

**PETITION FOR  
TRUE UP FOR FY 2015-16**

Submitted by



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**BEFORE THE PUNJAB STATE ELECTRICITY REGULATORY COMMISSION,  
CHANDIGARH**

Case

No. \_\_\_\_\_

IN THE MATTER OF: Filing of the Petition for the approval of True-up of ARR for FY 2015-16 under Section 62, 64 and 86 of the Electricity Act, 2003 read with the Regulation 13 of PSERC (Terms and Conditions for Determination of Tariff) Regulations, 2005, as amended from time to time.

AND

IN THE MATTER OF Punjab State Transmission Corporation Limited  
(hereinafter referred as "PSTCL" or "the Petitioner")

The Petitioner respectfully submits as under: -

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# 1 TRUE UP ARR FOR FY 2015-16

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## 1.1 Background

The Petitioner submits the True up of FY 2015-16 for Transmission and SLDC functions of the PSTCL. The Hon'ble Commission in its Tariff Order dated 5 May 2015 for FY 2015-16, for PSTCL, approved the Aggregate Revenue Requirement (ARR) of Rs. 967.62 Crore after adjustment of past Revenue Gaps and its carrying cost. Further, Hon'ble Commission in Tariff Order for 2016-17 dated 27 July, 2016 has approved revised Net ARR of Rs. 1131.72 Crore and approved standalone revenue gap of Rs. 56.85 Crore for FY 2015-16.

PSERC Tariff Regulations, 2005 requires PSTCL to file True-up for FY 2015-16 on the basis of audited accounts. The Petitioner submits the True up for FY 2015-16 on the basis of audited accounts as required under the provisions of PSERC Tariff Regulations, 2005 and subsequent amendments. In the present Petition, the Petitioner has submitted the actual numbers based on audited accounts. The Petitioner also submits its rationale for the key heads of expenditure, which critically impact its overall financial health. This Chapter further describes the various components of ARR as well as the performance of PSTCL in FY 2015-16 for transmission and SLDC business.

The Petitioner further submits that it has filed a Review Petition on Tariff Order for FY 2016-17 dated July 27, 2016 before the Hon'ble Commission with regard to various issues on Employee cost, A&G Expenses, R&M Expenses, Depreciation, Investment Plan, Return on Equity, Treatment of Income Tax actually paid, Adjustment of mismatch of revenue and cost related to previous financial year, etc. The Hon'ble Commission in the Order dated April 7, 2017 has dismissed this Petition. Furthermore, PSTCL has filed the appeal against the PSERC Order before Hon'ble APTEL. The Petitioner is submitting the True-up for FY 2015-16 without prejudice to contentions made in the Appeals before higher courts.

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## 1.2 Description of the Transmission System

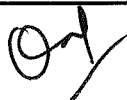
The details of the transmission system of PSTCL as on 01<sup>st</sup> April 2015 and 31<sup>st</sup> March 2016 are tabulated below:

**Table 1: Transmission System of PSTCL during FY 2015-16**

Sr. No.	Particulars	Opening (As on 1 <sup>st</sup> April 2015)	Addition during the year	Closing (As on 31 <sup>st</sup> March 2016)
<b>Transmission Lines (Circuit-kms)</b>				
1	400 kV	1599.75	0.00	1599.75
2	220 kV	5696.69	687.62	6384.31
3	132 kV	3114.66	5.56	3120.22
	<b>Total</b>	<b>10,411.10</b>	<b>693.18</b>	<b>11,104.28</b>
<b>Substations (Nos.)</b>				
1	400 kV	4	0	4
2	220 kV	88	1	89
3	132 kV	74	-1	73
	<b>Total</b>	<b>166</b>	<b>0</b>	<b>166</b>
<b>Transmission Substation Bays (Nos.)</b>				
1	400 kV	11	1	12
2	220 kV	234	18	252
3	132 kV	244	-2	242
4	66 kV	704	-3	701
	<b>Total</b>	<b>1193</b>	<b>14</b>	<b>1207</b>
<b>Substation Capacity (MVA)</b>				
1	Substation Capacity	29981	618	30599

## 1.3 Transmission System Capacity

The Petitioner submits the gross and net transmission capacities of the State (as provided by PSPCL), considering the State and private generating capacities and Central sector allocations of 11213.97 MW as on March 31, 2016 as shown in the following Table.





**Table 2: Generation Capacity in MW as on March 31, 2016**

Name of Project	Gross Installed Capacity / Share (MW)	Net Installed Capacity / Net Share (MW)
GNDTP, Bathinda	460	409.40
GGSTP, Ropar	1,260	1,152.90
GHTP, LehraMohabbat (Unit # 1 & 2) (Stage-I)	420	384.30
GHTP, LehraMohabbat (Unit # 3 & 4) (Stage-II)	500	457.50
<b>Total Thermal - PSPCL</b>	<b>2640</b>	<b>2404.10</b>
Shanan	110	109.26
UBDC	91	90.56
RSD (Net Share of Punjab)	452.40	451.50
ASHP	134	132.85
MHP	207	206.73
Micro Hydel	5.60	5.60
<b>Total Hydro- PSPCL</b>	<b>1000.35</b>	<b>996.49</b>
<b>PSPCL Share of BBMB</b>	<b>1161.28</b>	<b>1126.59</b>
<b>Central Sector</b>	<b>3564.45</b>	<b>3475.34</b>
<b>IPPs within State of Punjab</b>	<b>3459.77</b>	<b>3211.45</b>
<b>Grand Total</b>	<b>11825.85</b>	<b>11213.97</b>

#### 1.4 Transmission System Availability

The Petitioner submits that the overall Transmission System Availability for FY 2015-16, as certified by Chief Engineer SLDC, was 99.95%. The following table provides the transmission system availability for each month of FY 2015-16:

**Table 3: Transmission System Availability for FY 2015-16**

Sr. No.	Month	Transmission System Availability (%)
1	Apr-15	99.91%
2	May-15	99.93%
3	Jun-15	99.94%
4	Jul-15	99.96%
5	Aug-15	99.95%
6	Sep-15	99.96%



Sr. No.	Month	Transmission System Availability (%)
7	Oct-15	99.96%
8	Nov-15	99.97%
9	Dec-15	99.93%
10	Jan-16	99.89%
11	Feb-16	99.98%
12	Mar-16	99.96%
13	<b>Grand Total</b>	<b>99.95%</b>

The incentive on account of achievement of Transmission System Availability is discussed subsequently in this Chapter.

### 1.5 Transmission Losses

The Hon'ble Commission fixed the transmission loss level at 2.50% for FY 2015-16 at the same level as approved for FY 2013-14 and FY 2014-15. The Hon'ble Commission held that it would revisit the issue of transmission loss for FY 2015-16 after the boundary meters are provided and energy audit is conducted.

As the transmission loss figure was not available for FY 2015-16, the Petitioner prays to the Hon'ble Commission to approve the transmission losses as requested in Tariff Petition for FY 2015-16.

### 1.6 Employee Costs

In the ARR Petition for FY 2015-16, PSTCL claimed Employee Costs of Rs. 427.07 Crore for Transmission business and Rs. 4.19 Crore for SLDC for FY 2015-16. As against this, the Hon'ble Commission had approved employee costs of Rs. 337.79 crore for Transmission and Rs. 4.08 crore for SLDC in the Tariff Order for FY 2015-16.

In the Review of ARR for FY 2015-16, the Petitioner submitted revised estimates for employee cost as Rs. 378.00 Crore for Transmission business and Rs. 6.40 Crore for SLDC business. As against this, the Hon'ble Commission has approved the

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employee costs of Rs. 343.98 Crore for Transmission and Rs. 6.78 Crore for SLDC for FY 2015-16.

### Actual Employee Costs

The Petitioner submits the actual Employee Costs to the Hon'ble Commission for consideration. The details of Employee Costs as per Audited Accounts for FY 2015-16 are shown in the following table:

**Table 4: Employee Costs for FY 2015-16 as per Audited Accounts (Rs. Crore)**

Sr. No	Particulars	Transmission	SLDC	PSTCI
1	Salaries	78.99	2.83	81.82
2	Interim relief/ Wage Revision	1.10	0.06	1.16
3	Overtime	4.62	0.00	4.62
4	Dearness Allowance	85.77	2.89	88.66
5	Other Allowances	20.03	0.61	20.64
	<b>Total (A)</b>	<b>190.51</b>	<b>6.39</b>	<b>196.90</b>
6	Staff Welfare Expenses			
I	Electricity Concession to Employees	1.58	0.00	1.58
II	Staff Welfare Expenses	0.31	0.00	0.31
III	Solatium and Memento	0.29	0.00	0.29
	<b>Total (B)</b>	<b>2.18</b>	<b>0.00</b>	<b>2.18</b>
7	Medical Reimbursement	1.25	0.02	1.27
8	LTC Expenses	0.17	0.01	0.18
9	Payment under Workmen Compensation Act	0.06	0.00	0.06
10	Manpower Outsourcing cast	18.57	0.00	18.57
	<b>Total (C)</b>	<b>20.05</b>	<b>0.03</b>	<b>20.08</b>
11	<b>Total(A+B+C)</b>	<b>212.73</b>	<b>6.43</b>	<b>219.16</b>
12	Less:			
	Employee costs capitalized	46.59	0.00	46.59
	<b>Total (D)</b>	<b>46.59</b>	<b>0.00</b>	<b>46.59</b>
13	<b>Net Total (E=A+B+C-D)</b>	<b>166.15</b>	<b>6.43</b>	<b>172.58</b>
14	<b>Terminal benefits</b>			



Sr. No	Particulars	Transmission	SLDC	PSTCL
I	Share of Pension, Gratuity and Medical	209.19	0.00	209.19
II	Share of Leave Encashment	20.20	0.01	20.21
III	Terminal Benefits for PSTCL Employees	1.99	0.00	1.99
15	Total (F)	<b>231.38</b>	<b>0.01</b>	<b>231.39</b>
16	<b>Grand Total (E+F)</b>	<b>397.53</b>	<b>6.44</b>	<b>403.97</b>

The details of head-wise actual Employee cost for Transmission and SLDC have been provided in Format F1 and F1s respectively.

### Computation of Normative Employee Cost

Fifth Amendment of PSERC Tariff Regulations, 2005 dated October 15, 2015, specifies as under:

*“Sub-clause (a) of clause (3) shall be substituted as under:*

*(a) The employee cost as claimed by the distribution licensee (s) shall be considered in two parts:*

*(i) Terminal benefits such as Death-cum-Retirement Gratuity, Pension, Commuted Pension, Leave Encashment, LTC, Medical reimbursement including fixed medical allowance in respect of pensioners and share of BBMB employee expenses and*

*(ii) all other expenses accounted for under different subheads of employee cost taken together.*

*The cost component of terminal benefits and BBMB expenses shall be allowed on actual basis. All other expenses under different subheads of employee cost shall be determined by the Commission limited to actual expenses after prudence check as per formula given below:-*

*Employee cost other than terminal benefits*

$$(EMP_n) = (EMP_{base}) * (INDEX_n / INDEX_{base})$$

*Where,*

*EMP<sub>n</sub> - Employee Cost approved by the Commission for nth year.*

*EMP<sub>base</sub> - Employee Cost approved by the Commission for base year.*

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*INDEX<sub>n</sub> - Inflation Factor to be used for indexing the Employee Cost. This will be a combination of the Consumer Price Index (CPI) and the Wholesale Price Index (WPI) of nth year and shall be calculated as under:-*

$$\text{INDEX}_n = (0.50 * \text{CPI}_n + 0.50 * \text{WPI}_n)$$

*INDEX<sub>base</sub> - Inflation Factor to be used for indexing the Employee Cost. This will be a combination of the Consumer Price Index (CPI) and the Wholesale Price Index (WPI) of base year and shall be worked out as under:-*

$$\text{INDEX}_{\text{base}} = (0.50 * \text{CPI}_{\text{base}} + 0.50 * \text{WPI}_{\text{base}})$$

*CPI = Consumer Price Index (Industrial Workers)*

*WPI = Wholesale Price Index (All Commodities)"*

In view of the Regulation 28 (3) of PSERC Tariff Regulations, 2005, the Petitioner has considered the Terminal benefits of Rs. 231.39 Crore for FY 2015-16 based on audited accounts. Also, impact of pay revision/arrears of Rs. 1.16 Crore based on audited account of FY 2015-16 have been considered separately.

It may be noted that the Hon'ble Commission, while computing the normative expenses, has considered the other employee cost of Rs. 92.20 Crore allowed for FY 2011-12 as base expenses, in line with PSERC(Terms and Conditions for Determination of Tariff), Second Amendment, Regulations, 2012. However, these Regulations do not mention whether the base expenses to be considered should be gross or net. The Hon'ble Commission may appreciate that the normative Employee expenses to be permitted should be at gross level only, as the expense capitalisation depends on capital projects undertaken and staff or employees of PSTCL dedicated to such project execution.

For example, in case the normative Employee expenses are allowed on a net of capitalization taking a base year but actual capitalisation of that respective year is different from that of base year, then the normative allowance would be lower/higher because these may not be exactly same as of the current year. In some years, the capitalization may be very high due to several capital projects being taken up by the licensee whereas in some years it may be negligible due to very less capital

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projects taken up. Expense capitalization, therefore, is a factor which varies unpredictably and normative Employee expense should be provided at gross level only. The Petitioner respectfully submits that the actual expense capitalized can only be considered in ARR.

In view of the above, the Petitioner has considered Other Employee Cost of Rs. 143.64 Crore for FY 2011-12 for Transmission Business as base expenses after adding capitalised employee costs of Rs. 51.44 Crore. Since, no employee cost has been capitalised for SLDC for FY 2011-12, the Petitioner has considered the Other employee cost of Rs. 5.72 Crore for FY 2011-12 for SLDC as base expenses.

The Petitioner has computed the Gross Other employee costs for FY 2015-16 as shown in the following table:

**Table 5: Computation of Other Employee Costs for FY 2015-16 (Rs. Crore)**

Sr. No.	Particulars	Transmission	SLDC	PSTCL
1	Net Other Employee Cost allowed for FY 2011-12	92.20	5.72	97.92
2	Add: Employee Costs capitalised in FY 2011-12	51.44	0.00	51.44
3	Gross Other Employee Costs allowed for FY 2011-12	143.64	5.72	149.36
4	CPI:WPI (50:50) Increase of FY 2015-16 over FY 2011-12	118.39%	118.39%	118.39%
5	Gross Other Employee Cost for FY 2015-16	170.06	6.77	176.83

Further, the Petitioner submits that it is also entitled for the additional employee cost pertaining to new installations/network for the asset added during the year in accordance with Regulation 28 (3) (c) which allows additional employee cost in case of new installations on case to case basis keeping in view the principles and methodologies enunciated in these Regulations. In the absence of any specific principles and methodologies in the Regulation, the Petitioner has computed the additional employee costs on account of addition of new installations with



respect to FY 2011-12 in accordance with the methodology adopted in Tariff Order for FY 2016-17.

The Petitioner submits that the transmission system consisting of substations and lines have increased manifold since April 16, 2010 which needs extra man power to maintain it. The PSERC regulations also support this but no methodologies/principles have been enunciated by the Hon'ble Commission in the Regulations. The Petitioner has, however, worked out the additional gross employee costs on account of addition of new installation/network are as per the following table:

**Table 6: Computation of Additional employee costs for network installation for FY 2015-16 (Rs. Crore)**

Sr. No.	Particulars	Transmission	SLDC	PSTCL
1	GFA as on 1 April, 2012	5,265.17	5.50	5,270.67
2	Gross Other employee cost allowed in FY 2011-12	143.64	5.72	149.36
3	% of Employee Expenses	3%	104%	3%
4	GFA as on 1 April, 2015	8,054.17	8.32	8,062.49
5	Addition of GFA from 1 April, 2012 to 1 April, 2015	2,789.00	2.82	2,791.82
6	Addition of GFA during FY 2015-16	387.16	6.46	393.61
7	Additional Employee Cost for addition of GFA from 1 April, 2012 to 31 March, 2015	76.09	2.93	79.02
8	Additional Employee Cost for network Installation during the year	5.28	3.36	8.64
9	Total	81.37	6.29	87.66

Accordingly, the normative employee costs for FY 2015-16 are computed as shown in the following table:



**Table 7: Normative Employee Cost for FY 2015-16 (Rs. Crore)**

Sr. No.	Particulars	Transmission	SLDC	PSTCL
1	Terminal Benefits	231.38	0.01	231.39
2	Interim relief/ Wage Revision	1.10	0.06	1.16
3	Gross Other Employee Cost	170.06	6.77	176.83
4	Additional Employee Cost for network Installation	81.37	6.29	87.66
5	Less: Employee expenses capitalized	46.59	0.00	46.59
6	<b>Total Employee Cost</b>	<b>437.32</b>	<b>13.13</b>	<b>450.46</b>

As regards the allowable employee costs, Hon'ble APTEL in Judgment dated September 11, 2014 in Appeal No. 174 of 2012 held that when the utility needs to comply with the lawful agreements entered into with the employees the same cannot be avoided and wriggled out of.

Hon'ble Commission vide its Order dated October 14, 2015 decided as under:

*"However the judgments of Hon'ble APTEL, in so far as Employee Cost for FY 2012-13, 2013-14, 2014-15 etc. of PSPCL and PSTCL is concerned, shall be implemented during true-up exercise of ARRs for these years after applying prudence check."*

In view of the above, the Petitioner claims the actual employee costs for FY 2015-16 for True-up purpose as shown in the following Table:

**Table 8: Employee Costs for FY 2015-16 (Rs. Crore)**

Sr. No.	Particulars	Transmission	SLDC	PSTCL
1	Terminal Benefits	231.38	0.01	231.39
2	Impact of wage revision/arrears	1.10	0.06	1.16
3	Other Employee Costs	165.05	6.37	171.42
4	<b>Total Employee Costs</b>	<b>397.53</b>	<b>6.44</b>	<b>403.97</b>

The actual Employee costs are lower than the normative expenses. The Petitioner prays the Hon'ble Commission to approve the Employee costs of Rs. 397.53Crore for Transmission and Rs. 6.44Crore for SLDC for FY 2015-16.





## 1.7 Repair and Maintenance Expenses

The PSERC Tariff Regulations, 2005 specifies as under:

*“(1) Operation & Maintenance expenses” or “O&M expenses” shall mean repair and maintenance (R&M) expenses, employee expenses and administrative & general expenses (A&G) including insurance.*

*(2) O&M expenses for distribution licensee (s) shall be determined by the Commission as follows:*

*(a) O&M expenses as approved by the Commission for the year 2011-12 (true up) shall be considered as base O&M expenses for determination of O&M expenses for subsequent years*

*(b) Base O&M expenses (except employee cost) as above shall be adjusted according to variation in the average rate (on monthly basis) of Wholesale Price Index (all commodities) over the year to determine the O&M expenses for subsequent years”*

In the ARR Petition for FY 2015-16, PSTCL claimed R&M Expenses of Rs. 123.58 Crore for Transmission business and Rs. 13.48 Crore for SLDC for FY 2015-16. As against this, the Hon’ble Commission had approved R&M expenses of Rs. 57.98 crore for Transmission and Rs. 4.55 crore for SLDC in the Tariff Order for FY 2015-16.

In the Review of ARR for FY 2015-16, the Petitioner submitted revised estimates for R&M expenses as Rs. 41.39 Crore for Transmission business and Rs. 2.97 Crore for SLDC business. As against this, the Hon’ble Commission had approved R&M expenses of Rs. 46.75 crore for Transmission and Rs. 3.98 crore for SLDC in the Tariff Order for FY 2016-17.

The actual R&M expenses incurred, as per the audited annual account for FY 2015-16 are provided as below:

**Table 9: R&M Expenses for FY 2015-16 (Audited) (Rs. Crore)**

Sr. No.	Particulars	Transmission	SLDC	PSTCL
1	R&M Expenses	33.62	0.18	33.80



The details of head-wise R&M Expenses for FY 2015-16 for Transmission and SLDC have been provided in Format F4 and F4s.

The Petitioner has worked out the normative R&M expenses as per the PSERC Tariff Regulations, 2005 for FY 2015-16 as shown in the following table:

**Table 10: Normative R&M Expenses for FY 2015-16 (Rs. Crore)**

Sr. No	Particulars	Transmission	SLDC	PSTCL
1	Gross Fixed Assets as on 1 April, 2012 (a)	5265.17	5.50	5270.67
2	Approved R&M cost for FY 2011-12 (b)	25.92	1.93	27.85
3	Gross Fixed Assets as on 1 April, 2015 (c)	8,054.17	8.32	8,062.49
4	Base R&M expense for year (d=b x c/a)	39.65	2.92	42.57
5	Increase in WPI from FY 2011-12 (e)	113.12%	113.12%	113.12%
6	Applying WPI Increase on Base R&M (f=d x e)	44.85	3.30	48.15
7	Addition of GFA during FY 2015-16 (g)	387.16	6.46	393.61
8	% Rate of R&M expenses (h=f/c)	0.56%	39.66%	0.60%
9	R&M expenses for asset addition during year (i=g x h)	1.08	1.28	2.36
10	<b>Total R&amp;M Expenses (f+i)</b>	<b>45.93</b>	<b>4.58</b>	<b>50.52</b>

The actual R&M expenses are lower than the normative R&M expenses. The Petitioner prays the Hon'ble Commission to approve the actual R&M expenses of Rs. 33.62 Crore for Transmission and Rs. 0.18 Crore for SLDC for FY 2015-16.

### 1.8 Administrative and General Expenses

The PSERC Tariff Regulations, 2005 specifies as under:

*"(1) Operation & Maintenance expenses" or "O&M expenses" shall mean repair and maintenance (R&M) expenses, employee expenses and administrative & general expenses (A&G) including insurance.*

*(2) O&M expenses for distribution licensee (s) shall be determined by the Commission as follows:*

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(a) O&M expenses as approved by the Commission for the year 2011-12 (true up) shall be considered as base O&M expenses for determination of O&M expenses for subsequent years

(b) Base O&M expenses (except employee cost) as above shall be adjusted according to variation in the average rate (on monthly basis) of Wholesale Price Index (all commodities) over the year to determine the O&M expenses for subsequent years

Provided that any expenditure on account of license fee, initial or renewal, fees for determination of tariff and audit fee shall be allowed on actual basis over and above the A&G expenses approved by the Commission.

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(6) O&M expenses excluding employee expenses for gross fixed assets added during the year shall be considered for a period of six months in cases where Commercial Operation Date of the assets is not available otherwise from the date of commissioning on pro-rata basis."

In the ARR Petition for FY 2015-16, PSTCL claimed A&G Expenses of Rs. 28.53 Crore for Transmission business and Rs. 4.96 Crore for SLDC for FY 2015-16. As against this, the Hon'ble Commission had approved A&G expenses of Rs. 26.77 crore for Transmission and Rs. 1.31 crore for SLDC in the Tariff Order for FY 2015-16.

In the Review of ARR for FY 2015-16, the Petitioner submitted revised estimates for A&G expenses as Rs. 21.96 Crore for Transmission business and Rs. 3.27 Crore for SLDC business. As against this, the Hon'ble Commission had approved A&G expenses of Rs. 21.49 crore for Transmission and Rs. 1.15 crore for SLDC in the Tariff Order for FY 2016-17.

The actual A&G expenses incurred, as per the audited annual account for FY 2015-16 are provided as below:

**Table 11: A&G Expenses for FY 2015-16 (Audited) (Rs. Crore)**

Sr. No.	Particulars	Transmission	SLDC	PSTCL
1	A&G Expenses	15.90	0.65	16.56



The details of head-wise A&G Expenses for FY 2015-16 for Transmission and SLDC have been provided in Format F5 and F5s. The Petitioner has worked out the normative A&G expenses for FY 2015-16 as shown in the following Table:

**Table 12: Normative A&G Expenses for FY 2015-16 (Rs. Crore)**

Sr. No.	Particulars	Transmission	SLDC	PSTCL
1	Gross Fixed Assets as on 1 April, 2012 (a)	5265.17	5.50	5270.67
2	Approved A&G cost for FY 2011-12 (b)	11.59	0.56	12.15
3	Gross Fixed Assets as on 1 April, 2015 (c)	8,054.17	8.32	8,062.49
4	Base A&G expense for year (d=b x c/a)	17.73	0.85	18.58
5	Increase in WPI from FY 2011-12 (e)	113.12%	113.12%	113.12%
6	Applying WPI Increase on Base A&G (f=d x e)	20.06	0.96	21.01
7	Addition of GFA during FY 2015-16 (g)	387.16	6.46	393.61
8	% Rate of A&G expenses (h=f/c)	0.25%	11.54%	0.26%
9	A&G expenses for asset addition during year (i=g x h)	0.48	0.37	0.85
10	<b>Total A&amp;G Expenses (j= f+i)</b>	<b>20.54</b>	<b>1.33</b>	<b>21.87</b>
11	Add: Audit Fees (k)	0.28	-	0.28
12	Add: Fees for determination of Tariff (l)	0.51	-	0.51
13	<b>Total A&amp;G Expenses (j+k+l)</b>	<b>21.33</b>	<b>1.33</b>	<b>22.66</b>

The actual A&G expenses are lower than the normative A&G expenses. The Petitioner prays the Hon'ble Commission to approve the actual A&G expenses of Rs. 15.90 Crore for Transmission and Rs. 0.65 Crore for SLDC for FY 2015-16.

### 1.9 Investment and Capital Expenditure

The Petitioner submits that Opening Capital Work in Progress for FY 2015-16 as per audited accounts is Rs. 739.71 Crore. The Petitioner had made Investment of Rs. 415.54 Crore during FY 2015-16 and converted Rs. 393.61 Crore as Fixed Assets. The remaining investment was carried over as Capital Work in Progress to the next year. The details for Transmission and SLDC are shown in the following table:



**Table 13: Capital Investment for FY 2015-16 (Rs. Crore)**

Sr. No.	Particulars	Transmission	SLDC	PSTCL
1	Opening Capital work in progress	738.48	1.23	739.71
2	Add: Addition of Capital Expenditure during the year	411.17	4.37	415.54
3	Less: Transferred to fixed assets during the year	392.77	0.85	393.61
4	Closing Capital Works in progress	756.88	4.76	761.64

### 1.10 Depreciation

The PSERC Tariff Regulations, 2005 specifies as under:

*“Regulation 25 Depreciation*

*For the purpose of tariff, depreciation shall be computed in the following manner:*

*a. The value base for the purpose of depreciation shall be the historical cost of the assets, that is actual expenses limited to approved capital cost where such capital cost has been approved by the Commission.*

*Provided that land is not a depreciable asset and its cost shall be excluded from the capital cost while computing depreciation.*

*b. The historical cost of the asset shall include additional capitalisation.*

*c. The historical cost shall include foreign currency funding converted to equivalent rupees at the exchange rate prevalent on the date when foreign currency was actually availed but not later than the date of commercial operation.*

*d. Depreciation for generation and transmission assets shall be calculated annually as per straight-line method over the useful life of the asset at the rate of depreciation specified by the Central Electricity Regulatory Commission from time to time.*

*e. Depreciation for distribution and other assets not covered by CERC shall be as per the rates notified in the Companies Act as revised from time to time. Provided that the total depreciation during the life of the asset shall not exceed 90% of the original cost.”*

Hon’ble Commission in Tariff Order for FY 2015-16 approved the Depreciation of Rs. 223.01 Crore for Transmission and Rs. 1.60 Crore for SLDC for FY 2015-16. Further, the Petitioner, in Review of ARR of FY 2015-16, revised the projected



depreciation charges as Rs. 283.42 Crore for Transmission and Rs. 0.61 Crore for SLDC. As against this, Hon'ble Commission in its Tariff Order for FY 2016-17 has approved the depreciation charges of Rs. 188.96 Crore for Transmission and Rs. 0.42 Crore for SLDC for FY 2015-16.

For the purpose of True-up of FY 2015-16, the Petitioner submits the details of depreciation as per the annual audited accounts for FY 2015-16 as shown in the Table below:

**Table 14: Depreciation for FY 2015-16 (Rs. Crore)**

Sr. No.	Particulars	Transmission	SLDC	PSTCL
1	Depreciation	245.92	0.52	246.44

The Petitioner requests the Hon'ble Commission to approve the Depreciation of Rs. 245.92 Crore for Transmission and Rs. 0.52 Crore for SLDC as per the audited account for FY 2015-16.

### 1.11 Interest Charges

The PSERC Tariff Regulations, 2005 specifies as under:

**"26. INTEREST AND FINANCE CHARGES ON LOAN**

1. *For Existing Loan Capital, Interest & finance charges shall be computed on the outstanding Loans, duly taking into account the rate of interest & schedule of repayment as per the Terms & Conditions of relevant agreements. The rate of interest shall be the actual rate of interest paid/payable by the Licensee(s) or the State Bank of India Advance rate as on April, 1 of the relevant year, wherever is lower.*
2. *For New investments, Interest & finance charges shall be computed on the loans, duly taking into account the rate of interest & schedule of repayment as per the Terms & Conditions of relevant agreements. The rate of interest shall be the actual rate of interest paid/payable by the Licensee(s) or the State Bank of India Advance rate as on April, 1 of the relevant year, wherever is lower.*
3. *The interest rate on the amount of equity above 30% treated as loan shall be the weighted average rate of interest on loan capital of the generating company / licensee;*

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*Provided that interest and finance charges of renegotiated loan agreements shall not be considered, if they result in higher charges.*

*Provided further that interest and finance charges on works in progress shall be excluded and shall be considered as part of the capital cost.*

... ..

*6. The Commission shall allow obligatory taxes on interest, commitment charges, finance charges (including guarantee fee payable to the Govt.) and any exchange rate difference arising from foreign currency borrowings, as finance cost.*

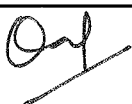
*7. Any saving in costs on account of subsequent restructuring of debt shall be shared between the consumers and the generating company / licensee in such ratio as may be decided by the Commission."*

Hon'ble Commission in Tariff Order for FY 2015-16 has approved the Interest Charges of Rs. 303.60 Crore for Transmission and Rs. 2.09 Crore for SLDC. Further, the Petitioner, in Review of ARR of FY 2015-16, revised the projected Interest Charges as Rs. 426.69 Crore for Transmission and Rs. 0.47 Crore for SLDC. As against this, the Hon'ble Commission in its Tariff Order for FY 2015-16 has approved the Interest Charges of Rs. 420.38 Crore for Transmission and Rs. 0.47 Crore for SLDC for FY 2015-16.

For the purpose of True up for FY 2015-16, the Petitioner has considered the Interest Charges based on Audited Accounts and actual loan taken against the investment done during FY 2015-16. The source wise long term loan outstanding for PSTCL for FY 2015-16 as on March 31, 2015 is shown in the following table:

**Table 15: Source wise Loan outstanding for FY 2015-16 (Rs. Crore)**

Sr. No.	Name of Source	Opening Balance as on April 1, 2015	Loan Received	Loan Repaid	Closing Balance as on March 31, 2016
1	LIC	97.71	0.00	40.91	56.80
2	REC	2,845.04	258.27	178.50	2,924.81
3	SBOP	76.67	0.00	11.11	65.56
4	NABARD	43.51	84.26	0.00	127.77
5	OBC	68.71	0.00	28.61	40.10
6	Loan from PSPCL	594.69	0.00	99.12	495.57



Sr. No.	Name of Source	Opening Balance as on April 1, 2015	Loan Received	Loan Repaid	Closing Balance as on March 31, 2016
7	GPF liability	175.64	0.00	21.95	153.69
8	Bank of India	67.74	70.71	0.00	138.46
9	Loan for SLDC	1.43	2.30	0.00	3.73
10	<b>Total loan for PSTCL</b>	<b>3971.14</b>	<b>415.54</b>	<b>380.20</b>	<b>4006.49</b>

The Petitioner submits that it has incurred the Interest Charges as given in the table below:

**Table 16: Interest and Finance Charges for FY 2015-16 (Audited) (Rs. Crore)**

Sr. No.	Particulars	Transmission	SLDC	PSTCL
	<b>Interest on Loans:</b>			
1	Life Insurance Corporation	8.11	0.00	8.11
2	Rural Electrification Corporation	353.96	0.34	354.30
3	SBOP	8.15	0.00	8.15
4	NABARD	8.69	0.00	8.69
5	OBC	6.59	0.00	6.59
6	Loan from PSPCL	63.30	0.00	63.30
7	General Provident Fund	14.40	0.00	14.40
8	Bank of India	10.16	0.00	10.16
	<b>Total</b>	<b>473.36</b>	<b>0.34</b>	<b>473.70</b>
8	<b>Other Interest &amp; Finance Charges:</b>			
I	Miscellaneous interest/finance charges	1.48	0.00	1.48
II	Guarantee Charges	6.50	0.00	6.50
III	<b>Sub-total</b>	<b>7.98</b>	<b>0.00</b>	<b>7.98</b>
9	Less: Interest capitalized	67.97	0.00	67.97
10	<b>Net Total</b>	<b>413.37</b>	<b>0.34</b>	<b>413.70</b>

The Petitioner prays the Hon'ble Commission to approve the Interest Charges of Rs. 413.37 Crore for Transmission and Rs. 0.34 Crore for SLDC for FY 2015-16 after True-up.

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## 1.12 Return on Equity

The PSERC Tariff Regulations, 2005 specifies as under:

### *"25. RETURN ON EQUITY*

- 1. Return on Equity shall be computed @ 15.5% on the paid up equity capital determined in accordance with Regulation 24.*
- 2. Equity invested in foreign currency shall be allowed a return up to the prescribed limit under clause (1) of this Regulation in the same currency and the payment on this account shall be made in Indian Rupees based on the exchange rate on the date of declaration of dividends. The difference in actual exchange rate and the provisional exchange rate considered while determining the ARR and Tariff shall be taken into consideration at the time of Truing Up.*
- 3. The premium raised by the generating company or the licensee while issuing share capital and investment of internal resources created out of free reserve, if any, shall also be reckoned as paid up equity capital for the purpose of computing return on equity, subject to limit prescribed in Regulation 24, provided such premium amount and internal resources are actually utilised for meeting capital expenditure.*
- 4. For allowing Return on Equity, the Commission shall consider the actual amount of equity employed in creation of assets."*

Hon'ble Commission in Tariff Order for FY 2015-16 has approved the Return on Equity of Rs. 93.91 Crore for Transmission. Further, the Petitioner, in Review of ARR of FY 2015-16, revised the Return on Equity as Rs. 156.71 Crore for Transmission. Against this, Hon'ble Commission in Tariff Order for FY 2015-16 has approved the Return on Equity of Rs. 93.91 Crore for Transmission.

The Petitioner has considered the RoE at the rate of 15.50% in accordance with the effective date of notification of the Amendment to the Tariff Regulations. The Petitioner computed the RoE for FY 2015-16 with details as provided below:

**Table 17: Return on Equity for FY 2015-16 (Rs. Crore)**

Sr. No.	Particulars	PSTCL
1	Equity at the opening of FY 2015-16	605.88
2	Addition of equity during the year	0.00



Sr. No.	Particulars	PSTCL
3	Equity at the closing of FY 2015-16	605.88
4	Rate of Return (%)	15.50%
5	<b>Return on Equity</b> (605.88 x 15.50%)	<b>93.91</b>

The Petitioner prays the Hon'ble Commission to approve the Return on Equity of Rs. 93.91 Crore for FY 2015-16 after True-up.

### 1.13 Interest on Working Capital

The PSERC Tariff Regulations, 2005 specifies as under:

*“Regulation 30- Working Capital & Interest rate on Working Capital*

*For transmission licensee (s) and SLDC, the working capital shall be the sum of the following:*

*(i) Operation and Maintenance expenses for one month*

*(ii) Receivables equivalent to two months*

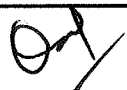
*(iii) Maintenance spares @ 15% of Operation and Maintenance expenses”*

Hon'ble Commission in Tariff Order for FY 2015-16 has approved the Interest on Working Capital of Rs. 32.58 Crore for Transmission and Rs. 0.66 Crore for SLDC. Further, the Petitioner, in Review of ARR of FY 2015-16, revised the projected Interest on Working Capital as Rs. 38.51 Crore for Transmission and Rs. 0.97 Crore for SLDC. As against this, the Hon'ble Commission in Tariff Order for FY 2015-16 has approved the Interest on Working Capital of Rs. 32.90 Crore for Transmission and Rs. 0.82 Crore for SLDC.

For the purpose of True-up, the Petitioner has computed the Interest on Working Capital as per the provisions of Tariff Regulations, 2005. The Petitioner has considered the actual weighted average rate of interest for Working capital loans for Transmission Business. The computation of Interest on Working Capital is submitted in the following table:

**Table 18: Interest on Working Capital for FY 2015-16 (Rs. Crore)**

Sr. No.	Particulars	Transmission	SLDC
1	Receivables equivalent to two months of fixed cost	201.61	1.74
2	Maintenance spares @ 15% of O&M expenses	67.06	1.09



Sr. No.	Particulars	Transmission	SLDC
3	Operation and Maintenance expenses for one month	37.25	0.61
4	Total Working Capital (Normative)	305.93	3.43
5	Rate of Interest applied	11.95%	11.72%
6	<b>Interest on Working Capital</b>	<b>36.56</b>	<b>0.40</b>

The Petitioner prays the Hon'ble Commission to approve the Interest on Working Capital of Rs. 36.56Crore for Transmission and Rs. 0.40 Crore for SLDC for FY 2015-16 after True-up.

### 1.14 ULDC Charges

Hon'ble Commission in Tariff Order for FY 2015-16 has approved the ULDC charges of Rs. 9 Crore for SLDC. Further, the Petitioner, in Review of ARR of FY 2015-16, revised the projected ULDC Charges as Rs. 17.50 Crore, which was approved by the Hon'ble Commission in Tariff Order for FY 2015-16. For the purpose of True-up for FY 2015-16, the Petitioner submits the actual ULDC Charges based on Audited Accounts as shown in the following Table:

**Table 19: ULDC Charges for FY 2015-16 (Rs. Crore)**

Sr. No.	Particulars	Transmission	SLDC	PSTCL
1	ULDC Charges - SLDC own share	0.00	9.03	9.03
2	ULDC Charges - BBMB share	0.00	1.82	1.82
3	ULDC Charges - Central Sector share	0.00	0.00	0.00
4	NRLDC Charges	0.00	0.91	0.91
5	<b>Total</b>	<b>0.00</b>	<b>11.76</b>	<b>11.76</b>

The Petitioner prays the Hon'ble Commission to approve the ULDC charges of Rs. 11.76 Crore for FY 2015-16 under True-up.

### 1.15 Prior Period Expenses

The Petitioner submits the Prior Period Expenses of Rs. 12.35 Crore for FY 2015-16 based on audited accounts. The Prior Period Expenses have been claimed under this



section only and have not been claimed under the items of ARR discussed in this Petition.

**Table 20: Break-up for Prior Period Expenses for FY 2015-16 (Rs. Crore)**

Particulars	Prior to 16 April, 2010	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	Total
<b>Depreciation</b>	3,44,06,457	73,24,443	32,18,123	33,20,508	86,89,981	3,50,84,537	9,20,44,049
<b>R&amp;M Expenses</b>	4,75,58,399	-	-	-	-	-	4,75,58,399
<b>Total</b>	8,19,64,856	73,24,443	32,18,123	33,20,508	86,89,981	3,50,84,537	13,96,02,448

The Petitioner prays the Hon'ble Commission to approve the Prior Period expenses of Rs. 13.96 Crore for FY 2015-16 for true-up purpose.

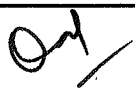
### 1.16 Non-tariff Income

The PSERC Tariff Regulations, 2005 specifies as under:

*"Regulation 34 Non Tariff Income*

*Following components of income shall be treated as non tariff income for the generating company or the licensee (s) as applicable:*

- *Meter/metering equipment/service line rentals*
- *Service charges*
- *Customer charges*
- *Revenue from late payment surcharge*
- *Miscellaneous receipts*
- *Incentives from CGS's*
- *Miscellaneous charges (except PLEC charges)*
- *Interest on staff loans and advances*
- *Interest on advances to suppliers*
- *Income from trading*
- *Income from staff welfare activities*
- *Excess found on physical verification*
- *Interest on investments, fixed and call deposits and bank balances*
- *Net recovery from penalty on coal liaison agents*
- *Prior period income*



- *Income from open access charges i.e. application fee, cross subsidy surcharge, additional surcharge, transmission and/or wheeling charges, scheduling charges etc."*

Hon'ble Commission in Tariff Order for FY 2015-16 has approved the Non-tariff Income of Rs. 19.16 Crore for Transmission and Rs. 4.90 Crore for SLDC. Further, the Petitioner, in Review of ARR of FY 2015-16, revised the projected Non-tariff Income of Rs. 23.10 Crore for Transmission Business and Rs. 1.46 Crore for SLDC. As against this, the Hon'ble Commission in Tariff Order for FY 2016-17 has approved the Non-tariff Income of Rs. 41.05 Crore for Transmission and Rs. 6.72 Crore for SLDC. For the purpose of True-up for FY 2015-16, the Petitioner submits the actual Non-tariff Income as shown in the following table:

**Table 21: Non-tariff Income for FY 2015-16 (Rs. Crore)**

Sr. No.	Particulars	Transmission	SLDC	PSTCL
1	Non-tariff Income	64.63	9.87	74.50

The Petitioner prays the Hon'ble Commission to approve the Non-tariff Income of Rs. 64.63 Crore for Transmission and Rs. 9.87 Crore for SLDC for FY 2015-16 for True-up.

### 1.17 Incentive on account of Transmission System Availability

In accordance with PSERC Tariff Regulations, 2005, the Petitioner is eligible for incentive for over achieving the availability targets for transmission system availability which has been verified and certified by SLDC. The net transmission charges inclusive of incentive on the basis of fixed charges for Transmission and computation of incentive are given as per the table below.

**Table 22: Incentive on account of Transmission System Availability for FY 2015-16 (Rs. Crore)**

S. No.	Month	Transmission Availability (%)	Monthly Transmission Charges	Transmission charges inclusive incentive	Incentive
1	Apr-15	99.91%	97.22	99.12	1.89

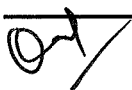


S. No.	Month	Transmission Availability (%)	Monthly Transmission Charges	Transmission charges inclusive incentive	Incentive
2	May-15	99.93%	100.47	102.44	1.98
3	Jun-15	99.94%	97.22	99.15	1.92
4	Jul-15	99.96%	100.47	102.47	2.01
5	Aug-15	99.95%	100.47	102.46	2.00
6	Sep-15	99.96%	97.22	99.17	1.94
7	Oct-15	99.96%	100.47	102.47	2.01
8	Nov-15	99.97%	97.22	99.18	1.95
9	Dec-15	99.93%	100.47	102.44	1.98
10	Jan-16	99.89%	100.47	102.40	1.94
11	Feb-16	99.98%	93.98	95.88	1.90
12	Mar-16	99.96%	100.47	102.47	2.01
	<b>Total</b>		<b>1186.14</b>	<b>1209.68</b>	<b>23.54</b>

The Petitioner submits to the Hon'ble Commission to approve the incentive of Rs. 23.54Crore for transmission system availability as determined above for FY 2015-16.

### 1.18 Aggregate Revenue Requirement

After taking into account the expenses claimed for various components of Aggregate Revenue Requirement, Net ARR for Transmission and SLDC is summarised in the following table:



**Table 23: Net ARR for Transmission and SLDC for FY 2015-16(Rs. Crore)**

Sr. No.	Particulars	Transmission Business		SLDC		Transmission Business and SLDC	
		Tariff Order	True-up	Tariff Order	True-up	Tariff Order	True-up
1	Net Employee costs	337.79	397.53	4.08	6.44	341.87	403.97
2	Net R&M expenses	57.98	33.62	4.55	0.18	62.53	33.80
3	Net A&G expenses	26.77	15.90	1.31	0.65	28.08	16.56
4	Depreciation	223.01	245.92	1.60	0.52	224.61	246.44
5	Interest charges	303.60	413.37	2.09	0.34	305.69	413.70
6	Interest on Working Capital	32.58	36.56	0.66	0.40	33.24	36.96
7	ULDC Charges	-	-	9.00	11.76	9.00	11.76
8	Return on Equity	93.91	93.91	-	-	93.91	93.91
9	Income tax	-	-	-	-	-	-
10	Prior Period Expenses	-	13.96	-	-	-	13.96
11	<b>Total Revenue Requirement</b>	<b>1,075.64</b>	<b>1,250.77</b>	<b>23.29</b>	<b>20.29</b>	<b>1,098.93</b>	<b>1,271.06</b>
12	Less: Non-tariff Income	19.16	64.63	4.90	9.87	24.06	74.50
13	<b>Gross Aggregate Revenue Requirement</b>	<b>1,056.48</b>	<b>1,186.14</b>	<b>18.39</b>	<b>10.42</b>	<b>1,074.87</b>	<b>1,196.56</b>
14	Incentive	-	23.54	-	-	-	23.54
15	<b>Net ARR</b>	<b>1,056.48</b>	<b>1,209.68</b>	<b>18.39</b>	<b>10.42</b>	<b>1,074.87</b>	<b>1,220.10</b>

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### 1.19 Revenue from Tariff

The Commission in Tariff Order for FY 2015-16 has determined the total revenue of Rs. 967.62 Crore; comprising Rs. 943.23 Crore towards Transmission Charges and Rs. 18.39 Crore towards SLDC Charges. Further, it is submitted that, pursuant to Order of the Hon'ble Commission dated July 27, 2016, the Hon'ble Commission re-determined the net revenue requirement (Net ARR) of Rs. 1131.72 Crore on review of the financials for FY 2015-16. PSTCL has accounted for this amount as revenue in FY 2015-16 and raised the transmission charges bill to PSPCL. However, PSPCL has not made payment of enhanced transmission charges as per the said order in FY 2015-16. Thus, for the purpose of True-up for FY 2015-16, the Petitioner has considered the revenue originally approved in the Tariff Order for FY 2015-16.

Although, the Hon'ble Commission has worked out Transmission Charges for FY 2016-17 as Rs. 1047.02 Crore as per their order dated November 21, 2016, but PSTCL accounted for Rs. 882.92 Crore. However, while finalising the True-up for FY 2016-17, the revenue gap will be calculated on the basis of Rs. 1047.02 Crore instead of Rs. 882.92 Crore to be accounted for in the books of accounts for FY 2016-17.

The revenue from Tariff considered for True-up for FY 2015-16 is shown in the following Table:

**Table 24: Revenue from Tariff for FY 2015-16 (Rs. Crore)**

Sr. No.	Particulars	Transmission	SLDC	PSTCL
1	Transmission Charges from PSPCL	949.23	0.00	949.23
2	SLDC Charges from PSTCL	0.00	18.39	18.39
3	<b>Grand Total</b>	<b>949.23</b>	<b>18.39</b>	<b>967.62</b>

### 1.20 Revenue Gap/(Surplus) for FY 2015-16

The Petitioner has computed the Revenue Gap/(Surplus) after True-up for FY 2015-16 as shown in the following Table:

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*Or*



**Table 25: Revenue Gap/(Surplus) for FY 2015-16 (Rs. Crore)**

Sr. No.	Particulars	Transmission	SLDC	PSTCL
1	Net Aggregate Revenue Requirement	1209.68	10.42	1220.10
2	Revenue from Tariff	949.23	18.39	967.62
3	Revenue Gap/(Surplus)	260.45	(7.97)	252.48

Thus, the Petitioner prays the Hon'ble Commission to allow the revenue gap of Rs. 252.48 Crore for PSTCL for FY 2015-16 as per the above given Table.

### 1.21 Recovery of Revenue Gap for Truing up for FY 2015-16

Hon'ble Commission in past Tariff Orders has considered the Revenue Gaps and its carrying cost for past years at time of determination of Tariff for the year. Hence, the Tariff includes the Standalone ARR, past Revenue Gaps and its carrying cost. However, at time of True-up for respective years, such past Revenue Gaps and its carrying cost had not been considered in expenses. So, effectively, such Revenue Gaps and its carrying cost were not recovered through tariff in past years. The PSTCL has computed the carrying cost on revenue gap for FY 2015-16 as shown in the following Table:

**Table 26: Computation of carrying cost for Truing up for FY 2015-16 (Rs. Crore)**

Sr. No.	Particulars	Rate of Interest (%)	FY 2015-16
1	Revenue Gap after True-up		252.48
2	Carrying cost for FY 2015-16 (Half year)	11.95%	15.09
3	Carrying cost for FY 2016-17	11.95%	30.17
4	Carrying cost for FY 2017-18 (Half year)	11.95%	15.09
5	<b>Total Carrying cost</b>		<b>60.34</b>

As regards the past revenue gaps approved in Order dated November 21, 2016, PSTCL has not considered such revenue gaps up to FY 2014-15, since it has been already proposed in True-up for FY 2014-15 in MYT Petition filed before the Hon'ble Commission.

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For the purpose of the present Petition, the PSTCL has computed the cumulative Revenue Gap for FY 2015-16 as under:

**Table 27: Total Revenue Gap for FY 2015-16 (Rs. Crore)**

Sr. No	Particulars	Petition
1	Standalone Revenue Gap/(surplus) for FY 2015-16 (a)	252.48
2	Carrying cost for True-up for FY 2015-16	60.34
3	Cumulative Revenue Gap/(Surplus) for FY 2015-16 (1+2)	312.82

The PSTCL requests the Hon'ble Commission to approve the cumulative revenue gap of Rs. 312.82 Crore for True-up for FY 2015-16 in the ARR of FY 2017-18.

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## 2 PRAYERS

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The Petitioner respectfully prays to the Hon'ble Commission:

- a) Admit the Petition seeking approval of True-up for FY 2015-16 in accordance with PSERC Tariff Regulations, 2005;
- b) Approve the actual Revenue Gap arising on account of True-up for FY 2015-16 along with carrying cost and its recovery as proposed in this Petition;
- c) Allow additions/alterations/modifications/changes to the Petition at a future date
- d) Allow any other relief, order or direction, which the Hon'ble Commission deems fit to be issued;
- e) Condone any error/ omission and to give opportunity to rectify the same;

BY THE APPLICANT THROUGH



FINANCIAL ADVISOR,

Punjab State Transmission Corporation Limited, Patiala.

2.1 True-up Formats

S. No	Form Reference	Details of Form
1	ARR Summary	ARR Summary of Transmission and SLDC Business
2	Form F1	Employee Expenses
3	Form F4	Repair & Maintenance Expenses
4	Form F5	Administration & General Expenses
5	Form F8	Expenses Capitalised
6	Form F9	Depreciation
8	Form F12	Non-Tariff Income
9	Form F14	Consumer Contribution
10	Form F15	Equity
11	Form F16	Return on Equity
12	Form F17	Line Length (ckt-km)
13	Form F19	Number of Sub-Stations
14	Form F20	Interest on Working Capital
15	Form F21	Interest & Finance Charges
16	Form F22	Transmission Availability (%)
17	Form F23	Transmission Loss (%)
18	Form F24	Revenue from Transmission Tariffs
		ULDC Charges

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**SUMMARY AGGREGATE REVENUE REQUIREMENT**

(Rs. in Crore)

Sr. No	Particulars	FY 2015-16					
		Transmission Business		SLDC		Transmission Business and	
		Tariff Order	True-up	Tariff Order	True-up	Tariff Order	True-up
1	Net Employee costs	337.79	397.53	4.08	6.44	341.87	403.97
2	Net R&M expenses	57.98	33.62	4.55	0.18	62.53	33.80
3	Net A&G expenses	26.77	15.90	1.31	0.65	28.08	16.56
4	Depreciation	223.01	245.92	1.60	0.52	224.61	246.44
5	Interest charges	303.60	413.37	2.09	0.34	305.69	413.70
6	Interest on Working Capital	32.58	36.56	0.66	0.40	33.24	36.96
7	ULDC Charges	-	-	9.00	11.76	9.00	11.76
8	Return on Equity	93.91	93.91	-	-	93.91	93.91
9	Income tax	-	-	-	-	-	-
11	Prior Period Expenses	-	13.96	-	-	-	13.96
12	<b>Total Revenue Requirement</b>	<b>1,075.64</b>	<b>1,250.77</b>	<b>23.29</b>	<b>20.29</b>	<b>1,098.93</b>	<b>1,271.06</b>
13	Less: Non Tariff Income	19.16	64.63	4.90	9.87	24.06	74.50
14	<b>Aggregate Revenue Requirement</b>	<b>1,056.48</b>	<b>1,186.14</b>	<b>18.39</b>	<b>10.42</b>	<b>1,074.87</b>	<b>1,196.56</b>
15	Incentive	-	23.54	-	-	-	23.54
16	<b>Gross ARR</b>	<b>1,056.48</b>	<b>1,209.68</b>	<b>18.39</b>	<b>10.42</b>	<b>1,074.87</b>	<b>1,220.10</b>
17	Carrying cost for past year gaps	1.44	-	-	-	1.44	-
18	<b>Net ARR</b>	<b>1,057.92</b>	<b>1,209.68</b>	<b>18.39</b>	<b>10.42</b>	<b>1,076.31</b>	<b>1,220.10</b>
19	Revenue from Tariff		949.23		18.39		967.62
20	<b>Revenue Gap</b>		<b>260.45</b>		<b>(7.97)</b>		<b>252.48</b>



**Form - F1**  
**Employee Expenses**

Particulars	(Rs. in Crore)	
	FY 2015-16 Tariff Order	Actuals
<b>Other expenses</b>		
Basic pay		78.99
Over time payment		4.62
Dearness allowance		85.77
Other Allowance		20.03
HRA		11.79
Fixed Medical Allowance		1.90
Conveyance Allowance		2.27
Telephone Allowance		0.69
Uniform charges		(0.00)
Contribution towards NPS, PF, etc.		3.38
Bonus		-
<b>Sub-total</b>		<b>189.41</b>
Medical Expenses reimbursement		1.25
Leave travel assistance/concession		0.17
Payment under workmen		0.06
<b>Sub Total</b>		<b>1.47</b>
Electricity Concession to PSTCL employees		1.58
Solatium and Momento		0.29
Staff Welfare expenses		0.30
<b>Sub Total</b>		<b>2.18</b>
Less: Establishment cost recoverable on execution of 66 kV works		-
Less: Employee Cost Capitalised		46.59
<b>Net Salary and Other Employee Cost</b>		<b>146.47</b>
Arrears		-
Prior period adjustments		-
Impact of pay revision		1.10
Out Sourcing cost		18.57
Employee Cost for New installation		-
<b>Grand Total</b>		<b>166.15</b>
<b>Particulars</b>		
	FY 2015-16 Tariff Order	Actuals
<b>Terminal Benefits</b>		
Share of Pension, Gratuity & Medical		209.19
Share of Leave Encashment		20.20
Terminal Benefits for PSTCL employees		1.99
<b>Total</b>		<b>231.38</b>
<b>Grand total</b>	<b>337.79</b>	<b>397.53</b>

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**Form - F1 (SLDC)  
Employee Expenses**

Sr. No	Particulars	(Rs. in Crore)	
		FY 2015-16 Tariff Order	Actuals
<b>I</b>	<b>Other expenses</b>		
1	Basic pay		2.83
2	Over time payment		-
3	Dearness allowance		2.89
4	Other Allowance		0.61
4.1	HRA		0.42
4.2	Fixed Medical Allowance		0.04
4.3	Conveyance Allowance		0.07
4.4	Telephone Allowance		-
4.5	Uniform charges		0.00
4.6	Contribution towards NPS, PF, etc.		0.08
5	Bonus		-
6	<b>Sub-total</b>		<b>6.33</b>
7	Medical Expenses reimbursement		0.02
8	Leave travel assistance/concession		0.01
9	Payment under workmen		-
10	<b>Sub Total</b>		<b>0.04</b>
11	Electricity Concession to PSTCL employees		-
12	Solatum and Momento		-
13	Staff Welfare expenses		0.00
14	<b>Sub Total</b>		<b>0.00</b>
15	Less: Establishment cost recoverable on execution of 66 kV works		-
16	Less: Employee Cost Capitalised		-
17	<b>Net Salary and Other Employee Cost</b>		<b>6.37</b>
18	Arrears		-
19	Prior period adjustments		-
20	Impact of pay revision		0.06
21	Out Sourcing Cost		-
22	Employee Cost for New installation		-
23	<b>Grand Total</b>		<b>6.43</b>

S. No	Particulars	FY 2015-16	
		Tariff Order	Actuals
<b>II</b>	<b>Terminal Benefits</b>		
1	Gratuity		-
2	Earned Leave encashment		0.01
3	Solatum and Momento		-
4	Contribution towards NPS, PF, etc.		-
5	Terminal Benefits for PSTCL employees		-
	<b>Sub-total</b>		<b>0.01</b>
<b>III</b>	<b>Pension Payments</b>		
	Basic pension		-
	Any other expenses		-
	Commutation of Pension		-
	<b>Sub-total</b>		<b>-</b>
	<b>Total</b>		<b>0.01</b>
	Amount capitalized		-
	<b>Net amount (II + III)</b>		<b>0.01</b>
	<b>Grand total</b>	<b>4.08</b>	<b>6.44</b>

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**Form - F4**  
**Repair and Maintenance Expenses**  
**(Rs. in Crore)**

S. No	Particulars	FY 2015-16	
		Tariff Order	Actuals
1	Plant & machinery		30.28
2	Building including renovation		1.20
3	Hydraulic works & civil works		0.86
4	Line cable & network		1.14
5	Vehicles		0.64
6	Furniture & fixtures		0.00
7	Office equipments		0.01
8	Operating expenses		-
9	<b>Sub-total</b>		<b>34.13</b>
10	Less: Expenses Capitalised		0.51
11	Less: R& M recoverable on execution of 66KV works		-
12	<b>Net R&amp;M Expenses</b>		<b>33.62</b>
13	R&M for Assets Addition during the year		-
14	Add: Prior period expenses/losses		-
15	<b>Total R&amp;M Expenses</b>	<b>57.98</b>	<b>33.62</b>

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Form - F4 (SLDC)

Repair and Maintenance Expenses

S. No	Particulars	(Rs. in Crore)	
		Tariff Order	Actuals
		FY 2015-16	
1	Plant & machinery		0.15
2	Building including renovation		0.03
3	Hydraulic works & civil works		-
4	Line cable & network		-
5	Vehicles		0.00
6	Furniture & fixtures		-
7	Office equipments		-
8	Operating expenses		-
9	<b>Total</b>		<b>0.18</b>
10	Less: Expenses Capitalised		-
11	R& M recoverable on execution of 66KV works		-
12	<b>Net expenses</b>		<b>0.18</b>
13	R&M for Assets Addition during the year		-
14	Add: Prior period expenses / losses		-
15	<b>Total R&amp;M Expenses</b>	<b>4.55</b>	<b>0.18</b>



**Form - F5**  
**Administration and General Expenses**

(Rs. in Crore)

S. No	Particulars	FY 2015-16	
		Tariff Order	Actuals
1	Rent, Rates & Taxes		1.33
2	Insurance		0.03
3	Telephone, Postage, Telegramme and Telex		0.62
4	Legal Charges		0.26
5	Audit Fees		-
6	Consultancy/Technical Charges		0.29
7	Conveyance & Travel Charges		6.67
8	Vehicle Expenses		0.70
9	Fees & Subscription		0.00
10	Books & Periodicals		0.00
11	Printing & Stationery		0.22
12	Advertisement/Publicity expenses		0.35
13	Electricity/Water Charges		5.71
14	Expenses on Training		0.01
15	Hospitality		0.05
16	Conference Expenses		0.00
17	Contingency Expenses		1.62
18	Outsourcing expenses for engagement of Personnel on Contract basis		-
20	Contribution payable to NRPC		-
21	Miscellaneous expenses		-
22	Lease Rentals		-
23	Material Related expenses		3.13
24	Other purchase related expenses		-
25	Other donations		-
19	Other expenses		0.16
26	<b>Sub-total</b>		<b>21.16</b>
27	Add: Additional A&G expenses on the asset addition		-
28	Add: Audit and Licence and ARR Determination Fee		0.79
29	<b>Total expenses</b>		<b>21.94</b>
30	Less: A&G expenses recoverable on execution of 66KV works		-
31	Less: A&G Expenses capitalized		6.04
32	<b>Net expenses</b>		<b>15.90</b>
33	Add prior period Expenses/Losses		-
34	Other Debits/Staff Outsourcing Expenses		-
35	<b>Total A&amp;G Expenses</b>	<b>26.77</b>	<b>15.90</b>

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**Form - F5 (SLDC)  
Administration and General Expenses**

S. No	Particulars	(Rs. in Crore)	
		FY 2015-16	Actuals
1	Rent, Rates & Taxes		-
2	Insurance		0.00
3	Telephone, Postage, Telegramme and Telex		0.07
4	Legal Charges		0.03
5	Audit Fees		-
6	Consultancy/Technical Charges		-
7	Conveyance & Travel Charges		0.06
8	Vehicle Expenses		0.02
9	Fees & Subscription		0.00
10	Books & Periodicals		0.00
11	Printing & Stationery		0.02
12	Advertisement/Publicity expenses		0.05
13	Electricity/Water Charges		0.23
14	Expenses on Training		-
15	Hospitality		0.00
16	Conference Expenses		-
17	Contingency Expenses		0.05
18	Outsourcing expenses for engagement of Personnel on Contract basis		-
19	Contribution payable to NRPC		0.11
20	Miscellaneous expenses		-
21	Lease Rentals		-
22	Material Related expenses		-
23	Other purchase related expenses		-
24	Other donations		-
25	Other expenses		-
26	<b>Total</b>		<b>0.65</b>
27	Add: Additional A&G expenses on the asset addition		-
28	Add: Audit and Licence and ARR Determination Fee		-
29	<b>Total expenses</b>		<b>0.65</b>
30	A&G expenses recoverable on execution of 66KV works		-
31	Administration & General exps. capitalized		-
32	<b>Net expenses</b>		<b>0.65</b>
33	Add prior period Expenses/Losses		-
34	Other Debits/Staff Outsourcing Expenses		-
35	<b>Total A&amp;G Expenses</b>	<b>1.31</b>	<b>0.65</b>

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**Form - F8**  
**Expenses Capitalized**

(Rs. in Crore)

S. No	Particulars	FY 2015-16	
		Tariff Order	Actuals
1	Interest & Finance charges Capitalized		67.97
2	Other expenses capitalized:		
	a. Employee expenses		46.59
	b. R&M Expenses		0.51
	c. A&G Expenses		6.04
3	<b>Total</b>		<b>53.13</b>
4	<b>Grand Total</b>		<b>121.11</b>

**ULDC Charges for SLDC**

(Rs. in Crore)

S. No	Particulars	FY 2015-16	
		Tariff Order	Actuals
1	ULDC Charges - SLDC Own Share		9.03
2	ULDC Charges - BBMB Share		1.82
3	ULDC Charges - Central Sector Share		-
4	NRLDC Fees and Charges		0.91
5	<b>Total</b>	<b>9.00</b>	<b>11.76</b>

**Form - F9  
Depreciation**

(Rs. in Crore)

S. No	Particulars	FY 2015-16	
		Tariff Order	Actuals
1	Depreciation (Excluding prior period adjustment)	223.01	245.92
2	Opening GFA (Net of Land and Land Rights)		5,127.33
3	Assets additions during the Year		392.72
4	Assets replacement/ retirement		38.69
5	Closing GFA		5,481.37
6	Depreciation % of Opening GFA		4.80%
6	Depreciation as % of Opening and Closing GFA		4.64%

**Form - F9 (SLDC)  
Depreciation**

(Rs in Crore)

S. No	Particulars	FY 2015-16	
		Tariff Order	Actuals
1	Depreciation (Excluding prior period adjustment)	0.61	0.52
2	Opening GFA (Net of Land and Land Rights)	7.04	8.32
3	Assets additions during the Year	3.36	0.85
4	Assets replacement/ retirement	-	-
5	Closing GFA	10.40	9.17
6	Depreciation % of Opening GFA	6.31%	6.30%
6	Depreciation as % of Opening and Closing GFA	5.47%	6.00%

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**Form - F12**  
**Income from investments and other non-tariff income**

S. No	Particulars	FY 2015-16	
		Tariff Order	Actuals (Total)
1	Meter/ metering equipment/ service line rentals		-
2	Service charges		-
3	Customer charges		-
4	Revenue from late payment surcharge		-
5	Miscellaneous receipts		0.00
6	Incentives from CGS's		-
7	Miscellaneous charges (except PLEC charges)		-
8	Interest on staff loans and advances		-
9	Interest on advances to suppliers		-
10	Income from trading		-
11	Income from staff welfare activities		0.01
12	Rental charges for staff quarters, water charges, Hospital ward, guest house etc.		0.44
13	Sale of Tender forms		0.16
14	Excess found on physical verification		0.01
15	Interest on investments, fixed and call deposits and bank balances		0.02
16	Net recovery from penalty on coal liaison agents		-
17	Other Non Tariff Income including prior period		8.80
18	Income from open access charges i.e. application fee, cross subsidy surcharge, additional surcharge, transmission and/or wheeling charges, scheduling charges etc.		45.46
19	Sale of Scrap		2.09
20	Misc. income - NOC charges open access customers		2.17
21	Other miscellaneous income		15.34
	<b>Total</b>	<b>19.16</b>	<b>74.50</b>

(Rs. in Crore)

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**Form - F12 (SLDC)  
Income from investments and other non-tariff income**

S. No	Particulars	(Rs. in Crore)	
		FY 2015-16 Tariff Order	Actuals
1	Meter/ metering equipment/ service line rentals		-
2	Service charges		-
3	Customer charges		-
4	Revenue from late payment surcharge		-
5	Miscellaneous receipts		0.00
6	Incentives from CGS's		-
7	Miscellaneous charges (except PLEC charges)		-
8	Interest on staff loans and advances		-
9	Interest on advances to suppliers		-
10	Income from trading		-
11	Income from staff welfare activities		-
12	Rental charges for staff quarters, water charges, Hospital ward , guest house etc.		0.02
13	Sale of Tender forms		0.00
14	Excess found on physical verification		-
15	Interest on investments, fixed and call deposits and bank balances		0.02
16	Net recovery from penalty on coal liaison agents		-
17	Other Non Tariff Income including prior period		0.82
18	Income from open access charges i.e. application fee, cross subsidy surcharge, additional surcharge, transmission and/ or wheeling charges, scheduling charges etc.		6.54
19	Sale of Scrap		-
20	Misc. income - NOC charges open access customers		2.17
21	Any other income not included above		0.30
22	<b>Total</b>	<b>4.90</b>	<b>9.87</b>

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**Form - F15  
 Equity**

S. No	Particulars	(Rs. in Crore)	
		FY 2015-16 Tariff Order	Actuals
1	Opening Balance of Equity	605.88	605.88
2	Equity Addition during the Year	-	0.00
3	Deduction in Equity on account of retirement of assets	-	-
4	<b>Closing balance of Equity</b>	<b>605.88</b>	<b>605.88</b>

**Form - F16  
 Return On Equity**

S. No	Particulars	(Rs in Crore)	
		FY 2015-16 Tariff Order	Actuals
1	Opening Balance-Equity Capital	605.88	605.88
2	Equity addition during the year through Internal Accruals	0.00	0.00
3	Closing balance-Equity Capital	605.88	605.88
5	ROE rate (%)	15.50%	15.50%
4	<b>Return on Equity</b>	<b>93.91</b>	<b>93.91</b>

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Format - F17  
Line Length (ckt-km)

Sr. No	Particulars	As on March 31, 2014		Addition during FY 2014-15		As on March 31, 2015		Addition during FY 2015-16		As on March 31, 2016		Addition during FY 2016-17 (H1)		As on September 30, 2016		Addition during FY 2016-17 (H2)		As on March 31, 2017	
		Actuals	Estimated	Actuals	Estimated	Actuals	Estimated	Actuals	Estimated	Actuals	Estimated	Actuals	Estimated	Actuals	Estimated	Actuals	Estimated	Actuals	Estimated
1	400 kV	367.75		1232.00		1599.75		0.00		1599.75		0.00		1599.75		0.00		1599.75	
2	220 kV	5520.77		175.92		5696.69		687.62		6384.31		114.39		6498.70		328.00		6826.70	
3	132 kV	3112.20		2.46		3114.66		5.56		3120.22		0.00		3120.22		0.00		3120.22	
4	Total	9000.72		1410.38		10411.10		693.18		11104.28		114.39		11218.67		328.00		11546.68	

Format - F19  
Number of Substations for Transmission function

S. No	Particulars	As on March 31, 2014		Addition during FY 2014-15		As on March 31, 2015		Addition during FY 2015-16		As on March 31, 2016		Addition during FY 2016-17 (H1)		As on September 30, 2016		Addition during FY 2016-17 (H2)		As on March 31, 2017	
		Actuals	Estimated	Actuals	Estimated	Actuals	Estimated	Actuals	Estimated	Actuals	Estimated	Actuals	Estimated	Actuals	Estimated	Actuals	Estimated	Actuals	Estimated
1	400 kV	2.00		2.00		4.00		0.00		4.00		1.00		5.00		0.00		5.00	
2	220 kV	83.00		5.00		88.00		1.00		89.00		4.00		93.00		2.00		95.00	
3	132 kV	76.00		-2.00		74.00		-1.00		73.00		-3.00		70.00		0.00		70.00	
4	Total	161.00		5.00		166.00		0.00		166.00		2.00		168.00		2.00		170.00	

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**Form - F20**  
**Normative Interest on Working Capital**

Sr. No	Particulars	(Rs in Crore)	
		FY 2015-16 Tariff Order	Normative
1	Receivables equivalent to two months of fixed cost.	176.08	201.61
2	Maintenance spares @ 15% of O&M expenses	63.38	67.06
3	Operation and Maintenance expenses for one month.	35.21	37.25
4	Total Working Capital (Normative)	274.67	305.93
5	Additional Working Capital Requirement On Capital Spa	-	-
4	<b>Total Working Capital</b>	<b>274.67</b>	<b>305.93</b>
5	Rate of Interest applied	11.86%	11.95%
6	<b>Interest on Working Capital</b>	<b>32.58</b>	<b>36.56</b>

**Form - F20 (SLDC)**  
**Normative Interest on Working Capital**

S. No	Particulars	(Rs in Crore)	
		FY 2015-16 Tariff Order	Normative
1	Receivables equivalent to two months of fixed cost.	3.06	1.74
2	Maintenance spares @ 15% of O&M expenses	1.49	1.09
3	Operation and Maintenance expenses for one month.	0.83	0.61
4	Total Working Capital (Normative)	5.38	3.43
5	Additional Working Capital Requirement On Capital Spa	-	-
6	<b>Total Working Capital</b>	<b>5.38</b>	<b>3.43</b>
7	Rate of Interest applied	12.25%	11.72%
8	<b>Interest on Working Capital</b>	<b>0.66</b>	<b>0.40</b>

**Form - F21**  
**Interest & Finance Charges**

Sr. No	Particulars	(Rs in Crore)	
		FY 2015-16	Actuals
1	Opening Balance	2,691.68	3,969.71
2	Loan addition during FY	503.37	413.24
3	Loan Repayment during FY	383.29	380.20
4	Closing Balance	2,811.76	4,002.76
5	Interest Expenses	329.12	458.96
6	Interest in GP fund	14.40	14.40
7	Interest disallowed on account of diversion of funds	-	-
8	Interest Capitalised	39.92	67.97
9	<b>Net Interest</b>	<b>303.60</b>	<b>405.38</b>
10	Rate of Interest	11.96%	11.51%
11	Guarantee Charges	-	6.50
12	Miscellaneous Interest and Finance Charges	-	1.48
13	<b>Interest &amp; Finance Charges</b>	<b>303.60</b>	<b>413.37</b>

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**Form - F21 (SLDC)  
 Interest & Finance Charges**

(Rs in Crore)

S. No	Particulars	FY 2015-16	
		Tariff Order	Actuals
1	Opening Balance	2.77	1.43
2	Loan addition during the year	21.75	2.30
3	Loan Repayment during the year	-	-
4	Closing Balance	24.52	3.73
5	Interest Expenses	2.09	0.34
6	Interest in GP fund	-	-
7	Interest disallowed on account of diversion of fu	-	-
8	Interest Capitalised	-	-
9	<b>Net Interest</b>	<b>2.09</b>	<b>0.34</b>
10	Rate of Interest		13.06%
11	Guarantee Charges	-	-
12	Miscellaneous Interest and Finance Charges	-	-
13	<b>Interest &amp; Finance Charges</b>	<b>2.09</b>	<b>0.34</b>

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**Form - F 21 Detailed  
Interest Cost**

FY 2015-16

(Rs in Crore)

Sr. No.	Particulars (Source)	Opening balance	Rate of interest	Addition during the year	Repayment during the year	Closing balance	Amount of interest
1	LIC	97.71	10.50%	-	40.91	56.80	8.11
2	REC	2,845.04	12.27%	258.27	178.50	2,924.81	353.96
3	SBOP	76.67	11.46%	-	11.11	65.56	8.15
4	NABARD	43.51	10.15%	84.26	-	127.77	8.69
5	OBC	68.71	12.11%	-	28.61	40.10	6.59
6	PSPCL	594.69	11.61%	-	99.12	495.57	63.30
7	GPF	175.64	8.75%	-	21.95	153.69	14.40
8	REC (Working Capital)	67.74	12.15%	70.71	-	138.46	10.16
9	<b>Sub-total</b>	<b>3,969.71</b>	<b>11.87%</b>	<b>413.24</b>	<b>380.20</b>	<b>4,002.76</b>	<b>473.36</b>
10	Less: Interest Capitalised						67.97
11	Miscellaneous Interest and Finance Charges						1.48
12	Guarantee Charges						6.50
13	<b>Grand Total</b>						<b>413.37</b>

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**Form - F22**

**Transmission Availability (%)**

S. No	Particulars	FY 2015-16	
		Actual	
1	April	99.91%	
2	May	99.93%	
3	June	99.94%	
4	July	99.96%	
5	August	99.95%	
6	September	99.96%	
7	October	99.96%	
8	November	99.97%	
9	December	99.93%	
10	January	99.89%	
11	February	99.98%	
12	March	99.96%	
13	<b>Average</b>	<b>99.95%</b>	

**Form - F23**

**Transmission Loss (%)**

S. No	Particulars	FY 2015-16	
		Tariff Order	Actuals
1	Transmission Loss	2.50%	4.00%

Note - The transmission loss figures are not available for FY 2015-16.  
The Petitioner prays to approve the transmission losses as requested in  
Tariff Petition for FY 2015-16



Computation of Incentive on account of Higher Transmission Availability

FY 2015-16

Normative Availability	98%
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Sr. No.	Month	No of Days in Month	Monthly Transmission Charges	Actual Availability (%)	Transmission charges inclusive incentives	Incentive
1	Apr-15	30	97.22	99.91%	99.12	1.89
2	May-15	31	100.47	99.93%	102.44	1.98
3	Jun-15	30	97.22	99.94%	99.15	1.92
4	Jul-15	31	100.47	99.96%	102.47	2.01
5	Aug-15	31	100.47	99.95%	102.46	2.00
6	Sep-15	30	97.22	99.96%	99.17	1.94
7	Oct-15	31	100.47	99.96%	102.47	2.01
8	Nov-15	30	97.22	99.97%	99.18	1.95
9	Dec-15	31	100.47	99.93%	102.44	1.98
10	Jan-16	31	100.47	99.89%	102.40	1.94
11	Feb-16	29	93.98	99.98%	95.88	1.90
12	Mar-16	31	100.47	99.96%	102.47	2.01
		<b>366</b>	<b>1186.14</b>		<b>1209.68</b>	<b>23.54</b>



**Form - F24**  
**Revenue from Transmission Tariff**  
 (Rs. in Crore)

S. No	Particulars	FY 2015-16	
		Tariff Order	Actuals
1	Revenue from Transmission Tariffs	949.23	949.23
	<b>Total</b>		<b>949.23</b>

**Form - F24 (SLDC)**  
**Revenue from SLDC Tariff**  
 (Rs. in Crore)

S. No	Particulars	FY 2015-16	
		Tariff Order	Actuals
1	Revenue from SLDC Fees and Charges	18.39	18.39
	<b>Total</b>	<b>18.39</b>	<b>18.39</b>

*Govt*



**NOTICE**

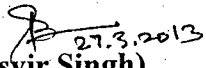
NOTICE is hereby given that the Adjourned 6<sup>th</sup> Annual General Meeting of the members of Punjab State Transmission Corporation Limited will be held on **Friday, 21<sup>st</sup> April, 2017 at 11.30 A.M. at the Registered Office of the Corporation, PSEB Building, The Mall, Patiala** to transact the following Business:

**Ordinary Business**

1. To receive, consider and adopt the audited Financial Statements as at 31<sup>st</sup> March 2016, the reports of the Board of Directors and Auditors thereon.

**By Order of the Board  
For & on behalf of  
Punjab State Transmission Corporation Limited**

**Place: Patiala  
Dated: 27<sup>th</sup> March, 2017**

  
(Jasvir Singh)  
Company Secretary  
27/3

**Notes:**

- a) A member who is entitled to attend and vote at the meeting is entitled to appoint proxy to attend and vote instead of himself/herself and the proxy need not be a member of the Company.
- b) Proxy in order to be effective should be lodged with the Company at least 48 hours before the Commencement of the meeting.
- c) The 6<sup>th</sup> Annual General Meeting which was convened to be held on 30<sup>th</sup> September, 2016 was adjourned for want of quorum and was held on Wednesday, 7<sup>th</sup> October, 2016 at 11.00 AM at the Registered Office of the Corporation, PSEB Head Office, The Mall, Patiala. The said meeting was further adjourned sine die due to non-availability of Audited Financial Statements as at 31<sup>st</sup> March, 2016, the reports of Board of Directors and auditors thereon. On availability of the audited financial statements for FY 2015-16, 6<sup>th</sup> Adjourned Annual General Meeting is being convened for consideration and adoption of the same.

DA/Copy of Audited Annual Accounts of PSTCL for FY 2015-16 together with Report of Directors' and Auditors' thereon.

**No. 550/560 /CS-T/45/Vol.-II**

**Dated: 27.03.2017**

**To the Members:**

1. **His Excellency, the Governor of Punjab** through Principal Secretary, Government of Punjab, Department of Power (Energy Branch), Civil Secretariat-II, Chandigarh.
2. **Shri Karan Avtar Singh, IAS**, Chief Secretary, Government of Punjab, Main Civil Secretariat, Chandigarh.
3. **Shri Satish Chandra, IAS**, (Director and Member, PSTCL) Additional Chief Secretary, Government of Punjab, Department of Finance, Civil Secretariat, Chandigarh.
4. **Shri A. Venu Prasad, IAS**, Principal Secretary, Government of Punjab, Department of Power (Energy Branch), Civil Secretariat-II, Chandigarh.



5. Shri A. Venu Prasad, IAS, Chairman-cum-Managing Director and Member, PSTCL, Patiala.
6. Shri Vivek Pratap Singh, IAS, Commissioner, Excise & Taxation, Government of Punjab, Patiala.
7. Shri Krishan Kumar, IAS, Secretary/Expenditure, Government of Punjab, Chandigarh.
8. Shri Daljit Singh Mangat, IAS, Special Secretary/Power, Government of Punjab, Civil Secretariat-II, Chandigarh.
9. Er. Karan Deep Chaudhri, Chairman-cum-Managing Director, PSPCL, Patiala.
10. Shri Subash Chand Arora, Director/Finance, PSPCL, Patiala.
11. Shri Umakanta Panda, Director (Finance & Commercial) and Member, PSTCL, Patiala.

Endst. No. 561/562 /CS/T-45/Vol.-II

Dated: 27.03.2017

**The Directors:**

1. Sh. Niraj Hit Abhilashi Tayal, Director/Administration, PSTCL, Patiala.
2. Smt. Shashi Prabha, Director/Technical, PSTCL, Patiala.

Endst. No. 563/CS/T-45/Vol.-II

Dated: 27.03.2017

**The Statutory Auditors:**

M/s Rajiv Goel & Associates, 179, Bank Road, Ambala Cantt.-133001 (Haryana).

Endst. No. 564 /CS/T-45/Vol.-II

Dated: 27.03.2017

**The Secretarial Auditors:**

M/s Yogita & Associates, # 2460, Anand Nagar, Rajpura (Distt. Patiala).

**For and on behalf of  
For Punjab State Transmission Corporation Limited**

Place: Patiala

Dated: 27<sup>th</sup> March, 2017

(JASVIR SINGH)

Company Secretary

J/C  
27/3

J/C



# PUNJAB STATE TRANSMISSION CORPORATION LIMITED

(Regd. Office: PSEB Head Office, The Mall, Patiala-147001)

Corporate Identity Number: U40109PB2010SGC033814

[www.pstcl.org](http://www.pstcl.org) (O/o Company Secretary) E-mail: [comp-secy@pstcl.org](mailto:comp-secy@pstcl.org)

Tel./Fax No. 0175-2308233

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# Punjab State Transmission Corporation Limited

## DIRECTORS' REPORT

To  
The Members,  
Punjab State Transmission Corporation Limited.

Your Directors have pleasure in presenting the 6<sup>th</sup> Annual Report on the performance of your Corporation for the financial year ended 31<sup>st</sup> March, 2016 along with audited Financial Statements, Auditors' Report and Review of Accounts by the Comptroller and Auditor General of India for the review period.

### FINANCIAL PERFORMANCE

The financial performance of the Corporation for the year ended 31<sup>st</sup> March, 2016 with comparative position of the previous year is summarized as under:

Particulars	Rs. In Lakhs	
	2015-16	2014-15
<b>Income:</b>		
Revenue from Operations	117718.27	95258.56
Other Income	2952.90	1935.36
<b>Total Income</b>	<b>120671.17</b>	<b>97193.92</b>
<b>Expenses:</b>		
Employee Benefits Expenses	40397.13	37115.28
Finance Costs	47659.82	37398.94
Depreciation & amortization expenses	25564.61	22891.29
Other expenses:		
Repair & Maintenance Expenses	3855.81	3715.75
Administration & General Expenses	1655.61	1444.48
ULDC Charges	1175.66	842.78
Other Debits	160.54	56.50
<b>Total Expenses</b>	<b>120469.18</b>	<b>103465.02</b>
<b>Profit/(Loss) before Tax (PBT)</b>	<b>201.99</b>	<b>(6271.10)</b>
Tax Expense		
Current Tax	0	0
Deferred Tax	0	0
<b>Profit/(Loss) after tax from continuing operations</b>	<b>201.99</b>	<b>(6271.10)</b>

Your Corporation has earned a profit of Rs. 201.99 lakhs during FY 2015-16 against loss of Rs.6271.10 Lakhs of the previous year.

### SHARE CAPITAL

The authorized Equity Share Capital of the Corporation is Rs. 3000 Crores divided into 300 Crores equity shares of Rs. 10/- each. The issued and paid up equity share capital as on 31<sup>st</sup> March, 2016 was Rs. 605,88,34,650/- divided in to 605883465 equity shares of Rs.10/- each fully paid up which is entirely held by the Government of Punjab and its nominees.

### VISION 2020

In order to keep pace with the changing business environment, your Corporation has "Vision, Mission and Core Values" which are being pursued to make the Corporation a responsive, vibrant, reliable and efficient Institution.

## SYSTEM IMPROVEMENT

During the period under report, your corporation's thrust was to ensure development of a reliable and efficient transmission system by up gradation/augmentation of the existing transmission system and commissioning of new transmission lines and grid substations including completion of the construction of 400 KV main ring transmission systems in the State. During the period under report, your Corporation has been able to add 1160 MVA capacity and 234.469 circuit kilometers of transmission lines in the state grid system at the Voltage level of 400/220/132KV.

The voltage class wise capacity in terms of MVA in our transmission network is as under:

Sr. No.	Voltage Class	MVA Capacity				
		As on 31.3.2013	As on 31.3.2014	As on 31.3.2015	As on 31.3.2016	As on 31.12.2016
1	400KV	1000.00	1630.00	2890.00	2890.00	3390.00
2	220KV	18050.50	20335.00	22027.00	23104.50	24252.00
3	132KV	5923.00	6149.00	6308.00	6390.50	6500.50
	<b>Total</b>	<b>24973.50</b>	<b>28114.00</b>	<b>31225.00</b>	<b>32385.00</b>	<b>34142.50</b>

The voltage class wise transmission lines in terms of circuit kilometers in our transmission network is as under:

Sr. No.	Voltage Class	Circuit Kilometer				
		As on 31.3.2013	As on 31.3.2014	As on 31.3.2015	As on 31.3.2016	As on 31.12.2016
1	400KV	859.640	1517.610	1570.734	1570.734	1570.734
2	220KV	5929.873	6371.997	6957.887	7192.356	7483.723
3	132KV	3196.778	3196.778	3201.536	3201.536	3201.536
	<b>Total</b>	<b>9986.291</b>	<b>11086.385</b>	<b>11730.157</b>	<b>11964.626</b>	<b>12255.993</b>

The major up gradation/augmentation of existing as well as construction of new lines and substations completed during the period under report are as follows:

### Transmission Lines

220 KV	
1	LILO of 400 KV Dhuri- 220 KV Bangan, 220 KV line at 220 KV Chhajali
2	220 KV Mukatsar- Abohar DC line
3	Stringing of 2nd ckt on 220KV Bhatinda-Mukatsar line
4	220 KV Talwandi Bhai- Dharamkot DC line
5	220 KV Goindwal Sahib- Chola Sahib
6	220 KV DC line from 400 KV Balachak to 220 KV Nariangarh

### Grid Substations

2 Nos. 220KV Grid Substations at Abohar and Naraingarh were upgraded from existing 132 KV substations. Existing capacity of 17 Nos. 220KV Substations and 07 Nos. 132 KV Substations were also augmented.

### 400 KV MAIN RING TRANSMISSION SYSTEM

To make the transmission system stable and robust, your corporation has developed first of its kind 400 KV ring main system at State level having interconnection with National Grid at Moga and Amritsar. 4 (four) number 400 KV Substations at Dhuri, Makhu, Mukatsar and Nakodar have already been commissioned. The 5<sup>th</sup> 400 KV Substation at Rajpura with one number 500 MVA, 400/220 KV transformers was



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commissioned on 18.7.2016. 2<sup>nd</sup> 500 MVA power transformer is likely to be commissioned by 31.03.2017. The aforesaid transmission system has reduced the transmission losses and has improved the voltage profile.

#### **TRANSMISSION SYSTEM AVAILABILITY**

The overall transmission system availability during the period under report was 99.9632%. This reflects the operational efficiency of the transmission system of the corporation.

#### **SAFETY CODE MANUAL**

Board of Directors in its 34<sup>th</sup> meeting held on 07.01.2016 approved the Safety Code Manual which provides basic guidelines for safe operating practice and procedures to ensure compliance with the requirement of I.E. Rules, 1956, I.E. Act, 2003, Grid Code, CEA (Measures related to Safety and Electricity Supply) Regulations, 2010 and Power System Safety Standards. The adoption of this manual and its proper implementation will go a long way in ensuring safety of our employees and transmission network.

#### **POWER TRANSFORMER OIL TESTING AND DIAGNOSTIC LAB**

Power Transformer oil testing lab with facilities of high end specialized testing to monitor condition/life of power transformers is working under P&M Organization. About 3000 oil samples were tested and about 600 diagnostic testing were done during the period under report.

#### **STATE GRID OPERATION**

##### **STATE LOAD DISPATCH CENTRE (SLDC)**

The SLDC organization is the apex body for planning, operation, monitoring and control of power system in the State. The essential activities like pre-dispatching activities including scheduling of generation and operational planning, real time dispatch etc. are being discharged in accordance with the directions of NRLDC and prescribed grid operation procedures to ensure safety and security of the grids. To achieve maximum security and efficiency, SLDC closely monitors the control of the frequency, voltage, tie line flows, economic generation, switching operations etc.

By way of transmission system strengthening and efficient/ coordinated grid operations, the maximum demand met has increased from 10155 MW (during FY 2014-15) to 10852 MW (during 2015-16).

##### **SHORT TERM OPEN ACCESS**

According to the Intra State Open Access Regulations, SLDC is the Nodal Agency for providing Short Term Open Access (STOA) within Punjab and is responsible to operationalize the STOA and carryout energy accounting, maintain and manage UI/deviation settlement account and Reactive Energy Account and handle the Open Access transactions. During FY 2015-16, total of 17 number Open Access customers were registered thereby increasing the total number of Open Access customers to 435 for purchase of 1736 MW power under Short Term Open Access.

##### **OPEN ACCESS INFORMATION SYSTEM**

SLDC website has been made more user friendly by timely updating all the information regarding Open Access including Open Access Procedures, UI/Deviation Settlement Accounts, online NOC filing and other operational data.

##### **INTEGRATION OF RTUs WITH THE SCADA/EMS**

During 2015-16, real-time data from 93 Nos. substations/ generating plants (including IPPs) in Punjab was made available at SLDC. During the period under report, 17 Nos. Sub-station RTUs were commissioned /integrated.

At present real time data from 95 Nos. substations/generating plants (including IPPs) in Punjab is available at SLDC.

Further, 40 Nos. RTUs are being procured during 2016-17 and shall be commissioned in 2017-18 in addition to replacement of 5 Nos. non-working/old RTUs. Thereafter some 70 more RTUs shall be tendered to cover the whole of PSTCL depending upon the confirmation of availability in respect of data connectivity.

### **IMPLEMENTATION OF INTRASTATE BOUNDARY METERING CUM TRANSMISSION LEVEL ENERGY AUDIT SCHEME IN PSTCL**

SLDC has installed 734 Nos. ABT meters at Boundary/ Interface points at 199 locations of PSTCL, PSPCL, PGCIL & BBMB to cover all the interstate/intrastate boundary points. Also, 431 Nos. Conventional Energy Meters (CEMs) have been installed for Transmission Level Energy Audit purposes. The work of utility wise energy interchanges calculation has been commenced and the overall transmission losses for the month of June-2015 and July-2015 arrived at were 2.19% and 2.88% respectively in 2015-16.

The Transmission Losses are being worked out regularly since July, 2016. The transmission losses from July, 2016 to January, 2017 have been 4.17%. The increased transmission loss is on account of the higher losses reported during the off-peak period (September to January)

### **RING FENCING OF SLDC**

In line with Ministry of Power, Government of India guidelines for ring fencing of State LDCs, Punjab SLDC is an independent accounting unit of PSTCL with separate budget and filing of separate ARR with PSERC.

### **I.T. Initiatives**

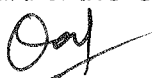
IT department of your Corporation has developed in house softwares for Financial Management Information System (FMIS), Court Case Management System, Stores Computerization, Compilation of Accounting System and HR Data Application for smooth and efficient functioning of these functional areas.

### **AWARDS/RECOGNITIONS**

Your Corporation has been awarded with a Gold Shield on 3.6.2015 from Government of India, Ministry of Power for completion of 400 KV Rajpura-Dhuri double circuit transmission line well before the scheduled time frame. Your Corporation has also been adjudged as the 1<sup>st</sup> Runners up for the awards as the Best Transmission Utility and Best State Load Despatch Centre by IPPAI in their Power Award 2016.

### **BOARD OF DIRECTORS**

Pursuant to Article 45 of Articles of Association of the Corporation, Chairman-cum-Managing Director and Directors are being appointed by the State Government being controlling Shareholders. In exercise of powers conferred aforesaid, the Government of Punjab nominated and appointed the following Directors on the Board of the Corporation and their position as on 28.02.2017 is as under:



Sh. Anirudh Tewari, IAS who was Director (ex-officio), PSTCL being Administrative Secretary to Government of Punjab, Department of Power since 26.07.2011 and Chairman-cum-Managing Director since 11.12.2014 relinquished the charge on 11.05.2015.

Sh. Anurag Agarwal, IAS Principal Secretary to Govt. of Punjab, Department of Power continues as Director (ex-officio) on the Board of the corporation from 9.06.2015 to 16.09.2015.

Sh. A. Venu Prasad, IAS Principal Secretary to Government of Punjab, Department of Power who was Director (Ex-officio) of the Corporation since 16.09.2015 assumed the charge of Chairman-cum-Managing Director of the Corporation on 16.05.2016 in compliance of the Government of Punjab, Department of Personnel (IAS Branch) order dated 5<sup>th</sup> May, 2016 and is continuing till date.

Sh. Umakanta Panda who continued as Director/Finance & Commercial from 11.8.2010 assumed the charge of the post of Chairman-cum-Managing Director on 3.6.2015 in compliance of Government of Punjab, Department of Power (Energy Branch) order dated 28.05.2015 and continued up to 16.05.2016. Sh. Umakanta Panda continued as Director/Finance & Commercial till date.

Sh. Niraj Hit Abhilashi Tayal assumed the charge of Director/Administration on 15.01.2014 and is continuing till date.

Smt. Shashi Prabha assumed the charge of Director/Technical on 20.02.2014 and is continuing till date.

Ms. Vini Mahajan, IAS, Principal Secretary to Govt. Punjab, Department of Finance and Director (Ex-officio) on the Board of the Corporation ceased to be Director (Ex-officio) on 4.6.2015. On her transfer, Sh. D.P. Reddy, IAS was appointed as Director (Ex-officio) and continued till 8.12.2016. On his transfer, Sh. Satish Chandra, IAS has been appointed as Director (ex-officio) of the corporation and is continuing till date.

The Board places on record its deep appreciation for the valuable services rendered by Sh. Anurag Agarwal, IAS, Sh. Anirudh Tewari, IAS, Ms. Vini Mahajan, IAS and Sh. D.P. Reddy, IAS during their association with the Corporation.

#### **CORPORATE GOVERNANCE**

PSTCL believes in striving continuously towards higher levels of transparency, responsibility, accountability and fairness in all aspects of its operations. The Board of PSTCL believes and supports Corporate Governance practices of high standard, ensuring observance of these principles in all its dealings.

#### **BOARD MEETINGS**

Total number of 7 (Seven) Board meetings were held during FY 2015-16.

#### **BOARD COMMITTEES**

The Corporation has the following Committees of the Board:

#### **COMMITTEE OF WHOLE TIME DIRECTORS (WTD)**

The composition of the Committee of Whole Time Directors is as under:

Chairman-cum-Managing Director	Chairman
Director/Finance & Commercial	Member
Director/Technical	Member



5

- 60 -



Director/Administration

Member

Total 12 (Twelve) meetings of the Committee of Whole Time Directors were held during FY 2015-16.

### COMMITTEE OF BOARD (LOANS)

The Board has authorized the Committee of Board (Loans) to make arrangement with Financial Institutions/Banks for availing financial assistance from time to time as per requirement of the Corporation. The present composition of the Committee is as under:

- |                                   |          |
|-----------------------------------|----------|
| 1. Chairman-cum-Managing Director | Chairman |
| 2. Director/Finance & Commercial  | Member   |
| 3. Director/Technical             | Member   |

During the period under report, the Committee held 10 (Ten) meetings.

### DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE

The present composition of the Audit Committee constituted pursuant to provisions of Section 177 of the Companies Act, 2013, is as under:

1	Sh. A. Venu Prasad, IAS Principal Secretary to Government of Punjab, Department of Power and Director (Ex-officio) PSTCL	Chairperson
2	Sh. Satish Chandra, IAS Additional Chief Secretary to Government of Punjab, Department of Finance and Director (Ex-officio) PSTCL	Member
3	Smt. Shashi Prabha, Director/Technical	Member

During the period under report, the Committee held 6 (Six) meetings.

### CSR Committee of Board

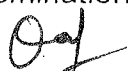
Pursuant to the provisions of section 135 of the Companies Act, 2013 read with CSR Rules dated 27<sup>th</sup> February, 2014 notified by the Government of India, Ministry of Corporate Affairs, a CSR Committee of the Board has been constituted comprising the following Directors.

- |                            |        |
|----------------------------|--------|
| 1. Director/F&C            | Member |
| 2. Director/Administration | Member |
| 3. Director/Technical      | Member |

On the recommendations of CSR Committee, the Board in its 27<sup>th</sup> meeting held on 8.9.2014 approved the CSR Policy of the Corporation which is available on PSTCL website [www.pstcl.org](http://www.pstcl.org). Pursuant to the decision of the CSR Committee of the Corporation, PSTCL has created a Trust on 22.07.2015 for carrying out the CSR Activities in compliance with the provisions of the Act. The Corporation has not been able to spend any amount on CSR activities during the period under report for the reasons mentioned in Annual Report on CSR annexed as Annexure 'A' of the report as per provision of Section 135 of the Companies Act, 2013 read with Rules notified by the Ministry of Corporate Affairs.

### NOMINATION AND REMUNERATION COMMITTEE

As per section 178 of the Companies Act, 2013 and rules made there under, the Nomination and Remuneration committee shall consist of three or more non-



executive Directors out of which not less than one half shall be Independent Directors. The Independent Directors are yet to be appointed on the Board of the Company as per the requirements of section 149 of the Companies Act, 2013 by the State Government. After appointment of Independent Directors, the Company will comply with the provision of Section 178 of the Companies Act, 2013. However, as per notification dated 5<sup>th</sup> June, 2015 issued by the Ministry of Corporate Affairs, Government Companies are exempted from complying with the provisions of Section 134 (3) (e) of the Companies Act, 2013. Therefore, such particulars have not been included as part of Directors' Report.

#### **STATUTORY AUDITORS**

M/s Rajiv Goel & Associates, Chartered Accountants, 179, Bank Road, Ambala, the Statutory Auditors of the Corporation were appointed by the Comptroller and Auditor General of India (C&AG), New Delhi vide letter No. CA.V/COY/PUNJAB, PSTCL(1)/1330 dated 07.08.2015 under section 139 of the Companies Act, 2013 to audit the accounts of the Corporation for the year ended 31<sup>st</sup> March, 2016. C&AG has reappointed M/s Rajiv Goel & Associates, as Statutory Auditors of PSTCL for FY 2016-17 vide letter dated 23.08.2016.

#### **COST AUDITORS**

M/s Balwinder & Associates, Cost Accountant, SAS Nagar Mohali were the Cost Auditors of the Corporation for FY 2015-16 appointed by the Board under section 148(3) of the Companies Act, 2013 read with the Rules made thereunder dated 31<sup>st</sup> March, 2014 and 30<sup>th</sup> June, 2014 notified by Ministry of Corporate Affairs, Government of India to conduct the Cost Audit of cost records of PSTCL for FY 2015-16. Your Corporation has appointed M/s Pawan & Associates, Cost Accountants, Zirakpur (Mohali) as Cost Auditors for FY 2016-17.

#### **REPLIES OF THE MANAGEMENT ON THE QUALIFICATIONS IN THE AUDITOR'S REPORT**

The replies of the management on the comments/qualifications of the report of the Statutory Auditors and the Comptroller and Auditor General of India are given in the Annexure-'B' to this Report.

#### **SECRETARIAL AUDIT REPORT**

In terms of Section 204 of the Companies Act, 2013 and Rules made thereunder, M/s Yogita & Associates, Practicing Company Secretary was Secretarial Auditors of the Corporation for FY 2015-16 to conduct Secretarial Audit of Records and Documents. The report of the Secretarial Auditor is as per Annexure-'C'. The explanations/comments relating to the qualifications, reservations or adverse remarks made by the auditors in their report are given in Annexure-'D' to this report.

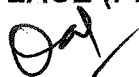
#### **EXTRACT OF ANNUAL RETURN**

Pursuant to Section 92 of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the extract of Annual Return in Form MGT-9 is given in Annexure-'E'.

#### **PARTICULARS OF THE EMPLOYEES**

The Corporation did not employ any such person whose particulars are required to be given under Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Management Personnel) Rules 2014.

#### **DISCLOSURE UNDER SECTION 22 OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**





The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

#### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO**

Considering the nature of business of the Corporation, the information relating to the provisions of section 134(3)(m) of the Companies Act, 2013 and rules there under in respect of conservation of energy, technology absorption, foreign exchange earnings and outgo is nil. However, the corporation has installed Energy Management System for accurate loss assessment and energy accounting. Further steps have been taken for augmentation of transmission lines and transformation capacity addition along with provision of adequate reactive power compensation by means of capacitors/reactors minimizes the losses and leads to energy conservation. Also, energy conservation by way of use of energy efficient lighting & BEE star rated equipments have been undertaken in the offices & premises of the Corporation.

#### **DEPOSITS**

During the year under review, the Corporation has not accepted any deposits covered under chapter V of the Companies Act, 2013, from the public.

#### **RELATED PARTY TRANSACTIONS**

During the year under review, there were no contract or arrangements entered in to by the Company in accordance with the provisions of Section 188 of the Companies Act, 2013.

#### **CHANGE IN THE NATURE OF BUSINESS, IF ANY**

There is no change in the nature of the business of the Company.

#### **VIGIL MECHANISM POLICY**

Pursuant to provisions of Companies Act, 2013, Board of Directors in its 34<sup>th</sup> meeting held on 7<sup>th</sup> January, 2016 has adopted Vigil Mechanism Policy for Directors and employees of the Corporation to report their genuine concerns or grievances about unethical behavior, actual or suspect fraud or violation of Companies Code of Conduct or Ethics Policy. The policy provides adequate safeguards against victimization of employees and Directors who express their concerns. The detailed Vigil Mechanism Policy is available on PSTCL website named [www.pstcl.org](http://www.pstcl.org)

#### **RISK MANAGEMENT POLICY**

The Company is yet to implement the Risk Management Policy for the Company.

#### **MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT**

There is no such material changes occurred subsequent to the close of the financial year of the Company to which the balance sheet relates and the date of the report like settlement of tax liabilities, operation of patent rights, depression in market value of investments, institution of cases by or against the company, sale or purchase of capital assets or destruction of any assets etc. except that transmission tariff as approved by the PSERC for FY 2016-17 was inadequate to meet the financial obligations of the Corporation which resulted in a revenue gap during the year. Your Corporation was required to avail loans from financial institutions/banks to the tune



of Rs. 650 Crore to meet the revenue gap during FY 2016-17. The Corporation expects to service the loan availed out of transmission tariff to be approved by the regulator for the financial year 2017-18 and onwards.

#### **DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE**

There are no such orders passed by any authority which will impact the going concern status and company's operations in future.

#### **NAMES OF THE COMPANIES WHICH HAVE BECOME / CEASED TO BE SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR**

The Company did not have any subsidiary Company during the year under review. No company has become / ceased to be subsidiary, Joint Venture or Associate Company during the year under report.

#### **DIRECTORS' RESPONSIBILITY STATEMENT**

To the best of their knowledge and belief and according to the information and explanation obtained by them, your Directors make the following statements in terms of clause (c) of sub section (3) of section 134 of the Companies Act, 2013:

- (a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the Directors had selected such Accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the Company for that period;
- (c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the Directors had prepared the Annual Accounts for the financial year ended March 31<sup>st</sup>, 2016 on a going concern basis; and
- (e) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were considered to be adequate and operating effectively.

#### **ACKNOWLEDGEMENTS**

The Board of Directors acknowledge and place on record their appreciation for the continuing support and co-operation extended by the Government of Punjab, particularly the Department of Power, Finance Department, Punjab State Power Corporation Limited, Punjab State Electricity Regulatory Commission, Government of India, Central Electricity Authority, Central Electricity Regulatory Commission and other agencies at the central and State level without whose active support the achievement by the Corporation would not have been possible.

The Corporation is also thankful to the Comptroller & Auditor General of India and the Statutory Auditors for their constructive suggestions and co-operation.

The Board would also like to convey its gratitude to REC, PFC, NABARD, State Bank of Patiala and Bank of India for rendering timely, continued trust and confidence reposed by them on PSTCL.

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We would also like to place on record our appreciation for the untiring efforts and contributions made by the employees at all levels to ensure excellent all round performance of the Corporation.

For and on behalf of the Board



(A. Venk Prasad, IAS)

Chairman-cum-Managing Director

Place : Chandigarh

Date : 22.03.2017



## ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY

1. A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken as per CSR policy uploaded on PSTCL website [www.pstcl.org](http://www.pstcl.org) and projects or programs.

The aim of the Corporate Social Responsibility Policy (CSR Policy) is to ensure that the Company remains a responsible corporate entity contributing towards improving the quality of life of the society at large. PSTCL through its CSR initiatives, will be able to promote sustainable and inclusive development for the benefit of the society at large as a responsible corporate citizen.

## THRUST AREAS

The major thrust areas includes:

- (a) Comprehensive and integrated community development.
- (b) Innovative and sustainable solutions for environmental conservation.
- (c) Prioritization and all round integration of environmental and social issues into the planning, designing and implementation of infrastructure development.
- (d) Improved access to formal, informal and vocational education with a focus on the under privileged and marginalized communities.
- (e) Contribution to national and local efforts for relief/rehabilitation in times of natural disasters on a needs basis.
- (f) Development and promotion of sporting talent.
- (g) Active participation in disaster management initiatives for prevention and emergency response based on the comparative strength of the PSTCL.
- (h) To extend assistance either directly or through reputed agencies engaged in promotion of education, health and ecological development.
- (i) To promote development of skilled manpower in association with the Public Technical Institutions to meet the growing demand of power and other sectors.
- (j) To undertake appropriate measures for providing relief and rehabilitation in times of natural disaster and calamities.
- (k) To undertake any other activities at the discretion of the management having social and economic concern.
- (l) Such other matters as may be prescribed under Companies Act, 2013.

## 2. The Composition of the CSR Committee.

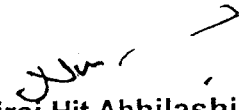
Sr. No.	Name	Designation
1	Sh. Umakanta Panda, Director/F&C	Member
2	Sh. Niraj Hit Abhilashi Tayal, Director/Administration	Member
3	Smt. Shashi Prabha, Director/Technical	Member

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## 8. Responsibility Statement of CSR Committee

We hereby confirm that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company.

  
(Umakanta Panda)  
Director/F&C

  
(Niraj Hit Abhilashi Tayal)  
Director/Administration

  
(Shashi Prabha)  
Director/Technical



## Replies of the Management on the comments of the Statutory Auditors on the accounts of the Company for the FY 2015-16

Ref No.	Comments of Statutory Auditors	Replies of the Management
<b>ANNEXURE - A TO THE AUDITORS' REPORT</b>		
1a	The company is maintaining proper records showing full particulars including Quantitative details and situation of fixed assets except for the fixed assets transferred on 16/04/2010 pursuant to the transfer scheme notified by the State Government which is in process. <i>No distinctive mark / specification number has been marked on Fixed Assets.</i>	Maintenance of Fixed asset register in respect of fixed assets transferred on 16.04.2010 pursuant to the Transfer Scheme notified by the State Government is in process.
1b	The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed. <i>However, no report of physical verification was produced before us for verification.</i>	Physical verification has been done by the field accounting units and the certificates of physical verification were given to the Statutory Auditors.
7a	According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2016 for a period of more than six months from the date on when they become payable except for the <i>TDS defaults of Rs.16,04,013.44/- reflecting under Form 26AS as on 27.12.2016.</i>	Steps have been taken to get clearance/rectification of the TDS defaults from concerned accounting units. Major defaults have been got cleared/rectified in FY 2015-16 resulting into decrease of amount from Rs. 38,20,319.00 to Rs. 16,04,013.44.
<b>ANNEXURE -1 FORMING PART OF MAIN AUDIT REPORT OF PSTCL AS ON 31<sup>ST</sup> MARCH 2016</b>		
1.	That Company is providing Operation and Maintenance services to 220KV Grid Substation, Mohali & 220 KV Ganguwal-Mohali Transmission Line which is under UT Chandigarh. During the year under audit, a bill for operational and maintenance services amounting to Rs. 1,44,36,473/- is raised but not issued to the UT Chandigarh as UT Chandigarh has intimated that with the introduction of POC (Point of Connection) Regime from FY 2011-12, they are already making payments to PGCIL for the POC charges on their total drawl as per the account prepared by NLDC Delhi (National Load Dispatch Centre). However for the recovery of such O&M charges, the above mentioned transmission line needs RPC certification and PSTCL has taken up the matter with NRPC (Northern Region Power Committee) and the same is under active consideration at all levels with UT Chandigarh & NRPC for recovery of outstanding O&M charges on account of Transmission line mentioned above.	PSTCL is maintaining 4 No. 66 KV bays meant for supplying power to UT Chandigarh at the 220 KV Grid Sub-station, Mohali. Erstwhile PSEB has never claimed the O&M charges of these 4 No. 66 KV UT bays. When the PSTCL came into existence, matter was raised with UT authorities for signing an Agreement for the O&M Charges of said 66 KV bays. Draft agreement/O&M Charges calculation sheets have already been sent to UT Electricity Authorities for their concurrence. Matter is lying pending with UT for signing the Agreement. Billing will be started as & when the O&M Agreement is signed. Regarding 220 KV Ganguwal-Mohali Transmission Line the requisite clarification was received from NRPC stating that 220 KV Ganguwal-Mohali line does not qualify for RPC Certification. UT Electricity authorities were intimated about the said clarification and were asked to make payment of O&M Charges as per CERC norms.

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	<p>account code". That opening credit balance under this head as on 01.04.2015 is Rs.16,16,25,375/- and closing credit balance as on 31.03.2016 amounts to Rs. 4,42,93,788/-. That during the audit it was observed that details are not available with the company as to whom these amounts are payable. These balances are un-reconciled and Un-confirmed, therefore we are unable to comment upon the accuracy of the figures and the effect of reconciliation on profit and loss account and Balance Sheet could not be ascertained.</p>	
8.	<p>"Receipts for deposit works" is Rs. 61,60,35,038/- and under "Receipts for Contribution Works" is Rs. 57,88,62,533/- under Note No. 6 of Other Long Term Liabilities. As explained to us, "the amount received by PSTCL from outside parties to undertake works on their behalf are accounted under "Receipts for deposit works" and "Receipts for Contribution Works" under Other Long Term liability". That opening credit balance under "Receipts for deposit works" and "Receipts for Contribution Works" as on 01.04.2015 is Rs. 64,38,90,952/- and Rs. 54,47,44,660/- respectively. That during the audit it was observed that details are not available with the company as to whom these amounts are payable. These balances are un-reconciled and Un-confirmed, therefore we are unable to comment upon the accuracy of the figures and the effect of reconciliation on profit and loss account and Balance Sheet could not be ascertained.</p>	<p>Review meetings have been taken at corporate level with circle/division level in this regard and steps have been taken to prepare the details of concerned accounting units relating to these heads and its reconciliation at the division level.</p>

*Qal*

*[Signature]*  
Dy.CAO/A&R  
PSTCL Patiala

*[Signature]*  
Chief Financial Officer  
PSTCL Patiala

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Reply on Comments of the Comptroller and Auditor General of India u/s 143(6)(b) of the Companies Act 2013, on the annual accounts of Punjab State Transmission Corporation Limited for the year ended 31<sup>st</sup> March 2016

Sr. No	Observations raised by CAG	Reply by Management
A.	<b>Comments on Profitability</b>	
A.1	<b>Employees Benefit Expenses (Note No. 22)- Rs.403.97 crore</b>	
	<p>The above does not include liability of Dearness Allowance payable to employees for the period 01-01-2014 to 31-03-2016 which has resulted in understatement of "Other Current Liabilities" by Rs.12.82 crore and overstatement of "Reserves and Surplus" by Rs.10.34 crore and profit for the year 2015-16 by Rs.2.48 crore.</p>	<p>As per Sr. no. 27 of Accounting Standard 1 (AS-1) – Main principles, it is stated that if the fundamental accounting assumptions, viz. Going Concern, Consistency and Accrual are followed in financial statements, specific disclosure is not required. If a fundamental accounting assumption is not followed, the fact should be disclosed. A sufficient disclosure has already been made in the annual financial statements ending 31.03.2016 through significant accounting policy no. 8 (Expenses) – DA claims are accounted for on payment basis in the year these are paid.</p> <p>So there is no understatement of "Other Current Liabilities" by Rs.12.82 crore and overstatement of "Reserves and Surplus" by Rs.10.34 crore and profit for the year 2015-16 by Rs.2.48 crore on the basis of significant accounting policy taken by PSTCL.</p>
B.	<b>Comments on Financial Position</b>	
B.1	<b>Equity and Liabilities</b>	
	<b>Share Capital (Note No. 3)- Rs.605.88 crore</b>	
	<p>Persuant to the implementation of Punjab Power Sector Reforms Transfer Scheme, 2010, consumer's contribution, grants and subsidies amounting to Rs.338.97 crore were wrongly converted as capital of the State Government in the Company. This has resulted in overstatement of Share Capital and understatement of Reserve and Surplus by Rs.338.97 crore.</p>	<p>As already replied by the management on the comments of C&amp;AG on the accounts for the FY 2013-14 &amp; FY 2014-15, pursuant to the Punjab Power Sector Reforms Transfer Scheme 2010 as amended by Punjab Power Sector Reforms Transfer (First amendment) Scheme 2012, the Government of Punjab took over all the assets, liabilities, interest etc. of the PSEB and the same were vested in the State Govt. at the book value. The entire shareholding of State Govt. in PSEB including consumer contribution, grants and subsidies etc. stood cancelled and thereafter PSEB ceased to operate w.e.f. 16.04.2010. The transmission undertakings as classified under the Transfer Scheme 2010 were vested in PSTCL at a value with the stipulation that as a consideration for such transfer and vesting, the shares shall stand issued as may be notified by the State Govt. PSTCL was vested with the transmission undertaking at a total value of Rs.4114.28 crores as on 16.04.2010 as mentioned in the State Government Notification No. 1/4/04-EB(PR)/632 dated 24<sup>th</sup> December 2012 and in consideration of such vesting State Government was entitled to fully paid up equity shares of Rs.605.83 crores in share capital of PSTCL as per the said notification dated 24.12.2012. As such, there is no overstatement of Share capital and understatement of Reserve &amp; Surplus by Rs.338.97 crores.</p>

*On*

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**FORM NO. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2016**  
 [Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the  
 Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
 The Members,  
 PUNJAB STATE TRANSMISSION CORPORATION LIMITED,  
 PSEB HEAD OFFICE,  
 THE MALL, PATIALA (PUNJAB)

I have conducted the Secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **PUNJAB STATE TRANSMISSION CORPORATION LIMITED** CIN: U40109PB2010SGC033814 (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the **financial year ended on 31<sup>st</sup> March, 2016 ('Audit Period')** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

(A) I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; (Not applicable to the Company during the Audit period)
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; (Not applicable to the Company during the Audit period)
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (Not applicable to the Company during the Audit period)



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**I further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non-Executive Directors except as stated above in respect of Independent Directors only. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notices are given to all directors to schedule the Board Meetings, Agenda and detailed notes on agenda were sent and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously or by the majority as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

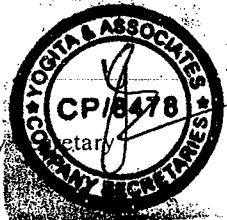
**I further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**I further report that** during the audit period:

The Company has enhanced the charge creation limit and borrowing limit under section 180(1) (a) &(c) of the Companies Act, 2013 upto Rs. 8000 Crores.

Yogita

Practising Company  
FCS No. 8511  
C.P. No. 8478



Place: Patiala  
Dated: 21.02.2017

**Note:** This report is to be read with my letter of even date which is annexed as 'ANNEXURE A' and forms an integral part of this report.

*Yogita*

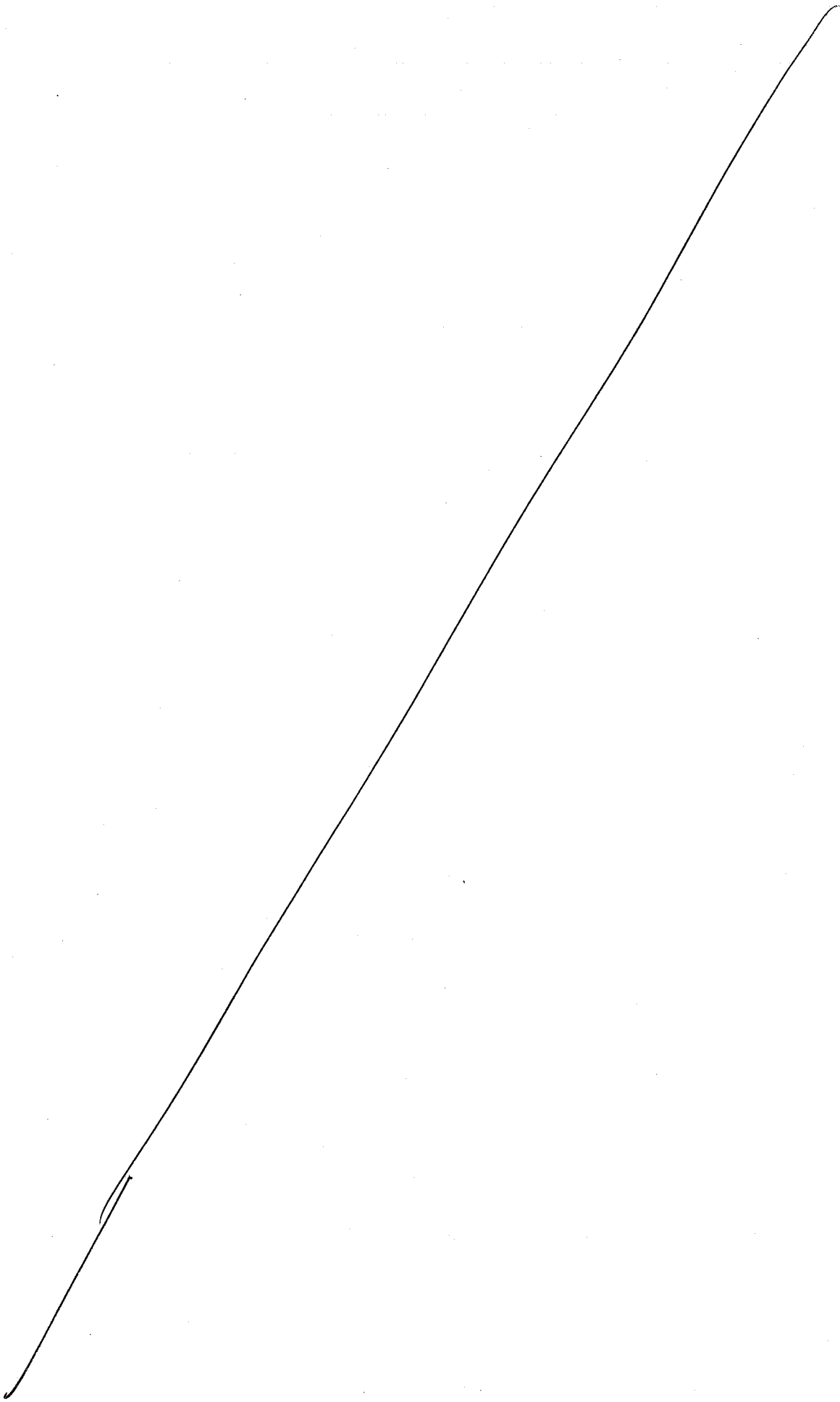
## ANNEXURE- D

REPLIES OF THE MANAGEMENT ON THE COMMENTS OF THE  
SECRETARIAL AUDITORS OF THE COMPANY FOR FY 2015-16

Reference No.	Observation Raised by Secretarial Auditors	Replies by the Management
1.	The Company has not appointed Independent Directors as required under section 149 of the Companies Act, 2013.	Directors of the Corporation are being appointed by the State Government for which a reference has already been made to the State Government for appointment of Independent Directors.
2.	The Company has not constituted Nomination Committee and remuneration Committee as required under section 178(1) of the Companies Act, 2013 read with Rule 6 of Companies (Meetings of Board and its Powers) Rules, 2014.	
3.	The Company has not spent any amount for CSR activities during the period under review.	The company has not spent any expenditure on CSR activities during the period under report due to delay in identification of projects as per CSR Policy.

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*[Signature]*  
Company Secretary  
PSTCL



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**Form No. MGT-9**  
**EXTRACT OF ANNUAL RETURN**  
**as on the Financial Year ended on 31<sup>st</sup> March, 2016**

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION & OTHER DETAILS:**

i	CIN	U40109PB2010SGC033814
ii	Registration Date	16.04.2010
iii	Name of the Company	PUNJAB STATE TRANSMISSION CORPORATION LIMITED
iv	Category / Sub-Category of the Company	COMPANY LIMITED BY SHARES/ PUNJAB GOVERNMENT COMPANY
v	Address of the Registered office and contact details	PSEB, Head Office, The Mall, Patiala
vi	Whether listed company	Unlisted
vii	Name, Address and Contact details of Registrar and Transfer Agent, if any	Not Applicable

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10 % or more of the total turnover of the company shall be stated

SL. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Transmission of Electric Energy	35107	100

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

SL. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
NOT APPLICABLE					

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**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**

**i) Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)	(X)
<b>A. PROMOTER</b>									
(1) INDIAN									
(a) Individual/HUF	0	0	0	0	0	0	0	0	0
(b) Central Govt./ State Govt (s)	0	605883465	605883465	100	0	605883465	605883465	100	0
(c) Bodies Corp.	0	0	0	0	0	0	0	0	0
(d) Banks / FI	0	0	0	0	0	0	0	0	0
(e) Any Other....	0	0	0	0	0	0	0	0	0
<b>SUB-TOTAL (A) (1)</b>	<b>0</b>	<b>605883465</b>	<b>605883465</b>	<b>100</b>	<b>0</b>	<b>605883465</b>	<b>605883465</b>	<b>100</b>	<b>0</b>
(2) FOREIGN									
(a) NRIs - Individuals	0	0	0	0	0	0	0	0	0
(b) Other - Individuals	0	0	0	0	0	0	0	0	0
(c) Bodies Corp.	0	0	0	0	0	0	0	0	0
(d) Banks / FI	0	0	0	0	0	0	0	0	0
(e) Any Other....	0	0	0	0	0	0	0	0	0
<b>SUB-TOTAL (A) (2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL SHAREHOLDING OF PROMOTER (A) = (A)(1)+(A)(2)</b>	<b>0</b>	<b>605883465</b>	<b>605883465</b>	<b>100</b>	<b>0</b>	<b>605883465</b>	<b>605883465</b>	<b>100</b>	<b>0</b>
<b>B. PUBLIC SHAREHOLDING</b>									
(1) INSTITUTIONS									
(a) Mutual Funds	0	0	0	0	0	0	0	0	0
(b) Banks / FI	0	0	0	0	0	0	0	0	0
(c) Central Govt/State Govt.(s)	0	0	0	0	0	0	0	0	0
(d) Venture Capital Funds	0	0	0	0	0	0	0	0	0
(e) Insurance Companies	0	0	0	0	0	0	0	0	0
(f) FIIs	0	0	0	0	0	0	0	0	0
(g) Foreign Venture Capital	0	0	0	0	0	0	0	0	0
(h) Others (specify)	0	0	0	0	0	0	0	0	0
<b>SUB-TOTAL (B) (1)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

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(2) NON-INSTITUTIONS									
(a) Bodies Corporate	0	0	0	0	0	0	0	0	0
(b) Individuals	0	0	0	0	0	0	0	0	0
(c) Others	0	0	0	0	0	0	0	0	0
<b>SUB-TOTAL (B) (2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Total (B)=(B) (1) + (B) (2)	0	0	0	0	0	0	0	0	0
(C) Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
<b>GRAND TOTAL (A+B+C)</b>	<b>0</b>	<b>605883465</b>	<b>605883465</b>	<b>100</b>	<b>0</b>	<b>605883465</b>	<b>605883465</b>	<b>100</b>	<b>0</b>

**(ii) SHAREHOLDING OF PROMOTERS**

Sr. No.	Shareholder's Name	Shareholding at the beginning of the Year			Share Holding at the end of the Year			% Change in Share Holding During The Year
		No. of Shares	% of total Shares of the Company	% of Shares pledged / encumbered to total Shares	No. of Shares	% of total Shares of the Company	% of Shares pledged / encumbered to total Shares	
1	Governer of Punjab	605833465	99.990	0	605833465	99.990	0	0
2	Sh. Sarvesh Kaushal, IAS	5000	0.001	0	5000	0.001	0	0
3	Sh. D.P. Reddy, IAS	0	0	0	5000	0.001	0	0.001
4	Sh. A. Venu Prasad, IAS	0	0	0	5000	0.001	0	0.001
5	Sh. Arun Sekhri, IAS	0	0	0	5000	0.001	0	0.001
6	Sh. Jaspal Singh, IAS	5000	0.001	0	5000	0.001	0	0
7	Sh. Anurag Verma, IAS	5000	0.001	0	5000	0.001	0	0
8	Sh. Umakanta Panda, CMD, PSTCL	0	0	0	5000	0.001	0	0.001
9	Er. Karan Deep Chaudhri, CMD, PSPCL	5000	0.001	0	5000	0.001	0	0
10	Sh. Umakanta Panda, Director/F&C, PSTCL	5000	0.001	0	5000	0.001	0	0
11	Sh. Subash Chand Arora, Director/Finance, PSPCL	5000	0.001	0	5000	0.001	0	0
12	Ms. Vini Mahajan, IAS	5000	0.001	0	0	0	0	0.001
13	Sh. Anirudh Tewari, IAS	5000	0.001	0	0	0	0	0.001
14	Sh. Anurag Agarwal, IAS	5000	0.001	0	0	0	0	0.001
15	Sh. Narinder Singh Brar, PCS	5000	0.001	0	0	0	0	0.001
	<b>Total</b>	<b>605883465</b>	<b>100.000</b>	<b>0</b>	<b>605883465</b>	<b>100.000</b>	<b>0</b>	<b>0</b>

Sr. No. 2 to 15 are / were nominees of Government of Punjab.

**(iii) Change in Promoters' Shareholding ( please specify, if there is no change)**

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	605883465	100	605883465	100

*Qad*

Date wise increase / decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL	NIL	NIL	NIL
At the end of the year	605883465	100	605883465	100

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	For Each of the Top 10 Shareholders				
	At the beginning of the year				
	Date wise increase / decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	NOT APPLICABLE			
	At the end of the year ( or on the date of separation, if separated during the year)				

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Sh. Anurag Agarwal, IAS (CMD)				
	At the beginning of the year	5000	0.001	5000	0.001
	Date wise increase / (decrease) in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
	24.04.2015- Due to relinquishment of charge of the post of CMD, shares have been transferred to Sh. Anirudh Tewari, IAS, in compliance of the Government of Punjab, Department of Power (Energy Branch) order dated 19 <sup>th</sup> September, 2013.	(5000)	(0.001)	(5000)	(0.001)
	At the end of the year	0	0	0	0
2	Sh. Anirudh Tewari, IAS, (CMD)				
	Shareholding at the beginning of the year				
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	0	0	0	0

01

	Date wise increase / (decrease) in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
	24.04.2015- Due to assumption of charge of the post of CMD in place of Sh. Anurag Agarwal, IAS, shares have been transferred in compliance of the Government of Punjab, Department of Power (Energy Branch) order dated 19 <sup>th</sup> September, 2013.	5000	0.001	5000	0.001
	30.06.2015- Due to relinquishment of charge of the post of CMD, shares have been transferred to Sh. Umakanta Panda in compliance of the Government of Punjab, Department of Power (Energy Branch) order dated 19 <sup>th</sup> September, 2013.	(5000)	(0.001)	(5000)	(0.001)
	At the end of the year	0	0	0	0

3	Sh. Umakanta Panda (CMD)	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	0	0	0	0
	Date wise increase / (decrease) in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
	30.06.2015- Due to assumption of charge of the post of CMD, in place of Sh. Anirudh Tewari, IAS, shares have been transferred in compliance of the Government of Punjab, Department of Power (Energy Branch) order dated 19 <sup>th</sup> September, 2013.	5000	0.001	5000	0.001
	At the end of the year	5000	0.001	5000	0.001

4	Sh. Anirudh Tewari, IAS, Director (ex-Officio)	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	5000	0.001	5000	0.001

*02*

Date wise increase / (decrease) in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
30.06.2015- Due to relinquishment of charge of the post of Principal Secretary/Power, shares have been transferred to Sh. Anurag Agarwal, IAS in compliance of the Government of Punjab, Department of Power (Energy Branch) order dated 19 <sup>th</sup> September, 2013.	(5000)	(0.001)	(5000)	(0.001)
At the end of the year	0	0	0	0

5	Sh. Anurag Agarwal, IAS, Director (ex-Officio)	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	0	0	0	0
	Date wise increase / (decrease) in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
	30.06.2015- Due to assumption of charge of the post of Principal Secretary/Power in place of Sh. Anirudh Tewari, IAS, shares have been transferred in compliance of the Government of Punjab, Department of Power (Energy Branch) order dated 19 <sup>th</sup> September, 2013.	5000	0.001	5000	0.001
	02.11.2015- Due to relinquishment of charge of the post of Principal Secretary/Power, shares have been transferred to Sh. A. Venu Prasad, IAS, in compliance of the Government of Punjab, Department of Power (Energy Branch) order dated 19 <sup>th</sup> September, 2013.	(5000)	(0.001)	(5000)	(0.001)
	At the end of the year	0	0	0	0

6	Sh. A. Venu Prasad, IAS, Director (ex-Officio)	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	0	0	0	0

*09/*

	Date wise increase / (decrease) in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
	02.11.2015- Due to assumption of charge of the post of Principal Secretary to Government of Punjab, Department of Power, in place of Sh. Anurag Agarwal, IAS, shares have been transferred in compliance of the Government of Punjab, Department of Power (Energy Branch) order dated 19 <sup>th</sup> September, 2013.	5000	0.001	5000	0.001
	At the end of the year	5000	0.001	5000	0.001

7	<b>Ms. Vini Mahajan, IAS, Director (ex-Officio)</b>	<b>Shareholding at the beginning of the year</b>		<b>Cumulative Shareholding during the year</b>	
		<b>No. of shares</b>	<b>% of total shares of the company</b>	<b>No. of shares</b>	<b>% of total shares of the company</b>
	At the beginning of the year	5000	0.001	5000	0.001
	Date wise increase / (decrease) in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
	30.06.2015- Due to relinquishment of charge of the post of Principal Secretary to Government of Punjab, Department of Finance, shares have been transferred to Sh. D.P. Reddy, IAS in compliance of the Government of Punjab, Department of Power (Energy Branch) order dated 19 <sup>th</sup> September, 2013.	(5000)	(0.001)	(5000)	(0.001)
	At the end of the year	0	0	0	0

8	<b>Sh. D.P. Reddy, IAS, Director (ex-Officio)</b>	<b>Shareholding at the beginning of the year</b>		<b>Cumulative Shareholding during the year</b>	
		<b>No. of shares</b>	<b>% of total shares of the company</b>	<b>No. of shares</b>	<b>% of total shares of the company</b>
	At the beginning of the year	0	0	0	0
	Date wise increase / (decrease) in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
	30.06.2015- Due to assumption of charge of the post of Principal Secretary to Government of Punjab, Department of Finance, in place of Ms. Vini Mahajan, IAS, shares have been transferred in compliance of the Government of Punjab, Department of Power	5000	0.001	5000	0.001

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	(Energy Branch) order dated 19 <sup>th</sup> September, 2013.				
	At the end of the year	5000	0.001	5000	0.001

9	Sh. Umakanta Panda (Director/Finance & Commercial)	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	5000	0.001	5000	0.001
	Date wise increase / decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0	0	0	0
	At the end of the year	5000	0.001	5000	0.001

10	Sh. Niraj Hit Abhilashi Tayal (Director/Administration)	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	0	0	0	0
	Date wise increase / decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0	0	0	0
	At the end of the year	0	0	0	0

11	Smt. Shashi Prabha, (Director/Technical)	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	0	0	0	0
	Date wise increase / decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0	0	0	0
	At the end of the year	0	0	0	0

12	Sh. Jasvir Singh, (Company Secretary)	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	0	0	0	0
	Date wise increase / decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0	0	0	0

*Handwritten signature*

	At the end of the year	0	0	0	0
13	Sh. Surinder Kumar Beri, (Chief Financial Officer)	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	0	0	0	0
	Date wise increase / decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0	0	0	0
	At the end of the year	0	0	0	0

#### IV. INDEBTEDNESS

##### Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year 1.4.2014</b>				
i) Principal Amount	3491,43,71,013	839,03,13,996	0	4330,46,85,009
ii) Interest due but not paid	1,03,61,645	0	0	1,03,61,645
iii) Interest accrued but not due	10,42,62,054	0	0	10,42,62,054
<b>Total (i + ii + iii)</b>	<b>3502,89,94,712</b>	<b>839,03,13,996</b>	<b>0</b>	<b>4341,93,08,708</b>
<b>Change in Indebtedness during the financial year</b>				
• Addition	805,39,41,578	0	0	805,39,41,578
• Reduction	265,23,21,716	149,67,36,745	0	414,90,58,461
<b>Net Change</b>	<b>540,16,19,862</b>	<b>-149,67,36,745</b>	<b>0</b>	<b>3,90,48,83,117</b>
<b>Indebtedness at the end of the financial year 31.3.2015</b>				
i) Principal Amount	4032,49,81,453	6,89,35,77,251	0	4721,85,58,704
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	10,56,33,121	0	0	10,56,33,121
<b>Total (i + ii + iii)</b>	<b>4043,06,14,574</b>	<b>689,35,77,251</b>	<b>0</b>	<b>4732,41,91,825</b>

Note: Secured Loans excluding deposits includes short term secured borrowings amounting Rs. 253,82,66,111/-

#### VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

##### A. Remuneration to Managing Director, Whole-time Directors and/or Manager for FY-2015-16:

Sl. no.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		Sh. Umakanta Panda Director/F&C	Sh. Niraj Hit Abhilashi Tayal Director/Administration	Smt. Shashi Prabha Director/Technical	
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	20,03,056	19,75,280	18,07,461	57,85,797
	(b) Value of	1,36,011	32,400	82,760	2,51,171

*[Handwritten Signature]*

	perquisites u/s 17(2) of the Income-tax Act, 1961				
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission - as % of profit - others, specify...	-	-	-	-
5.	Others, please specify	-	-	-	-
	<b>Total</b>	<b>21,39,067</b>	<b>20,07,680</b>	<b>18,90,221</b>	<b>60,36,968</b>
	Ceiling as per the Act	NOT APPLICABLE TO THE GOVERNMENT COMPANY			

**B. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD for FY 2015-16**

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Sh. Jasvir Singh Company Secretary	Sh. Surinder Kumar Beri CFO	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	13,22,539	17,57,555	<b>30,80,094</b>
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	-	11,160	1,27,176	<b>1,38,336</b>
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission - as % of profit - others, specify	-	-	-	-
5.	Others, please specify	-	-	-	-
	<b>Total</b>	-	<b>13,33,699</b>	<b>18,84,731</b>	<b>32,18,430</b>

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
<b>A. COMPANY - NIL-</b>					
Penalty					
Punishment					
Compounding					

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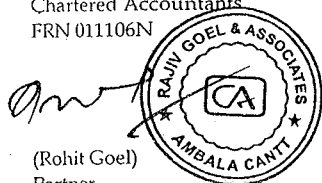
<b>B. DIRECTORS</b>						<b>- NIL -</b>					
Penalty											
Punishment											
Compounding											
<b>C. OTHER OFFICERS IN DEFAULT</b>						<b>- NIL -</b>					
Penalty											
Punishment											
Compounding											

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Sr. No.	Particulars	Note No.	Figures As at 31st March, 2016	Figures As at 31st March, 2015
I	<b>EQUITY AND LIABILITIES</b>			
1	<b>Shareholders' Funds</b>			
	(a) Share Capital	3	6,05,88,34,650	6,05,88,34,650
	(b) Reserves & Surplus	4	22,63,83,55,718	22,61,81,56,232
	(c) Money received against share warrants		-	-
			28,69,71,90,368	28,67,69,90,882
2	Share Capital pending allotment		-	-
3	<b>Non-Current liabilities</b>			
	(a) Long-term borrowings	5		
	(i) Secured loans	5.1	34,06,43,00,705	30,89,28,50,066
	(ii) Unsecured loans	5.2	6,27,30,36,755	6,89,36,16,360
	(b) Deferred tax liabilities (Net)		-	-
	(c) Other long-term liabilities	6	1,53,73,89,946	1,52,07,46,622
	(d) Long-term provisions	7	4,75,16,847	2,78,16,413
			41,92,22,44,253	39,33,50,29,461
4	<b>Current Liabilities</b>			
	(a) Short-term borrowings	8	2,53,82,66,111	1,77,06,56,178
	(b) Trade payables			
	(i) Total outstanding dues of micro enterprises & small enterprises		-	-
	(ii) Total outstanding dues of creditors other than micro enterprises & small enterprises		-	-
	(c) Other current liabilities	9	6,07,02,51,555	6,17,21,29,811
	(d) Short-term provisions	10	1,06,64,73,286	1,48,77,17,746
			9,67,49,90,952	9,43,05,03,735
	<b>TOTAL</b>		<b>80,29,44,25,573</b>	<b>77,44,25,24,078</b>
II	<b>ASSETS</b>			
1	<b>Non current assets</b>			
	(a) Fixed assets			
	(i) Tangible assets	11	65,41,77,57,088	64,25,90,48,585
	(ii) Intangible assets		-	-
	(iii) Capital work-in-progress	12	7,61,64,92,987	7,39,71,25,853
	(iv) Intangible assets under development		-	-
	(b) Non-current investments		-	-
	(c) Deferred tax assets (Net)		-	-
	(d) Long-term loans and advances	13	63,91,002	48,30,237
	(e) Other non-current assets	14	61,90,03,631	66,36,53,550
			73,65,96,44,708	72,32,46,58,225
2	<b>Current assets</b>			
	(a) Current investments		-	-
	(b) Inventories	15	1,32,18,39,629	1,58,79,39,350
	(c) Trade receivables	16	3,81,07,67,037	1,85,47,82,493
	(d) Cash & cash equivalents	17	70,32,994	1,42,81,490
	(e) Short-term loans & advances	18	1,43,38,45,429	1,63,89,02,427
	(f) Other current assets	19	6,12,95,776	2,19,60,093
			6,63,47,80,865	5,11,78,65,853
	<b>TOTAL</b>		<b>80,29,44,25,573</b>	<b>77,44,25,24,078</b>
	<b>Significant accounting policies</b>	2		
<b>The accompanying Notes 1 to 44 are an integral part of financial statements</b>				

As per our report of even date attached  
For Rajiv Goel & Associates  
Chartered Accountants  
FRN 011106N

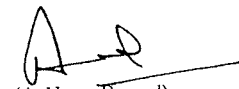


(Rohit Goel)  
Partner  
M.No 091756  
Place: Patiala  
Date: 27/12/2016

For and on behalf of the Board

  
(U.K. Panda)  
Director/F & C

  
(S.K. Beri)  
Chief Financial Officer

  
(A. Venu Prasad)  
Chairman-cum-Managing  
Director

  
(Jasvir Singh)  
Company Secretary



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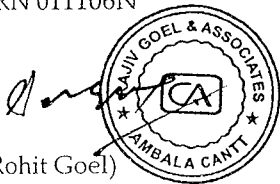
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## Statement of Profit &amp; Loss for the year ended 31st March 2016

Figures in Rupees

Sr. No.	Particulars	Note No.	For the year ended 31st March, 2016	For the year ended 31st March, 2015
1	Revenue from operations	20	11,77,18,26,854	9,52,58,55,855
2	Other income	21	29,52,90,357	19,35,35,661
3	<b>Total Revenue (1+2)</b>		<b>12,06,71,17,211</b>	<b>9,71,93,91,516</b>
4	<b>Expenses</b>			
	(a) Employee benefit expenses	22	4,03,97,13,486	3,71,15,27,933
	(b) Finance costs	23	4,76,59,81,522	3,73,98,93,576
	(c) Depreciation & amortization expenses	24	2,55,64,61,253	2,28,91,29,207
	(d) Other expenses			
	(i) Repairs & maintenance	25	38,55,80,771	37,15,75,006
	(ii) Administration & General expenses	26	16,55,61,495	14,44,47,301
	(iii) ULDC charges	27	11,75,65,557	8,42,77,979
	(iv) Others debits	28	1,60,53,641	56,50,842
	<b>Total expenses</b>		<b>12,04,69,17,725</b>	<b>10,34,65,01,844</b>
5	<b>Profit/(Loss) before tax (3-4)</b>		<b>2,01,99,486</b>	<b>(62,71,10,328)</b>
6	<b>Tax expense</b>			
	(a) Current tax		0	0
	(b) Deferred tax		0	0
7	<b>Profit/(Loss) after tax from continuing operations (5-6)</b>		<b>2,01,99,486</b>	<b>(62,71,10,328)</b>
8	<b>Earnings per equity share (Rs.)</b>	30		
	(a) Basic		0.03	(1.04)
	(b) Diluted		0.03	(1.04)
<b>The accompanying Notes 1 to 44 are an integral part of financial statements</b>				

As per our report of even date attached  
For Rajiv Goel & Associates  
Chartered Accountants  
FRN 011106N



(Rohit Goel)  
Partner  
M.No 091756  
Place: Patiala  
Date: 27/12/2016

*Rohit Goel*

For and on behalf of the Board

*U.K. Panda*  
(U.K.Panda)  
Director/F & C

*S.K. Beri*  
(S.K.Beri)  
Chief Financial Officer

*A. Venu Prasad*  
(A. Venu Prasad)  
Chairman-cum-Managing  
Director

*Jasvir Singh*  
(Jasvir Singh)  
Company Secretary

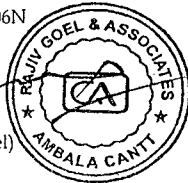
Punjab State Transmission Corporation Limited  
Cash Flow Statement for the year ended 31st March 2016

Figures in Rupees

Sr. No.	PARTICULARS	For the Year Ended 31st March, 2016		For the Year Ended 31st March, 2015	
(A)	Cash Flow from Operating Activities				
	Net Profit/(Loss) before tax as per statement of profit and loss account		2,01,99,486		(62,71,10,328)
	Adjustment for:				
i	Depreciation	2,55,64,61,253		2,28,91,29,207	
ii	Interest and Finance charges	4,76,59,81,522		3,73,98,93,576	
iii	Excess provision for Income tax withdrawn	(31,13,374)		0	
iv	Provision for unservicable items	1,09,48,999		3,68,181	
v	Provision for obsolete items, losses under investigation and for bad & doubtful debts withdrawn	(4,62,17,010)		(1,32,39,951)	
vi	Provision for Terminal benefits	1,98,96,114	7,30,39,57,504	1,36,74,244	6,02,98,25,257
	Operating Profit/(Loss) before working capital changes		7,32,41,56,990		5,40,27,14,929
	Adjustment for working capital changes:				
	Current Assets				
i	(Increase)/Decrease in Inventories	25,66,82,507		(13,89,56,056)	
ii	(Increase)/Decrease in Trade receivables	(1,95,59,84,544)		19,19,10,134	
iii	(Increase)/Decrease in Short-term loans & advances	4,55,103		(8,02,046)	
iv	(Increase)/Decrease in Long-term loans & advances	(15,60,765)		37,57,726	
v	(Increase)/Decrease in Other current assets	(3,93,35,683)		60,94,682	
vi	(Increase)/Decrease in Other non-current assets	8,93,35,144		6,47,91,750	
	Current liabilities:				
i	Increase/(Decrease) in Other current liabilities	(68,82,79,646)		(1,42,70,04,607)	
ii	Increase/(Decrease) in Other long-term liabilities	1,66,43,324		13,18,50,710	
	Net working capital change		(2,32,20,44,560)		(1,16,83,57,707)
	Cash generated from operations		5,00,21,12,430		4,23,43,57,222
	Income tax paid		(21,37,24,871)		(33,71,74,464)
	Net Cash from operating activities		4,78,83,87,559		3,89,71,82,758
(B)	Cash Flow from investing activities				
i	Net addition of fixed assets	(3,71,51,69,756)		(14,87,72,27,067)	
ii	Net addition of capital work-in-progress	(21,93,67,134)		9,19,42,55,148	
	Net Cash used in investing activities		(3,93,45,36,890)		(5,68,29,71,919)
(C)	Cash Flow from financing activities				
i	Proceeds from issue of Share Capital	0		0	
ii	Change in long-term borrowings - secured loans	4,64,30,00,507		5,85,06,68,100	
iii	Change in long-term borrowings - unsecured loans	(1,49,67,36,745)		(1,49,67,39,064)	
iv	Change in short-term borrowings	76,76,09,933		1,15,84,27,870	
v	Interest paid	(4,77,49,72,860)		(3,72,40,85,988)	
	Net Cash from financing activities		(86,10,99,165)		1,78,82,70,918
(D)	Net Increase/(Decrease) in cash and cash equivalents (A+B+C)		(72,48,496)		24,81,757
(E)	Cash and cash equivalents at the beginning of the year		1,42,81,490		1,17,99,733
(F)	Cash and cash equivalents at the end of the year		70,32,994		1,42,81,490

As per our report of even date attached  
For Rajiv Goel & Associates  
Chartered Accountants  
FRN 011106N

(Rohit Goel)  
Partner  
M.No 091756  
Place: Patiala  
Date: 27/12/2016



For and on behalf of the Board

(U.K.Panda)  
Director/F & C

(S.K.Beri)  
Chief Financial Officer

(A. Venu Prasad)  
Chairman-cum-Managing  
Director

(Jasvir Singh)  
Company Secretary

**Note 1: General Information**

Punjab State Transmission Corporation Limited (PSTCL) was incorporated on 16<sup>th</sup> April, 2010 under the Companies Act, 1956. The Certificate of commencement of Business was received on the same date from Registrar of Companies, Chandigarh.

The Govt. of Punjab restructured the Punjab State Electricity Board under the provisions of the Electricity Act, 2003. In exercise of Powers conferred by Section 131,132 and 133 of the Act, the Govt. of Punjab made a Scheme called the Punjab Power Sector Reforms Transfer Scheme, 2010 vide Notification dated 16.4.2010 which interalia provided for transfer of functions, undertakings assets, properties, rights, liabilities, obligations, proceedings and personnel of Punjab State Electricity Board. The Scheme was subsequently amended by State Govt. by making a Scheme called the Punjab Power Sector Reforms Transfer (First Amendment) Scheme, 2012 which was notified on 24.12.2012.

In exercise of the powers conferred by sub clause 4 of clause 5 of the Transfer Scheme read with Section 131, 132 & 133 of the Act, the Govt. of Punjab transferred and vested the transmission undertakings with Punjab State Transmission Corporation Limited (PSTCL) vide Notification nos. 1/4/04-EB/PR/620 & 632 dated 24.12.2012 by vesting the transmission undertaking with an aggregate value of Rs. 4114.28 crores as on 16.04.2010 and from the said date, Company is carrying on the business of transmission of electricity in the State of Punjab and discharging the functions of SLDC.

**Note 2: Significant Accounting Policies**

**1. Basis of preparation**

The financial statements are prepared on accrual basis of accounting under the historical cost convention in accordance with generally accepted accounting principles in India and relevant provisions of the Companies Act, 2013 to the extent notified and the Companies Act, 1956 to the extent applicable including Accounting Standards notified there under and the provisions of the Electricity Act, 2003 to the extent applicable.

**2. Fixed assets**

- Fixed assets are shown at historical cost comprising of purchase price and any attributable cost of bringing the assets to its working condition for its intended use.
- In case of assets 100% funded by consumer contribution, grant and subsidies, amount equal to the annual depreciation on such asset has been transferred from capital reserve to depreciation.
- In case of assets part funded by consumer contribution, grants and subsidies, proportionate amount of the annual depreciation has been transferred from capital reserve to depreciation and balance depreciation is transferred to Profit & Loss Account.
- In respect of supply-cum-erection contracts, the value of supplies received at site and accepted is treated as Capital Work-in-progress.
- Claims for price variation/exchange rate variation in case of contracts are accounted for on acceptance of claims.

**3. Capital Work-in-Progress**

Capital Work-in-progress includes the cost incurred on fixed assets that are not ready for intended use. All expenditures of Transmission system Organization are allocated to the capital projects on pro rata basis.



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8. Expenses

All expenses are accounted for on accrual basis except leave travel concessions, medical reimbursements, TA/DA claims and arrears of salary which are accounted for on payment basis in the year these are paid.

9. Depreciation

- In line with Part B of Schedule II to Companies Act 2013, with effect from 1<sup>st</sup> April 2014, depreciation is provided as per PSERC (Terms & Conditions for determination of Tariff) Regulations, 2005 (as amended in 2012). In accordance with PSERC Regulations, 2005, depreciation is calculated annually based on Straight Line Method at rates specified in Appendix II of CERC (Terms & Conditions of Tariff) Regulations, 2014.
- The fixed assets are depreciated up to 90% of the original cost after taking 10% as residual value of assets. However, the leasehold assets are fully amortized over the entire lease period as per the terms of the lease agreement.
- Temporary erections are depreciated fully (100%) in the year of acquisitions/capitalization by taking the WDV as Re. 1/- for control purpose.
- Depreciation on additions to/deductions from fixed assets during the year is charged on pro-rata basis from the month of such addition or as the case may be upto the month in which such asset is sold, discarded, demolished or destroyed.
- Assets costing up to Rs. 5,000/- each are fully depreciated in the year of acquisition except where specific classification has been prescribed for the purpose of depreciation under the classification Furniture & Fixtures and Office Equipment.

10. Terminal benefits

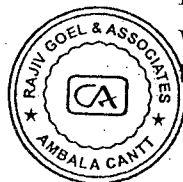
- All the employees working in PSTCL covered under the Pension Scheme are on deputation/secondment from PSPCL.
- Pursuant to the Punjab Power Sector Reforms Transfer (First Amendment) Scheme 2012, there shall be common Employee Benefit Trusts for Pension, Gratuity and Leave Encashment for both PSTCL and PSPCL which shall be progressively funded by PSPCL & PSTCL respectively, as decided by Punjab State Electricity Regulatory Commission, in the ratio of 88.64 : 11.36 over a period of 15 Financial Years commencing from 1<sup>st</sup> April, 2014. The terminal benefits liability accruing during the period of progressive funding, and thereafter, shall be shared in the same ratio by the both corporations. The actual amount of pension, gratuity and leave encashment paid/to be paid on and with effect from 16<sup>th</sup> April, 2010 to 31<sup>st</sup> March, 2014 shall be shared by the PSPCL and PSTCL, in the ratio of 88.64 : 11.36 on yearly basis.
- Provision towards Gratuity and Leave Encashment in respect of employees recruited by the company are made based on actuarial valuation.

11. Impairment Loss

The carrying amount of assets is reviewed at each balance sheet date. An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged when the asset is identified as impaired.

12. Provisions and contingent liabilities

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are



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Note 3: Share Capital

Sr. No.	Particulars	Account Code	As at 31st March, 2016	As at 31st March, 2015
			Rs.	Rs.
(a)	Authorised: 3,00,00,00,000 Equity shares of Rs. 10/- each		30,00,00,00,000	30,00,00,00,000
	<b>Total</b>		30,00,00,00,000	30,00,00,00,000
(b)	Issued, Subscribed and Paid up: 60,58,83,465 equity shares of Rs. 10/- each fully paid up	54.5	6,05,88,34,650	6,05,88,34,650
	<b>Total</b>		6,05,88,34,650	6,05,88,34,650

Note 3.1

The company has one class of equity shares having a par value of Rs.10/- each per share. Each holder of equity share is entitled to one vote per share. Company has no preference shares.

Note 3.2

Disclosure pursuant to Note no. 6(A)(d) of Part I of Schedule III to the Companies Act, 2013 - No. of Shares at the beginning & at the end of reporting period

Sr. No.	Particulars	As at 31st March, 2016		As at 31st March, 2015	
		Equity Shares		Equity Shares	
		Number	Amount	Number	Amount
1	Shares outstanding at the beginning of the year	60,58,83,465	6,05,88,34,650	60,58,83,465	6,05,88,34,650
2	Shares issued during the year	0	0	0	0
3	Shares bought back during the year	0	0	0	0
4	Shares outstanding at the end of the year	60,58,83,465	6,05,88,34,650	60,58,83,465	6,05,88,34,650

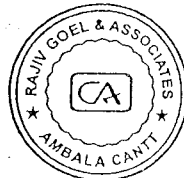
Note 3.3

Disclosure pursuant to Note no. 6(A)(g) of Part I of Schedule III to the Companies Act, 2013 - Detail of Share holders holding more than 5 % of Shares in the Company

Sr. No.	Name of Shareholder	Class of Share	As at 31st March, 2016		As at 31st March, 2015	
			No. of Shares Held	Percentage	No. of Shares held	Percentage
1	Governer of Punjab	Equity	60,58,33,465	99.990	60,58,33,465	99.990
2	Sh. Sarvesh Kaushal, IAS	Equity	5,000	0.001	5,000	0.001
3	Sh. D.P. Reddy, IAS	Equity	5,000	0.001	0	0.000
4	Sh. A. Venu Prasad, IAS	Equity	5,000	0.001	0	0.000
5	Sh. Arun Sekhri, IAS	Equity	5,000	0.001	0	0.000
6	Sh. Jaspal Singh, IAS	Equity	5,000	0.001	5,000	0.001
7	Sh. Anurag Verma, IAS	Equity	5,000	0.001	5,000	0.001
8	Sh. Umakanta Panda, CMD, PSTCL	Equity	5,000	0.001	0	0.000
9	Er. Karan Deep Chaudhri, CMD, PSPCL	Equity	5,000	0.001	5,000	0.001
10	Sh. Umakanta Panda, Director/F&C, PSTCL	Equity	5,000	0.001	5,000	0.001
11	Sh. Subash Chand Arora, Director/Fin., PSPCL	Equity	5,000	0.001	5,000	0.001
12	Ms Vini Mahajan, IAS	Equity	0	0.000	5,000	0.001
13	Sh. Anirudh Tewari, IAS	Equity	0	0.000	5,000	0.001
14	Sh. Anurag Agarwal, IAS	Equity	0	0.000	5,000	0.001
15	Sh. Narinder Singh Brar, PCS	Equity	0	0.000	5,000	0.001
	<b>Total</b>		60,58,83,465	100.000	60,58,83,465	100.000

Share holders at Sr. No. 2 to 11 as at 31st March, 2016 are the nominees of Government of Punjab.

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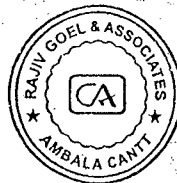


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Note 4: Reserves & Surplus

Sr. No.	Particulars	Account Code	As at 31st March, 2016 Rs.	As at 31st March, 2015 Rs.
1	General Reserves			
	Opening Balance	56.1	2,00,05,121	2,00,05,121
	Add : Addition during the year		0	0
	Less : Utilized/transferred during the year		0	0
	Closing balance		2,00,05,121	2,00,05,121
2	Capital Reserves			
	Opening Balance	56.2	18,45,82,07,825	18,45,82,07,825
	Add : Addition during the year		16,28,70,583	0
	Less : Utilized/transferred during the year		0	0
	Closing balance		18,62,10,78,408	18,45,82,07,825
3	Other Reserves			
	Reserve for Material Cost Variance Account			
	Opening Balance	56.6	16,28,70,583	14,70,37,480
	Add : Addition during the year		0	1,58,33,103
	Less : Utilized/transferred during the year		16,28,70,583	0
	Closing balance		0	16,28,70,583
4	Surplus			
	Opening Balance		3,97,70,72,703	4,60,41,83,031
	Add : Net Profit/(Loss) after tax for the current year		2,01,99,486	(62,71,10,328)
	Less : Utilized/transferred during the year		0	0
	i) Interim dividend paid		0	0
	ii) Proposed dividend		0	0
	iii) Transfer to Reserve		0	0
	Closing balance		3,99,72,72,189	3,97,70,72,703
	Total		22,63,83,55,718	22,61,81,56,232

Note 4.1 The balance of "Reserve for Material Cost Variance Account" as on 31.03.2015 has been transferred to "Capital Reserves" during the year.



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Punjab State Transmission Corporation Limited

Sr. No.	Particulars	Date of Availment of Loan	Date of Maturity of Loan	Account Code	As at 31st March, 2016			As at 31st March, 2015			
					Total Long Term Borrowings	Current Maturities of Long term borrowings i.e. other Current Liabilities	Non Current Liabilities - Long Term Borrowings	Total Long Term Borrowings	Current Maturities of Long term borrowings i.e. other Current Liabilities	Non Current Liabilities - Long Term Borrowings	
					(A) Rs.	(B) Rs.	(C)=(A)-(B) Rs.	(A) Rs.	(B) Rs.	(C)=(A)-(B) Rs.	
1	Term Loans from Life Insurance Corp. of India										
i	11% (Fixed) payable annually secured against Hypothecation of assets & Default Escrow	16.04.2010	15.07.2015	52.501	0	0	8,33,33,338	8,33,33,338	0		
ii	11% (Fixed) payable annually secured against Hypothecation of assets & Default Escrow	16.04.2010	15.01.2016	52.501	0	0	9,75,00,000	9,75,00,000	0		
iii	11% (Fixed) payable annually secured against Punjab Government Guarantee, Hypothecation of assets & Default Escrow	16.04.2010	15.07.2017	52.501	23,40,00,000	11,70,00,000	35,10,00,000	11,70,00,000	23,40,00,000		
iv	11% (Fixed) payable annually secured against Hypothecation of assets & Default Escrow	16.04.2010	15.07.2018	52.501	33,39,99,000	11,13,33,000	44,53,32,000	11,13,33,000	33,39,99,000		
	Total				56,79,99,000	22,83,33,000	97,71,65,338	40,91,66,338	56,79,99,000		
2	Term Loans from Rural Electrification Corporation										
i	8% to 12.50% p.a. with 3 year reset clause secured against Punjab State Government Guarantee & Default Escrow	16.04.2010	31.12.2012 to 31.03.2019	53.301	9,79,07,518	3,88,62,102	19,14,11,473	9,35,03,954	9,79,07,518		
ii	8% to 12.50% p.a. with 3 year reset clause secured against Punjab State Government Guarantee, Hypothecation of future assets & Default Escrow	16.04.2010	15.02.2020 to 15.02.2021	53.301	1,28,10,95,263	27,72,31,284	1,55,83,26,547	27,72,31,285	1,28,10,95,262		
iii	8% to 12.50% p.a. with 3 year reset clause secured against Hypothecation of future assets & Default Escrow	16.04.2010	15.06.2022 to 15.08.2022	53.301	54,57,90,466	7,79,70,066	62,37,60,532	7,79,70,066	54,57,90,466		
iv	11% to 12.50% p.a. with 3 year reset clause secured against Hypothecation of future assets & Default Escrow	07.09.2010 to 31.03.2016	3 + 15 Years	53.301	27,32,33,13,697	1,60,06,79,998	26,07,69,01,527	1,28,18,73,126	24,79,50,28,401		
v	12% to 12.25% p.a. with 3 year reset clause, secured against Hypothecation of future assets & Default Escrow (SLDC)	20.02.2013 to 31.03.2016	3 + 15 Years	53.301	3,72,93,231	24,86,215	1,43,05,900	0	1,43,05,900		
	Total				29,28,54,00,175	1,99,72,29,665	28,46,47,05,979	1,73,05,78,431	26,73,41,27,546		
3	Term Loan from State Bank of Patiala										
i	Base Rate + 1.50% Medium Term secured against Punjab Govt. Guarantee & Default Escrow	27.09.2011	26.09.2016	53.501	5,56,01,972	5,56,01,972	16,67,17,446	11,11,20,000	5,55,97,446		
ii	Base Rate + 1.50% Medium Term secured against Punjab Govt. Guarantee, stock & Default Escrow	05.01.2015	31.10.2019	53.501	59,99,69,195	16,00,00,000	59,99,98,072	0	59,99,98,072		
	Total				65,55,71,167	21,56,01,972	76,67,15,518	11,11,20,000	65,55,95,518		
4	Term Loan from NABARD										
	11% p.a. with 5 year reset clause secured against Hypothecation of future assets & Default Escrow	11.02.2015 to 31.03.2016	3 + 12 Years	53.400	1,27,77,45,000	0	43,51,28,000	0	43,51,28,000		
5	Medium Term Loan from Rural Electrification Corporation										
	12.25% to 12.50% secured against Punjab Govt. Guarantee & Default Escrow	24.09.2014	30.09.2017	53.301	1,50,00,00,000	1,00,00,00,000	1,50,00,00,000	0	1,50,00,00,000		
6	Medium Term Loan from Rural Electrification Corporation										
	12.25% to 12.50% secured against Punjab Govt. Guarantee & Default Escrow	18.06.2015	30.06.2018	53.301	1,50,00,00,000	25,00,00,000	1,25,00,00,000	0	1,25,00,00,000		
7	Long Term Loan from Bank of India										
	Base Rate + 2% secured against Punjab Govt. Guarantee & Default Escrow	30.12.2014	31.12.2024	53.510	1,00,00,00,000	3,12,50,000	1,00,00,00,000	0	1,00,00,00,000		
8	Long Term Loan from Bank of India										
	Base Rate + 2% secured against Punjab Govt. Guarantee & Default Escrow	30.12.2015	31.12.2025	53.510	2,00,00,00,000	0	2,00,00,00,000	0	2,00,00,00,000		
	Grand Total				37,78,67,15,342	3,72,24,14,657	33,14,37,14,835	2,25,06,64,769	30,89,26,50,066		

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Note 5: Long Term Borrowings

Note 5.2 - Unsecured Loans

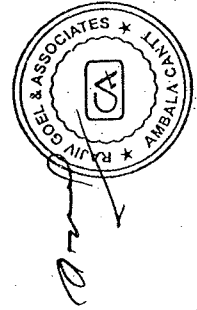
Sr. No.	Particulars	Date of Availment of Loan	Date of Maturity of Loan	Account Code	As at 31st March, 2016			As at 31st March, 2015			
					Total Long Term Borrowings	Current Maturities of Long term borrowings i.e. other Current Liabilities	Non Current Liabilities - Long Term Borrowings	Total Long Term Borrowings	Current Maturities of Long term borrowings i.e. other Current Liabilities	Non Current Liabilities - Long Term Borrowings	
					(A) Rs.	(B) Rs.	(C)=(A)-(B) Rs.	(A) Rs.	(B) Rs.	(C)=(A)-(B) Rs.	
1	Term Loans from Oriental Bank of Commerce										
i	SBI PLR-2% p.a. with 3 year reset clause, term loan from Oriental Bank of Commerce secured against Default Escrow	16.04.2010	10/2016	53.505	13,96,55,591	13,96,55,591	0	28,28,69,822	14,32,00,000	13,96,69,822	
ii	SBI PLR-2.25% p.a. with 3 year reset clause, term loan from Oriental Bank of Commerce secured against Default Escrow	16.04.2010	10/2016	53.505	26,13,36,289	26,13,36,289	0	40,41,61,167	14,28,00,000	26,13,61,167	
	Total				40,09,91,880	40,09,91,880	0	68,70,30,989	28,60,00,000	40,10,30,989	
2	Loan from PSPCL				4,95,57,45,100	0	4,95,57,45,100	5,94,68,94,120	99,11,49,020	4,95,57,45,100	
	PNB Base Rate + 1.50% p.a. loan from PSPCL	23.03.2011	31.03.2026	53.811	1,53,68,40,271	21,95,48,616	1,31,72,91,655	1,75,63,88,887	21,95,48,616	1,53,68,40,271	
3	GPF Liability	16.04.2010	31.03.2023	57.120	6,89,35,77,251	62,05,40,496	6,27,30,36,755	8,39,03,13,996	1,49,66,97,636	6,89,36,16,360	
	Grand Total										

Note:

i The term loan from PSPCL is as per Loan Agreement dated 25.04.2013. Further as per Supplemental Agreement dated 10.10.2016 executed between PSPCL & PSTCL, balance outstanding as on 31.03.2016 has been rescheduled by giving moratorium period of 5 years from FY 2016-17 to FY 2020-21.

ii General Provident Fund:

The employees of the Company transferred under the Transfer Scheme 2010 are on deputation/secondment from PSPCL. Employees who joined before 01.01.2004 are covered under General Provident Fund Scheme. As per provisions of clause "10-B" of Punjab Power Sector Reforms Transfer (First Amendment) Scheme, 2012, PSTCL shall be liable to pay interest for the period 16.04.2010 to 31.03.2013, as applicable to General Provident Fund from time to time, on GPF liability of Rs. 1,73,24,60,209/- (apportioned) as on 16.04.2010 payable to the GPF Trust which will be funded over a period of 10 years commencing from 1st April, 2013 alongwith interest as applicable. So, the amount apportioned together with interest aggregating Rs.1,53,68,40,271/- is payable towards General Provident Fund liability as on 31.03.2016 (Rs.1,75,63,88,887/- as on 31.03.2015).



Note 6: Other Long Term Liabilities

Sr. No.	Particulars	Account	As at 31st March, 2016 Rs.	As at 31st March, 2015 Rs.
1	Deposit & retention money from suppliers & contractors	46.1 & 28.930	34,24,92,375	33,21,11,010
2	Deposits for :-			
i	Deposit works	47.305	61,60,35,038	64,38,90,952
ii	Contribution works	47.309	57,88,62,533	54,47,44,660
	Total		1,53,73,89,946	1,52,07,46,622

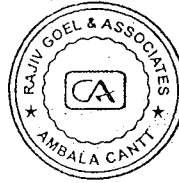
Note 6.1 As the reconciliation of above liabilities (mostly relating to opening balance vested on 16.04.2010) is in process, the same has been considered as long term liabilities.

Note 7: Long Term Provisions

Sr. No.	Particulars	Account Code	As at 31st March, 2016 Rs.	As at 31st March, 2015 Rs.
1	Provision for Gratuity	44.161	1,59,59,079	90,92,652
2	Provision for Leave encashment	44.162	3,15,57,768	1,87,23,761
	Total		4,75,16,847	2,78,16,413

Note 7.1 - As per AS-15 provision towards gratuity and leave encashment in respect of the employees directly recruited by the company has been made during the year as per the valuation report of an actuary.

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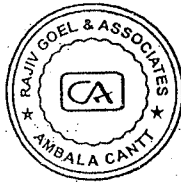


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Note 8: Short Term Borrowings

Sr. No.	Particulars	Date of Availment of Loan	Date of Maturity of Loan	Account code	As at 31st March, 2016 Rs.	As at 31st March, 2015 Rs.
1	Cash credits from SBOP Cash credits limit Rs. 200 crores, Base Rate + 2.25% secured against Stock & Default Escrow	29.09.2015	Renewable Annually	50.1	1,53,82,66,111	1,77,06,56,178
2	Loan from PFC 12.25% net of rebate, secured against default Escrow	18.09.2015	09/2016	53.801	1,00,00,00,000	0
<b>Total</b>					<b>2,53,82,66,111</b>	<b>1,77,06,56,178</b>

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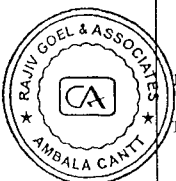


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Note 9: Other Current Liabilities

Note 9.1 - Current Maturities of Long Term Borrowings

Sr. No.	Particulars	Date of Availment of Loan	Date of Maturity of Loan	Account Code	As at 31st March, 2016	As at 31st March, 2015
					Current Maturities of Long term borrowings i.e. other Current Liabilities Rs.	Current Maturities of Long term borrowings i.e. other Current Liabilities Rs.
<b>Secured Loans</b>						
1	Term Loans from Life Insurance Corp. of India					
i	11% (Fixed) payable annually secured against Hypothecation of assets & Default Escrow	16.04.2010	15.07.2015	52.501	0	8,33,33,338
ii	11% (Fixed) payable annually secured against Hypothecation of assets & Default Escrow	16.04.2010	15.01.2016	52.501	0	9,75,00,000
iii	11% (Fixed) payable annually secured against Punjab Government Guarantee, Hypothecation of assets & Default Escrow	16.04.2010	15.07.2017	52.501	11,70,00,000	11,70,00,000
iv	11% (Fixed) payable annually secured against Hypothecation of assets & Default Escrow	16.04.2010	15.07.2018	52.501	11,13,33,000	11,13,33,000
	<b>Total</b>				<b>22,83,33,000</b>	<b>40,91,66,338</b>
2	Term Loans from Rural Electrification Corporation					
i	8% to 12.50% p.a. with 3 year reset clause secured against Punjab State Government Guarantee & Default Escrow	16.04.2010	31.12.2012 to 31.03.2019	53.301	3,88,62,102	9,35,03,954
ii	8% to 12.50% p.a. with 3 year reset clause secured against Punjab State Government Guarantee, Hypothecation of future assets & Default Escrow	16.04.2010	15.02.2020 to 15.02.2021	53.301	27,72,31,284	27,72,31,285
iii	8% to 12.50% p.a. with 3 year reset clause secured against Hypothecation of future assets & Default Escrow	16.04.2010	15.06.2022 to 15.08.2022	53.301	7,79,70,066	7,79,70,066
iv	11% to 12.50% p.a. with 3 year reset clause secured against Hypothecation of future assets & Default Escrow	07.09.2010 to 31.03.2016	3 + 15 Years	53.301	1,60,06,79,998	1,28,18,73,126
v	12% to 12.25% p.a. with 3 year reset clause, secured against Hypothecation of future assets & Default Escrow (SLDC)	20.02.2013 to 31.03.2016	3 + 15 Years	53.301	24,86,215	0
	<b>Total</b>				<b>1,99,72,29,665</b>	<b>1,73,05,78,431</b>
3	Term Loan from State Bank of Patiala					
i	Base Rate + 1.50% Medium Term secured against Punjab Govt. Guarantee & Default Escrow	27.09.2011	26.09.2016	53.501	5,56,01,972	11,11,20,000
ii	Base Rate + 1.50% Medium Term secured against Punjab Govt. Guarantee, stock & Default Escrow	05.01.2015	31.10.2019	53.501	16,00,00,000	0
	<b>Total</b>				<b>21,56,01,972</b>	<b>11,11,20,000</b>
4	Term Loan from NABARD					
	11% p.a. with 5 year reset clause secured against Hypothecation of future assets & Default Escrow	11.02.2015 to 31.03.2016	3 + 12 Years	53.400	0	0
5	Medium Term Loan from Rural Electrification Corporation					
	12.25% to 12.50% secured against Punjab Govt. Guarantee & Default Escrow	24.09.2014	30.09.2017	53.301	1,00,00,00,000	0
6	Medium Term Loan from Rural Electrification Corporation					
	12.25% to 12.50% secured against Punjab Govt. Guarantee & Default Escrow	18.06.2015	30.06.2018	53.301	25,00,00,000	0
7	Long Term Loan from Bank of India					
	Base Rate + 2% secured against Punjab Govt. Guarantee & Default Escrow	30.12.2014	31.12.2024	53.510	3,12,50,000	0
8	Long Term Loan from Bank of India					
	Base Rate + 2% secured against Punjab Govt. Guarantee & Default Escrow	30.12.2015	31.12.2025	53.510	0	0
	<b>Total Secured Loans</b>				<b>3,72,24,14,637</b>	<b>2,25,08,64,769</b>
<b>Unsecured Loans</b>						
9	Term Loans from Oriental Bank of Commerce					
i	SBI PLR-2% p.a. with 3 year reset clause, term loan from Oriental Bank of Commerce secured against Default Escrow	16.04.2010	10/2016	53.505	13,96,55,591	14,32,00,000
ii	SBI PLR-2.25% p.a. with 3 year reset clause, term loan from Oriental Bank of Commerce secured against Default Escrow	16.04.2010	10/2016	53.505	26,13,36,289	14,28,00,000
	<b>Total</b>				<b>40,09,91,880</b>	<b>28,60,00,000</b>
10	Loan from PSPCL					
	PNB Base Rate + 1.50% p.a. loan from PSPCL	23.03.2011	31.03.2026	53.811	0	99,11,49,020
11	GPF Liability	16.04.2010	31.03.2023	57.120	21,95,48,616	21,95,48,616
	<b>Total Unsecured Loans</b>				<b>62,05,40,496</b>	<b>1,49,66,97,636</b>
	<b>Grand Total</b>				<b>4,34,29,55,133</b>	<b>3,74,75,62,405</b>



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Note 9: Other Current Liabilities

Note 9.2 - Others

Sr. No.	Particulars	Account Code	As at 31st March, 2016 Rs.	As at 31st March, 2015 Rs.
1	Liability for Capital supplies/ works	42	49,15,35,806	59,75,19,044
2	Liability for supply of Material - O&M	43	7,11,76,683	5,06,14,926
3	Staff related liabilities & provisions	44 except 44.161 & 44.162	12,69,13,802	12,89,79,418
4	Liability for expenses	46.4	40,66,28,629	34,59,02,604
5	Interest accrued but not due on borrowings - LIC, REC & PFC	46.7	10,56,33,121	10,42,62,054
6	Interest accrued & due - commercial banks	51.211	0	1,03,61,645
7	ICT- Payables to PSPCL	46.946 to 46.952	33,84,72,301	69,60,80,813
8	Other Liabilities	Bal. 46.9	18,05,83,806	32,27,14,446
9	Contribution (including interest) of employees covered under NPS relating to:-			
i	Employees on deputation/secondment from PSPCL.	57.160, 161, 165 & 166	12,71,942	11,68,124
ii	Employees recruited by PSTCL	57.170, 171, 175 & 176	47,21,346	44,02,808
10	GPF Liability (except Opening) payable to Trust	57.126 & 57.127	3,58,986	16,25,61,524
	Total		1,72,72,96,422	2,42,45,67,406
	Grand Total (Note 9.1 + 9.2)		6,07,02,51,555	6,17,21,29,811

Note 9.2.1

- i New Defined Contributory Pension Scheme (NPS) in respect of employees on deputation/secondment from PSPCL : Employees of erstwhile PSEB who have joined on or after 01.01.2004 and are on deputation/secondment to PSTCL are covered under this scheme. The Company deducts 10% of basic pay, grade pay plus DA of such employees as contribution towards this scheme (NPS) from the salaries of the employees and a matching amount is being contributed by Company. The total contribution including interest is Rs.12,71,942/- as on 31.03.2016 (previous year Rs.11,68,124/-).
- ii New Defined Contributory Pension Fund in respect of employees recruited by PSTCL : Employees recruited by PSTCL after 16.04.2010 are covered under this scheme. The Company deducts 10% of basic pay, grade pay plus DA of such employees as contribution towards New Defined Contributory Pension Scheme (NPS) from the salaries of the employees and a matching amount is being contributed by Company. The total contribution including interest is Rs.47,21,346/- as on 31.03.2016 (previous year Rs.44,02,808/-).
- iii General Provident Fund : The employees of the Company transferred under the Transfer Scheme 2010 are on deputation/secondment from PSPCL. Employees who joined before 01.01.2004 are covered under General Provident Fund Scheme. As per provisions of clause "10-C" of Punjab Power Sector Reforms Transfer (First Amendment) Scheme, 2012, PSTCL shall be liable to pay interest, as applicable to General Provident Fund from time to time, on the net accruals of the GPF amount on and with effect from 16th April, 2010 and up to the date of issuance of this Scheme and thereafter all the General Provident Fund matters shall be settled through trust. The Net accruals (Recovery & Payment along with Interest) being payables as on 31.03.2016 comes to Rs.3,58,986/- (previous year Rs.16,25,61,524/-).



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Note 10: Short Term Provisions

Sr. No.	Particulars	Account Code	As at 31st March, 2016 Rs.	As at 31st March, 2015 Rs.
1	Provision for Income Tax	46.800	1,06,59,44,090	1,48,73,84,230
2	Provision for Gratuity	44.161	33,106	20,528
3	Provision for Leave encashment	44.162	4,96,090	3,12,988
	Total		1,06,64,73,286	1,48,77,17,746

Note 10.1 - As per AS-15 provision towards gratuity and leave encashment in respect of the employees directly recruited by the company has been made during the year as per the valuation report of an actuary.

Note 10.2 - Detail of Provision for Income tax

FY	Particulars	Amount in Rs.	Amount in Rs.
2012-13	Provision for Income Tax	0	42,14,40,140
2013-14	Provision for Income Tax	1,06,59,44,090	1,06,59,44,090
	Total	1,06,59,44,090	1,48,73,84,230

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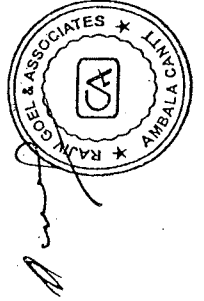
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Note 11: Tangible Assets

Sr. No.	Particulars	Account Code	Gross Block			Provision for Depreciation			Net Block	
			As at 1st April, 2015	Addition/ Disposal during the year 2015-16	As at 31st March, 2016	As at 1st April, 2015	Depreciation during the year 2015-16	As at 31st March, 2016	As at 31st March, 2016	As at 31st March, 2015
1	Land and land rights	10.1	29,26,84,01,831	4,24,565	29,26,88,26,396	0	0	29,26,88,26,396	29,26,84,01,831	
2	Buildings	10.2	1,45,28,78,578	9,42,07,241	1,54,70,85,819	65,57,42,082	3,79,04,532	85,34,39,205	79,71,36,496	
3	Other civil works	10.4	2,34,61,748	62,92,353	2,97,54,101	86,40,497	9,87,487	2,01,26,117	1,48,21,251	
4	Plant and Machinery	10.5	25,82,14,35,957	2,52,68,18,429	28,34,82,54,386	10,06,18,51,004	1,21,10,27,138	17,07,53,76,244	15,75,95,84,953	
5	Line and cable net works	10.6	23,87,72,08,259	74,51,81,052	24,62,23,89,311	5,64,26,63,545	1,03,42,50,195	17,94,54,75,571	18,23,45,44,714	
6	Vehicles	10.7	7,99,40,214	(17,16,584)	7,82,23,630	6,39,61,374	(9,327)	1,42,71,583	1,59,78,840	
7	Furniture and fixture	10.8	3,51,82,213	12,85,458	3,64,67,671	1,34,28,458	20,39,874	2,09,99,339	2,17,53,755	
8	Office Equipment	10.9	6,64,27,776	12,83,208	6,77,10,984	2,47,64,345	1,00,04,520	3,47,68,865	4,16,63,431	
<b>Total 10</b>			<b>80,62,49,36,576</b>	<b>3,37,37,75,722</b>	<b>83,99,87,12,298</b>	<b>16,47,10,51,305</b>	<b>2,29,62,04,419</b>	<b>18,76,72,55,724</b>	<b>64,15,38,85,271</b>	
9	Assets not in use -									
	Damaged Power Transformers	16.511/ 16.521	24,26,48,308	19,06,53,764	43,33,02,072	13,74,84,994	10,95,16,564	24,70,01,558	10,51,63,314	
<b>Total 16</b>			<b>24,26,48,308</b>	<b>19,06,53,764</b>	<b>43,33,02,072</b>	<b>13,74,84,994</b>	<b>10,95,16,564</b>	<b>24,70,01,558</b>	<b>10,51,63,314</b>	
<b>Grand Total</b>			<b>80,86,75,84,884</b>	<b>3,56,44,29,486</b>	<b>84,43,20,14,370</b>	<b>16,60,85,36,299</b>	<b>2,40,57,20,983</b>	<b>19,01,42,57,282</b>	<b>64,25,90,48,585</b>	

Note 11.1

- i Fixed Assets forming part of the transmission undertaking as vested by the State Govt. vide Notification dated 24.12.2012 have been taken up at the values provided by State Govt. Depreciation has been provided taking the same useful life as it was at the time of vesting by the Govt. of Punjab.
- ii The addition in fixed assets includes assets with gross value of Rs. 21,92,48,512/- with accumulated depreciation Rs. 14,94,67,347/- which have been disposed during the year. Similarly, assets with gross value of Rs. 59,31,149/- with accumulated depreciation Rs. 40,28,382/- have been transferred to PSPCL during the year 2015-16 through inter corporation transactions.
- iii Land and land rights include the land for which title deeds are not in the name of Company, but the ownership of which accrues to PSTCL by operation of law through Transfer scheme notified by Punjab Government on 24.12.2012. Further, all these lands are in peaceful possession of PSTCL and investment has already been made on such lands for creation of assets which are owned by PSTCL. But the title deeds of land vested with PSTCL are available with PSPCL (as the Estate office of erstwhile PSEB which is now functioning under PSPCL after unbundling and is the custodian of such title deeds). The company has details/deeds in respect of land procured after 16.04.2010.
- iv The accounting units of the Company are maintaining Fixed Asset Registers. The Fixed Asset Register categorywise, locationwise and valuewise has also been prepared at Corporate Level but the quantitywise detail of each asset along with its value are being prepared in consultation with M/s Sushil Jeetpuria & Co.
- v Physical verification of the Fixed Assets have been carried out at the accounting unit level as on 31.03.2016 and no discrepancies have been reported.





Note 12: Capital Work in Progress

Sr. No	Particulars	Account Code	As at 31st March, 2016 Rs.	As at 31st March, 2015 Rs.
1	Capital works in progress	14	5,87,27,91,724	6,03,49,35,577
2	Contracts in progress :			
i	400 KV Rajpura Project	15.102	1,05,94,55,677	91,97,61,646
ii	400 KV Talwandi Sabo Project	15.103	68,05,97,249	42,60,58,086
3	Advances to Suppliers/ Contractors (capital) - being issue of material for works	25	36,48,337	1,63,70,544
	Total		7,61,64,92,987	7,39,71,25,853

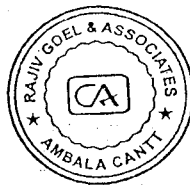
Note 12.1 - Detail of Capital Work in Progress are as under:-

Particulars	As at 31st March, 2016 Rs.	As at 31st March, 2015 Rs.
Opening Capital work in progress	7,39,71,25,853	16,57,55,47,898
Add Addition during the year including capitalization of interest, employee cost & other expenses	4,15,54,36,530	5,68,54,31,399
Less Transferred to Fixed Assets/ICT during the year	3,93,60,69,396	14,86,38,53,444
Closing Capital work in progress at the end of the year	7,61,64,92,987	7,39,71,25,853

Note 12.2 - Capital Work in Progress

- i The Capital work in progress and Contract in progress as shown in the Balance sheet includes interest and finance charges on money borrowed and utilised for construction of the transmission projects amounting to Rs.67,97,32,356/-, capitalisation of establishment cost of Rs.46,58,65,691/-, capitalization of R&M expenses of Rs.50,81,911/-, capitalisation of A&G expenses of Rs.6,03,94,553/- and capitalization of Depreciation of Rs.27,55,459/- during FY 2015-16.
- ii During the year, Rs.15,52,84,887/- was transferred from capital work in progress to ICT account being amount recoverable from PSPCL for the works relating to PSPCL wrongly parked in PSTCL.

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Note 13: Long Term Loans & Advances

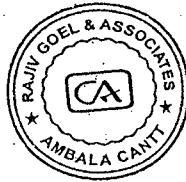
Sr. No	Particulars	Account Code	As at 31st March, 2016 Rs.	As at 31st March, 2015 Rs.
	Advances/Securities	28.9 except 28.930, 28.950 & 28.951	63,91,002	48,30,237
	<b>Total</b>		<b>63,91,002</b>	<b>48,30,237</b>

Note 13.1 - Details of Long Term Loans & Advances

Sr. No	Particulars	As at 31st March, 2016 Rs.	As at 31st March, 2015 Rs.
1	Secured considered Good Advances/Securities	0	0
	<b>Total</b>	<b>0</b>	<b>0</b>
2	Unsecured considered Good Advances/Securities	63,91,002	48,30,237
	<b>Total</b>	<b>63,91,002</b>	<b>48,30,237</b>
	<b>Grand Total</b>	<b>63,91,002</b>	<b>48,30,237</b>

Note: In the opinion of Company, Long term loans & advances are the values as stated in the accounts, if realized in ordinary course of business.

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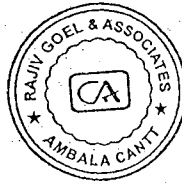
Note 14: Other Non Current Assets

Sr.No	Particulars	Account code	As at 31st March, 2016 Rs.	As at 31st March, 2015 Rs.
1	Bank Deposits against LC	20	0	22,00,000
2	Interest accrued on staff loans & others	28.2 & 28.3	6,45,355	7,76,199
3	Other receivables	28.868 & 28.870	3,88,97,996	9,47,98,608
	Less: Provision for bad & doubtful debts	28.950	0	(4,44,52,413)
	Less: Provision for losses under investigation	28.951	(3,88,397)	(6,21,209)
	Net Other receivables		3,85,09,599	4,97,24,986
	Total (1+2+3)		3,91,54,954	5,27,01,185
4	Inter Unit Transfer prior to 16.04.2010			
i	Inter Unit Transfer (prior to 16.04.2010)	30-37	3,19,91,352	6,07,76,952
ii	Inter Unit Transfer (prior to 01.04.1986)	39.100	11,18,149	34,36,237
iii	Blank U Cheque (prior to 16.04.2010)	39000	54,67,39,176	54,67,39,176
	Total (i+ii+iii)		57,98,48,677	61,09,52,365
	Grand Total		61,90,03,631	66,36,53,550

Note 14.1

- i Rs. 4,44,52,413/- on account of unreconciled balance of Sundry receivables standing under common location code pertaining to the period prior to 01.04.1986 has been written off and provision already created in FY 2013-14 for the same has been withdrawn.
- ii Provision for losses under investigation of Rs.6,21,209/- made during previous year reduced to Rs.3,88,397/- during current year.

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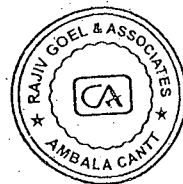
Note 15: Inventories

Sr.No	Particulars	Account code	As at 31st March, 2016 Rs.	As at 31st March, 2015 Rs.
	<b>Stores &amp; Spares</b>			
1	Stock of materials at stores	22.600 to 22.639	1,35,33,24,537	1,59,03,99,226
2	Materials at site	22.640 to 22.659	3,78,55,458	5,80,92,305
3	Material stock (excess)/shortage	22.8	0	(6,29,029)
	<b>Total</b>		<b>1,39,11,79,995</b>	<b>1,64,78,62,502</b>
4	<b>Less: Provisions for</b>			
i	Difference in value of stock & spares	22.901	(1,66,55,828)	(1,66,55,828)
ii	Value of obsolete items	22.902	(3,53,03,842)	(3,68,35,627)
iii	Value of unservicable items	22.903	(1,73,80,696)	(64,31,697)
	<b>Total Provisions</b>	<b>22.9</b>	<b>(6,93,40,366)</b>	<b>(5,99,23,152)</b>
	<b>Net</b>		<b>1,32,18,39,629</b>	<b>1,58,79,39,350</b>

Note 15.1

- i Physical verification of the Store have been carried out at the unit level on 31.03.2016 and no discrepancies have been reported.
- ii Provision for difference in value of stock & spares (prior to 16.04.2010) of Rs.1,66,55,828/-made during previous years remains unchanged.
- iii Provision for obsolete items of Rs.3,68,35,627/-made during previous year reduced to Rs.3,53,03,842/- during current year.
- iv Provision for unservicable items of Rs.64,31,697/- made during previous year increased to Rs.1,73,80,696/- during current year.

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Note 16: Trade Receivables

Sr. No	Particulars	Account Code	As at 31st March, 2016 Rs.	As at 31st March, 2015 Rs.
1	Sundry debtors for transmission charges	23.8		
	i Exceeding Six months		39,09,33,034	2,39,972
	ii Others		3,41,98,34,003	1,85,45,42,521
	<b>Total</b>		<b>3,81,07,67,037</b>	<b>1,85,47,82,493</b>

Note 16.1 - Details of Trade Receivables

i	Exceeding Six months		0	0
	Secured considered Good		39,09,33,034	2,39,972
	Unsecured considered Good		0	0
	Doubtful		0	0
	<b>Total</b>		<b>39,09,33,034</b>	<b>2,39,972</b>
ii	Others		0	0
	Secured considered Good		3,41,98,34,003	1,85,45,42,521
	Unsecured considered Good		0	0
	Doubtful		0	0
	<b>Total</b>		<b>3,41,98,34,003</b>	<b>1,85,45,42,521</b>
	<b>Grand Total</b>		<b>3,81,07,67,037</b>	<b>1,85,47,82,493</b>

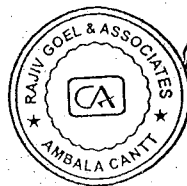
Note 16.2

In the opinion of Company, trade receivables are the value as stated in the accounts, if realized in the ordinary course of Business.

Note 17: Cash & Cash equivalents

Sr. No	Particulars	Account code	As at 31st March, 2016 Rs.	As at 31st March, 2015 Rs.
1	Cash at Bank	24.130 & 24.401	69,85,917	1,42,16,953
2	Postage stamps in hand	24.120	47,077	47,150
3	Imprests with staff	24.2	0	17,387
	<b>Total</b>		<b>70,32,994</b>	<b>1,42,81,490</b>

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Note 18: Short Term Loans & Advances

Sr. No	Particulars	Account Code	As at 31st March, 2016 Rs.	As at 31st March, 2015 Rs.
1	Advances to Staff	27.1 to 27.2	9,67,904	14,23,007
2	Advance Income tax/Tax deducted at source	27.4	1,43,28,77,525	1,63,74,79,420
	<b>Total</b>		<b>1,43,38,45,429</b>	<b>1,63,89,02,427</b>

Note 18.1 - Details of Short Term Loans & Advances is as under:-

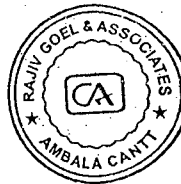
Sr. No	Particulars	As at 31st March, 2016 Rs.	As at 31st March, 2015 Rs.
1	Secured considered Good Advances to Staff	0	0
	Advance Income tax/Tax deducted at source	1,43,28,77,525	1,63,74,79,420
	<b>Total</b>	<b>1,43,28,77,525</b>	<b>1,63,74,79,420</b>
2	Unsecured considered Good Advances to Staff	9,67,904	14,23,007
	Advance Income tax/Tax deducted at source	0	0
	<b>Total</b>	<b>9,67,904</b>	<b>14,23,007</b>
	<b>Grand Total</b>	<b>1,43,38,45,429</b>	<b>1,63,89,02,427</b>

Note 18.2

In the opinion of Company, Short term loans & advances are the values as stated in the accounts, if realized in ordinary course of business.

Note 18.3 - Details of Advance Income Tax/Tax Deducted at Source

FY	Particulars	Amount in Rs.	Amount in Rs.
2010-11	TDS	36,721	36,721
2011-12	TDS	78,478	78,478
2012-13	TDS	0	1,92,086
2012-13	Advance Income tax	0	37,20,32,680
2012-13	Self assessment tax paid in FY 2013-14	0	4,52,50,000
2012-13	Self assessment tax paid in FY 2014-15	0	8,52,000
2013-14	TDS	24,76,55,421	24,76,55,421
2013-14	Advance Income tax	63,50,59,570	63,50,59,570
2013-14	Self assessment tax paid in FY 2014-15	16,29,58,000	16,29,58,000
2013-14	Self assessment tax paid in FY 2015-16	2,19,47,500	0
2014-15	TDS	17,33,64,464	17,33,64,464
2015-16	TDS/TCS	19,17,77,371	0
	<b>Total</b>	<b>1,43,28,77,525</b>	<b>1,63,74,79,420</b>

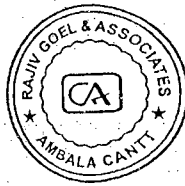


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Note 19: Other Current Assets

Sr.No	Particulars	Account code	As at 31st March, 2016 Rs.	As at 31st March, 2015 Rs.
1	Receivables for other income	28.1	4,37,64,125	75,76,337
2	Amount recoverable from employees	28.4	1,21,12,808	92,84,067
3	Prepaid expenses and other receivables	28.8 except 28.868 & 28.870	54,18,843	50,99,689
	<b>Total</b>		<b>6,12,95,776</b>	<b>2,19,60,093</b>

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Note 20: Revenue from Operations

Sr. No	Particulars	Account code	For the year ended 31st March, 2016 Rs.	For the year ended 31st March, 2015 Rs.
1	Transmission Charges from PSPCL	61.831	11,07,32,00,000	8,65,99,00,000
2	Transmission Charges from Open Access Customers	61.830	38,92,30,854	14,19,45,855
3	Transmission Charges from others	61.833	0	39,05,00,000
4	SLDC Charges from PSPCL	61.832	24,40,00,000	29,67,00,000
5	Operating charges from open access customers	62.810	6,53,96,000	3,68,10,000
	<b>Total</b>		<b>11,77,18,26,854</b>	<b>9,52,58,55,855</b>

Note: 20.1

During the FY 2015-16, total revenue of Rs.1131.72 crore has been recognized based on the Review of FY 2015-16 as per Tariff Order 2016-17 read with the Clarificatory Order dated 21.11.2016 issued by Punjab State Electricity Regulatory Commission. This comprises of Rs.1107.32 crore for transmission charges & Rs.24.40 crore for SLDC charges from PSPCL.

Note 21: Other Income

Sr. No	Particulars	Account code	For the year ended 31st March, 2016 Rs.	For the year ended 31st March, 2015 Rs.
1	Interest on bank deposits & staff loans	62.2	2,16,992	4,17,974
2	Income from sale of scrap	62.3	2,09,16,737	2,63,64,800
3	Income from sale of fixed assets	62.4 77.735	4,70,89,222	1,57,58,804
4	Income from staff welfare activities	62.6	1,10,152	80,149
5	Miscellaneous Income	62.9	22,18,05,948	12,76,53,241
6	Excess provision of income tax withdrawn	65.5	31,13,374	0
7	Provision withdrawn on obsolete items & losses under investigation	65.8	17,64,597	1,32,39,951
8	Prior period income	65.9	2,73,335	1,00,20,742
	<b>Total</b>		<b>29,52,90,357</b>	<b>19,35,35,661</b>

Note: 21.1

- i Miscellaneous income includes rental for staff quarters Rs.42,90,970/-, sale of tender forms Rs.16,38,267/-, NOC charges from Open Access Consumers Rs.2,16,50,000/-, security deposit/EMD forfeited Rs.10,56,228/-, rebate on early payment to NRLDC Rs.28,26,796/-, revenue from O&M of bays of PGCIL Rs.3,92,49,200/- and other income Rs.8,79,49,007/- etc.
- ii Miscellaneous income also include Rs.2,82,19,920/- on account of un-reconciled balance of liabilities consisting of Rs.2,38,46,816/- towards liabilities for capital supplies (creditors), Rs.19,57,777/- towards staff related liabilities & Rs.24,15,327/- towards other liabilities pertaining to the period prior to 01.04.1986 standing under common location code written back by crediting to income. Further it also includes Rs.1,82,84,927/- towards unclaimed liabilities for capital supplies (creditors) pertaining to FY 1991-92 and Rs.1,32,72,051/- towards credit awaiting IUT bills pertaining to FY 1996-97 written back by crediting to income.
- iii Income tax assessment for the FY 2012-13 (AY 2013-14) completed in FY 2015-16 and excess provision of Rs.31,13,374/- withdrawn after adjusting TDS, Advance income tax and self assessment tax already paid.





Note 22: Employee benefits expenses

Sr. No	Particulars	Account code	For the year ended 31st March, 2016 Rs.	For the year ended 31st March, 2015 Rs.
1	Salaries	75.1 except 75.190	82,97,70,924	88,52,05,253
2	Overtime	75.2	4,61,86,924	5,27,25,032
3	Dearness Allowance	75.3	88,66,39,578	80,01,46,122
4	Other Allowances	75.4	17,18,74,736	17,94,29,689
5	Bonus	75.5	0	0
	<b>Total (A)</b>		<b>1,93,44,72,162</b>	<b>1,91,75,06,096</b>
6	Medical expenses reimbursement	75.641-653	1,27,12,482	91,31,328
7	Leave Travel Assistance/Concession	75.612, 613 & 616	18,08,701	19,89,915
8	Payment under Workmen Compensation Act	75.629	5,56,520	20,690
	<b>Total (B)</b>		<b>1,50,77,703</b>	<b>1,11,41,933</b>
9	Staff Welfare Expenses			
i	Electricity Concession to Employees	75.761	1,58,40,135	1,93,58,238
ii	Staff Welfare Expenses	Bal. 75.7	30,51,233	23,61,652
	<b>Total (C)</b>		<b>1,88,91,368</b>	<b>2,17,19,890</b>
10	Terminal Benefits			
i	Share of Pension, Gratuity & Medical	75.8	2,09,19,07,352	1,83,96,99,670
ii	Share of Leave Encashment	75.617 & 618	20,21,27,764	16,68,63,129
	<b>Total Share @ 11.36% as per Transfer Scheme</b>		<b>2,29,40,35,116</b>	<b>2,00,65,62,799</b>
iii	Other Terminal Benefits	Bal 75.8	5,73,53,524	4,93,42,729
	<b>Total (D)</b>		<b>2,35,13,88,640</b>	<b>2,05,59,05,528</b>
11	Expenses for engagement of manpower through outsourcing agencies	75.190	18,57,49,304	17,68,48,495
	<b>Total (E)</b>		<b>18,57,49,304</b>	<b>17,68,48,495</b>
	<b>Grand Total(A+B+C+D+E)</b>		<b>4,50,55,79,177</b>	<b>4,18,31,21,942</b>
	Less:			
i	Establishment cost recoverable on execution of 66KV works	75.940	0	10,75,191
ii	Employee costs capitalized	Bal. 75.9	46,58,65,691	47,05,76,079
	<b>Total</b>	<b>75.9</b>	<b>46,58,65,691</b>	<b>47,16,51,270</b>
	Add : Prior period expenses/losses	83.5/65.8	0	57,261
	<b>Net Total</b>		<b>4,03,97,13,486</b>	<b>3,71,15,27,933</b>

Note 22.1 - Employee benefits expenses - Electricity Concession to PSTCL Employees working on deputation from PSPCL

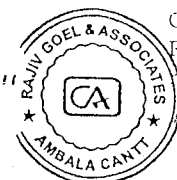
The employees working in the Company who are on deputation from PSPCL under the provisions of the Transfer Scheme, 2010 are entitled to electricity concession for electricity consumption in their residential accommodations. PSPCL has been allowing such concession to all such employees in their monthly electricity payments. As agreed with PSPCL, the total concession availed by the employees of both PSPCL and PSTCL have been apportioned between the two companies in the ratio of average number of employees during the period under report. The amount apportioned to PSTCL is Rs.1,58,40,135/- during 2015-16 (previous year Rs.1,93,58,238/-).

Note 22.2 - Employee benefits expenses - Terminal benefits

The employees working in PSTCL covered under the Pension Scheme are on deputation/ secondment from PSPCL. Pursuant to the Punjab Power Sector Reforms Transfer (First Amendment) Scheme 2012, the Terminal Benefit Trust in respect of pension, gratuity and leave encashment shall be progressively funded by Powercom and Transco respectively, as decided by the Punjab State Electricity Regulatory Commission in the ratio of 88.64 : 11.36, over a period of 15 financial years commencing from 1st April, 2014. Punjab State Electricity Regulatory Commission has not allowed progressive funding of Rs. 117.05 crores as claimed by PSTCL in its tariff petition mainly on the ground that the tariff regulations of PSERC provides for payment of terminal liabilities on the principle of "Pay as you go" basis. PSTCL filed an appeal before Appellate Tribunal for Electricity (APTEL) against the said order which has been decided against the Corporation. PSTCL has gone for second appeal to Supreme Court of India u/s 125 of the Electricity Act, 2003 against the order of APTEL. Pending a decision on the second appeal, the company has provided for terminal liability on the principle of 'Pay as you go' basis amounting to Rs.2,29,40,35,116/- being 11.36% of total amount as intimated by PSPCL. The employees for which progressive funding was provided in the Punjab Power Sector Reforms Transfer (First Amendment) Scheme 2012, are not the employees of the Corporation. As such AS 15 is not applicable to PSTCL in respect of employees working in PSTCL on deputation/secondment from PSPCL and covered under the Pension Scheme. Therefore, no provision has been made in the books of accounts of PSTCL to the extent of PSTCL's share of progressive funding i.e. 11.36% of actuarial liability on account of total terminal liability.

Note 22.3 - Employee benefits expenses - Other terminal benefits

Other terminal benefits include Rs.2,96,47,237/- towards NPS (Company's share), Rs.27,00,000/- towards Solatiums and Rs.68,79,005/- towards provision for Gratuity & Rs.1,30,17,109/- towards provision for Leave Encashment in respect of employees recruited by company.



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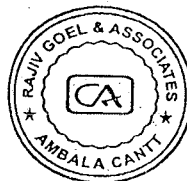
Note 23: Finance Costs

Sr. No	Particulars	Account code.	For the year ended	For the year ended
			31st March, 2016	31st March, 2015
			Rs.	Rs.
	<b>Interest on Loans:</b>			
1	Life Insurance Corporation	78.501	8,11,10,113	12,59,83,246
2	Rural Electrification Corporation	78.531	3,86,41,64,511	3,39,02,36,307
3	Loans from NABARD	78.541	8,68,49,110	50,66,709
4	Loan from Commercial Banks	78.551	29,85,28,173	17,39,80,403
5	Loan from PSPCL	78.596	63,29,71,673	77,12,63,796
6	Short Term borrowings	78.700	25,69,52,663	14,46,18,315
7	General Provident Fund	78.852	14,39,60,575	16,29,02,924
	<b>Total</b>		<b>5,36,45,36,818</b>	<b>4,77,40,51,700</b>
8	<b>Other interest &amp; finance charges:</b>			
i	Interest on NPS	78.855 & 78.856	0	1,84,046
ii	Interest to GPF Trust	78.852	1,12,73,174	36,48,313
iii	Lease Rentals	78.584	13,63,754	23,28,874
iv	Guarantee charges	78.884	6,50,00,000	4,70,00,000
v	Miscellaneous interest/finance charges	Bal. 78	35,40,132	41,39,556
	<b>Total</b>		<b>8,11,77,060</b>	<b>5,73,00,789</b>
	<b>Grand Total</b>		<b>5,44,57,13,878</b>	<b>4,83,13,52,489</b>
	Less : Interest capitalized	78.9	67,97,32,356	1,09,14,58,913
	<b>Net Total</b>		<b>4,76,59,81,522</b>	<b>3,73,98,93,576</b>

The Company is regular in making the payment of Principal and Interest thereon to the Banks, Financial Institutions & other lenders.

Note 24: Depreciation & Amortization Expenses

Sr. No	Particulars	Account Code	For the year ended	For the year ended
			31st March, 2016	31st March, 2015
			Rs.	Rs.
	<b>Depreciation on :</b>			
1	Buildings	77.120	3,50,08,552	3,04,00,843
2	Civil Works	77.140	9,87,487	7,77,322
3	Plant & Machinery	77.150	1,24,13,45,569	1,07,30,43,526
4	Lines & Cables	77.160	1,17,63,55,282	1,06,48,55,692
5	Vehicles	77.170 to 77.173	13,49,629	14,77,286
6	Furniture & Fixtures	77.180	20,41,976	19,06,502
7	Office Equipment	77.190	1,00,84,168	91,33,219
	<b>Total</b>		<b>2,46,71,72,663</b>	<b>2,18,15,94,390</b>
	Less : Depreciation capitalized	77.9	27,55,459	40,71,585
	Add: Prior period expenses/losses	83.6/65.6	9,20,44,049	11,16,06,402
	<b>Net Total</b>		<b>2,55,64,61,253</b>	<b>2,28,91,29,207</b>



Note 25: Repairs & Maintenance

Sr. No	Particulars	Account code	For the year ended	For the year ended
			31st March, 2016	31st March, 2015
			Rs.	Rs.
1	Plant and Machinery	74.1	30,42,64,528	33,14,35,749
2	Buildings	74.2	1,23,01,927	2,31,55,664
3	Civil Works	74.3	85,61,800	83,24,223
4	Lines and cable net works	74.5	1,14,43,096	98,62,508
5	Vehicles	74.6	64,54,293	61,26,581
6	Furniture and Fixtures	74.7	2,800	29,126
7	Office Equipment	74.8	75,839	18,701
	<b>Total</b>		<b>34,31,04,283</b>	<b>37,89,52,552</b>
	Less :			
i	R& M recoverable on execution of 66KV works	74.940	0	1,901
ii	R& M expenses capitalized	Bal. 74.9	50,81,911	74,42,316
	<b>Total</b>	<b>74.9</b>	<b>50,81,911</b>	<b>74,44,217</b>
	Add: Prior period expenses/losses	83.3	4,75,58,399	66,671
	<b>Net Total</b>		<b>38,55,80,771</b>	<b>37,15,75,006</b>

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Note 26: Administration & General Expenses

Sr.No	Particulars	Account code	For the year ended	For the year ended
			31st March, 2016	31st March, 2015
			Rs.	Rs.
1	Rent, Rates & Taxes	76.101 & 102	1,32,64,414	1,71,33,455
2	Insurance	76.104	3,22,465	1,73,103
3	Telephone, Postage, Telegramme and Telex	76.112 - 116	68,43,521	71,70,201
4	Legal Charges	76.121	29,12,271	22,31,577
5	Audit Fees	76.122	28,08,487	26,15,205
6	Consultancy/Technical Charges	76.123 & 76.124	29,30,734	18,55,478
7	Conveyance & Travel Charges	76.131-143	7,46,10,221	7,79,93,822
8	Fees & Subscription	76.129 & 76.151	51,17,893	50,91,582
9	Books & Periodicals	76.152	49,518	1,23,195
10	Printing & Stationery	76.153	23,27,173	35,16,829
11	Advertisement/Publicity expenses	76.155 & 76.183	40,83,237	28,49,215
12	Electricity/Water Charges	76.158 & 76.160	5,93,57,389	4,36,63,361
13	Expenses on Training	76.167	64,915	10,93,096
14	Hospitality	76.180-181 & 76.189	5,63,998	11,23,907
15	Conference Expenses	76.182	30,605	38,530
16	Contingency Expenses	76.190	1,67,32,419	1,93,78,755
17	Other expenses	Bal. 76.1	26,85,508	26,87,154
18	Material related expenses	76.2	3,12,51,280	2,91,60,304
	<b>Total 1 to 21</b>		<b>22,59,56,048</b>	<b>21,78,98,769</b>
	Less:			
i	A&G expenses recoverable on execution of 66KV works	76.940	0	1,08,893
ii	Administration & General exps. capitalized	Bal. 76.9	6,03,94,553	7,34,37,653
	<b>Total (i+ii)</b>	<b>76.9</b>	<b>6,03,94,553</b>	<b>7,35,46,546</b>
	Add: Prior Period expenses/losses	83.8	0	95,078
	<b>Net Total</b>		<b>16,55,61,495</b>	<b>14,44,47,301</b>

Note 26.1 - Administration & General Expenses

Rent, rates & taxes include property tax and house tax paid as per the assessment made by the competent authorities. The company has been paying undisputed property tax and house tax as per the assessment made by the municipal bodies.

Note 26.2 - Administration & General Expenses - Details of remuneration to Statutory Auditors (excluding Service Tax)

Sr. No.	Particulars	For the year ended	For the year ended
		31st March, 2016	31st March, 2015
		Rs.	Rs.
	As an Auditor		
i)	Tax Audit Fee	90,000	90,000
ii)	Statutory Audit Fees	3,00,000	3,00,000
iii)	Out of Pocket Expenses	71,040	51,758



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Note 27: ULDC Charges

Sr. No	Particulars	Account Code	For the year ended 31st March, 2016 Rs.	For the year ended 31st March, 2015 Rs.
1	ULDC Charges - SLDC own share	70.501	9,03,17,311	2,27,82,578
2	ULDC Charges - BBMB share	70.502	1,81,82,561	92,63,832
3	ULDC Charges - Central Sector share	70.503	0	2,08,19,265
4	NRLDC fees and charges	70.504	90,65,685	2,96,81,199
	<b>Total</b>		<b>11,75,65,557</b>	<b>8,25,46,874</b>
	Add: Prior Period expenses	83.820	0	17,31,105
	<b>Net Total</b>		<b>11,75,65,557</b>	<b>8,42,77,979</b>

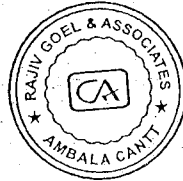
Note 28: Other Debits

Sr. No	Particulars	Account Code	For the year ended 31st March, 2016 Rs.	For the year ended 31st March, 2015 Rs.
1	Provision for Value of unserviceable stores	79.472	1,09,48,999	3,68,181
2	Miscellaneous losses & write off	Bal 79	51,04,642	52,82,661
	<b>Total</b>		<b>1,60,53,641</b>	<b>56,50,842</b>

Note 28.1

Miscellaneous losses & write off include Rs.23,18,088/- on account of un-reconciled balance of IUT head standing under common location code relating to the period prior to 01.04.1986 written off with the approval of Board of Directors.

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Note 29: Prior Period Items - Expenditures

Sr. No	Particulars	Account Code	For the year ended 31st March, 2016			For the year ended 31st March, 2015		
			Expenditure	Receipt	(Net Income)/ Expenditure	Expenditure	Receipt	(Net Income)/ Expenditure
1	Employee cost	83.5/65.8	0	0	0	57,261	0	57,261
2	Finance cost	83.7	0	0	0	0	0	0
3	Depreciation cost	83.6/65.6	12,12,01,676	2,91,57,627	9,20,44,049	14,65,19,279	3,49,12,877	11,16,06,402
4	Repair & Maintenance cost	83.3	4,75,58,399	0	4,75,58,399	66,671	0	66,671
5	ULDC Charges	83.820	0	0	0	17,31,105	0	17,31,105
6	A&G cost	83.8	0	0	0	95,078	0	95,078
	Total (Net)		16,87,60,075	2,91,57,627	13,96,02,448	14,84,69,394	3,49,12,877	11,35,56,517

The prior period expenditure and income during 2015-16 has been included under respective heads.

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Note 30: Earnings Per Share

As required by AS 20, the earning per share has been calculated by dividing the profit/(loss) after tax by the weighted average number of equity shares outstanding during the year as per details given below:

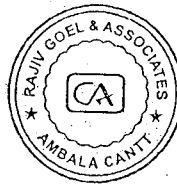
i Basic Earnings Per Share

Sr. No	Particulars	For the year ended 31st March, 2016	For the year ended 31st March, 2015
1	Profit/(Loss) after tax (Rs. in lacs)	201.99	(6,271.10)
2	Weighted Average no. of Equity shares of face value of Rs.10/-each	60,58,83,465	60,58,83,465
3	Earning/(Loss) per share (Sr. No. 1/Sr. No.2) (Rs.)	0.03	(1.04)

ii Diluted Earnings Per Share

Sr. No	Particulars	For the year ended 31st March, 2016	For the year ended 31st March, 2015
1	Profit/(Loss) after tax (Rs. in lacs)	201.99	(6,271.10)
2	Weighted Average no. of Equity shares of face value of Rs.10/-each	60,58,83,465	60,58,83,465
3	Weighted Average Dilutive potential no. Equity shares (Para 32 of AS 20)	0	0
4	Total Weighted Average no. of Equity Shares for Diluted EPS of Rs.10/- each.	60,58,83,465	60,58,83,465
5	Earning/(Loss) per share (Sr. No. 1/Sr. No. 4) (Rs.)	0.03	(1.04)

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**Note 31: Contingent Liabilities**

Claim against the Company not acknowledged as debts in respect of pending cases in various courts are Rs.38,62,86,231/- as on 31.03.2016 (Rs.39,16,25,856/- as on 31.03.2015).

**Note 32: Capital Commitments**

Estimated amount of Contracts remaining to be executed on Capital Account is Rs.210.23 crores as on 31.03.2016 (Rs.214.18 crores as on 31.03.2015).

**Note 33: Deferred Tax**

As per AS-22, the deferred tax assets (the deferred tax benefits) should be recognized only when there is certainty for the income generation in future which can be utilized for setting off the said deferred tax assets. Considering the accumulated unabsorbed losses, it is not probable that the same can be set off with the future income within the allowable period specified in the Income Tax Act 1961. In view of the said uncertainty, it is considered prudent not to recognize the deferred tax asset in the current financial year 2015-16.

**Note 34: Segment reporting.**

The Company is primarily engaged in single segment business of transmission of Power and SLDC functions. There is no reportable primary segment identification in accordance with the Accounting Standard 17 issued by the Institute of Chartered Accountants of India.

**Note 35: Impairment of Assets.**

In accordance with the Accounting Standard 28 issued by the Institute of Chartered Accountants of India on "Impairment of Assets", there has been no impairment of Fixed Assets being classified under major heads such as Land, Building, Plant and Machinery, Lines & Cables. In case of other assets impairment has not been assessed.

**Note 36: Related Party Disclosure.**

As per AS 18, list of Related Parties is as follows:-

Sr. No	Nature of Relationship	Name of Related Party	Period	Nature of Transaction - Remuneration- (Rs.)
1	Chairman cum managing director	Sh. Anirudh Tiwari IAS	01.04.2015 to 31.03.2016	-
2	Director/F&C	Sh. Umakanta Panda	01.04.2015 to 31.03.2016	20,03,056
3	Director/ Administration	Sh. Niraj Hit Abhilashi Tayal	01.04.2015 to 31.03.2016	19,75,280
4	Director/ Technical	Smt. Shashi Prabha	01.04.2015 to 31.03.2016	18,07,461
<b>Total</b>				<b>57,85,797</b>



i) Sh. Anirudh Tiwari IAS held additional charge of CMD PSTCL upto 11.05.2015. So no remuneration was paid to him by PSTCL during the FY 2015-16.

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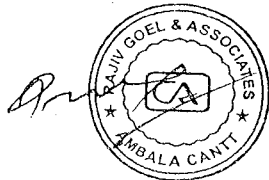


- v Attrition 1% <= 50 years of age;  
2% > 50 years of age.
- vi Disability No explicit allowance
- vii Retirement Age 60 years for Class IV employees and 58 years for other employees

Note 43: The books of accounts of Civil Works division, Jalandhar include completed assets of Plant & Machinery which has not been transferred to the respective P&M Divisions. Pending transfer of completed assets which relates to erstwhile PSEB period, to the concerned P&M Divisions, depreciation on all such completed assets of Rs.1,74,33,981/- in respect of Civil works division Jalandhar has been provided in the concerned construction division as a charge to P&L account.

Note 44: The previous year's figures have been reclassified/regrouped/merged for the purpose of comparison with the current year's figures in the Balance Sheet, Statement of Profit & Loss and Notes to accounts, wherever necessary.

As per our report of  
even date attached  
For Rajiv Goel & Associates  
Chartered Accountants  
FRN 011106N



(Rohit Goel)  
Partner  
M.No 091756  
Place: Patiala

Date: 27/11/2016

*Rohit Goel*

For and on behalf of the Board

*U.K. Panda*  
(U.K.Panda)  
Director/F & C

*S.K. Beri*  
(S.K.Beri)  
Chief Financial Officer

*A. Venu Prasad*  
(A. Venu Prasad)  
Chairman-cum-Managing  
Director

*Jasvir Singh*  
(Jasvir Singh)  
Company Secretary



**INDEPENDENT AUDITOR'S REPORT**

To,

The Members,  
Punjab State Transmission Corporation Limited  
Patiala.

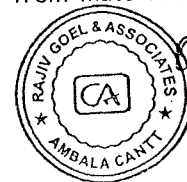
Sub: Statutory Audit Report for the year ending 31.3.2016.

**Report on the Financial Statement**

We have audited the accompanying financial statements of PUNJAB STATE TRANSMISSION CORPORATION LIMITED, PATIALA ("the Company"), which comprise the Balance Sheet as at March 31, 2016, and the Statement of Profit and Loss and the 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 and presentation of these 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 Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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.



PUNJAB STATE TRANSMISSION CORPORATION LIMITED AUDIT REPORT FOR 31.03.2016

*Handwritten signature*

**Chandigarh Office :**  
2117, Sector 35-C,  
Chandigarh  
Phone : 0171-2620117

**Delhi Office :**  
T-1, 3rd Floor, 4772-73  
Bharat Ram Road, 23, Darya Ganj,  
New Delhi. Phone : 011-23280071

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## Auditor's Responsibility

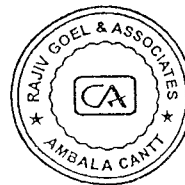
Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 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, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of 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.

## Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the items 1 to 8 described in annexure-1 attached herewith, 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, its profit/loss and its cash flows for the year ended on that date.

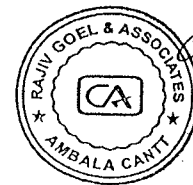


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**Report on Other Legal and Regulatory Requirements:**

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 A' a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, except for the possible effects of the items 1 to 8 described in annexure-1 attached herewith, 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) On the basis of written representations received from the directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of section 164(2) of the Act.
  - f) 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 B".
  - g) With respect to 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.



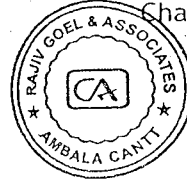
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- ii. The Company did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the company.

Place: Patiala  
Date: 27.12.2016

*Goel*

For M/S RAJIV GOEL & ASSOCIATES  
Chartered Accountants

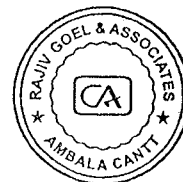


*Goel*  
CA. Rohit Goel  
Partner  
FRN 011106N  
M. No. 091756

"ANNEXURE A" TO THE AUDITORS' REPORT

Referred to in our Report of even date:

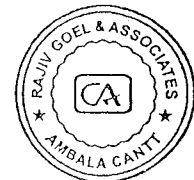
1.
  - a. The company is maintaining proper records showing full particulars including Quantitative details and situation of fixed assets except for the fixed assets transferred on 16/04/2010 pursuant to the transfer scheme notified by the State Government which is in process. *No distinctive mark / specification number has been marked on Fixed Assets.*
  - b. The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed. *However, no report of physical verification was produced before us for verification.*
  - c. As informed to us, the title deeds of immovable properties procured before 16.04.2010 are not in the name of the company but the ownership of which accrues to company by operation of law through Transfer scheme notified by Punjab Government on 24.12.2012. The said title deeds are available with PSPCL (as the Estate office of erstwhile PSEB which is now functioning under PSPCL after unbundling and is the custodian of such title deeds). Further, the title deeds of immovable properties procured after 16.04.2010 are in the name of the company.
2. The management has conducted the physical verification of inventory at reasonable intervals. The discrepancies noticed have been properly dealt with in the books of account.
3. The company has not granted any loans, secured or unsecured to any companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3 (iii) (a) to (c) of the Order are not applicable to the Company.



*Qul*

4. In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities granted in respect of which provisions of Section 185 and 186 of the Companies Act, 2013 are applicable and hence not commented upon.
5. The Company has not accepted any deposits from the public covered under Section 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under.
6. As informed to us, the company has maintained Cost records prescribed by the Central Government under sub section (1) of section 148 of the Act. However, the cost records are audited by cost auditor; therefore we have not made detailed examination of the records with a view to determine whether they are accurate and complete.
7.
  - a. According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2016 for a period of more than six months from the date on when they become payable except for the *TDS defaults of Rs.16,04,013.44/- reflecting under Form 26AS as on 27.12.2016.*
  - b. According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.
8. In our opinion and according to the information and explanations given to us the company has not defaulted in repayment of dues to financial institutions, banks or debenture holders.
9. The company has not raised any money by way of initial public offer or further public offer. According to the information and explanation given to us, the money raised by way

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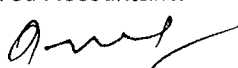
of debt instruments and term Loans have been applied for the purpose of which they were obtained.

10. Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
11. As per notification no. GSR 463(E) dated 5<sup>th</sup> June 2015 issued by the ministry of Corporate Affairs, Government of India, Section 197 is not applicable to the Government Companies. Accordingly, provisions of clause 3(xi) of the Order are not applicable to the Company.
12. The Company is not a Nidhi Company. Therefore, reporting under clause 3(xii) of the Order are not applicable to the Company.
13. In our opinion, all transactions with the related parties are in compliance with Section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
14. Based upon our examination of the records of the company and according to the information and explanations given to us by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company.
15. Based upon our examination of the records of the company and according to the information and explanations given to us by the management, the company has not entered into any non-cash transactions with directors or persons connected with him.
16. In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the company.

Place: Patiala  
Date: 27.12.2016

For M/S RAJIV GOEL & ASSOCIATES  
Chartered Accountants



  
CA. Rohit Goel  
Partner  
FRN 011106N  
M. No. 091756





“Annexure B” to the Independent Auditor’s Report

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

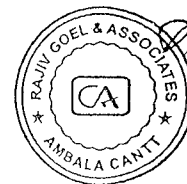
We have audited the internal financial controls over financial reporting of PUNJAB STATE TRANSMISSION CORPORATION LIMITED, PATIALA (“the Company”) as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**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.



*Oaj*

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.

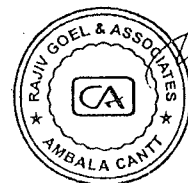
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

#### **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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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.



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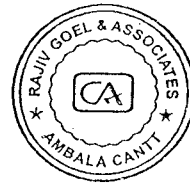
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Opinion

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.

Place: Patiala  
Date: 27.12.2016

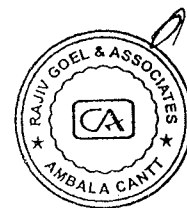
For M/S RAJIV GOEL & ASSOCIATES  
Chartered Accountants



CA. Rohit Goel  
Partner  
FRN 011106N  
M. No. 091756

ANNEXURE-1 FORMING PART OF MAIN AUDIT REPORT OF PUNJAB STATE TRANSMISSION  
CORPORATION LIMITED AS ON 31<sup>ST</sup> MARCH 2016

1. That Company is providing Operation and Maintenance services to 220KV Grid Substation, Mohali & 220 KV Ganguwal-Mohali Transmission Line which is under UT Chandigarh. During the year under audit, a bill for operational and maintenance services amounting to Rs. 1,44,36,473/- is raised but not issued to the UT Chandigarh as UT Chandigarh has intimated that with the introduction of POC (Point of Connection) Regime from FY 2011-12, they are already making payments to PGCIL for the POC charges on their total drawal as per the account prepared by NLDC Delhi (National Load Dispatch Centre). However for the recovery of such O&M charges, the above mentioned transmission line needs RPC certification and PSTCL has taken up the matter with NRPC (Northern Region Power Committee) and the same is under active consideration at all levels with UT Chandigarh & NRPC for recovery of outstanding O&M charges on account of Transmission line mentioned above.
2. As per Amended Transfer Scheme 2012, PSTCL has to pay 11.36% share of terminal benefits payable to employees as per Punjab Power Sector Reforms Transfer (1<sup>st</sup> Amendment) Scheme 2012. As per information available PSPCL provides only 88.64% share of the total terminal benefit Liability in respect of pension, gratuity and leave encashment. As such AS 15 is not applicable to PSTCL in respect of employees working in PSTCL on deputation/secondment from PSPCL and covered under the Pension Scheme, no provision has been made in the books of accounts of PSTCL to the extent of PSTCL's share of progressive funding being 11.36% of actuarial liability on account of terminal liability. PSTCL has provided for terminal liability on the principle of 'Pay as you go' basis amounting to Rs. 2,29,40,35,116/- being 11.36% of total amount as intimated by PSPCL.
3. Services to/from PSPCL like rent of Offices, rent of colonies etc is not accounted for in the books of accounts up to date. In the absence of information we are unable to ascertain the effect on statement of profit & loss and balance Sheet.
4. The balances of Creditors are not confirmed. In the absence of information we are unable to ascertain its effect on statement of profit & loss and balance sheet.



5. There is an opening credit balance of Rs. 16,28,70,583/- as on 01-04-2015 under the head "Reserve for Material Cost Variance" which represents the excess store incidental expenses incurred to Capital Works over the actual expenditure during the earlier years. However the company has transferred this balance to "Capital Reserve" during the financial year 2015-16. The credit of Rs. 16,28,70,583/- under Capital Reserve and corresponding excess debited under fixed assets are both over stated by the amount detailed above. In absence of the bifurcation of variance between the Fixed Assets and CWIP and Expenses its effect of Fixed Assets, Depreciation and Statement of Profit and Loss and Balance Sheet could not be ascertained.
6. Other Non Current Assets include Inter Unit Transfer debit balance of Rs. 3.31 Crore (Balance as on 31.03.2015 is Rs. 6.42 Cr) and Blank U Cheque debit balance of Rs. 54.67 Crore relating to the period prior to 16/04/2010 are not reconciled and effect thereof on Statement of Profit and Loss and Balance Sheet could not be ascertained.
7. Credit Awaiting IUT Bills amounting Rs. 4,42,93,788/- under Other Liabilities Note No. 9.2 of Other Current Liabilities.

That as explained to us "the amount received from other accounting units/recoveries made on behalf of other accounting units of PSTCL & PSPCL and cost of material received against SR, Store challan/SRWs shall be Credited under Credit Awaiting IUT Bills. As and when the claim is received from the concerned units then it will be cleared by issuing U-Cheque/transferring to ICT head by debiting this account code". That opening credit balance under this head as on 01.04.2015 is Rs.16,16,25,375/- and closing credit balance as on 31.03.2016 amounts to Rs. 4,42,93,788/-. That during the audit it was observed that details are not available with the company as to whom these amounts are payable. These balances are un-reconciled and Un-confirmed, therefore we are unable to comment upon the accuracy of the figures and the effect of reconciliation on profit and loss account and Balance Sheet could not be ascertained.

8. "Receipts for deposit works" is Rs. 61,60,35,038/- and under "Receipts for Contribution Works" is Rs. 57,88,62,533/-. under Note No. 6 of Other Long Term Liabilities.

As explained to us, "the amount received by PSTCL from outside parties to undertake works on their behalf are accounted under "Receipts for deposit works" and "Receipts for



*[Handwritten signature]*

*[Handwritten mark]*

Contribution Works" under Other Long Term liability". That opening credit balance under "Receipts for deposit works" and "Receipts for Contribution Works" as on 01.04.2015 is Rs. 64,38,90,952/- and Rs. 54,47,44,660/- respectively. That during the audit it was observed that details are not available with the company as to whom these amounts are payable. These balances are un-reconciled and Un-confirmed, therefore we are unable to comment upon the accuracy of the figures and the effect of reconciliation on profit and loss account and Balance Sheet could not be ascertained.

For M/S RAJIV GOEL & ASSOCIATES  
Chartered Accountants



*[Handwritten Signature]*

CA. Rohit Goel  
Partner  
FRN 011106N  
M. No. 091756

Place: Patiala  
Date: 27.12.2016

*[Handwritten Signature]*



19.01.2017

To

Resident Audit officer  
PSTCL AND PSPCL  
Patiala

Sir,

Sub: Annual Accounts of PSTCL for the year 2015-16

Independent Auditor's Report

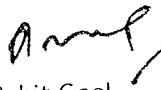
Please refer to your Letter No./RAO/PSTCL/ANNUAL ACCOUNTS (2015-16)/1292 dated 18/01/2017. In this regard it is submitted that Our firm has been appointed as Statutory auditor of Punjab State Transmission Corporation Limited for the year ending 31-3-2016 vide CAG Letter No./CA.V/COY/PUNJAB, PSTCL(1)/1330 dated 07/08/2015. We have completed the audit for the financial year 2015-16 and submitted the report on 27.12.2016.

We have already submitted, the report on the Directions issued by CAG under section 143(5) of the Companies Act, 2013 for the FY 2015-16 to your office in respect of Punjab State Transmission Corporation Limited along with the compliance certificate. It is also relevant to mention that the report u/s 143(5) was inadvertently separately submitted to your office on 28.12.2016 which shall be taken care of in future. The said report submitted by us u/s 143(5) be considered as Integral part of the Independent Auditor's Report (main report) submitted on 27.12.2016.

Further copy of report under section 143(5) in accordance with directions/sub-directions issued by CAG along with compliance certificate is annexed herewith. Inconvenience caused is deeply regretted.

Thanking You,  
Yours Truly,

For Rajiv Goel & Associates  
(Chartered Accountants)

  
CA. Rohit Goel  
(Partner)  
M.No. 091756  
FRN 011106N



Copy to:

Punjab State Transmission Corporation Limited  
The Mall Patiala

Along with the copy of report under section 143(5) in accordance with directions/sub-directions issued by CAG



Chandigarh Office :  
2117, Sector 35-C,  
Chandigarh  
Phone : 0171-2620117

Delhi Office :  
T-1, 3rd Floor, 4772-73  
Bharat Ram Road, 23, Darya Ganj,  
New Delhi. Phone : 011-23280071

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28.12.2016

To

Resident Audit officer  
PSTCL AND PSPCL  
Patiala

Sir,


Sub: Completion of Statutory Audit for the financial year 2015-16

That vide CAG Letter No./CA.V/COY/PUNJAB, PSTCL(1)/1330 dated 07/08/2015, Our firm has been appointed as Statutory auditor of Punjab State Transmission Corporation Limited for the year ending 31-3-2016. We have successfully completed the audit for the financial year 2015-16 and submitted the report on 27<sup>th</sup> December 2016.

We are hereby submitting you, the report on the Directions issued by CAG under section 143 of the Companies Act, 2013 for the FY 2015-16 in respect of Punjab State Transmission Corporation Limited along with the compliance certificate in respect of compliance with all the directions/sub-directions issued to us. Copy of Performa on the performance of statutory auditors of government companies & corporations is also enclosed herewith.

Thanking You,  
Yours Truly,

For Rajiv Goel & Associates  
(Chartered Accountants)

  
CA. Rohit Goel  
(Partner)  
M.No. 091756  
FRN 011106N





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## Compliance Certificate

We have conducted the audit of accounts of PUNJAB STATE TRANSMISSION CORPORATION LIMITED for the year ended 31<sup>st</sup> March 2016 in accordance with the directions/sub-directions issued by the Comptroller and Auditor General of India under Section 143 (5) of the Companies Act, 2013 and certify that we have complied with all the directions/sub-directions issued to us.

For M/S RAJIV GOEL & ASSOCIATES  
Chartered Accountants

CA. Rohit Goel  
Partner  
FRN 011106N  
M. No. 091756

Place: Patiala  
Date: 27<sup>th</sup> December, 2016

Report on the Directions issued by Comptroller & Auditor General under section 143  
of The Companies Act, 2013 for the FY 2015-16 in respect of  
Punjab State Transmission Corporation Limited.

Sr. No.	Directions	Reply
1	Adequacy of steps to prevent encroachment of idle land owned by company may be examined. In case land of the company is encroached, under litigation, not put to use or declared surplus, details may be provided.	<p>PSTCL does not own any idle land. The entire land in possession of the Corporation has been put to use and no land has been declared as surplus. The details of the land owned by Company which is encroached and action taken to prevent encroachment are as under:</p> <p>(a) 9.2 marle land of 132 KV S/S Pathankot under P&amp;M Division, Sarna was encroached by Bakhtawar Gill and Civil Court Pathankot has given its decision in favour of PSTCL but Bakhtawar Gill has filed the appeal in Hon'ble Punjab and Haryana High Court and case is being defended by PSTCL and next date of hearing is 17.02.2017.</p> <p>(b) The land of 16 Marlas of 132 KV S/s Hoshiarpur under P&amp;M Division, Mahilpur bearing khasra no. 39/4/1/1/2 was occupied by Gurdwara Singh Sabha Hoshairpur. The court has given decision in favour of PSTCL on dated 24.04.2008. Now the case has been filed for taking possession of land under Punjab Public Premises and Land (Eviction and Rent Recovery) Act, 1973 in the court of SDM Hoshiarpur (having powers of Collector under the aforesaid Act).The next date of hearing is 04.01.2017.</p> <p>(c) 19.23 square metre land of 220 KV S/s Ablowal is encroached by Bharpur</p>

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Report on the Directions issued by Comptroller & Auditor General under section 143 of The Companies Act, 2013 for the FY 2015-16 in respect of Punjab State Transmission Corporation Limited.

		Singh S/o Mangal Singh r/o Babu Singh Colony, Ablowal. Earlier there was no boundary wall of sub-station at this place due to which this piece of land has been encroached. The court case has been filed in Civil Court, Patiala and is on witness. The next date of hearing is 22.02.2017.
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.	No land is acquired during the year for setting up of new projects or otherwise.
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.	Yes, 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 except for a bill amounting to Rs. 1,44,36,473/- raised but not issued during the FY 2015-16 for Operation and Maintenance services provided to 220KV Grid Substation, Mohali & 220 KV Ganguwal-Mohali Transmission Line which is under UT Chandigarh. The amount of this bill has not been recovered by the Company as UT Chandigarh intimated that with the introduction of POC (Point of Connection) Regime from FY 2011-12, they are already making payments to PGCIL for the POC charges on their total drawal as per the account prepared by NLDC Delhi (National Load Dispatch Centre). However for the recovery of such O&M

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**Report on the Directions issued by Comptroller & Auditor General under section 143  
of The Companies Act, 2013 for the FY 2015-16 in respect of  
Punjab State Transmission Corporation Limited.**

		charges, the above mentioned transmission line needs RPC certification and PSTCL has taken up the matter with NRPC (Northern Region Power Committee) and the same is under active consideration at all levels with UT Chandigarh & NRPC for recovery of outstanding O&M charges on account of Transmission line mentioned above.
4	How much cost has been incurred on abandoned projects and out of this how much cost has been written off?	Expenditure of Rs. 222.60 lacs was incurred on the abandoned 220 KV Sarna-Kotli Surat Mali line and no cost has been written off till date.
5	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 provided/commented.	As informed to us, PSTCL has commissioned adequate transmission capacity to evacuate the power from generating stations including those which are drawn from outside of the state/northern grid. There has been no claim of loss against PSTCL from any generating company.
6	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?	There is no system in place to determine the transmission loss by the company. However, as informed to us, PSERC has allowed a transmission loss of 2.5% in the Tariff Order of FY 2015-16. The company has claimed that even otherwise, the difference between actual loss and the loss approved by the commission is not required to be accounted for in the books of accounts as the corporation has recovered its transmission charges in full as approved by PSERC on transmission capacity basis.
7	Whether the assets constructed and completed on behalf of other agencies and handed over to them has been properly accounted for in the financial	In the books of accounts as on 31.03.2016 a sum of Rs. 61,60,35,038/- is standing under the head of "Receipts for Deposit Work" and amounting to Rs. 57,88,62,533/- under

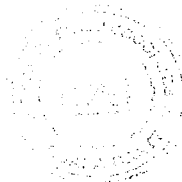
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Report on the Directions issued by Comptroller & Auditor General under section 143  
of The Companies Act, 2013 for the FY 2015-16 in respect of  
Punjab State Transmission Corporation Limited.

	statements?	"Receipts for Contribution Work". These amounts are on account of assets constructed and completed on behalf of other agencies. These balances are un-reconciled and un-confirmed and no details regarding the same are available with the company as to whom these amounts are payable.
8	If the Company has been selected for disinvestment, a complete status report in terms of valuation of Assets (including intangible assets and land) and Liabilities (including Committed & General Reserve) may be examined including the mode and present stage of disinvestment process.	The company has not been selected for disinvestment.
9	Please report whether there are any cases of waiver/write off of debts/loans/interest etc., if yes, the reasons thereof and the amount involved.	There is no case of waiver/write off of debts/loans/interest etc.
10	Whether proper records are maintained for inventories lying with third parties & assets received as gift from Govt. or other authorities. Please provide the details of inventories lying with the third parties and assets received as gift from government or other authorities.	No inventories are lying with the third parties & no assets have been received as gift from Govt. or other authorities.
11	A report on age-wise analysis of pending legal/arbitration cases including the reasons of pendency and existence/effectiveness of a monitoring mechanism for the expenditure on all legal cases (foreign and local) may be given.	<ol style="list-style-type: none"> <li>1. Age-wise analysis of pending legal/arbitration cases along with the reasons of pendency are enclosed herewith (as per Annexure-A).</li> <li>2. So far the existence/effectiveness of a monitoring mechanism for the expenditure on all legal cases is</li> </ol>

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**Report on the Directions issued by Comptroller & Auditor General under section 143  
of The Companies Act, 2013 for the FY 2015-16 in respect of  
Punjab State Transmission Corporation Limited.**

		concerned, corporation assess the financial implications of a case and depending upon the issue involved the allocation of work is done to senior advocates and junior advocates. Also the fees are paid on the basis vide office order no. 19/Legal dated 31.05.2011 & office order no. 2/PSTCL dated 14.07.2015.
12	Whether the company has clear title/lease deeds for freehold and leasehold respectively? If not please state the area of freehold and leasehold land for which title lease deeds are not available?	As informed to us, the title deeds of immovable properties procured before 16.04.2010 are not in the name of the company but the ownership of which accrues to company by operation of law through Transfer scheme notified by Punjab Government on 24.12.2012. The said title deeds are available with PSPCL (as the Estate office of erstwhile PSEB which is now functioning under PSPCL after unbundling and is the custodian of such title deeds). Further, the title deeds of immovable properties procured after 16.04.2010 are in the name of the company.

FOR M/S RAJIV GOEL & ASSOCIATES

Chartered Accountants



CA Rohit Goel

Partner

FRN 011106N

M. No. 091756

Place: Patiala

Date: 27.12.2016

Annexure-A

Age-wise analysis of Pending court cases/arbitration cases as on 31.03.2016

Year	No. of Cases
before 2010	47
2010-11	0
2011-12	9
2012-13	12
2013-14	36
2014-15	18
2015-16	37
Total	159

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सत्यमेव जयते

भारतीय लेखा तथा लेखा परीक्षा विभाग  
कार्यालय महालेखाकार (लेखा परीक्षा), पंजाब  
प्लॉट नं० 21, सैक्टर 17, चण्डीगढ़ - 160017

Indian Audit & Accounts Department  
Office of the Accountant General (Audit) Punjab  
Plot No. 21, Sector 17, Chandigarh-160017

क्रमांक / No.....

दिनांक / Date.....

Dy. No. 159 /SPS/CMD  
Dated: 9/3/17

पत्र संख्या WM/AnnualAccounts/PSTCL (2015-16)/2016-17/1479, दिनांक - 3/3/17

सेवा में,

सचिव  
विद्युत विभाग,  
कमरा नं. 620, छठा तल, लघु सचिवालय, पंजाब,  
चण्डीगढ़।

विषय

31 मार्च 2016 को समाप्त वर्ष के लिये Punjab State Transmission Corporation Limited के लेखाओं पर कम्पनी अधिनियम 2013 की धारा 143(6)(b) के अन्तर्गत भारत के नियंत्रक महालेखापरीक्षक की टिप्पणियां।

महोदय

मैं इस पत्र के साथ आपको 31 मार्च 2016 को समाप्त वर्ष के लिये Punjab State Transmission Corporation Limited के लेखाओं पर कम्पनी अधिनियम 2013 की धारा 143 (6) (b) के अन्तर्गत भारत के नियंत्रक महालेखापरीक्षक की टिप्पणियों की प्रतिलिपि प्रेषित करता हूँ।

उपरोक्त टिप्पणियों को वार्षिक लेखाओं वार्षिक रिपोर्ट एवं वैधानिक लेखापरीक्षकों की रिपोर्ट सहित कम्पनी अधिनियम 2013 की धारा 395(1)(b) अन्तर्गत विधानसभा के पटल पर रखा जाए, तथा इस कार्यालय को इन्हें विधान सभा के समक्ष प्रस्तुत करने की लिथि से अवगत करवाया जाए इसके अलावा रिपोर्ट एवं टिप्पणियों की प्रतिलिपियां जो की विधान सभा के समक्ष प्रस्तुत की गई हो इस कार्यालय को प्रेषित की जाए।

कृपया इस पत्र की संलग्न सहित प्राप्ति सूचना भी भेजे।

भवदीया,

संलग्न - यथोक्त

उप महालेखाकार (आ.क्षे)

उपरोक्त की एक प्रति टिप्पणियों सहित Chairman-cum-Managing Director, Punjab State Transmission Corporation Limited, Patiala को सूचनार्थ एवं आवश्यक कार्यवाही हेतु प्रेषित की जाती है।

संलग्न - यथोक्त

स्थानीय लेखा परीक्षा अधिकारी (आ.क्षे)



**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF PUNJAB STATE TRANSMISSION CORPORATION LIMITED FOR THE YEAR ENDED 31 MARCH 2016.**

The preparation of financial statements of the **Punjab State Transmission Corporation Limited** for the year ended 31 March 2016 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the Company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 139(5) of the Act are responsible for expressing opinion on the financial statements under Section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under Section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 27 December 2016.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under Section 143(6)(a) of the Act of the financial statements of the **Punjab State Transmission Corporation Limited** for the year ended **31 March 2016**. This supplementary audit has been carried out independently without access to the working papers of the Statutory Auditors and is limited primarily to inquiries of the Statutory Auditors and Company personnel and a selective examination of some of the accounting records. Based on my supplementary audit, I would like to highlight the following significant matters under Section 143(6)(a) of the Act which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and the related Audit Report.

**A. Comments on Profitability**

**A.1. Employees Benefit Expenses (Note No. 22)- ₹403.97 crore**

The above does not include liability of Dearness Allowance payable to employees for the period 01-01-2014 to 31-3-16 which has resulted in understatement of "Other Current Liabilities" by ₹12.82 crore and overstatement of "Reserves and Surplus" by ₹10.34 crore and profit for the year 2015-16 by ₹2.48 crore.

**B. Comments on Financial Position**

**B.1 Equity and Liabilities**

**Share Capital (Note No.3)- ₹605.88 crore**



Persuant to the implementation of Punjab Power Sector Reforms Transfer Scheme, 2010, consumer's contribution, grants and subsidies amounting to ₹338.97 crore were wrongly converted as capital of the State Government in the Company. This has resulted in overstatement of Share Capital and understatement of Reserve and Surplus by ₹338.97 crore.

**B.2**

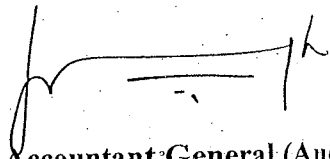
**Non-Current Liabilities**

**Long-term provisions – (Note No.7) - ₹4.75 crore**

A reference is invited to Qualification No. 2 of Annexure-1 of Independent Auditor's Report vide which non-provision of Company's share (11.36%) of progressive funding of actuarial liability on account of terminal liability as per Amended Punjab Power Sector Reforms Transfer Scheme, 2012 has been pointed out.

The qualification of the Auditor is deficient to the extent that it does not quantify its impact which is understatement of 'long term provisions' and overstatement of 'Reserves and Surplus' by ₹2569.49 crore (₹2798.89 crore (-) ₹229.40 crore).

**For and on the behalf of the  
Comptroller & Auditor General of India**

  
**Principal Accountant General (Audit)  
Punjab**

**Place: Chandigarh**

**Date:**



**PROXY FORM**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN U40109PB2010SGC033814  
 Name of Company Punjab State Transmission Corporation Limited  
 Registered Office PSEB Head Office, The Mall, Patiala-147001, Punjab, India

**ADJOURNED 6<sup>th</sup> ANNUAL GENERAL MEETING**

Name of the member (s):  
 Registered address:  
 E-mail Id:  
 Folio No.:

I/We, being the member(s) of \_\_\_\_\_ equity shares of the above named company, hereby appoint

1. Name: \_\_\_\_\_ E-mail Id: \_\_\_\_\_  
 Address: \_\_\_\_\_  
 Signature: \_\_\_\_\_ or failing him/her
2. Name: \_\_\_\_\_ E-mail Id: \_\_\_\_\_  
 Address: \_\_\_\_\_  
 Signature: \_\_\_\_\_ or failing him/her
3. Name: \_\_\_\_\_ E-mail Id: \_\_\_\_\_  
 Address: \_\_\_\_\_  
 Signature: \_\_\_\_\_

as may/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Adjourned 6<sup>th</sup> Annual General Meeting of the Company, to be held on the \_\_\_\_\_, \_\_\_\_\_, 2017 at \_\_\_\_\_ A.M. at the **Registered Office of the Corporation, PSEB Building, The Mall, Patiala** and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr. No.	Resolutions
	<b>ORDINARY BUSINESS</b>
1.	<b>ITEM NO. 1</b> To receive, consider and adopt the Audited Financial Statements as at 31 <sup>st</sup> March 2016, the reports of the Board of Directors and Auditors thereon.

Signed this.....day of.....2017



Signature of Shareholder..... Signature of Proxy holder(s).....

**Note:** This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

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**BALWINDER & ASSOCIATES**  
Cost Accountants

Head Office:  
F-125, Phase VIII-B, Indl. Area, Mohali – 160 071  
Ph. +91 172 5097636 Fax: +91 172 4631125  
(M): +91 98141 68636, +91 92569 75986  
e mail: info@costaccountant.in  
website:www.costaccountant.in

Branch offices:  
New Delhi  
Kolkata  
Jaipur  
Lucknow  
Chandigarh

**COST AUDIT REPORT**  
[See rule 2 and rule 6]

We, **Balwinder & Associates**, Cost Accountants, having been appointed as Cost Auditors under Section 148(3) of the Companies Act, 2013 (18 of 2013) of **M/s Punjab State Transmission Corporation Limited** having its Regd. Office at The Mall, Patiala, Punjab (hereinafter referred to as the Company), have audited the Cost Records maintained under Section 148 of the said Act, in compliance with the cost auditing standards, in respect of the Electricity Industry for the year ended **31<sup>st</sup> March, 2016** maintained by the Company.

1. In addition to our observations and suggestions in Para 2, we report as under:
  - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of this audit.
  - (ii) In our opinion, proper cost records, as per Rule 5 of the Companies (Cost Records & Audit) Rules, 2014 have been maintained by the Company in respect of product(s) under reference.
  - (iii) In our opinion, proper returns adequate for the purpose of the Cost Audit have been received from the branches not visited by us.
  - (iv) In our opinion and to the best of our information, the said books and records give the information required by the Companies Act, 2013 in the manner so required.
  - (v) In our opinion, the Company has adequate system of internal audit of cost records which to our opinion is commensurate to its nature & size of its business.
  - (vi) In our opinion, information, statements in the annexure to this cost audit report give a true and fair view of the cost of production of product(s), cost of sales, margin and other information relating to product(s) under reference.
  - (vii) Detailed unit-wise and product-wise cost statements & schedules thereto in respect of the product(s) under reference of the company duly audited & certified by us are kept by the Company.



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# BALWINDER & ASSOCIATES

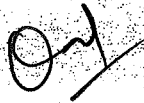
## Cost Accountants

Head Office:  
F-125, Phase VIII-B, Indl. Area, Mohali - 160 071  
Ph: +91 172 5097636 Fax: +91 172 4631125  
(M): +91 98141 68636, +91 92569 75986  
e mail: info@costaccountant.in  
website:www.costaccountant.in

Branch offices:  
New Delhi  
Kolkata  
Jaipur  
Lucknow  
Chandigarh

2. Based on our examination of the records of the company, we give observations as under:

- The Sales realization in respect of transmission of electricity during the year 2015-16 has increased by Rs.4,782 per LUS (i.e., from Rs.19,960 per LUS to Rs.24,742 per LUS) as compared to previous year.
- Whereas cost of sales has increased by Rs.3,563 (i.e., from Rs.21,430 per LUS to Rs.24,993 per LUS) as compared to previous year.
- This has resulted into decline in Loss by Rs.1,219 per LUS (i.e., from Loss of Rs. 1,470 per LUS to Loss of Rs.251 per LUS) as compared to previous year.
- Employee Cost as per Financial Accounts is 8.49Paise per unit, this includes terminal benefits cost of 4.51 paise per unit.
- The details of reconciliation of Service Tax as per para 11 of Cost Audit Report is unaudited as no statutory returns has been made available to us for verification.



Place:  
Dated:

for Balwinder & Associates  
Cost Accountants

[Firm No. 000201]

FRN-000201

(Balwinder Singh)

Partner

M.No.19898

**PUNJAB STATE TRANSMISSION CORPORATION LIMITED**

**COST AUDIT REPORT**

**Financial Year 2015-16**

Auditors:

**Balwinder & Associates**

**Cost Accountants**

Head Office:

F-125, Phase VIII-B, Indl. Area,  
Sector 74, Mohali – 160 071

(M): 98141-68636, 92569-75986

e mail: [info@costaccountant.in](mailto:info@costaccountant.in),

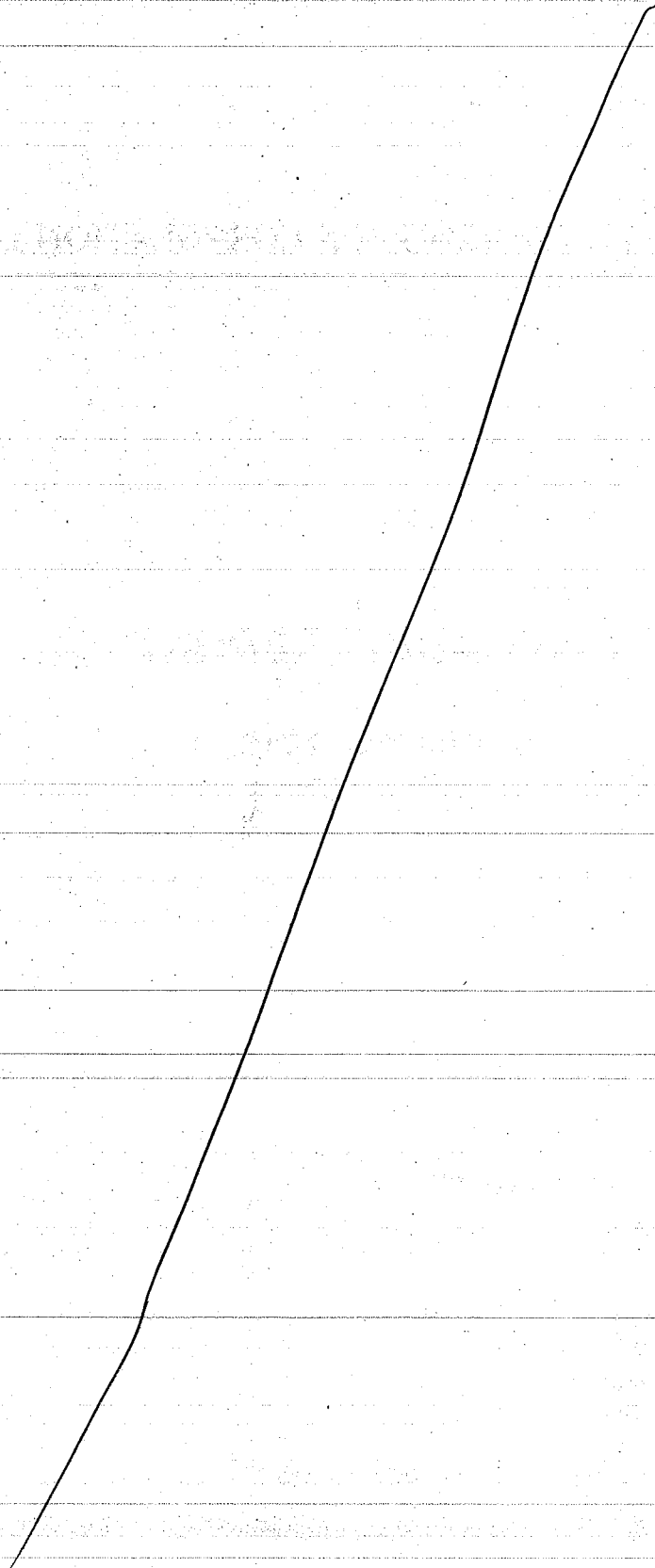
website: [www.costaccountant.in](http://www.costaccountant.in)

*Branch Offices: New Delhi, Kolkata, Lucknow, Jaipur, Chandigarh*

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# Punjab State Transmission Corporation Limited

Cost Audit Report 2015-16

PART - A  
Annexure 1

## General Information

S.No.	Particulars	Details
1	Corporate Identity Number or Foreign Company Registration Number	: U40109PB2010SGC033814
2	Name of Company	: Punjab State Transmission Corporation Limited
3	Address of Registered Office or of Principal place of business in India of company	: PSEB, Head Office, The Mall, Patiala, Punjab, India-147001
4	Address of Corporate Office of Company	: PSEB, Head Office, The Mall, Patiala, Punjab, India-147001
5	Email address of Company	: <a href="mailto:csiasvir@yahoo.in">csiasvir@yahoo.in</a>
6	Beginning and end date of reporting financial year	: 01.04.2015 - 31.03.2016
7	Beginning and end date of previous financial year	: 01.04.2014 - 31.03.2015
8	Level of rounding used in cost statements	: Rupees
9	Reporting currency of entity	: INR
10	Number of Cost Auditors for reporting period	: One
11	Date of Board of Directors meeting in which annexure to cost audit report was approved	: 20.03.2017
12	Whether Cost Auditors Report has been qualified or has any reservations or contains adverse remarks	: No
13	Consolidated qualifications, reservations or adverse remarks of all Cost Auditors	: NIL
14	Consolidated observations or suggestions of all Cost Auditors	: As per Cost Audit Report Para No.2
15	Whether company has related party transactions for sale or purchase of goods or services	: Yes

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# Punjab State Transmission Corporation Limited

Cost Audit Report 2015-16

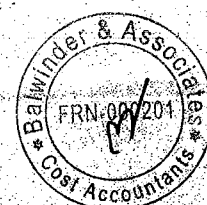
PART - A  
Annexure 2

## General Details of Cost Auditor

S.No.	Particulars	Details
1	Whether Cost Auditor is lead auditor	: Yes
2	Category of Cost Auditor	: Partnership Firm
3	Firm's Registration Number	: 201
4	Name of Cost Auditor's Firm	: Balwinder & Associates
5	PAN of Cost Auditor's Firm	: AAIFB3613N
6	Address of Cost Auditor's Firm	: F-125, Phase VIII-B, Indl. Area, Mohali, Punjab -160 071
7	Email id of Cost Auditor's Firm	: info@costaccountant.in
8	Membership Number of member signing report	: 19898
9	Name of Member signing report	: Balwinder Singh
10	Name(s) of product(d) or services(s) with CETA heading	: NA
11	SRN number of Form CRA-2	: S39553524
12	Number of Audit Committee meetings attended by cost auditor during year	: Nil
13	Date of signing cost audit report and annexures by Cost Auditor	: 20.03.2017
14	Place of signing cost audit report and annexures by cost auditor	: Mohali

On

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# Punjab State Transmission Corporation Limited

Cost Audit Report 2015-16

PART - A  
Annexure 3

## **COST ACCOUNTING POLICIES:**

1. The Cost Statements are prepared under historical cost convention, on accrual basis, in accordance with Generally Accepted Cost Accounting Principles (GACAP) and comply with Companies (Cost Record & Audit) Rules, 2014, and Cost Accounting Standards issued by the Institute of Cost Accountants of India.

**(a) Identification of Cost Centres/Cost Objects & Cost Drivers:**

Cost Centres have been identified according to major functions/activities in accordance with Cost Accounting Standard-1 issued by the Institute of Cost Accountants of India.

**(b) Accounting for Material Cost Including Packing Materials, Stores & Spares etc., Employee costs, Utilities & Other relevant cost components.**

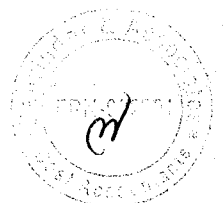
- (i) The Company is engaged in the transmission of electricity, thus no Direct materials are required. There is consumption of O & M materials which are considered at cost based on weighted average basis.
- (ii) Employee Cost is ascertained taking into account the gross pay including all allowances payable along with the cost to the employer of all the benefits.
- (iii) Remuneration upto Xen level in P&M is considered as part of Direct Employee Cost.
- (iv) Direct Employee cost is allocated to divisions on actual basis.
- (v) Terminal benefits and staff welfare cost is charged to administrative overheads as the same are being paid to the retired employees on pay 'as you go' basis. This also includes contribution towards NPS and provision for gratuity and leave encashment in respect of employees recruited by company.

**(c) Accounting, Allocation and Absorption of Overheads**

- (i) Overheads comprise indirect materials, indirect employee costs and indirect expenses which are not directly identifiable or allocable to production / service. The identifiable overheads are allocated to respective functions on actual basis and those which cannot be identified are apportioned to the cost centres on the most appropriate basis.

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- (ii) Administrative Overheads are Cost of all activities relating to general management and administration of the company, excluding finance cost but including terminal benefits.

**(d) Accounting for Depreciation/Amortization**

- (i) Depreciation on fixed assets is calculated in line with Part B of schedule II to Companies Act 2013, with effect from 1st April 2014, depreciation is provided as per PSERC(Terms & Conditions for determination of Tariff) Regulations,2005(as amended in 2012). In accordance with PSERC Regulations,2005, depreciation is calculated annually based on a straight-line method at rates specified in appendix II of CERC (Terms & Condition of Tariff) Regulations,2014.
- (ii) The fixed assets are depreciated upto 90% of the original cost after taking 10% as residual value of assets. However, the leasehold assets are fully amortised over the entire lease period as per the terms of the lease agreement.
- (iii) Temporary erections are depreciated fully, . 100% in the year of acquisition / capitalization.
- (iv) Depreciation is provided on prorata basis from the month in which the asset become available for use.
- (v) Assets costing upto Rs.5,000 are fully depreciated in the year of acquisition, except where specific classification is prescribed for the purpose of depreciation.

**(e) Accounting for By-products / joint-products, Scrap, Wastage etc.**

The Company is engaged in transmission of electricity. There are no by products/joint products.

**(f) Basis of Inventory Valuation**

Company has store & spares Inventories valued at weighted average basis or Net realizable value.

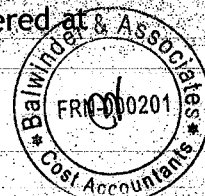
The Cost of inventories comprise of all costs of purchase, cost of conversion and other cost incurred in bringing the inventories to their present location and condition.

**(g) Methodology of Valuation of Inter-unit / Inter-company and Related Party Transaction**

The Company has entered into related party transactions in respect of services from Directors during the year under audit( These transactions are the remuneration paid to the directors). The same are considered at

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arm's length price.

(h) **Treatment of abnormal and non-recurring costs including Classification of Non-cost items**

Non-cost items are excluded from the cost of sales and are treated as a separate item of reconciliation of Profit as per cost accounts and Profit as per financial accounts.

(i) **Other**

Cost Accounting policies not referred above are consistent and in consonance with Generally Accepted Cost Accounting Principles.

Previous year figures have been re-grouped/ re-arranged wherever necessary to make them comparable with current year.

2. As per information & explanations given to us, there is no change in Cost Accounting policies followed by company for the product(s)/ service(s) under Audit during the current financial year as compared to previous financial year.
3. In our opinion and according to the information and explanations given to us, the budgetary control systems followed by the Company are adequate.

**for Balwinder & Associates**

Cost Accountants  
[Firm Regn.No.000201]

  
(Balwinder Singh)

Partner  
M.No.19898

Place:  
Dated:



04.

# Punjab State Transmission Corporation Limited

Cost Audit Report 2015-16

PART - A  
Annexure 4

Product / Service Details  
(for the company as a whole)

Name of Product(s) / Service(s)	UOM	CETA Heading	Covered under Cost Audit (Yes/No)	Net Operational Revenue (net of taxes, duties etc.)	
				2015-16 (Rs.)	2014-15 (Rs.)
Transmission of Electricity	LUS	NA	Yes	117718,26,854	95258,55,855
<b>Total Net Revenue from Operations</b>				<b>117718,26,854</b>	<b>95258,55,855</b>
Other Incomes of the Company				2952,90,357	1935,35,661
<b>Total Revenue as per Financial Accounts</b>				<b>120671,17,211</b>	<b>97193,91,516</b>
Extra ordinary income, if any				-	-
<b>Total Revenue including extra ordinary income, if any</b>				<b>120671,17,211</b>	<b>97193,91,516</b>
Turnover as per Excise/Service Tax Records				N.A.	N.A.

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# Punjab State Transmission Corporation Limited

Cost Audit Report 2015-16

PART - A  
Annexure 4 (contd)

## Detail of Other Incomes

Particulars	2015-16 (Rs.)	2014-15 (Rs.)
Interest on bank deposits & staff loans	2,16,992	4,17,974
Income from sale of scrap	209,16,737	263,64,800
Income from sale of fixed assets	470,89,222	157,58,804
Income from staff welfare activities	1,10,152	80,149
Misc. Income	2218,05,948	1276,53,241
Excess provision of Income tax withdrawn	31,13,374	-
Provision withdrawn on obsolete items & Losses under investigation	17,64,597	132,39,951
Prior period income	2,73,335	100,20,742
<b>Other Incomes of the Company</b>	<b>2952,90,357</b>	<b>1935,35,661</b>

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# Punjab State Transmission Corporation Limited

Cost Audit Report 2015-16

PART - B

For Manufacturing Sector

Quantitative Information

Not Applicable

Abridged Cost Statement

Not Applicable



# Punjab State Transmission Corporation Limited

Cost Audit Report 2015-16

PART - C  
Annexure 1

## Quantitative Information (for each service separately)

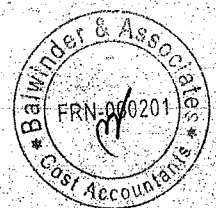
Name of the Service  
Service Code, if applicable  
Unit of Measurement

Transmission of Electricity  
N.A.  
LUS

Particulars	2015-16	2014-15
<b>1. Available Capacity</b>		
(a) Installed Capacity	N.A.	N.A.
(b) Capacity enhanced during the year, if any		
(c) Total available Capacity		
<b>2. Actual Services Provided</b>		
(a) Own Services (Power received from generating units)	4,75,780	4,77,240
(b) Services under contractual arrangements	-	-
(c) Outsourced Services	-	-
(d) Total Services	4,75,780	4,77,240
<b>2A. Other Adjustments</b>		
(a) Self / Captive Consumption	-	-
(b) Other Quantative Adjustments (Transmission Losses)	17,780	19,630
(C) Total Adjustments	17,780	19,630
<b>3. Total Services provided as per Service Tax Records</b>		
<b>4. Capacity Utilization (in-house) %</b>		
<b>5. Actual Sales</b>		
(a) Services Rendered - Domestic	4,58,000	4,57,610
(b) Services Rendered - Export	-	-
(c) Total Services Rendered	4,58,000	4,57,610

Note : Installed Capacity is not applicable as there is no power generation

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# Punjab State Transmission Corporation Limited

Cost Audit Report 2015-16

PART - C  
Annexure 2

## Abridged Cost Statement (for each service separately)

Name of the Service  
Service Code, if applicable

Transmission of Electricity  
N.A.

### Quantitative details of product / service

Unit of Measurement : LUS

	Service Provided	Captive Consumption	Other Adjustments	Services Rendered
Current Year	4,75,780	-	17,780	4,58,000
Previous Year	4,77,240	-	19,630	4,57,610

### Abridged Cost Statement:

S.No	Particulars	2015-16		2014-15	
		Amount Rs.	Rate/LUS Rs.	Amount Rs.	Rate/LUS Rs.
1	Materials Consumed	-	-	-	-
2	Utilities	-	-	-	-
3	Direct Employees Cost	15590,29,274	3,277	13734,67,650	2,878
4	Direct Expenses	1175,65,557	247	825,46,874	173
5	Consumable Stores & Spares	-	-	-	-
6	Repairs & Maintenance	3214,76,913	676	3449,40,533	723
7	Quality Control Expenses	-	-	-	-
8	Research and Development Expenses	-	-	-	-
9	Technical know-how Fee / Royalty	-	-	-	-
10	Depreciation/Amortization	24156,79,908	5,077	21346,34,833	4,472
11	Other Overheads	843,29,790	177	619,25,509	130
12	Industry Specific operating expenses	-	-	-	-
13	Total (1 to 12)	44980,81,442	9,454	39975,15,399	8,376
14	Less: Credits for Recoveries	-	-	-	-
15	Cost of Services Provided (13 - 14)	44980,81,442	9,454	39975,15,399	8,376
16	Cost of Outsourced / Contractual Services	-	-	-	-
17	Total Services available (15 + 16)	44980,81,442	9,454	39975,15,399	8,376
18	Less: Self/Captive Consumption	-	-	-	-
19	Other Adjustments	-	-	-	-
20	Cost of Services Sold (17 - 18 + 19)	44980,81,442	9,454	39975,15,399	8,376
21	Administrative Overheads	26271,46,672	5,522	24898,43,510	5,217
22	Selling & Distribution Overheads	-	-	-	-
23	Cost of Sales before Interest (20 + 21 +22)	71252,28,114	14,976	64873,58,909	13,593
24	Interest & Financing Charges	47659,81,522	10,017	37398,93,576	7,837
25	Cost of Sales (23 + 24)	118912,09,636	24,993	102272,52,485	21,430
26	Net Sales Realization	117718,26,854	24,742	95258,55,855	19,960
27	Margin (26-25)	(1193,82,782)	(251)	(7013,96,630)	(1,470)

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# Punjab State Transmission Corporation Limited

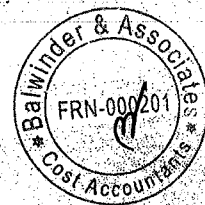
Cost Audit Report 2015-16

PART - D  
Annexure 1

## Product & Service Profitability Statement (for audited products / services)

S.No.	Particulars	2015-16 (Rs.)			2014-15 (Rs.)		
		Sales	Cost of Sales	Margin	Sales	Cost of Sales	Margin
1	Transmission of Electricity	117718,26,854	118912,09,636	(1193,82,782)	95258,55,855	102272,52,485	(7013,96,630)
	Total	117718,26,854	118912,09,636	(1193,82,782)	95258,55,855	102272,52,485	(7013,96,630)

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# Punjab State Transmission Corporation Limited

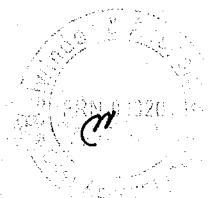
Cost Audit Report 2015-16

PART - D  
Annexure 2

## Profit Reconciliation (for the company as a whole)

Particulars	2015-16	2014-15
Profit or Loss as per Cost Accounting Records		
Profit/loss for the Audited Product(s) / Service(s)	(1193,82,782)	(7013,96,630)
Profit/loss for the Un-Audited Product(s) / Service(s)	-	-
Total	(1193,82,782)	(7013,96,630)
Add: Incomes not considered in Cost Accounts [Annexure 2(i)]	2952,90,357	1935,35,661
Less: Expenses not considered in Cost Accounts [Annexure 2(i)]	1557,08,089	1192,49,359
Difference in valuation of stock between financial accounts and cost accounts	-	-
Other adjustments, if any	-	-
Profit or Loss as per Financial Accounts	201,99,486	(6271,10,328)

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# Punjab State Transmission Corporation Limited

Cost Audit Report 2015-16

PART - D  
Annexure 2(i)

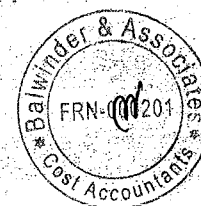
## Details of Incomes not considered in Cost Accounts

Particulars	2015-16 Rs.	2014-15 Rs.
Interest on bank deposits & staff loans	2,16,992	4,17,974
Income from sale of scrap	209,16,737	263,64,800
Income from sale of fixed assets	470,89,222	157,58,804
Income from staff welfare activities	1,10,152	80,149
Misc. Income	2218,05,948	1276,53,241
Excess provision of Income tax withdrawn	31,13,374	-
Provision withdrawn on obsolete items & Losses under investigation	17,64,597	132,39,951
Prior period income	2,73,335	100,20,742
<b>Total</b>	<b>2952,90,357</b>	<b>1935,35,661</b>

## Details of Expenses not considered in Cost Accounts

Particulars	2015-16 Rs.	2014-15 Rs.
Prior Period Expenses	1396,02,448	1135,56,517
Other debits & write off	160,53,641	56,50,842
Donations	52,000	42,000
<b>Total</b>	<b>1557,08,089</b>	<b>1192,49,359</b>

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# Punjab State Transmission Corporation Limited

Cost Audit Report 2015-16

PART - D  
Annexure 3

## Value Addition and Distribution of Earnings (for the company as a whole)

S.No.	Particulars	2015-16 Rs.	2014-15 Rs.
	<b>Value Addition:</b>		
1	Gross Sales	117718,26,854	95258,55,855
2	Less: Excise Duty, etc.	-	-
3	Net Sales	117718,26,854	95258,55,855
4	Add: Export Incentives	-	-
5	Add/Less: Adjustments in Finished Stocks	-	-
6	Less: Cost of bought out inputs		
	(a) Cost of Materials Consumed	-	-
	(b) Process Materials / Chemicals	-	-
	(c) Consumption of Stores & Spares	-	-
	(d) Utilities	-	-
	(e) Others, if any	5290,53,375	4867,01,769
	Total Cost of bought out inputs	5290,53,375	4867,01,769
7	Value Added	112427,73,479	90391,54,086
8	Add: Income from any other sources	2952,90,357	1935,35,661
9	Add: Extra ordinary Income	-	-
10	Earnings available for distribution	115380,63,836	92326,89,747
	<b>Distribution of Earnings to:</b>		
1	Employees as salaries & wages, retirement benefits, etc.	40397,13,486	37115,27,933
2	Shareholders as dividend	-	-
3	Company as retained funds (including Depreciation)	25766,60,739	16620,18,879
4	Government as taxes	-	-
5	Extra Ordinary expenses	-	-
6	Others - Finance Costs & Non-Cost Items	49216,89,611	38591,42,935
7	Total distribution of earnings	115380,63,836	92326,89,747

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# Punjab State Transmission Corporation Limited

Cost Audit Report 2015-16

PART - D  
Annexure 4

## FINANCIAL POSITION AND RATIO ANALYSIS (for the company as a whole)

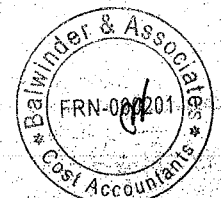
S.No.	Particulars	Units	2015-16	2014-15
<b>A.</b>	<b>Financial Position</b>			
1	Share Capital	Rs.	60588,34,650	60588,34,650
2	Reserves & Surplus	Rs.	39972,72,189	39770,72,703
3	Long Term Borrowings	Rs.	403373,37,460	377864,66,426
4	(a) Gross Fixed Assets	Rs.	844320,14,370	808675,84,884
	(b) Net Fixed Assets	Rs.	654177,57,088	642590,48,585
5	(a) Current Assets	Rs.	66347,80,865	51178,65,853
	(b) Current Liabilities	Rs.	96749,90,952	94305,03,735
	(c) Net Current Assets	Rs.	(30402,10,087)	(43126,37,882)
6	Capital Employed	Rs.	611619,78,852	536768,47,263
7	Net Worth	Rs.	100561,06,839	100359,07,353

<b>B.</b>	<b>Financial Performance</b>			
1	Value Added	Rs.	112427,73,479	90391,54,086
2	Net Revenue from Operations of Company	Rs.	117718,26,854	95258,55,855
3	Profit before Tax (PBT)	Rs.	201,99,486	(6271,10,328)

<b>C.</b>	<b>Profitability Ratios</b>			
1	PBT to Capital Employed (B3/A6)	%	0.03	(1.17)
2	PBT to Net Worth (B3/A7)	%	0.20	(6.25)
3	PBT to Value Added (B3/B1)	%	0.18	(6.94)
4	PBT to Net Revenue from operations (B3/B2)	%	0.17	(6.58)

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# Punjab State Transmission Corporation Limited

Cost Audit Report 2015-16

PART - D  
Annexure 4 (contd.)

D. Other Financial Ratios				
1	Debt-Equity Ratio		4.01	3.77
2	Current Assets to Current Liabilities		0.69	0.54
3	Valued Added to Net Revenue from operations	%	95.51	94.89

E. Working Capital Ratios				
1	Raw Materials Stock to Consumption	Months	N.A.	N.A.
2	Stores & Spares Stock to Consumption	Months	N.A.	N.A.
3	Finished Goods Stock to Cost of Sales	Months	N.A.	N.A.

Note:

(1) Capital Employed means average of net fixed assets (excluding effect of revaluation of fixed assets) plus Non-current investments and net current assets existing at the beginning and close of the financial year.

(2) Net Worth is as defined under clause (57) of Section 2 of the Companies Act, 2013.

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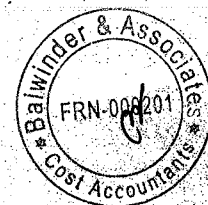
# Punjab State Transmission Corporation Limited

Working Note:

<u>Fixed Assets</u>	2015-16	2014-15
Gross Block:Op	80867584884	66086185189
Additions	3564429486	14781399695
Gross Block:Cl.	84432014370	80867584884
Dep:Op	16608536299	14415234464
Dep:C Yr	2405720983	2193301835
Dep: Closing	19014257282	16608536299
Net Block:Op	64259048585	51670950725
Net Block:Cl	65417757088	64259048585

Particulars	2015-16	2014-15
<b>Net Fixed Assets</b>		
Opening Balance ( FA )	642590,48,585	516709,50,725
Closing Balance ( FA )	654177,57,088	642590,48,585
Average Fixed Assets { A }	648384,02,837	579649,99,655
<b>Non Current Investment</b>		
Opening Balance		
Closing Balance		
Avg Non Current Investment		
<b>Net Current Assets</b>		
Opening Balance (Net Current Assets )	(43126,37,882)	(42636,66,902)
Closing Balance (Net Current Assets )	(30402,10,087)	(43126,37,882)
Average Net Current Assets ( CA-CL ) { B }	(36764,23,985)	(42881,52,392)
<b>Capital Employed { A + B }</b>	611619,78,852	536768,47,263

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Punjab State Transmission Corporation Limited

Cost Audit Report 2015-16

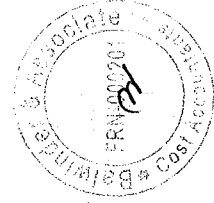
PART - D  
Annexure 5

**RELATED PARTY TRANSACTIONS**  
(for the company as a whole)

1	Sale of Product	NIL
2	Purchase of Product	NIL
3	Services Rendered	NIL

Details as under:								
4	Name of the Product / Service	Name & address of the Related Party	PAN No.	Quantity	Transfer Price (Rs.)	Aggregate Amount (Rs.)	Normal Price (Rs.)	Basis adopted to determine the Normal Price
	Director's remuneration	Umakanta Panda	AAPPP3751J	N.A.	20,03,056	20,03,056	20,03,056	N.A.
	Director's remuneration	Niraj Hit Abhilashi	AAYPT2073L	N.A.	19,75,280	19,75,280	19,75,280	N.A.
	Director's remuneration	Shashi Prabha	AEFPP3675P	N.A.	18,07,461	18,07,461	18,07,461	N.A.

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Reconciliation of Indirect Taxes  
(for the company as a whole)

2015-16

	Particulars	Assessable Value Rs.	Excise Duty Rs.	Service Tax Rs.	Cess & Others Rs.	VAT/ CST Rs.
	<b>Duties/Taxes Payable</b>					
	Excise Duty					
1	Domestic		-	x x x		x x x
2	Export		-	x x x	-	x x x
3	Stock Transfers (Net)		-	x x x	-	x x x
4	Others		-	x x x	-	x x x
5	<b>Total Excise Duty (1 to 4)</b>		-	x x x	-	x x x
6	Service Tax		x x x	331,85,778	-	x x x
7	VAT/CST	x x x	x x x	x x x	x x x	92,22,069
8	Other State Taxes If any (Entry Tax)	x x x	x x x	x x x	x x x	
9	<b>Total Duties / Taxes Payable (5 to 8)</b>		-	331,85,778	-	92,22,069

	Duties/Taxes Paid				
10	Cenvat/VAT Credit Utilised - Inputs	x x x			
11	Cenvat/VAT Credit Utilised - Capital Goods	x x x		x x x	x x x
12	Cenvat/VAT Credit Utilised - Input Services	x x x			x x x
13	Cenvat/VAT Credit Utilised - Others	x x x		331,85,778	
14	<b>Total (10 to 13)</b>	x x x		331,85,778	
15	Paid through PLA/Cash	x x x			92,22,069
16	<b>Total Duties/Taxes Paid (14 + 15)</b>	x x x		331,85,778	92,22,069

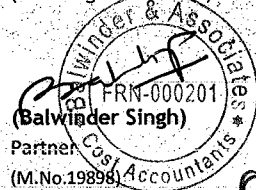
17	Duties/Taxes Recovered	x x x		331,85,778		92,22,069
18	Difference between Duties/Taxes Paid and Recovered	x x x				
19	Interest/Penalty/Fines Paid	x x x				35,220

Note: Service Tax liability is as per individual Trial Balances of divisions.

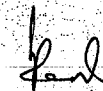
for Balwinder & Associates

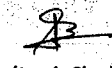
Cost Accountants

(Firm Regn.No.000201)

  
(Balwinder Singh)  
Partner  
(M.No.19898)

*Signature*

  
(U.K. Panda)  
Director F & C  
DIN Number:

  
(Jasvir Singh)  
Company Secretary  
Membership No.:

Place:  
Dated:

Place:  
Dated:

Place:  
Dated:

**PROFORMA 'A'**

**Statement showing the cost of utilities like water collection, water treatment, ash handling plant, effluent treatment, etc.**

Name of the Company	Punjab State Transmission Corporation Ltd.
Name and address of the Plant	N.A.
Name of the Utility	N.A.
For the period	2015-16

**I Quantitative Information**

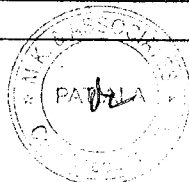
S.No.	Particulars	Unit	Current Year	Previous Year
A1	Installed capacity		Not Applicable	
2	Quantity produced			
3	Capacity utilization %			
4	Quantity re-circulated			
5	Quantity purchased, if any			
6	Self-consumption including other losses (to be specified)			
7	Net units consumed			
B1	Gross fixed assets at the end of the year /period	Rs./Lakh		
2	Net fixed assets at the end of the year/period	Rs./Lakh		
3	Date of commissioning			

**II Cost Information:**

S.No.	Particulars	Quantity	Rate (Rs. per unit)	Amount (Rupees)	Cost per unit (Rupees)	
					Current Year	Previous Year
1	Materials consumed (specify)	Not Applicable				
a)	Indigenous purchased					
b)	Imported					
d)	Self manufactured/produced					
2	Utilities (specify)					
3	Direct Employees Cost					
4	Direct Expenses					
5	Consumable Stores and Spares					
6	Repairs and Maintenance					
7	Depreciation					
8	Other Overheads					
9	Total					
10	Less: Credits, if Any					
11	Net total					

Apportioned to cost centre or activity		Basis	Qty	Amount
i.				
ii.				
iii.				
iv.	etc.			

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## PROFORMA 'B'

**Statement showing the cost of procurement of coal, lignite, gas, naphtha, fuel oil, bagasse or any other primary or secondary conventional or non-conventional fuel**

Name of the Company	Punjab State Transmission Corporation Ltd.
Name and address of the Plant	N.A.
Name/Type of Fuel	N.A.
For the period	2015-16

S.No.	Particulars	Quantity	Rate Rs. Per Unit	Amount Rs.	Cost per unit (Rupees)	
					Current Year	Previous Year
A1	Purchase :					
	(a) Total purchased					
	(b) Less: deduction for driage, loss in transit etc.					
	(c) Net weight of receipt at the gate					
2	Other Incidental Charges :					
	(a) Commission or brokerage paid					
	(b) Loading and unloading					
	(c) Taxes and levies					
	(d) Transportation charges					
	(e) Others, if any (specify)					
	(f) Sub total					
3	Total 1(c) + 2(f)					
B	Fuel procured from own or leased land or companies					
1	Opening balance in the land or companies					
2	Procurement during the year and the related expenses :					
	(a) Royalty					
	(b) Storage					
	(c) Expenses at collection centres (specify)					
	(d) Share of land development expenses, if any					
	(e) Sub total					
3	Less : Expenses for Driage, Burning, Pilferage etc.					
4	Less : Closing Stock					
5	Net quantity transferable to factory gate					

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S.No.	Particulars	Quantity	Rate Rs. Per Unit	Amount Rs.	Cost per unit (Rupees)	
					Current Year	Previous Year
6	Other incidental charges : (a) Loading and unloading (b) Transportation charges (c) Others, if any (specify) (d) Sub total					
7	Total quantity of cost at the factory gate (5+6)	Not Applicable				
C	Total (A3+B7)					
D	Cost of issues from storage :					
1	Opening Stock at Storage					
2	Transferred from gate (item C above)					
3	Sub total (1+2)					
4	Less : Deduction for Driage and other losses at storage					
5	Less : Closing Stock					
6	Cost of net quantity transferred to Proforma 'C'					

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## PROFORMA 'C'

**Statement showing the Cost of generation of Power (Thermal or Hydroelectric or Gas Turbine or Atomic or Wind or Solar, etc.)**

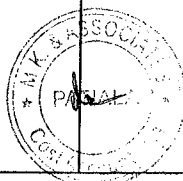
Name of the Company	Punjab State Transmission Corporation Ltd.
Name and Address of the Generating Unit	N.A.
Type of Generation	N.A.
For the Period/Year	2015-16

### I Quantitative Information:

SNo.	Particulars	Unit	Current Year	Previous Year
A1	Installed Capacity		Not Applicable	
2	Minimum power to be purchased under PPA			
3	Planned Outage			
4	Forced Outage			
5	Plant Availability			
6	Loss due to backing down			
7	Reserve Outage			
8	Partial Unavailability Factor			
9	Power Generated			
10	Plant Load Factor			
11	Auxiliary Power Consumption			
12	Free supply, if any, to employee and office			
13	Net Power Generated			
14	Add Power Purchased, if any			
15	Power Available for Transmission			
16	Station Heat Rate (Kcal or KWH)			
B1	Gross Fixed Assets at the end of the year/period	Rs. Lakhs		
2	Net Fixed Assets at the end of the year/period	Rs. Lakhs		
3	Date of Commissioning			

### II Cost Information

SNo.	Particulars	Quantity and Calorific value of the fuel used	Rate Rs. Per Unit	Amount Rs.	Cost Per Unit (Rs./ KWH)	
					Current Year	Previous Year
1	Material/Fuel cost: <b>IMPORTED</b> (a) Coal (b) Lignite (c) Naphtha or Oil (d) Gas (e) Bagasse (f) Others (specify) <b>INDIGENOUS</b> (a) Coal (b) Lignite (c) Naphtha / Oil (d) Gas (e) Bagasse (f) Others (specify) Total Material or Fuel cost				Not Applicable	



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2	Utilities, (specify)				Not Applicable
3	Direct Employees cost				
4	Consumable Stores and Spares				
5	Repairs and Maintenance				
6	Insurance				
7	Lease Rent, if any				
8	Ash handling				
9	Research and Development				
10	Royalty or Technical know-how fee				
11	Depreciation or Amortization				
12	Other Plant Overheads				
13	Administrative Overhead				
14	Total (1 to 13)				
15	Less: Credits, if any (specify)				
16	Cost of Generation				
17	Selling Expenses, if any				
18	Cost of Sales				
19	Interest and Financing Charges :				
20	Total cost of generation (excluding electricity duty and other statutory levies) transferred to Proforma 'D'				
21	Add : Shortfall in minimum off-take quantity of power by Electricity Board,etc				
22	Total (20+21)				
23	If sold, Sales Realisation: (i) at Notified rates approved by Regulatory Bodies (a) Base Amount (b) Incentive Amount (c) Others (specify) (ii) Sales at other than notified rates (a) Base amount (b) Incentive amount (c) Others (specify) (iii) Total (i) +(ii)				
24	Margin (23-22)				

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# PROFORMA 'D'

## Statement showing the cost of Transmission or Distribution

Name of the Company	Punjab State Transmission Corporation Ltd.
Name and Address of the Generating Unit	PSTCL Consolidated
For the Period/Year	01.04.2015 - 31.03.2016

### I Quantitative Information:

SNo.	Particulars	Unit	Current Year	Previous Year
A1	Surge Impedence Loading (SIL) or Rated Voltage			
2	Power received from generating units including purchased, if any	MU	47578	47724
3	Loss in transmission or distribution	MU	1189	1193
4	Self Consumption for employees and office	MU		
4a	Other adjustments, if any (specify)	MU	589	770
5	Net Power Transmitted or Distributed	MU	45800	45761
6	Length of Transmission or Distribution lines			
	a. 220KV			
	i) D/C	ckt Kms	2672.608	3659.788
	ii) S/C	ckt Kms	3711.697	2036.898
	iii) Total	ckt Kms	6384.305	5696.686
	a. 132KV			
	i) D/C	ckt Kms	607.82	796.104
	ii) S/C	ckt Kms	2512.404	2318.562
	iii) Total	ckt Kms	3120.224	3114.666
B1	Gross Fixed Assets at the end of the year/period	Rs. Lakhs	884320.14	808675.85
2	Net Fixed Assets at the end of the year/period	Rs. Lakhs	654177.57	642590.49
3	Date of Commissioning			

### II Cost Information

SNo.	Particulars	Quantity	Rate Rs. Per Unit	Amount Rs.	Cost Per Unit (Rs.)	
					Current Year	Previous Year
1	Cost of Power :					
	(a) Self generated transferred from Proforma 'C'				0	0
	(b) Purchased -					
	(i) Thermal				0	0
	(ii) Hydro-electric				0	0
	(iii) Atomic, etc.				0	0
	(c) Sub-Total				0	0
2	Utilities, (ULDC Charges)				117565557	82546874
3	Direct Employees Cost				1559029274	1373467650
4	Consumable Stores and Spares				0	0

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SNo.	Particulars	Quantity	Rate Rs. Per Unit	Amount Rs.	Cost Per Unit (Rs.)	
					Current Year	Previous Year
5	Repairs and Maintenance:					
	(a) Sub-station				301472017	326753802
	(b) Transmission Lines				11443096	9862508
	(c) others (specify)				8561800	8324223
6	Insurance				106396	107312
8	Lease Rent, if any				2434286	2434286
9	Quality Control Expenses				0	0
10	Research and Development				0	0
11	Royalty or Technical know-how fee				0	0
12	Depreciation or Amortization				2415679908	2134634833
13	Other Plant Overheads				81789108	59383911
14	Total Cost of Transmission/Distribution				4498081442	3997515399
15	Less: Credits, if any					
16	Administrative Overheads				2627146670	2489843511
17	Selling Expenses					
18	Interest and Financing Charges				4765981522	3739893576
19	Cost of Sales					
20	Total cost of Transmission or Distribution transferred to Proforma 'E'				11891209634	10227252486
21	If sold, sales realization or Transmission Charges or Distribution Charges i) at Notified rates approved by Regulatory Bodies) (a) Base amount (b) Incentive amount (c) others (specify) (ii) Sales at other than notified rates (a) Base amount (b) Incentive amount (c) Others (specify) (iii) Total (i) + (ii)				11771826854	9525855855
22	Margin (21 -20)				-119382779.5	-701396631
23	Add: Export Benefits and Incentives,if any				0	0
24	Total Margin (21 + 22)				-119382779.5	-701396631

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## PROFORMA 'E'

Statement showing the cost of supply (consumer servicing and billing, etc.)

Name of the Company	Punjab State Transmission Corporation Ltd.
Name and Address of the Supplying Unit	N.A.
For the Period/Year	2015-16

### I. Quantitative Information:

SNo.	Particulars	Current Year		Previous Year	
		Number of consumers	Unit	Number of consumers	Unit
A1	Installed Capacity				
2	Power Received				
3	Power Supplied :	Not Applicable			
	(a) Domestic				
	(b) Commercial				
	(c) Industrial				
	(d) Public Lighting				
	(e) Agriculture				
(f) Others					
	Total (a to f)				
4	Losses				
5	Area Covered (square KM)				
B1	Gross fixed assets at the end of the year/period (Rs./Lakhs)				
2	Net fixed assets at the end of the year/period (Rs./Lakhs)				
3	Date of Commissioning				

### II. Cost Information

Sr.N o.	Particulars	Quantity	Rate Rs. per Unit	Amount Rs.	Cost per Unit (Rs)	
					Current Year	Previous Year
1	Cost of Power :					
	(a) Transferred Proforma 'D'					
	(b) Purchased					
	(c) sub total					
2	Direct Employees Cost					
	(a) Maintenance of lines					
	(b) Billing including meter reading					
	(c) Others (specify)					
	Sub total (a to c)					



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3	Consumables Stores and Spares				
4	Servicing and Contract Work				
5	Insurance		Not Applicable		
6	Depreciation				
7	Lease Rent, if any				
8	Other Supply Overheads				
9	Administrative Overhead:				
10	Total (1 to 9)				
11	Selling Expenses				
12	Interest (net of Interest on consumer deposits)				
13	Total Cost of Sales				
14	Sales Realization				
15	Margin (14-13)				
16	Average Sale Realization (a) Domestic (b) Commercial (c) Industrial (d) Public Lighting (e) Agriculture (f) others				

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PROFORMA 'F'

Statement showing Activity-wise Capital Cost of Plant and Machinery or Equipment relating to Electricity Activity and other common services or activities

Name of the Company	Punjab State Transmission Corporation Limited	
Name and Address of the Plant/Unit	The Mall, Patiala	
For the Period/Year	2015-16	

FIXED ASSETS (fig in Rupees)

Account code	Description of Assets	Gross Block		Provision for Depreciation			Net Block	
		As at 1st April, 2015	Additions/ Disposal during the year	As at 31st March, 2016	As at 1st April, 2015	Depreciation for the year	As at 31st March, 2016	As at 31st March, 2015
<b>Part A - Tangible Assets:-</b>								
10.1	Land and land rights	29268401831	424565	29268826396	0	0	29268826396	29268401831
10.2	Buildings	1452878578	94207241	1547085819	655742082	37904532	853439205	797136496
10.4	Other civil works	23461748	6292353	29754101	8640497	987487	20126117	14821251
10.5	Plant & Machinery	25821435957	2526818429	28348254386	10061851004	1211027138	17075376244	15759584953
10.6	Lines cable network etc.	23877208259	745181052	24622389311	5642663545	1034250195	17945475571	18234544714
10.7	Vehicles	79940214	-1716584	78223630	63961374	-9327	14271583	15978840
10.8	Furniture & Fixture	35182213	1285458	36467671	13428458	2039874	20999339	21753755
10.9	Office Equipments	66427776	1283208	67710984	24764345	10004520	32942119	41663431
	Total (part -A)	80624936576	3373775722	83998712298	16471051305	2296204419	65231456574	64153885271
	Previous year figures	65974542282	14650394294	80624936576	14368805130	2102246175	64153885271	51605737152
Assets Not in use:								
16.511/16.52	Damaged Power Transformers	242648308	190653764	433302072	137484994	109516564	186300514	105163314
	Grand Total	80867584884	3564429486	84432014370	16608536299	2405720983	65417757088	64259048585



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## Statement showing Allocation and Apportionment of Total Expenses and Income of the Company

Name of the Company		Punjab State Transmission Corporation Ltd.										
Name and Address of the Plant/Unit		Consolidated										
For the Period/Year		2015-16										
SNo	Particulars	A/c Code	Total expenses as per audited financial accounts	Capitalized	Total expenses as per audited financial accounts	Salary & Wages	Direct Expenses	Other Overheads	Admin. Overheads	Marketing or Selling & Distribution Overheads	Interest & Financing charged	Non-Cost Expenses
1	Direct Materials (specify)											
2	Process Materials (Specify)											
3	ULDC Charges	70	84277979	0	117565557		117565557					
4	Power & Fuel											0
	(a) Fuel											
	(b) Own Production											
5	Employee Benefits Expenses	75	4505579177	465865691	1559029274							
6	Consumable Stores and Spares								2480684212			
7	Repairs and Maintenance	74	390662682	5081911	385580771		321476913		16545459			47558399
8	Other Direct Expenses (specify)											
9	Rent	76.101&102	13264414	16679	13247735		2434286	10813449				
10	Insurance	76.104	322465	165821	156644		106396		50,248			
11	Electricity Exp	76.158	59357389	3292051	56065338			55772145	293193			
12	Payment to Auditors	76.122	2808487		2808487				2808487			
13	Other Technical fee	76.132&134	2930734	115000	2815734				2815734			
14	Travelling and Conveyance	76.131-143	74610221	28189023	46421198				46421198			
15	Communication Expenses	76.112-116	6843521	466247	6377274				6377274			
16	Printing and Stationery	76.153	2927173	292713	2034460				2034460			
17	Other Legal Charges	76.121	2912271	466831	2445440				2445440			
18	Fee & Subscription	76.120, 76.151	5117893		5117893				5117893			
19	Books & Periodicals	76.152	49518		49518				49518			
20	Other Admin Exp		24160682	10621203	13539479				13487479			
21	Material Related exp	76.2	31251280	16768985	14482295			14216027	2,66,268			52000
22	Sales Promotion Expenses											
23	Handling Expenses											
24	Miscellaneous Expenses											
25	Transportation Charges											
26	Quality Control											
27	Royalty or Technical Know-how											
28	Technical Assistant Fees											
29	Other Statutory Levies											
30	Cess											
31	Lease Rent											
32	Research and Development											
33	Borrowing Charges	78	5445713878	679732356	4765981522						4765981522	
34	(a) Value of Unservicable stores		10948999		10948999							
	(b) Misc losses & writeoff		5104642		5104642							10948999
												5104642







**Proforma 'H'**  
**Statement of Profit Reconciliation (for the company as a whole)**

Name of the Company	Punjab State Transmission Corporation Ltd.
For the Period/Year	2015-16

Sr.No	Particulars	2015-16	2014-15
1	Profit or Loss as per Cost Accounting Records	-119382779.5	-701396631
2	<b>Add: Incomes not considered in cost accounts:</b>		
	(a) Interest on Staff Loans & Advances	216992	417974
	(b) Income from Sale of Scrap	20916737	26364800
	(C) Income from Sale of Fixed Assets	47089222	15758804
	(d) Income from Staff Welfare Activities	110152	80149
	(e) Misc. Receipts	221805948	127653241
	(f) Provision withdrawn on obsolete items & losses under Prior period income	1764597 273335	13239951 10020742
	(g) Excess provision of income tax withdrawn	3113374	0
	<b>Total of Col.2</b>	<b>295290357</b>	<b>193535661</b>
3	<b>Less: Expenses not considered in cost accounts:</b>		
	(a) Prior period expenses		
	Employee Cost	0	57261
	Repair & Maintenance	47558399	66671
	Depreciation	92044049	111606402
	Admin & General exp	0	95078
	ULDC Charges	0	1731105
	<b>Total (a)</b>	<b>139602448</b>	<b>113556517</b>
	(b) Other debits & written off		
	Difference in value of stock & Spares	0	0
	Value of obsolete stores	0	0
	Value of Unserviceable stores	10948999	368181
	Bad & doubtful debts	0	0
	Losses under investigation	0	0
	Loss on sale of Fixed Assets	0	0
	Misc. Losses & write off	5104642	5282661
	<b>Total (b)</b>	<b>16053641</b>	<b>5650842</b>
	(c) Other Expenses		
	Donation	52000	42,000.00
	<b>Total of Col.3 (a)+(b)+(C)</b>	<b>155708089</b>	<b>119249359</b>
4	Add: Overvaluation of Closing Stock in Financial Accounts	-	
5	Add: Undervaluation of Opening Stock in Financial Accounts	-	
6	Less: Undervaluation of Closing Stock in Financial Accounts	-	
7	Less: Overvaluation of Opening Stock in Financial Accounts	-	
8	Adjustments for others, if any (specify)	-	
9	<b>Profit or Loss as per Financial Accounts</b>	<b>20199488</b>	<b>-627110329</b>

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