438.19	5594.52

Note : 2.6 Long Term Provisions			
(Amount in lacs)			
Sr. No	Particulars	Amount	
		As at 31.3.2014	As at 31.03.2013
	Provision for Employee Benefits		
1	Provision for Pension	623.77	688.78
2	Provision for Gratuity	628.08	527.52
	Total	1251.85	1216.30

Note : 2.7 Trades Payable			
(Amount in lacs)			
Sr. No	Particulars	Amount	
		As at 31.3.2014	As at 31.03.2013
1	Capital Supplies/Works	2634.69	4019.78
2	O&M Supplies/Works	1064.86	1087.96
	Total	3699.55	5107.74

Note : 2.8 Other Current Liabilities			
(Amount in lacs)			
Sr. No	Particulars	Amount	
		As at 31.3.2014	As at 31.03.2013
1	Deposits for Electrification	4610.41	3807.53
2	Security Deposit & Retention Money from Contractors/ Suppliers	372.91	262.84
3	Other Liabilities	5971.84	1002.51
4	Interest Accrued & due on Borrowings	545.36	464.97
	Total	11500.51	5537.85

Note : 2.9 Short Term Provisions			
(Amount in lacs)			
Sr. No	Particulars	Amount	
		As at 31.3.2014	As at 31.03.2013
1	Provision for Employee Benefits		
	Provision for Leave Encashment	1997.03	1839.57
	Other Provision	1129.30	1000.05
	Total	3126.33	2839.62

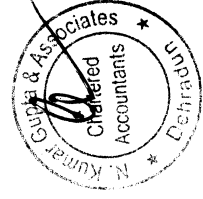


Power Transmission Corporation of Uttarakhand Limited
Notes Forming Part of the Balance Sheet
As at 31st March, 2014

Note : 2.10 Fixed Assets

(Amount in lacs)

Sl. NO.	Particulars	Rate of Dep. (In %)	Gross Block			Provision of Depreciation			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 31.03.2014
1	2	3	4	5	6	7	8	9	10	11	12
A	Tangible Assets										
1	Land and Rights										
2	Buildings	3.34	6667.00	301.35	5.63	2134.31	226.86	0.00	2361.17	4601.55	4532.88
3	Hydraulic Works	5.28	135.01	14.41	0.00	149.42	7.64	0.00	12.20	137.23	130.46
4	Other Civil Works	3.34	524.21	82.41	1.87	604.75	19.28	0.00	131.67	473.08	411.82
5	Plant & Machinery	5.28	46311.62	8290.48	351.11	20740.11	2565.77	0.00	23305.88	30945.11	25571.51
6	Lines&Cable Network	5.28	47869.57	5619.33	255.52	9355.13	2717.46	0.00	12072.59	41160.79	38514.45
7	Vehicles	9.5	83.81	6.04	0.00	77.01	0.04	1.58	75.46	14.38	6.80
8	Furniture and Fixtures	6.33	167.91	37.64	0.00	39.37	11.27	0.00	50.64	154.91	128.54
9	Office Equipment	6.33	155.62	48.41	2.27	42.56	9.99	0.81	51.75	150.01	113.05
	SUB TOTAL (A)		105997.77	14433.14	825.42	32833.57	5661.29	23.30	38471.56	81133.93	73164.20
B	Capital Work in Progress										
	CWIP		15785.56	27324.34	24247.44	18862.46	0.00	0.00	0.00	18862.46	15785.56
	SUB TOTAL (B)		15785.56	27324.34	24247.44	18862.46	0.00	0.00	0.00	18862.46	15785.56
	SUB TOTAL (A+B)		121783.33	41757.48	25072.85	32833.57	5661.29	23.30	38471.56	99996.40	88949.76
	PREVIOUS YEAR		108079.77	19523.76	5820.21	30024.65	3010.00	201.08	32833.57	88949.76	88949.76



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 31.3.2014	As at 31.03.2013
	Secured		
1	Advance for Capital Supplies/ Works	7.50	223.71
	Total	7.50	223.71

Note : 2.12 Inventories			
(Amount in lacs)			
Sr. No	Particulars	Amount	
		As at 31.3.2014	As at 31.03.2013
	Stores & Spares		
1	Stock Material at Construction Stores	2,382.23	2,473.57
2	Stock Material at Other Stores	298.31	358.15
3	Other Material Account	41.34	41.34
	Total	2,721.89	2,873.06

Note 2.12.1 The Store & Spare of the company is valued at Cost.

Note : 2.13 Trade Recievables			
(Amount in lacs)			
Sr. No	Particulars	Amount	
		As at 31.3.2014	As at 31.03.2013
	Outstanding for less than six months		
	Unsecured, Considered Good		
1	Uttrakhand Power Corporation Limited	1,891.23	1,433.70
2	Bhilangna Hydro Power Ltd.	424.61	-
	Total	2,315.84	1,433.70

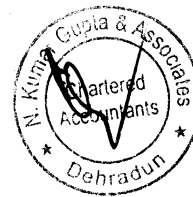


POWER TRANSMISSION CORPORATION OF UTTARAKHAND LTD.

Notes Forming Part of the Balance Sheet

Note : 2.14 Cash & Cash Equivalent			
(Amount in lacs)			
Sr. No	Particulars	Amount	
		As at 31.3.2014	As at 31.03.2013
A	Cash or Cash Equivalents		
1	Balance With Banks		
a	Punjab National Bank	2087.39	4519.91
b	State Bank of India	101.89	1.89
2	Cash-in-Hand (Including Imprest)	2.16	1.62
3	Remittance in Transit	696.38	277.45
	Sub Total (A)	2887.82	4800.87
	Total (A)	2887.82	4800.87

Note :2.15 Short Terms Loans and Advances			
(Amount in lacs)			
Sr. No	Particulars	Amount	
		As at 31.3.2014	As at 31.03.2013
	Other Loans & Advances		
1	Advance Recoverable in cash or kind for value to be received		
	Advance for O & M Supplies/Works	986.14	995.87
	Advance for Capital Works	8113.78	15790.92
	Loans & Advances to staff	25.14	23.10
2	Sundry Receivable	5932.83	5768.02
3	Inter Unit Transaction	102.96	103.35
4	TDS Receivable	3606.37	1492.05
	Total	18767.23	24173.31



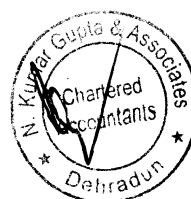
POWER TRANSMISSION CORPORATION OF UTTARAKHAND LTD.

Notes Forming Part of Statement of Profit & Loss

Note : 2.16 Revenue From Operations			
(Amount in lacs)			
Sr. No	Particulars	Amount	
		As at 31.3.2014	As at 31.03.2013
1	Revenue from Transmission Charges		
(A)	Revenue from UPCL	19248.55	15998.00
(B)	Revenue from Open Access by SLDC	170.47	127.75
(C)	Revenue from BHPL	748.45	0.00
	Total	20167.47	16125.75

Note : 2.17 Other Income			
(Amount in lacs)			
Sr. No	Particulars	Amount	
		As at 31.3.2014	As at 31.03.2013
1	Delayed payment charges	46.70	0.00
2	Interest on Advance to Contractors/Suppliers	5.78	12.07
3	Sale of Tender Form	19.35	19.75
4	Registration Fees	2.47	2.26
5	Forfeited earnest money/security money	0.16	0.00
6	Balance Misc. Receipts includes resignation fees, open access fees, connectivity charges, supervision charges etc)	185.93	88.01
7	Recoveries for Transport Facilities	3.30	2.88
8	Income from Inspection House	1.18	1.49
9	Rental from Staff	2.76	3.02
10	Excess found on physical verification of Fixed assets	0.94	
11	Penalties for delay in Supplies/Execution of Works	44.53	21.51
12	Receipt of Fees under Right to Information Act-2005	0.02	0.00
13	Rental from Contractors	0.34	0.04
	Total	313.48	151.03

Note : 2.18 Employee Benefit Expense			
(Amount in lacs)			
Sr. No	Particulars	Amount	
		As at 31.3.2014	As at 31.03.2013
1	Salary, Wages, Allowances and Bonus	3584.76	3427.99
3	Director's Remuneration	44.37	54.03
4	Other Staff Cost/Welfare Expense	599.61	641.95
5	Terminal Benefits	832.05	816.10
	Total	5060.78	4940.07



POWER TRANSMISSION CORPORATION OF UTTARAKHAND LTD.

Notes Forming Part of Statement of Profit & Loss

Note : 2.19 Financial Expenses			
(Amount in lacs)			
Sr. No	Particulars	Amount	
		As at 31.3.2014	As at 31.03.2013
1	Interest on PFC Loan	1664.78	1314.49
2	Interest on REC Loan	3309.04	2576.33
3	Interest on NABARD Loan	240.19	463.27
4	Other Bank Charges	0.01	0.43
	Total	5214.02	4354.52

Note : 2.20 Depreciation and Amortization Expense			
(Amount in lacs)			
Sr. No	Particulars	Amount	
		As at 31.3.2014	As at 31.03.2013
1	Depreciation & amortization exp.	5661.29	2808.92
	Total	5661.29	2808.92

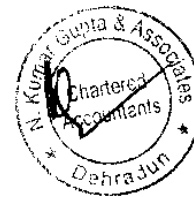


POWER TRANSMISSION CORPORATION OF UTTARAKHAND LTD.

Notes Forming Part of Statement of Profit & Loss

Note : 2.21 Other Expense			
		(Amount in lacs)	
Sr. No	Particulars	Amount	
		As at 31.3.2014	As at 31.03.2013
	Indirect Expenses		
A	Repairs & Maintenance Expense		
1	Plant and Machinery	1220.65	1161.62
2	Building & Civil Works	114.69	171.39
3	Lines, Cables Work, etc.	523.86	715.11
4	Others	7.69	3.35
	Total R&M expenses (A)	1866.89	2051.47
B	Administrative & Gen. expenses		
1	Rent	0.64	15.04
2	Rates & Taxes	0.88	0.08
3	Insurance of Assets	0.92	0.44
4	Telephone & Trunk Calls	51.23	49.82
5	Postage & Telegrams	1.66	1.64
6	Legal Charges	6.93	4.74
7	Audit Fee & expenses	10.61	11.27
8	Consultancy Charges	48.07	37.43
9	Other Professional Charges	20.91	2.49
10	Training Expenses	83.81	29.66
11	Conveyance Charges	3.97	3.43
12	Travelling expenses	43.12	46.63
13	Vehicle Expenses	57.15	30.79
14	Hiring Charges of Vehicles	96.91	100.72
15	Local outdoor Duty Allowance	5.10	2.54
16	Fees and Subscription	254.55	727.26
17	Books and Periodicals	0.98	0.07
18	Printing of Stationary	28.06	21.16
19	Advertisement Expenses	56.26	21.34
20	Electricity Charges	20.34	19.94
21	Security Guard Payment	432.74	332.39
22	Water Charges	9.17	7.13
26	Entertainment	0.05	0.00
23	Misc. Expenses includes expenses related to computer peripherals, sports, etc	62.57	37.83
	Total A&G expenses (B)	1296.61	1503.85
	Total (A+B)	3163.50	3555.31

Note : 2.21.1 Detail of Auditors fees			
Sr. No	Particulars	Amount	
		As at 31.3.2014	As at 31.03.2013
	Auditor		
1	Statutory Audit Fees	3.30	3.30
2	Tax Audit Fees	0.70	0.95
	Total	4.00	4.25



POWER TRANSMISSION CORPORATION OF UTTARAKHAND LTD.

Notes Forming Part of Statement of Profit & Loss

Note : 2.22 Extra Ordinary Item			
(Amount in lacs)			
Sr. No	Particulars	Amount	
		As at 31.3.2014	As at 31.03.2013
1	Stock Written off	4.30	4.30
2	Provision for Sundry Debit balances	189.80	
	Total	194.10	4.30

Note : 2.23 Exceptional Items			
(Amount in lacs)			
Sr. No	Particulars	Amount	
		As at 31.3.2014	As at 31.03.2013
1	Prior Period Income/ Excess provision written back	84.31	129.53
	Total	84.31	129.53



Power Transmission Corporation of Uttarakhand Limited

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

(Amount in Lacs)

	PARTICULARS	For the year ended 31.03.2014		For the year ended 31.03.2013	
A	CASHFLOW FROM OPERATING ACTIVITIES:				
	Net Profit/(loss) before tax and extra-ordinary items	1,381.36		617.96	
Add	Adjustment for:				
	Depreciation	5661.29		2808.92	
	Interest and Other finance charges	5214.02		4354.52	
	Provision for DTL (previous years liability)	(2,994.81)		0.00	
	Provision for DTL (liability of during the year)	(812.12)			
	Provision for current tax (MAT)	(125.72)			
	Excess provision written back	84.31		129.53	
	Operating Profit Before Working Capital Charges	8408.32		7910.93	
Add	Adjustment for Working Capital Changes				
	Increase/(Decrease) in Inventory	151.17		167.97	
	Increase/(Decrease) in Debtors	(882.14)		398.83	
	Increase/(Decrease) in Loans and Advances	5406.08		(4742.01)	
	Increase/(Decrease) in Current Liabilities	4760.80		1818.37	
	Cash Flow from Operations	17844.24		5554.09	
	Less-Extra ordinary item	194.10		4.30	
	Net Cash from Operating Activities		17650.13		5549.79
B	CASH FLOW FROM INVESTING ACTIVITIES:				
	Purchase & Sale of Fixed assets	(13631.02)		(11907.17)	
	Capital Work -in -progress	(3076.90)		-1796.37	
	Long Term Loan and advances	216.21		4068.21	
	Net Cash from Investing Activities	(16491.71)	-16491.71	(9635.33)	(9635.33)
C	CASH FLOW FROM FINANCING ACTIVITIES:				
	Increase in Capital	1660.00		5633.00	
	Increase in Loans Balances & Cash Credit	(233.93)		6495.45	
	Increase in Contribution & Grants	(243.13)		(254.55)	
	Interest and Other finance charges paid	(5133.63)		(4354.52)	
	Other Long Term Liabilities & Provision	879.22		-214.33	
	Net Cash from Financing Activities	-3071.47	-3071.47	7305.05	7305.05
D	NET CHANGES IN CASH AND CASH EQUIVALENTS (A+B+C)		-1913.05		3219.50
E	OPENING CASH & CASH EQUIVALENTS		4800.87		1581.37
	CLOSING CASH & CASH EQUIVALENTS		2887.82		4800.87

For N K Gupta & Associates

Chartered Accountants

(Naveen K. Gupta)

M.No. 072386

FRN:- 0036370


Place:- DEHRADUN

Date:- 19 SEP 2014

For & On behalf of the Board of Directors of PTCUI


Managing Director


Director


Company Secretary

POWER TRANSMISSION CORPORATION OF UTTARAKHAND LIMITED

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

Note 1. Accounting Policies & Notes to Accounts

PART- (A) NOTES ON ACCOUNTS

- 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.

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. 1888007313.36 (Previous year Rs. 1888007313.36) as per schedule 2.4 has been considered as Interest free unsecured loan. The terms and conditions have not been stipulated by the GOU in the transfer scheme as stated above.

- II. Authorized Share Capital of the Corporation is Rs.500 Crores (previous year Rs. 500 crores).
- III. The Company, Power Transmission Corporation of Uttarakhand Limited has received Equity Share Capital amounting to Rs. 16.60 Crores (previous year Rs. 56.33 Crores) from the Government of Uttarakhand during the year 2013-14. Allotment of shares against the same has been made to the extent of Rs. 41.95 Crores (previous year Rs 26.89 Crores) and the share Application Money Pending Allotment as on 31.03.2014 is Rs. 7.70 Crores. (Previous year Rs. 33.05 Crores).
- IV. Contingent liabilities not provided for in respect of ;
- (a) The estimated amount of the contracts remaining to be executed on capital account is Rs. 759.32 crores (Previous year Rs. 776.38 crores) in respect of contracts executed from the date of incorporation of PTCUL to 31st March, 2014.
- (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.
- V. The interest on loan taken from Asian Development Bank (ADB) has been provided in the books of accounts by the company @ 8% per annum (provisional) on the net loan amount after deducting grant portion (90%) on the loan from the F.Y. 2012-13. The above provision shall be adjusted/ revised once the terms and conditions of the borrowing are issued by the GoU.



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

- VI. Provision for Accrued Liabilities on account of Gratuity has been made as per the actuarial valuation done by LIC upto 31.03.2014 in order to comply with the requirement of AS-15 issued by the ICAI, which is mandatory in nature.
- VII. In case of employees covered under GPF, the Company follows the guidelines as per the provisions contained in G.O. No.1.248/9-3-U/ Pension /2002 dated 21.10.2003. The Provisions for retirement benefits is made @2.30% for Gratuity and @16.78% for Pension. The Company is following the specific provision as per the above mentioned G.O., this automatically comply with the requirement of AS-15.
- VIII. Provision has been made for Audit Fees and Expenses of Statutory Auditors for the period 2013-14 as follows:-

(Amount in Rupees)

Particulars	Year ended 31.03.2014	Year ended 31.03.2013
Audit fees- Current year (excluding service tax)	220000.00	220000.00
Provision for Reimbursement of expenses	110000.00	110000.00
Total	330000.00	330000.00

- IX. Liabilities towards Staff Training, Medical Reimbursement & Leave Travel Concession (LTC) has been provided to the extent established.
- X. The Depreciation has been provided at the Corporate Accounts Office w.e.f. 01.06.04 on Straight Line method on the value of Fixed Assets in use as on 31.05.2004 and 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 also adopted by the State Commissions.
- XI. Inter-Units Balances amounting to Rs 102.96 lacs (net) (Previous year 103.35 lacs (net)) as per Note 2.15 are under reconciliation and the effect of reconciliation shall be provided in the ensuing years.
- XII. 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 that are stated in the Balance Sheet.
- XIII. Business Profit after tax of Rs. 333.72 lacs as per profit and loss statement has been earned during the year under consideration. Thus, liability of Rs. 125.72 lacs has been recognised as current year tax expense due to applicability of provisions of Minimum Alternate tax u/s 115JB of the Income Tax Act, 1961. Hence, provision for the same has been made for the Financial Year 2013-14.
- XIV. Provision for Leave Salary Contribution fund in the current year has been provided @ 11% of basic pay and DA, as provided earlier by UPCL.
- XV. An Amount of Rs 1648.73 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 31.03.14, which is under reconciliation with UPCL. The effect thereof on the accounts is not ascertainable.
- XVI. The employees cost charged to Capital WIP during the year amounting to Rs 6.51 crores (Previous year Rs. 6.26 crores) is based on actual expenditure of Projects.



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

XVII. Director's Remuneration:

(Amount in Rupees)

Particulars	Year ended 31.03.2014	Year ended 31.03.2013
Salaries and Allowances	4436713.00	5402777.00
Perquisites/reimbursement	0.00	0.00
Total	4436713.00	5402777.00

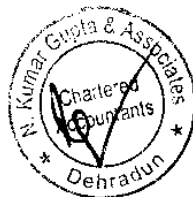
XVIII. Related Party Disclosure:

KEY MANGEMENT PERSONNEL:

Shri S.S Sandhu	Chairman (w.e.f. Dec., 2011 to May 2013)
Shri B.P. Pandey	Chairman (w.e.f. May 2013 to Jan. 2014)
Shri A.K Jain	Chairman (w.e.f. Jan. 2014 to June 2014)
Shri M.C. Upreti	Director (w.e.f. Sept. 2012 to March 2013)
Shri Rakesh Sharma	Director (w.e.f. Sept., 2011)
Shri S. Ramaswamy	Director (w.e.f. March, 2011)
Shri J. L. Bajaj	Director (w.e.f. Dec., 2006)
Shri G. P. Patel	Director (w.e.f. Nov., 2010)
Smt. Radha Raturi	Director (w.e.f. Dec. 2007 to May 2013)
Shri A.K. Jouhari	Director (w.e.f. April 2012 to Oct. 2013)
Shri M.C. Joshi	Director (w.e.f. Sept. 2013 to May 2014)
Shri S.S. Yadav	MD (w.e.f. Feb. 2013)
Shri A.K. Gupta	Director (w.e.f. May, 2011 to August 2013)
Shri S.K Sharma	Director (w.e.f. May, 2011)
Shri Anil Mittal	Director (w.e.f. May 2012 to June 2014)
Shri Praveen Tandon	Company Secretary (w.e.f. May, 2012)

Remuneration of whole time Directors is included in notes No.XVII

- XIX. Deferred tax liability on account of timing differences (depreciation) amounting to Rs. 2994.81 lacs as on 31.03.2013 (pertaining to previous years) has been considered and shown under the head Reserves & surplus in the balance sheet and deferred tax liability amounting Rs 812.12 lacs pertaining to financial year 2013-14 has been considered in account on prudent basis and charged to Profit & Loss account.
- XX. Contribution towards deposit works of Rs. 5670.21 lacs (Previous year Rs 5913.34 lacs) as per Note 2.3 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.
- XXI. As per Transfer Scheme (31-05-2004) the on going projects shall be transfer to UPCL after completion of work.
- XXII. The Sub-Audit Committee of the Board has assumed that the Lease hold Property is for a period of 99 years and the values of lease hold property amounting to Rs.2.25 crores had been amortized over the period of 99 years on notional basis and the value of lease hold property acquired during the year 2008-09 amounting to Rs.17.31 crores and during the year 2010-11 amounting to Rs. 12.70 crores and during the year 2011-12 amounting to Rs. 0.43 Crores had been amortized over the period of 30 years on notional basis. and during the year 2012-13 amounting to Rs. 1.53 Crores and during the year 2013-14 amounting to Rs 0.33 crores had been amortized over the period of 30 years on notional basis.



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

- XXIII. The company has given 1166 sq. meter and 1634 sq. meter of land to UERC on 29.08.07 & 22.10.08 respectively on 99 years lease.
- XXIV. The Corporation does not have more than one reportable segment in terms of Accounting Standard No.17 issued by the Institute of Chartered Accountants of India. Hence AS-17 does not apply. Similarly there are no related party transactions hence AS- 18 does not apply.
- XXV. The outstanding balances as on 31.3.2014 for the amount receivable from supplier/contractors/ employees/other parties is Rs 91.33 crores (net) (Previous year Rs 170.34 crores (net). The outstanding balances as on 31.3.2014 for the amount due to suppliers/contractors/ employees/other parties as on 31.03.2014 is Rs 84.89 crores (net) (Previous year Rs 90.54 crores). 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 current year (FY 2013-14), a provision of Rs 1.90 crores has been made for old outstanding advances for which a full detail were not available.
- XXVI. Provision for Impairment loss as required under Accounting Standard-28 on Impairment of Assets is not made as in the opinion of management there is no impairment of the Corporation's Assets in terms of AS-28.
- XXVII. 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, 2014. No payment is due for more than 30 days as at 31st March, 2014 in respect of purchases/services made from Small Scale/ancillary industries.
- XXVIII. ADDITIONAL INFORMATION AS REQUIRED UNDER PART IV OF SCHEDULE VI OF THE COMPANIES ACT, 1956.

(i) REGISTRATION DETAILS :

Registration No.	28675
State Code	20
Balance Sheet date	31 st March 2014

(ii) CAPITAL RAISED DURING THE YEAR :

(Amount in thousands)

Public Issue	NIL
Right Issue	NIL
Private Placement, pursuant to a contract, for consideration other than cash Issued to State Govt.	419534
Bonus Issue	NIL

(iii) POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS :

(Amount in Lacs)

Total Liabilities	126696.66
Total Assets	126696.66
Equity & Liabilities	
Share Capital	29264.36
Reserve and Surplus & Contribution towards deposit work	-6634.75
Share Application Money Pending Allotment	770.01
Long Term Borrowings	77280.60
Other Long Term Liabilities	6438.19

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POWER TRANSMISSION CORPORATION OF UTTARAKHAND LIMITED

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

Long Term Provisions	1251.85
Trade Payables	3699.55
Other Current Liabilities	11500.51
Short Term Provisions	3126.33
Assets	
Tangible Assets	81133.93
Capital Work-In-Progress	18862.46
Long Term Loans and Advances	7.50
Inventories	2721.89
Trade Receivables	2315.84
Cash and Cash Equivalents	2887.82
Short Term Loans and Advances	18767.23

(iv) PERFORMANCE OF COMPANY :

(Amount in Lacs)

Turnover/ Income	20167.47
Other Income	313.48
Total Expenditure	19099.59
Profit before Exceptional and Extraordinary Items & Tax	1381.36
Add: Exceptional Items	84.31
Profit before Extraordinary Items & Tax	1465.67
Less : Extraordinary Items	194.10
Profit before Tax	1271.57
Tax Expense: (1) Current Tax	125.72
(2) Deferred Tax	812.12
Profit(Loss) for the Period From Continuing Operations	333.72
Profit (Loss) for the period	333.72
Earning per share (Basic in Rs.)	11.40

GENERIC NAMES OF PRINCIPAL PRODUCT/ SERVICE OF COMPANY:

Item code no. : Not Applicable
Product Description : Power Transmission

- XXIX. Figures have been rounded off to the nearest rupees.
- XXX. Foreign Exchange Earning & Outgo is nil during the year.
- XXXI. Previous year's figures have been regrouped/rearranged/recast, wherever necessary, to make them Comparable with the current year's figures.
- XXXII. All expenditures have been booked on accrual basis.
- XXXIII. The non moving stock estimated approximately 10% of total in stock (stock as per transfer scheme) is being written off @ 2% of obsolete stock every year from F.Y 2008-09 onwards as per approval of Board of Directors. The Current Year value of written off non-moving stock is Rs. 430232/- (Previous Year value is Rs 430232/-) as per Note No. 2.22.
- XXXIV. Interest on Mobilization Advance amounting to Rs 3.46 crores has been recovered from M/s L&T in April 2013 against Construction Contract for 400 KV Loharinagpala-Koteshwar Line. The interest has been treated as current liability and shown under Other Current Liabilities in the balance sheet in Note No. 2.8.



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POWER TRANSMISSION CORPORATION OF UTTARAKHAND LIMITED

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

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., 1956 and therefore the same is governed by the provisions of the Companies Act, 1956 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 to be 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 @ 8% per annum (provisional).

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 initially as Capital Reserve.
- (ii) Government Grants/ Subsidies are recognized only on reasonable assurance of the Government and compliance to the conditions attached thereto by the Corporation.

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 has been provided on Straight Line method on the value 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 also adopted by the State Commissions.
- (iii) The amount of various works completed has been included and shown under the Fixed Assets (Note No. 2.10) under the respective heads. However, the contribution towards deposit works of Rs. 5670.21 lacs (Previous year Rs. 5913.34 lacs) have been considered as part of Reserve & Surplus and shown separately in Note No.2.3.



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

IV. CAPITAL WORKS IN PROGRESS:

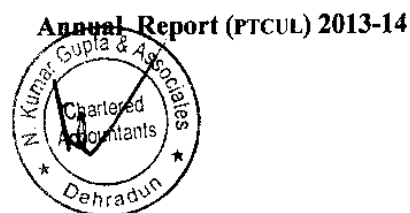
- (i) In the case of Commissioned Assets, where final settlement of bills with Contractors is yet to be effected, capitalization is done on provisional basis subject to necessary adjustments in the year of Final Settlement.
- (ii) In respect of supply-cum-erection contracts (Turn-Key Contracts), the 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 Borrowing Cost has been determined on proportionate basis as prescribed in the Electricity (Supply) (Annual Accounts) Rules, 1985.

VI. INVENTORIES

- (i) The cost of inventories is valued at cost on FIFO/ Weighted average method basis except for side-stores which are valued at issue price.
- (ii) Stores and spares are valued at invoice cost.
- (iii) Stock of unserviceable material and steel scrap is valued at realization value.
- (iv) Value of scrap other than steel scrap is accounted for in the accounts as and when sold.
- (v) Any shortage/ excess of materials found during the physical verification at the year end are first shown as material short/ excess pending investigation till the finalization of investigation and thereafter any excess, if established, is shown under the head of income. Similarly, shortages are either recovered from staff concerned or charged to the profit and loss account as the case may be.



POWER TRANSMISSION CORPORATION OF UTTARAKHAND LIMITED

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

- (vi) Shortage/ loss due to theft or any other reason are first debited to the head Misc. Advance against staff and are shown as Current Assets till the finalization of enquiry/ settlement of the case. After the completion of enquiry the value of shortage/Loss due to theft is either recovered from staff or transferred to P/L Account as per the decision of enquiry.
- (vii) 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. PROFIT AND LOSS ACCOUNT:

A. INCOME RECOGNITION

- (i) Transmission Charges is 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.

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. RETIREMENT 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.

IX. INVESTMENTS:

- (i) Investments, if any, are stated at cost

X. CONTINGENT LIABILITIES

- (i) These, are disclosed in the notes to the Accounts.



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