

**PSPCL**

**BALANCE SHEET**

**for**

**FY 2015-16**


**Punjab State Power Corporation Limited**  
**BALANCE SHEET AS AT 31st MARCH, 2016**

| Sl. No.                          | Particulars                               | Note No. | As at 31st March, 2016<br>(Amount in ₹) | As at 31st March, 2015<br>(Amount in ₹) |
|----------------------------------|-------------------------------------------|----------|-----------------------------------------|-----------------------------------------|
| <b>I. EQUITY AND LIABILITIES</b> |                                           |          |                                         |                                         |
| (A)                              | Shareholders' funds                       |          |                                         |                                         |
|                                  | (a) Share capital                         | 2        | 60,81,47,42,590                         | 60,81,47,42,590                         |
|                                  | (b) Reserves and surplus                  | 3        | 70,50,13,06,493                         | 86,16,70,55,872                         |
| (B)                              | Share application money pending allotment | 4        | -                                       | -                                       |
| (C)                              | Non-current liabilities                   |          |                                         |                                         |
|                                  | (a) Long-term borrowings                  | 5        | 1,88,17,60,08,238                       | 1,71,90,50,50,763                       |
|                                  | (b) Other long-term liabilities           | 6        | 53,53,73,88,564                         | 52,49,31,25,483                         |
|                                  | (c) Long term provisions                  | 7        | -                                       | -                                       |
| (D)                              | Current liabilities                       |          |                                         |                                         |
|                                  | (a) Short-term borrowings                 | 8        | 4,25,00,00,000                          | 11,35,00,00,000                         |
|                                  | (b) Trade payables                        | 9        | 27,44,09,39,236                         | 20,94,20,79,479                         |
|                                  | (c) Other current liabilities             | 10       | 80,42,31,52,259                         | 52,64,38,88,539                         |
|                                  | (d) Short-term provisions                 | 11       | 6,84,77,65,694                          | 6,12,75,42,534                          |
|                                  | <b>TOTAL</b>                              |          | <b>4,91,99,13,03,074</b>                | <b>4,62,44,34,85,260</b>                |
| <b>II. ASSETS</b>                |                                           |          |                                         |                                         |
| (A)                              | Non-current assets                        |          |                                         |                                         |
|                                  | (a) Fixed assets                          |          |                                         |                                         |
|                                  | (i) Tangible assets                       | 12       | 3,37,48,53,31,189                       | 3,28,18,39,95,143                       |
|                                  | (ii) Intangible assets                    | 12(b)    | 38,60,29,454                            | 34,79,16,357                            |
|                                  | (iii) Capital work-in-progress            | 12(c)    | 41,17,38,18,548                         | 43,15,84,56,242                         |
|                                  | (b) Non-current investments               | 13(a)    | 11,08,940                               | 10,00,000                               |
|                                  | (d) Long-term loans and advances          | 14       | 8,48,43,96,628                          | 9,27,12,36,949                          |
|                                  | (e) Other non-current assets              |          |                                         |                                         |
|                                  | Other non current assets                  | 15       | 17,89,46,55,078                         | 13,34,17,50,986                         |
|                                  | Trade Receivables                         | 17       | 5,86,07,01,394                          | 4,76,40,96,400                          |
| (B)                              | Current assets                            |          |                                         |                                         |
|                                  | (a) Current investments                   | 13(b)    | -                                       | 29,47,876                               |
|                                  | (b) Inventories                           | 16       | 9,20,95,54,986                          | 7,62,39,26,783                          |
|                                  | (c) Trade receivables                     | 17       | 21,49,23,86,611                         | 17,41,42,60,039                         |
|                                  | (d) Cash and cash equivalents             | 18       | 4,42,50,77,997                          | 4,41,10,15,205                          |
|                                  | (e) Short-term loans and advances         | 19       | 1,24,70,12,267                          | 1,70,27,06,231                          |
|                                  | (f) Other current assets                  | 20       | 44,33,12,29,982                         | 32,22,01,77,049                         |
|                                  | <b>TOTAL</b>                              |          | <b>4,91,99,13,03,074</b>                | <b>4,62,44,34,85,260</b>                |

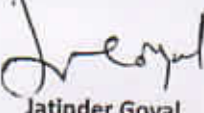
Note no. 1 relates to Significant Accounting Policies.

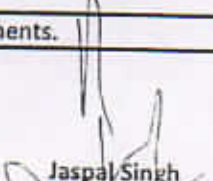
The accompanying notes form an integral part of the Standalone Financial Statements.

For and on behalf of the Board of Directors

  
K.D. Chaudhri  
Chairman-cum-Managing Director  
D/N: 03114565

  
S.C. Arora  
Director/Finance  
D/N: 00154601

  
Jatinder Goyal  
Chief Financial Officer

  
Jaspal Singh  
Company Secretary

Signed in terms of our report of even date  
For Jain & Associates  
Chartered Accountants  
Firm Reg. No 001361N



Place: Patiala  
Dated: 23-02-2017

  
[S. C. Pathak]  
Partner

Membership No. 010194




**PUNJAB STATE POWER CORPORATION LIMITED**  
Statement of Profit and Loss for the year 01-04-15 to 31-3-16

|         |                                                                                            | (Amount in ₹) |                          |                          |
|---------|--------------------------------------------------------------------------------------------|---------------|--------------------------|--------------------------|
| Sr. No. | Particulars                                                                                | Note No.      | Current Year 2015-16     | Previous Year 2014-15    |
| I       | Income                                                                                     |               |                          |                          |
|         | Revenue from Sale of Power                                                                 | 21            | 1,78,08,46,89,827        | 1,67,47,54,01,945        |
|         | Tariff compensation from State Govt.                                                       | 21.2          | 57,60,70,00,000          | 58,74,93,75,918          |
|         | Other Income                                                                               | 22            | 4,98,83,88,264           | 11,06,59,90,317          |
|         | <b>Total Income</b>                                                                        |               | <b>2,40,68,00,78,091</b> | <b>2,37,29,07,68,180</b> |
| II      | Expenditure                                                                                |               |                          |                          |
|         | Purchase of Power                                                                          | 23            | 1,40,10,12,19,727        | 1,23,84,25,46,076        |
|         | Generation of Power                                                                        | 24            | 28,08,36,85,523          | 32,46,76,22,698          |
|         | Repair and Maintenance                                                                     | 25            | 3,64,34,97,076           | 3,86,93,94,766           |
|         | Employee's Cost                                                                            | 26            | 45,19,47,42,749          | 42,26,22,81,881          |
|         | Administration & General Expenses                                                          | 27            | 2,07,38,74,050           | 1,83,84,24,991           |
|         | Depreciation                                                                               | 28            | 10,47,24,87,892          | 9,31,65,57,851           |
|         | Other Debits                                                                               | 29            | 36,07,39,273             | 47,92,22,604             |
|         | <b>Total Expenditure</b>                                                                   |               | <b>2,29,93,02,41,290</b> | <b>2,14,07,60,50,867</b> |
|         | Less: Other Expenses Capitalised                                                           | 30            | 1,46,23,89,170           | 1,65,59,63,122           |
|         | <b>Net Expenditure</b>                                                                     |               | <b>2,28,46,78,52,120</b> | <b>2,12,42,00,87,745</b> |
| III     | Interest and Finance Charges                                                               | 31            | 32,63,29,58,911          | 28,00,99,37,830          |
|         | Less Capitalised                                                                           |               | 3,82,69,16,332           | 3,77,16,54,456           |
|         | <b>Net Interest charged to revenue</b>                                                     |               | <b>28,80,60,42,579</b>   | <b>24,23,82,83,374</b>   |
| IV      | <b>Net Prior Period (Income)/Expenses</b>                                                  | 32            | <b>35,47,13,668</b>      | <b>-1,02,66,91,478</b>   |
| V       | <b>Net Total Expenditure</b>                                                               |               | <b>2,57,62,86,08,367</b> | <b>2,35,63,16,79,641</b> |
| VI      | <b>Profit (+)/ Loss (-) before exceptional and extra ordinary items and tax (III - IV)</b> |               | <b>(16,94,85,30,276)</b> | <b>1,65,90,88,539</b>    |
| VII     | Exceptional Items                                                                          |               | -                        | -                        |
| VIII    | <b>Profit (+)/ Loss (-) before extra ordinary items and tax (V - VI)</b>                   |               | <b>(16,94,85,30,276)</b> | <b>1,65,90,88,539</b>    |
| IX      | Extra ordinary items                                                                       |               | -                        | -                        |
| X       | <b>Profit (+)/ Loss (-) before tax (VII - VIII)</b>                                        |               | <b>(16,94,85,30,276)</b> | <b>1,65,90,88,539</b>    |
| XI      | Tax Expense                                                                                |               |                          |                          |
|         | a) Current tax (Income Tax)                                                                |               | -                        | -                        |
|         | b) Deferred tax                                                                            |               | -                        | -                        |
| XII     | <b>Profit (+)/ Loss (-) from continuing operations (IX - X)</b>                            |               | <b>(16,94,85,30,276)</b> | <b>1,65,90,88,539</b>    |
| XIII    | <b>Profit (+)/ Loss (-) from discontinuing operations (before tax)</b>                     |               | <b>-</b>                 | <b>-</b>                 |
| XIV     | Tax expense of discontinuing operations                                                    |               | -                        | -                        |
| XV      | <b>Profit (+)/ Loss (-) from discontinuing operations (after tax)</b>                      |               | <b>-</b>                 | <b>-</b>                 |
| XVI     | <b>Profit (+)/ Loss (-) for the period (XI+XIV)</b>                                        |               | <b>(16,94,85,30,276)</b> | <b>1,65,90,88,539</b>    |
| XVII    | Earnings per equity share:                                                                 |               |                          |                          |
|         | (1) Basic                                                                                  |               | -                        | -                        |
|         | (2) Diluted                                                                                |               | (2.79)                   | 0.27                     |
|         |                                                                                            |               | (2.79)                   | 0.27                     |

The accompanying notes form an integral part of the Standalone Financial Statements.

For and on behalf of the Board of Directors

  
K.D. Chaudhri  
Chairman-cum-Managing Director  
DIN: 03114565

  
S.C. Arora  
Director/Finance  
DIN: 00154601

  
Jatinder Goyal  
Chief Financial Officer

  
Jaspal Singh  
Company Secretary

Place: Patiala  
Dated: 23-02-2017



Signed in terms of our report of even date  
For Jain & Associates  
Chartered Accountants  
Firm Reg. No 001361N

  
[S. C. Pathak]  
Partner

Membership No. 010194




**PUNJAB STATE POWER CORPORATION LIMITED**  
Cash flow statement for the period ending 31-03-16 in respect of PSPCL

| Sr. No | Particulars                                                                | For the Year 2015-16<br>Amount in ₹ | For the Year 2014-15<br>Amount in ₹ |
|--------|----------------------------------------------------------------------------|-------------------------------------|-------------------------------------|
| A)     | Net profit as per Profit and Loss Account                                  | (16,94,85,30,276)                   | 1,65,90,88,539                      |
| B)     | Additions                                                                  |                                     |                                     |
| 1      | Less: Gain on Sale of Assets                                               | (64,700)                            | (18,272)                            |
|        | Less: Interest on Staff Loans & Advances                                   | (26,02,920)                         | (25,54,397)                         |
| 2      | Add: Loss on sale of Assets                                                | 40,000                              | 1,27,699                            |
|        | Add: Interest & Finance Charges Debited to P&L except payable to consumers | 26,89,66,46,223                     | 22,57,07,59,478                     |
| 3      | Sub Total B                                                                | 26,89,40,18,603                     | 22,56,83,14,508                     |
|        | Net profit before Tax and Ext. ord. Items                                  | 9,94,54,88,327                      | 24,22,74,03,047                     |
| C)     | Adjustments                                                                |                                     |                                     |
| 1      | Depreciation                                                               | 10,99,52,32,086                     | 9,41,51,69,463                      |
| 2      | Interest on FD & other Investment                                          | (15,88,28,414)                      | (25,87,72,480)                      |
| 3      | Provision for bad and doubtful debts                                       | 20,38,35,394                        | 35,10,97,627                        |
| 4      | Provision for loss on Investments                                          | -                                   | (3,83,024)                          |
|        | Sub Total C                                                                | 11,04,02,39,066                     | 9,50,71,11,586                      |
| D)     | Cash flow from Operating activities before working capital changes         | 20,98,57,27,393                     | 33,73,45,14,633                     |
| E)     | Changes of working capital                                                 |                                     |                                     |
| 1      | (Increase)/Decrease in Loan and Adv.                                       | 45,56,93,964                        | 35,81,20,484                        |
| 2      | (Increase)/decrease in inventory                                           | (1,58,56,28,203)                    | (2,36,00,43,579)                    |
| 3      | (Increase)/Decrease in Debtor                                              | (5,37,85,66,960)                    | (4,59,44,28,222)                    |
| 4      | (Increase)/decrease in other Non-current assets                            | (16,66,39,57,025)                   | (18,80,87,64,957)                   |
| 5      | Increase/(Decrease) in Security from Consumers                             | 3,34,45,60,358                      | 2,79,16,40,294                      |
| 6      | Increase/(Decrease) in short term prov                                     | 20,12,70,223                        | 30,31,33,575                        |
| 7      | Increase/(Decrease) in other current liab                                  | 1,30,74,21,471                      | 4,94,13,23,435                      |
| 8      | Increase/(Decrease) in Trade Payables                                      | 6,49,88,59,757                      | 1,71,09,63,909                      |
|        | Sub Total D                                                                | (11,82,03,46,415)                   | (15,65,80,55,061)                   |
| F)     | Net cash flows from operating activities                                   | 9,16,53,80,978                      | 18,07,64,59,572                     |
| G)     | Cash flows form investing activities                                       |                                     |                                     |
| 1      | Increase in Fixed Assets                                                   | (20,53,19,54,651)                   | (19,47,45,52,009)                   |
| 2      | Work in Progress(WIP)                                                      | 2,18,19,35,816                      | (3,50,07,01,615)                    |
| 3      | Increase in Investment                                                     | 10,02,06,973                        | 2,13,81,34,395                      |
| 4      | Increase in Long term Loans & Advances                                     | 78,68,40,321                        | 1,17,78,48,068                      |
| 5      | Interest on FD & other Investment                                          | 15,88,28,414                        | 25,87,72,480                        |
| 6      | Interest on Staff Loans & Advances                                         | 26,02,920                           | 25,54,397                           |
|        | Net cash used in investing activities                                      | (17,30,15,40,207)                   | (19,39,79,44,284)                   |
| H)     | Cash flows from financing activities                                       |                                     |                                     |
| 1      | Proceeds from Share Capital                                                | -                                   | -                                   |
| 2      | Increase/(Decrease) in Short Term Borrowings                               | (7,10,00,00,000)                    | 9,10,00,00,000                      |
| 3      | Net Increase in Long term borrowings                                       | 42,74,27,99,724                     | 12,21,85,77,450                     |
| 4      | Interest & Finance Charges paid                                            | (26,89,66,46,223)                   | (22,57,07,59,478)                   |
| 5      | Consumer Contribution                                                      | 1,28,27,80,897                      | 2,67,25,22,547                      |
| 6      | Net Increase in GPF                                                        | (2,30,02,97,277)                    | (84,79,67,619)                      |
| 7      | Short Term Provisions relating to borrowings                               | 51,89,52,937                        | 42,67,60,930                        |
|        | Net cash flow from financing activities                                    | 8,24,75,90,058                      | 99,91,33,830                        |
| I)     | Net increase in cash and Bank balance                                      | 11,14,30,829                        | (32,23,50,882)                      |
| J)     | Cash and Bank Balance in the beginning of the period                       | 2,34,24,05,583                      | 2,66,47,56,465                      |
| K)     | Cash and Bank balance at the end of the period                             | 2,45,38,36,412                      | 2,34,24,05,583                      |

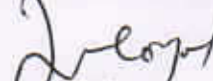
Previous year's figures have been re-arranged/ re-grouped, where ever necessary, to make them comparable with current year figures.

The accompanying notes form an integral part of the Standalone Financial Statements.

For and on behalf of the Board of Directors

  
K.D. Chaudhri  
Chairman-cum-Managing Director  
DIN: 03114565

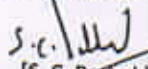
  
S.C. Arora  
Director/Finance  
DIN: 0015460

  
Jatinder Goyal  
Chief Financial Officer

  
Jaspreet Singh  
Company Secretary

Signed in terms of our report of even date  
For Jain & Associates  
Chartered Accountants  
Firm Reg. No 001361N



  
[S. C. Pathak]  
Partner

Membership No. 010194

Place: Patiala  
Dated: 23-02-2017



**Note no. 1 - SIGNIFICANT ACCOUNTING POLICIES**

Government of Punjab vide Notification dated 24.12.2012 amended the Transfer Scheme-2010 and vested the following Assets & Liabilities in the Company as on 16.4.2010

| Liabilities                        | ₹ in crore       | Assets                               | ₹ in crore        |
|------------------------------------|------------------|--------------------------------------|-------------------|
| <b>FINANCED BY</b>                 |                  |                                      |                   |
| STL/MTL                            | 7,057.45         | Fixed Assets                         | 37,638.21         |
| Payment due on Capital Liabilities | 3.13             | Less: Accumulated Depreciation       | 7,795.57          |
| Capital Liabilities                | 6,142.56         | <b>Net Fixed Assets</b>              | <b>29,842.64</b>  |
| Equity                             | 6,081.43         | Capital WIP                          | 1,867.87          |
| Liability for RBI Bonds            | 1,090.47         | Assets not in use                    | 89.23             |
| GPF & NPS Liability                | 1,764.30         | Deferred costs                       | 7.75              |
| Reserve                            | 8,772.66         | Intangible Assets                    | 7.00              |
|                                    |                  | Investments                          | 328.34            |
|                                    |                  | <b>Total current Assets (A)</b>      | <b>3,471.24</b>   |
|                                    |                  | Security Deposit from consumers      | 1,501.32          |
|                                    |                  | Other Current Liabilities            | 3,200.75          |
|                                    |                  | <b>Total Current Liabilities (B)</b> | <b>4,702.07</b>   |
|                                    |                  | <b>Net Current Assets (A-B)</b>      | <b>(1,230.83)</b> |
| <b>TOTAL</b>                       | <b>30,912.00</b> | <b>TOTAL</b>                         | <b>30,912.00</b>  |

**1. GENERAL**

- The accounts of the company are being prepared on accrual basis under historical cost convention, on accounting principles of going concern and in accordance with the provisions of the Companies Act, 2013.
- Accounting policies not specifically referred to are consistent and in accordance with generally accepted accounting principles and commercial practices.

**2. Fixed Assets & and Capital Work in Progress(CWIP)**

- The fixed assets are stated at historical cost less accumulated depreciation.
- Intangible assets are stated at their cost of acquisition less accumulated amortization.
- The fixed Assets have been taken at the transfer price in respect of the assets transferred by the State Govt. vide Notification dated 16.04.2010 (Transfer Scheme 2010) as amended on 24.12.2012.
- The amount received till date or to be received in future on account of consumer's contributions, grants and subsidies towards cost of assets be treated as deferred income, accounted for as reserve, in the first instance and apportioned to P&L @ 5% of the balances outstanding under consumer's contributions, grants & subsidies towards cost of assets at the year end with effect from 1-4-13.





- e. All Costs of assets attributable to acquisition/construction of fixed assets till commissioning, are capitalized except borrowing costs which are capitalized on the basis of weighted average formula as under:-
- Average of total opening and closing balance of CWIP.
  - Average of opening and closing outstanding loans for capital works.
  - Interest paid and provided for the year on loans for capital works.
  - Capitalization of borrowing cost =  $C \times A/B$

Borrowing Costs on projects held-in-abeyance such as SYL are not capitalized and charged to revenue.

- The expenditure on capital work in progress is transferred to appropriate assets at the time of commissioning of project/ work during that year. In case of abandoned project, the same is expensed in the year in which it is decided to abandon such project.
- Fixed Assets created on land (not belonging to corporation) are included under Fixed Assets.
- Expenditure on renovation and Modernization of fixed asset resulting in increased life and/or efficiency of an existing asset, is added to the cost of related asset.
- In the case of assets put to use, where final settlement of bills with contractor is yet to be effected, capitalization is done up to the claim accepted by Corporation as per the term of the contract.
- 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. Depreciation

Depreciation on the fixed assets of PSPCL w.e.f. 01.04.2014 has been formulated which is as under:-

- The value base for the purpose of depreciation shall be the historical cost of the assets that is actual expenses.
- Provided that land (under full title) is not a depreciable asset and its cost shall be excluded from the capital cost while computing depreciation;
- Treatment of consumer contributions/Capital subsidies/Govt. grants shall be as per policy already mentioned at Sr. no. 2 (d) above.
- The historical cost of the asset shall include additional capitalisation.
- 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.
- Depreciation shall be chargeable from the first year of operation. In case of operation of the asset for part of the year, depreciation shall be charged on pro-rata basis.

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- g) Depreciation shall be calculated annually as per straight-line method over the useful life of the asset at the rates prescribed below (based on the rates specified by the Central Electricity Regulatory Commission).  
Provided that the total depreciation during the life of the asset shall not exceed 90% of the original cost.

| Account Code | Description                                                  | Rate |
|--------------|--------------------------------------------------------------|------|
| 10.101       | Land owned under full title                                  | 0    |
| 10.102       | Land held under lease                                        | 3.34 |
| 10.201       | Building containing thermo-electric plant                    | 3.34 |
| 10.202       | Buildings containing hydro electric generating plant         | 3.34 |
| 10.203       | Bldg. containing diesel                                      | 3.34 |
| 10.206       | Buildings containing Transmission installations above 66KVA  | 3.34 |
| 10.207       | Buildings containing Transmission installations below 66 KVA | 3.34 |
| 10.208       | Buildings containing Distribution installations.             | 3.34 |
| 10.211       | Office buildings                                             | 3.34 |
| 10.222       | Residential colony for staff.                                | 3.34 |
| 10.234       | Temporary buildings.                                         | 100  |
| 10.244       | Workshop buildings                                           | 3.34 |
| 10.245       | Other buildings.                                             | 3.34 |
| 10.301       | Diversion tunnels, channels & siphons                        | 5.28 |
| 10.302       | Dams up stream and down structure etc.                       | 5.28 |
| 10.303       | Outlet works                                                 | 5.28 |
| 10.304       | Spillways                                                    | 5.28 |
| 10.305       | Hydro channels-Earth work-Lining                             | 5.28 |
| 10.306       | Cross drainage works                                         | 5.28 |
| 10.307       | Head regulators                                              | 5.28 |
| 10.308       | Cross regulators & escape channels                           | 5.28 |
| 10.309       | Bridges & culverts                                           | 5.28 |
| 10.310       | Misc. Works                                                  | 5.28 |
| 10.321       | Reservoir, forebay & intake                                  | 5.28 |
| 10.322       | Ducts & penstock                                             | 5.28 |
| 10.323       | Bypass channels & its works                                  | 5.28 |
| 10.324       | Tail race channel                                            | 5.28 |





|        |                                                                 |      |
|--------|-----------------------------------------------------------------|------|
| 10.325 | Misc. Works                                                     | 5.28 |
| 10.330 | cooling water systems                                           | 5.28 |
| 10.331 | Cooling Towers                                                  | 5.28 |
| 10.335 | Sweet water arrangement                                         | 5.28 |
| 10.340 | Plant & pipelines for water supply                              | 5.28 |
| 10.342 | Drainage & sewerage - residential colony                        | 5.28 |
| 10.401 | Pucca roads.                                                    | 3.34 |
| 10.402 | Kutcha roads.                                                   | 3.34 |
| 10.412 | Railways sidings.                                               | 3.34 |
| 10.501 | Turbine generator etc.                                          | 5.28 |
| 10.502 | Plant foundations for steam power plant                         | 5.28 |
| 10.503 | Boiler plant & equipment                                        | 5.28 |
| 10.504 | Locomotives                                                     | 5.28 |
| 10.505 | Coal handling Equipments                                        | 5.28 |
| 10.506 | Oil storage equipment                                           | 5.28 |
| 10.507 | Ash handling plant & equipment                                  | 5.28 |
| 10.508 | Water treatment plant                                           | 5.28 |
| 10.509 | Instrumentation & Controls                                      | 5.28 |
| 10.510 | Station piping                                                  | 5.28 |
| 10.531 | Hydel power generating plant                                    | 5.28 |
| 10.532 | Plant foundation for Hydel power                                | 5.28 |
| 10.535 | Auxiliaries in hydel power plant                                | 5.28 |
| 10.540 | Transformers for repairs                                        | 5.28 |
| 10.541 | Transformers and equipments etc. above 100 KVA                  | 5.28 |
| 10.542 | T/Fs and equipments etc. other than above 100 KVA               | 5.28 |
| 10.551 | Material handling equipment                                     | 5.28 |
| 10.552 | Material handling equipment- cement mixers                      | 5.28 |
| 10.553 | Material handling equip. - Cranes                               | 5.28 |
| 10.555 | Material handling equipment-others                              | 5.28 |
| 10.561 | Switchgear including cable connections.                         | 5.28 |
| 10.563 | Batteries including charging equipment                          | 5.28 |
| 10.565 | Fabrication /workshop plant & equipments                        | 5.28 |
| 10.567 | Lightening arrestors                                            | 5.28 |
| 10.571 | Communication equipment:Radio and high frequency carrier system | 6.33 |





|        |                                                                                                                                                                                      |      |
|--------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------|
| 10.572 | Communication equipment: telephone lines and telephones                                                                                                                              | 6.33 |
| 10.574 | Static machine tools & equipment                                                                                                                                                     | 5.28 |
| 10.576 | Air conditioning plant-static                                                                                                                                                        | 5.28 |
| 10.577 | Air conditioning plant- portable                                                                                                                                                     | 9.50 |
| 10.580 | Refrigerators and water coolers.                                                                                                                                                     | 5.28 |
| 10.581 | Meter testing laboratory tools & equipment                                                                                                                                           | 5.28 |
| 10.582 | Equipment in hospitals/clinics                                                                                                                                                       | 5.28 |
| 10.583 | Tools & tackles.                                                                                                                                                                     | 5.28 |
| 10.584 | Fire Fighting Equipment                                                                                                                                                              | 5.28 |
| 10.585 | Hydrogen gas gen. Plant                                                                                                                                                              | 5.28 |
| 10.586 | Surveying , drawing instruments                                                                                                                                                      | 5.28 |
| 10.599 | Other Misc. equipments                                                                                                                                                               | 5.28 |
| 10.601 | Overhead lines (towers, poles etc.) at nominal voltage                                                                                                                               | 5.28 |
| 10.602 | Overhead lines(towers, poles, fixtures, overhead conductors and devices), lines on fabricated steel supportsoperating at nominal voltage higher than 13.2 KV but not exceeding 66 KV | 5.28 |
| 10.603 | Overhead lines on reinforced support                                                                                                                                                 | 5.28 |
| 10.604 | Overhead lines on treated wood supports                                                                                                                                              | 5.28 |
| 10.611 | Underground cables including joint boxes                                                                                                                                             | 5.28 |
| 10.612 | Underground cables - duct system.                                                                                                                                                    | 5.28 |
| 10.621 | Service connections DS and CS                                                                                                                                                        | 5.28 |
| 10.622 | Service connections- Industrial.                                                                                                                                                     | 5.28 |
| 10.623 | Service connections –Tubewell                                                                                                                                                        | 5.28 |
| 10.631 | Metering equipments.                                                                                                                                                                 | 5.28 |
| 10.641 | Street lighting and signal system.                                                                                                                                                   | 5.28 |
| 10.685 | Miscellaneous equipments.                                                                                                                                                            | 5.28 |
| 10.710 | Trucks, Tempos trekkers etc.                                                                                                                                                         | 9.50 |
| 10.720 | Buses including mini buses                                                                                                                                                           | 9.50 |
| 10.730 | Jeeps amd motor cars.                                                                                                                                                                | 9.50 |
| 10.740 | Other vehicles.                                                                                                                                                                      | 9.50 |
| 10.801 | Furniture and fixtures office.                                                                                                                                                       | 6.33 |
| 10.802 | Furniture and fixture Rest/Guest houses etc.                                                                                                                                         | 6.33 |
| 10.901 | Calculators                                                                                                                                                                          | 6.33 |
| 10.902 | Type writers and duplicating machines                                                                                                                                                | 6.33 |





|        |                                       |      |
|--------|---------------------------------------|------|
| 10.903 | Cash registers machines               | 6.33 |
| 10.904 | Computers-end user including software | 15   |
| 10.904 | Computers-Server                      | 15   |
| 10.905 | Security equipment (weapons)          | 6.33 |

#### 4. Inventories Valuation

- 1) Inventory other than scrap is valued at cost.
- 2) Cost is determined on Weighted Average method. Cost includes Purchase Price, VAT, Excise and Freight. However, all other material related expenses are charged to Revenue.
- 3) Scrap is valued at standard rate fixed by the Company.
- 4) Stores issued for Capital Works/Operation and Maintenance works but lying unused at site, at the year-end, are valued at engineering estimates and taken in stock.

#### 5. Revenue Recognition

- a) Revenue from sale of power is accounted for on accrual basis. Revenue includes income on energy supplied and billed. Provision for unbilled revenues, is made on pro-rata basis. Earning from sale of electricity does not include state levies.
- b) Government Subsidy for free supply to Agricultural and Scheduled Cast /Below Poverty Line Domestic consumers is accounted for on the accrual basis as per actual consumption.
- c) All Expenses are accounted for on accrual basis except T.A., LTC, Medical reimbursement, Arrear of Pay, D.A. and Administrative & General Charges like telephone rents etc. which are reflected in account during the period these are actually incurred/paid. No liability on account of DA/ADA is created. It is accounted for on cash basis i.e. in the year in which it is paid.
- d) Material known liabilities are provided for on the basis of available information/estimates.
- e) All items of prior period expenses/incomes, non-recurring and extra-ordinary expenses / incomes, are disclosed separately.
- f) Bills raised for theft of energy, whether on consumers or outsiders are recognized in full as soon as assessment order is received from the competent authority. Payment made by the consumer under protest is treated as part payment against the bill raised.
- g) Interest on investment is accounted for on accrual basis.
- h) Other income is recognized on accrual basis except when ultimate realization of such income is uncertain.
- i) Liquidated damages/warranty claims and interest on advances to suppliers are accounted for on actual receipt basis.
- j) Sale of scrap is accounted for as and when realized.





6. Transactions in foreign currency:

The Foreign Exchange Transactions, if any, are to be dealt with as per Accounting Standard 11 titled "Effects of Changes in Foreign Exchange Rate".

7. Provisions

Provision for Bad & doubtful Debts is made at the rate of 4% in General i.e. Debtors for sale of power within state and an amount equal to 75 % of PDCOs.

8. 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 disclosed in the Notes. Contingent assets are neither recognized nor disclosed in the financial statements.

9. Miscellaneous

- a) Expenses on training and recruitment, research and development are charged to revenue in the respective head of accounts in the year in which these are incurred.
- b) Cost of raising finance other than Capital Assets is charged to revenue in the year in which these are incurred.
- c) Income from Surcharge levied on consumers for delayed payment on energy bills is accounted for on actual realization basis.
- d) Interest income accrued on Staff Loans & Advances is provided on accrual basis. However, interest is recovered after recovery of principal amount.
- e) In the case of mixed locations where both O&M and Capital works are carried out, expenses are allocated on percentage basis to capital as well as revenue.
- f) The cost of new meter used to replace the damaged meter is charged to revenue and the cost of damaged meter and its accumulated depreciation is not withdrawn.
- g) All pensionary charges/ pensionary benefits of regular employees, whether in construction Division or DS/Construction-cum-O&M Divisions, are charged to revenue.
- h) Banking of Power from/ to other Power Utilities is netted off from the cost of Power.

10. Terminal benefits

As per the amendment issued in Transfer Scheme-2010, vide Notification dated 24.12.2012, the terminal benefits in respect of personnel of erstwhile PSEB are to be shared between PSPCL & PSTCL in the ratio of 88.64% & 11.36% respectively for the year 2010-11 onwards. These benefits are to be accounted for on actual payment basis from 2010-11 to 2013-14 and thereafter progressive funding based on actuarial valuation over a period of 15 years.

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11. Taxes on Income

- a) Current tax is determined as the amount payable in respect of taxable Income of the year.
- b) Deferred tax for the year is recognized on timing; being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.
- c) Deferred tax assets and liabilities are measured using the tax rates and laws that have been enacted or substantially enacted by the Balance Sheet date.

Deferred tax assets are recognized and carried forward only if there is reasonable and virtual certainty of its realization.

12. Investments

Long term investments are carried at cost, less provision for diminution other than temporary, if any, in the value of such investments.

13. Misc. Expenditure

Expenditure incurred on identification, survey & feasibility study of project, before project is considered for sanction or rejection, is accounted for under separate head and shown under Deferred Cost. As & when, the decision of competent authority is received, expenditure is adjusted accordingly by transferring expenditure to work concerned if accepted or written off to Profit & Loss Account in case of rejection.

14. Prior period adjustments.

All identifiable/decided items of income and expenditure pertaining to prior period which were not provided in earlier years are accounted for through "Prior Period Adjustment Account". The company generally follows the provisions of Accounting Standard -5 (Net Profit or Loss for the period, Prior Period Items & Changes in Accounting Policies) by separately showing prior period items in Net Profit/Loss for the period through "Prior Period Adjustment Account".

15. Proper Disclosure has also given where accounting policy has been changed.

16. Cash Flow Statement is prepared on the basis of Indirect Method to the extent possible as prescribed in Accounting Standard-3 (Cash Flow Statement)







**PUNJAB STATE POWER CORPORATION LIMITED**

**NOTE NO.- 2**

**SHARE CAPITAL**

(Amount in ₹)

| Account Code | Particulars                                                               | As at 31st March, 2016 | As at 31st March, 2015 |
|--------------|---------------------------------------------------------------------------|------------------------|------------------------|
| 54.502       | (a) Authorised<br>2,000 Crore (2000 crore) Equity shares of Rs. 10/- each | 2,00,00,00,00,000      | 2,00,00,00,00,000      |
|              | (b) Issued                                                                |                        |                        |
|              | 6081474259 (6081474259) Equity shares of Rs. 10/- each                    | 60,81,47,42,590        | 60,81,47,42,590        |
|              | (c) Issued Subscribed and fully Paid up                                   |                        |                        |
|              | 6081474259 (6081474259) Equity shares of Rs. 10/- each                    | 60,81,47,42,590        | 60,81,47,42,590        |
|              | <b>Total</b>                                                              | <b>60,81,47,42,590</b> | <b>60,81,47,42,590</b> |

**Note: 2.1** The Paid Up Share Capital includes 6081474259 equity shares of Rs. 10/- each fully paid up allotted to Government of Punjab pursuant to Financial Restructuring Plan towards consideration other than cash.

**2.2** Whole of the Share capital of the Company is held by Government of Punjab and the below mentioned officers nominated by Government of Punjab to hold shares on its behalf as on 31-3-16:

| Sr. No. | Name                 | Class of Share | No. of Share Holding  | Percentage of Share Holding |
|---------|----------------------|----------------|-----------------------|-----------------------------|
|         | Sarv Sh./S.          |                |                       |                             |
| 1       | Governor of Punjab   | Equity Shares  | 6,08,14,24,259        | 99.9992                     |
| 2       | Sarvesh Kaushal, IAS | Equity Shares  | 5,000                 | 0.0001                      |
| 3       | D. P. Reddy, IAS     | Equity Shares  | 5,000                 | 0.0001                      |
| 4       | A. Venu Prasad, IAS  | Equity Shares  | 5,000                 | 0.0001                      |
| 5       | Arun Sekri, IAS      | Equity Shares  | 5,000                 | 0.0001                      |
| 6       | Jaspal Singh, IAS    | Equity Shares  | 5,000                 | 0.0001                      |
| 7       | Anurag Verma, IAS    | Equity Shares  | 5,000                 | 0.0001                      |
| 8       | U.K. Panda           | Equity Shares  | 10,000                | 0.0002                      |
| 9       | Karan Deep Chaudhri  | Equity Shares  | 5,000                 | 0.0001                      |
| 10      | Subash Chand Arora   | Equity Shares  | 5,000                 | 0.0001                      |
|         | <b>TOTAL</b>         |                | <b>6,08,14,74,259</b> | <b>100.0000</b>             |

**2.3 Reconciliation of Shares**

|                          |                |
|--------------------------|----------------|
| As at 01-4-2015          | 6,08,14,74,259 |
| Allotted during the year | -              |
| As at 31-3-16            | 6,08,14,74,259 |

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**PUNJAB STATE POWER CORPORATION LIMITED**

**NOTE NO. - 3**

**RESERVES AND SURPLUS**

| Account Code | Particulars                                                        | (Amount in ₹)          |                        |
|--------------|--------------------------------------------------------------------|------------------------|------------------------|
|              |                                                                    | As at 31st March, 2016 | As at 31st March, 2015 |
| 56.2         | Capital Reserve                                                    |                        |                        |
|              | Opening Balance                                                    |                        |                        |
|              | Addition/ adjustment                                               | 87,50,73,52,600        | 87,50,73,52,600        |
|              | Deduction                                                          | -                      | -                      |
|              | Closing Balance                                                    | 87,50,73,52,600        | 87,50,73,52,600        |
| GH-55        | ii) Consumer Contribution, grants & subsidies                      |                        |                        |
|              | Opening Balance                                                    | 13,17,48,27,795        | 10,65,07,59,397        |
|              | Addition (Net)                                                     | 2,04,18,34,392         | 3,24,82,40,733         |
|              | Deduction (Transferred to Other Income - Note 22)                  | 82,24,08,610           | 72,41,72,335           |
|              | Closing Balance                                                    | 14,39,42,53,577        | 13,17,48,27,795        |
|              | Total Capital Reserve including contribution, grants and subsidies | 1,01,90,16,06,177      | 1,00,68,21,80,395      |
|              | Other Reserves                                                     |                        |                        |
| 56.3 & 56.6  | i) Material cost variance & other reserve                          |                        |                        |
|              | Opening Balance                                                    | 29,42,19,849           | 14,57,65,700           |
|              | Addition                                                           | 21,54,97,701           | 22,10,60,524           |
|              | Deduction                                                          | 15,17,94,004           | 7,26,06,375            |
|              | Closing Balance                                                    | 35,79,23,546           | 29,42,19,849           |
| 56.1         | iii) General Reserve                                               |                        |                        |
|              | Opening Balance                                                    | 20,11,50,536           | 20,11,50,536           |
|              | Addition/ adjustment                                               | -                      | -                      |
|              | Deduction                                                          | 3,48,582               | -                      |
|              | Closing Balance                                                    | 20,08,01,954           | 20,11,50,536           |
| 38.1         | Surplus                                                            |                        |                        |
|              | Opening Balance                                                    | (15,01,04,94,908)      | (16,66,95,83,447)      |
|              | Addition, if Profit (PSPCL)                                        | -                      | 1,65,90,88,539         |
|              | Deduction, if Loss (PSPCL)                                         | (16,94,85,30,276)      | -                      |
|              | Closing Balance                                                    | (31,95,90,25,184)      | (15,01,04,94,908)      |
| 56.1 & 38.1  | Total Other Reserve                                                | (31,40,02,99,684)      | (14,51,51,24,523)      |
|              | Total Reserve & Surplus - PSPCL                                    | 70,50,13,06,493        | 86,16,70,55,872        |

**NOTE NO. - 3.1**

The Company has not provided any contingency reserve during the current financial year.

**NOTE NO. - 3.2**

Rs. 3,48,582/- was wrongly credited to account code 56.1 "General Reserve" instead of account code 56.6 "Other Reserves" during the year 2010-11 which was corrected during FY 2015-16.

**NOTE NO. - 4**

**SHARE APPLICATION MONEY PENDING ALLOTTMENT**

| Account Code | Particulars                               | As at 31st March, 2016 | As at 31st March, 2015 |
|--------------|-------------------------------------------|------------------------|------------------------|
| 54.8         | Share application money pending allotment | -                      | -                      |
|              |                                           |                        |                        |
|              | Total                                     | -                      | -                      |





Note 5 - LONG TERM BORROWINGS

| Particulars                                    | Annexure -<br>'A' | (Amount in Rs.)                       |                                       |
|------------------------------------------------|-------------------|---------------------------------------|---------------------------------------|
|                                                |                   | AS ON<br>31 <sup>st</sup> MARCH, 2016 | AS ON<br>31 <sup>st</sup> MARCH, 2015 |
| <b>SECURED LONG TERM BORROWINGS</b>            |                   |                                       |                                       |
| Loan from PFC                                  | (1a)              | 4,11,53,59,532                        | 3,84,60,42,809                        |
| Loan from REC                                  | (1b)              | 31,71,51,72,560                       | 47,06,13,96,629                       |
| <b>TOTAL (A)</b>                               |                   | <b>35,83,05,32,092</b>                | <b>50,90,74,39,438</b>                |
| <b>UNSECURED LONG TERM BORROWINGS :</b>        |                   |                                       |                                       |
| <b>BONDS</b>                                   |                   |                                       |                                       |
| Non- SLR Bonds                                 | (2)               | 3,31,60,00,000                        | 3,40,00,00,000                        |
| Long & Medium Term Loans from Banks            | (3)               | 26,27,85,68,846                       | 78,20,90,05,190                       |
| Loans from Other Financial Institutions        | (4)               | 23,58,41,07,174                       | 38,76,96,90,534                       |
| Liability for RBI Bonds                        | (5)               | 17,61,60,600                          | 16,23,60,000                          |
| Debenture subscription money pending allotment | (6)               | 2,81,593                              | 2,70,799                              |
| Loans under Centrally sponsored schemes        | (7)               | 39,31,57,933                          | 45,62,84,802                          |
| Govt. of Punjab Loan under UDAY Scheme         | (8)               | 98,59,72,00,000                       | -                                     |
| <b>TOTAL (B)</b>                               |                   | <b>1,52,34,54,76,146</b>              | <b>1,20,99,76,11,325</b>              |
| <b>GRAND TOTAL (A+B)</b>                       |                   | <b>1,88,17,60,08,238</b>              | <b>1,71,90,50,50,763</b>              |

Note No. 5.1 :-

- A) Loans from REC/PFC were obtained under different schemes for creation of fixed assets. The assets created with the loans are hypothecated with REC/PFC. These loans are partially guaranteed by the government of Punjab.
- (b) Unutilised funds received under APDRP Schemes have been invested in FDR's and OD limit is availed against the said FDR's.
- (c) The company is repaying the loans as per agreements and reconciliation is made at the time of final settlement.

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NOTE :5 NON- CURRENT LIABILITIES - SECURED LONG TERM BORROWINGS

(Annexure-'A')

(Amount in Rs.)

| Sr. No. | Particulars                                                                                                                                                                                                                                                                             | Account Code | As on 31 <sup>st</sup> March, 2016 | As on 31 <sup>st</sup> March, 2015 |
|---------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|------------------------------------|------------------------------------|
| 1       | <b>TERM LOANS FROM FINANCIAL INSTITUTIONS :</b>                                                                                                                                                                                                                                         |              |                                    |                                    |
|         | <b>(a) LOANS FROM PFC</b>                                                                                                                                                                                                                                                               |              |                                    |                                    |
|         | <b>AO-APDRP</b>                                                                                                                                                                                                                                                                         |              |                                    |                                    |
| 1       | At 9.00% - 11.50% p.a. loan under R-APDRP Scheme Part-A from Govt. of India/PFC Ltd. secured against hypothecation of assets & guaranteed by Govt. of Punjab and Default Escrow repayable in 10 years in monthly instalments (10 instalments from June to March every year)             | 53.731       | 1,70,82,58,800                     | 1,59,40,58,800                     |
| 2       | At 9.00% - 11.50% p.a. loan under R-APDRP Scheme Part-B from Govt. of India/PFC Ltd. secured against hypothecation of assets and guaranteed by Govt. of Punjab and Default Escrow repayable in 20 years in monthly instalments (10 instalments from June to March every year)           | 53.732       | 2,40,71,00,732                     | 2,23,95,65,000                     |
| 3       | At 12.50% p.a. loan for Improvement of Sultanpur Lodhi Distribution Scheme from PFC secured against hypothecation of assets and default escrow.                                                                                                                                         | 53.801       | -                                  | 1,24,19,009                        |
|         | <b>Total 1 (a)</b>                                                                                                                                                                                                                                                                      |              | <b>4,11,53,59,532</b>              | <b>3,84,60,42,809</b>              |
|         | <b>(b) LOANS FROM REC</b>                                                                                                                                                                                                                                                               |              |                                    |                                    |
|         | <b>(I) AO- BANKING L &amp; D</b>                                                                                                                                                                                                                                                        |              |                                    |                                    |
| 1       | At 7.00%-12.75% p.a. with 3 year reset clause, scheme term loans from REC Ltd. secured against Punjab State Govt. Guarantee, Default Escrow & Hypothecation of assets repayable in 10/12 years in equal quarterly/yearly instalments.                                                   | 53.301       | 1,31,60,73,772                     | 3,94,36,38,189                     |
| 2       | 12.25%-12.50% p.a. with 3 year reset clause, scheme term loans from REC Ltd. guaranteed by Govt. of Punjab & Default Escrow repayable in 10/12 years in equal quarterly/yearly instalments.                                                                                             | 53.301       | 93,39,99,483                       | 1,15,57,34,100                     |
| 3       | 11.00% - 12.50% p.a. with 3 year reset clause, scheme term loans from REC Ltd. secured against Hypothecation of future assets & Default Escrow repayable in 10 years in equal quarterly/yearly instalments.                                                                             | 53.301       | 2,34,61,38,736                     | 1,96,09,00,146                     |
|         | <b>(II) AO- RE</b>                                                                                                                                                                                                                                                                      |              |                                    |                                    |
| 1       | 8%-13.50% p.a. with 3 year reset clause, scheme term loans from REC Ltd. Secured against Punjab Govt. Guarantee & default escrow repayable in 7/13 years in case of Bulk/Transmission & Distribution schemes in equal monthlyquarterly/yearly instalments.                              | 53.301       | 18,19,60,606                       | 54,49,50,883                       |
| 2       | 11.50%-12.25% p.a. with 3 year reset clause, scheme term loans from REC Ltd. Secured against 30% Punjab Govt. Guarantee & hypothication of 100% future assets repayable in 7/13 years in case of Bulk/Transmission & Distribution schemes in equal monthlyquarterly/yearly instalments. | 53.301       | 3,45,94,73,665                     | 7,39,49,81,691                     |
| 3       | 10.90%-13.50% p.a. with 3 year reset clause, scheme term loans from REC Ltd. Secured against hypothication of 100% future assets repayable in 7/13 years in case of Bulk/Transmission & Distribution schemes in equal monthlyquarterly/yearly instalments.                              | 53.301       | 23,47,75,26,298                    | 32,06,11,91,620                    |
|         | <b>TOTAL 1 (b)</b>                                                                                                                                                                                                                                                                      |              | <b>31,71,51,72,560</b>             | <b>47,06,13,96,629</b>             |
|         | <b>GRAND TOTAL 1 (a+b)</b>                                                                                                                                                                                                                                                              |              | <b>35,83,05,32,092</b>             | <b>50,90,74,39,438</b>             |
| 2       | <b>BONDS</b>                                                                                                                                                                                                                                                                            |              |                                    |                                    |
|         | <b>Non-SLR BONDS guaranteed by Govt. of Punjab:</b>                                                                                                                                                                                                                                     |              |                                    |                                    |
| i       | 2008-09 1st Series @ 9.40% repayable on 08.07.2018                                                                                                                                                                                                                                      |              | 1,12,60,00,000                     | 1,13,10,00,000                     |
| ii      | 2008-09 2nd Series @ 10.15% repayable on 29.01.2019                                                                                                                                                                                                                                     |              | 1,94,60,00,000                     | 2,02,50,00,000                     |
| iii     | 2009-10 1st Series @ 9.01% repayable on 07.09.2019                                                                                                                                                                                                                                      |              | 24,40,00,000                       | 24,40,00,000                       |
|         | <b>Total</b>                                                                                                                                                                                                                                                                            |              | <b>3,31,60,00,000</b>              | <b>3,40,00,00,000</b>              |
| 3       | <b>LONG &amp; MEDIUM TERM LOANS FROM BANKS</b>                                                                                                                                                                                                                                          |              |                                    |                                    |
|         | <b>AO-BANKING L&amp;D</b>                                                                                                                                                                                                                                                               |              |                                    |                                    |
| a)      | <b>LONG TERM LOANS FROM BANKS :</b>                                                                                                                                                                                                                                                     |              |                                    |                                    |
| 1       | At Base Rate+ 2.00% loan from Bank of India guaranteed by Govt. of Punjab & default escrow repayable in 28 equal quarterly instalments starting from Jan'2015                                                                                                                           | 53.510       | 2,05,35,70,000                     | 2,05,35,70,000                     |





| Sr. No. | Particulars                                                                                                                                                                                       | Account Code | As on 31 <sup>st</sup> March, 2016 | As on 31 <sup>st</sup> March, 2015 |
|---------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|------------------------------------|------------------------------------|
| 2       | At Base Rate+ 2.00% loan from Bank of India guaranteed by Govt. of Punjab & default escrow repayable in 84 equal monthly instalments starting from Jan'2017                                       | 53.510       | 3,00,00,00,000                     | 3,00,00,00,000                     |
| 3       | At Base Rate+ 2.00% loan from Bank of India guaranteed by Govt. of Punjab & default escrow repayable in 84 equal monthly instalments starting from Oct'2017                                       | 53.510       | 3,00,00,00,000                     | 3,00,00,00,000                     |
| 4       | At Base Rate+ 2.00% loan from Bank of India guaranteed by Govt. of Punjab & default escrow repayable in 84 equal monthly instalments starting from April'2018                                     | 53.510       | 2,00,00,00,000                     | 2,00,00,00,000                     |
| 5       | At Base Rate+ 2.00% loan from Dena Bank guaranteed by Govt. of Punjab & default escrow repayable in 84 equal monthly instalments starting from Feb'2018                                           | 53.512       | 2,00,00,00,000                     | 2,00,00,00,000                     |
| 6       | At Base Rate+1.75% loan from UCO Bank guaranteed by Govt. of Punjab & default escrow repayable in 28 equal quarterly instalments starting from March'2019                                         | 53.509       | 2,50,00,00,000                     | -                                  |
| 7       | At Base Rate+ 1.75% loan from Syndicate Bank guaranteed by Govt. of Punjab & default escrow repayable in 28 equal monthly instalments starting from March'2019                                    | 53.515       | 2,00,00,00,000                     | -                                  |
| 8       | At Base Rate+ 1.75% loan from Punjab National Bank guaranteed by Govt. of Punjab & default escrow repayable in 28 equal quarterly instalments starting from September'2018                        | 53.503       | 3,00,00,00,000                     | -                                  |
| 9       | At SBI PLR-2.00% p.a. with 3 year reset clause loan from Punjab National Bank against the security of Default Escrow repayable in 28 equal quarterly instalments starting from Oct'2009           | 53.503       | -                                  | 21,42,82,000                       |
| 10      | At SBI PLR-2.00% p.a. with 3 year reset clause loan from Punjab National Bank against the security of Default Escrow repayable in 28 equal quarterly instalments starting from Dec'2012           | 53.503       | -                                  | 1,49,99,99,988                     |
| 11      | At Base Rate+ TP(0.50%)+Spd(1.0%) loan from Punjab National Bank against the security of Default Escrow repayable in 28 equal quarterly instalments starting from March'2014                      | 53.503       | 1,60,71,42,846                     | 2,03,57,14,278                     |
| 12      | At SBI PLR-2.00% p.a. with 3 year reset clause loan from Bank of Maharashtra against the security of Default Escrow repayable in 7 yearly instalments starting from Dec'2010                      | 53.519       | -                                  | 14,28,58,000                       |
| 13      | At SBI PLR-2.25% p.a. with 3 year reset clause loan from Bank of Maharashtra against the security of Default Escrow repayable in 84 equal monthly instalments starting from Feb'2011              | 53.519       | -                                  | 26,22,00,000                       |
| 14      | At SBI PLR-2.00% p.a. with 3 year reset clause loan from Bank of Rajasthan now ICICI Bank against the security of Default Escrow repayable in 84 equal monthly instalments starting from Jan'2010 | 53.516       | -                                  | 7,50,00,025                        |
| 15      | At SBI PLR-2.25% p.a. with 3 year reset clause loan from Bank of Rajasthan now ICICI Bank against the security of Default Escrow repayable in 84 equal monthly instalments starting from Feb'2011 | 53.516       | -                                  | 12,49,99,997                       |
| 16      | At SBI PLR-2.25% p.a. with 3 year reset clause loan from Allahabad Bank against the security of Default Escrow repayable in 28 equal quarterly instalments starting from April'2011               | 53.506       | -                                  | 28,57,14,300                       |
| 17      | At SBI PLR-2.25% p.a. with 3 year reset clause loan from UCO Bank against the security of Default Escrow repayable in 28 equal quarterly instalments starting from May'2013                       | 53.509       | 1,50,00,00,000                     | 2,00,00,00,000                     |
|         | <b>TOTAL LONG TERM LOANS FROM BANKS</b>                                                                                                                                                           |              | <b>22,30,35,68,846</b>             | <b>18,69,43,38,588</b>             |
| b)      | <b>MEDIUM TERM LOANS FROM BANKS :</b>                                                                                                                                                             |              |                                    |                                    |
| 1       | At Base Rate+2.00% p.a. (floating) loan from Bank of Baroda guaranteed by Govt. of Punjab repayable in 60 equal monthly instalments starting from July'2014.                                      | 50.403       | -                                  | 2,59,93,00,000                     |
| 2       | At Base Rate+2.00% p.a. (floating) loan from Bank of India guaranteed by Govt. of Punjab repayable in 60 equal monthly instalments starting from July'2014.                                       | 50.403       | -                                  | 97,50,00,000                       |
| 3       | At Base Rate+2.00% p.a. (floating) loan from Vijaya Bank guaranteed by Govt. of Punjab repayable in 60 equal monthly instalments starting from August'2014.                                       | 50.403       | -                                  | 3,32,58,33,340                     |
| 4       | At Base Rate+2.00% p.a. (floating) loan from Indian Overseas Bank guaranteed by Govt. of Punjab repayable in 60 equal monthly instalments starting from August'2014.                              | 50.403       | -                                  | 5,33,33,33,340                     |





| Sr. No. | Particulars                                                                                                                                                              | Account Code | As on 31 <sup>st</sup> March, 2016 | As on 31 <sup>st</sup> March, 2015 |
|---------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|------------------------------------|------------------------------------|
| 5       | At Base Rate+2.00% p.a. (floating) loan from Union Bank of India guaranteed by Govt. of Punjab repayable in 20 equal quarterly instalments starting from September'2014. | 50.403       | -                                  | 3,25,00,00,000                     |
| 6       | At Base Rate+2.00% p.a. (floating) loan from UCO Bank guaranteed by Govt. of Punjab repayable in 60 equal monthly instalments starting from October'2014.                | 50.403       | -                                  | 1,40,00,00,006                     |
| 7       | At Base Rate+2.00% p.a. (floating) loan from Punjab & Sind Bank guaranteed by Govt. of Punjab repayable in 20 equal quarterly instalments starting from June'2015.       | 50.403       | -                                  | 1,60,00,00,000                     |
| 8       | At Base Rate+2.00% p.a. (floating) loan from Oriental Bank of Commerce guaranteed by Govt. of Punjab repayable in 60 equal monthly instalments starting from May'2014.   | 50.403       | -                                  | 3,29,91,66,659                     |
| 9       | At Base Rate+2.00% p.a. (floating) loan from Oriental Bank of Commerce guaranteed by Govt. of Punjab repayable in 60 equal monthly instalments starting from Jan'2015.   | 50.403       | -                                  | 1,43,06,66,656                     |
| 10      | At Base Rate+2.00% p.a. (floating) loan from Dena Bank guaranteed by Govt. of Punjab repayable in 60 equal monthly instalments starting from June'2014.                  | 50.403       | -                                  | 1,26,66,66,652                     |
| 11      | At Base Rate+2.00% p.a. (floating) loan from Bank of Maharashtra guaranteed by Govt. of Punjab repayable in 60 equal monthly instalments starting from June'2014.        | 50.403       | -                                  | 1,26,66,66,652                     |
| 12      | At Base Rate+2.00% p.a. (floating) loan from Bank of Maharashtra guaranteed by Govt. of Punjab repayable in 60 equal monthly instalments starting from June'2014.        | 50.403       | -                                  | 63,33,33,326                       |
| 13      | At Base Rate+2.00% p.a. (floating) loan from Bank of Maharashtra guaranteed by Govt. of Punjab repayable in 60 equal monthly instalments starting from June'2014.        | 50.403       | -                                  | 63,33,33,326                       |
| 14      | At Base Rate+2.00% p.a. (floating) loan from Bank of Maharashtra guaranteed by Govt. of Punjab repayable in 60 equal monthly instalments starting from June'2014.        | 50.403       | -                                  | 63,33,33,326                       |
| 15      | At Base Rate+2.00% p.a. (floating) loan from Bank of Maharashtra guaranteed by Govt. of Punjab repayable in 60 equal monthly instalments starting from June'2014.        | 50.403       | -                                  | 63,33,33,326                       |
| 16      | At Base Rate+2.00% p.a. (floating) loan from Indian Bank guaranteed by Govt. of Punjab repayable in 60 equal monthly instalments starting from Sep'2014.                 | 50.403       | -                                  | 68,33,33,327                       |
| 17      | At Base Rate+2.00% p.a. (floating) loan from Canara Bank guaranteed by Govt. of Punjab repayable in 60 equal monthly instalments starting from May'2014.                 | 50.403       | -                                  | 4,31,66,66,659                     |
| 18      | At Base Rate+2.00% p.a. (floating) loan from Canara Bank guaranteed by Govt. of Punjab repayable in 60 equal monthly instalments starting from Oct'2014.                 | 50.403       | -                                  | 1,92,50,00,006                     |
| 19      | At Base Rate+2.00% p.a. (floating) loan from Canara Bank guaranteed by Govt. of Punjab repayable in 60 equal monthly instalments starting from April'2015.               | 50.403       | -                                  | 2,20,00,00,004                     |
| 20      | At Base Rate+2.00% p.a. (floating) loan from Oriental Bank of Commerce guaranteed by Govt. of Punjab repayable in 60 equal monthly instalments starting from July'2015.  | 50.403       | -                                  | 2,12,19,99,997                     |
| 21      | At Base Rate+2.00% p.a. (floating) loan from Vijaya Bank guaranteed by Govt. of Punjab repayable in 60 equal monthly instalments starting from April'2016.               | 50.403       | -                                  | 38,00,00,000                       |
| 22      | At Base Rate+2.00% p.a. (floating) loan from Canara Bank guaranteed by Govt. of Punjab repayable in 60 equal monthly instalments starting from Jan'2016.                 | 50.403       | -                                  | 3,91,74,99,999                     |
| 23      | At Base Rate+2.00% p.a. (floating) loan from UCO Bank guaranteed by Govt. of Punjab repayable in 60 equal monthly instalments starting from Jan'2016.                    | 50.403       | -                                  | 1,18,75,00,001                     |
| 24      | At Base Rate+2.00% p.a. (floating) loan from Canara Bank guaranteed by Govt. of Punjab repayable in 60 equal monthly instalments starting from Nov'2016.                 | 50.403       | -                                  | 1,50,00,00,000                     |





| Sr<br>No. | Particulars                                                                                                                                                                                                          | Account<br>Code | As on 31 <sup>st</sup> March,<br>2016 | As on<br>31 <sup>st</sup> March, 2015 |
|-----------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|---------------------------------------|---------------------------------------|
| 25        | At Base Rate+1.50% p.a. (floating) loan from Central Bank of India guaranteed by Govt. of Punjab repayable in 60 equal monthly instalments starting from August'2016.                                                | 50.403          | -                                     | 2,90,00,00,000                        |
| 26        | At Base Rate+1.75% p.a. (floating) loan from State Bank of India guaranteed by Govt. of Punjab repayable in 60 equal monthly instalments starting from July'2016.                                                    | 50.403          | -                                     | 2,50,00,00,000                        |
| 27        | At Base Rate+2.00% p.a. (floating) loan from Canara Bank guaranteed by Govt. of Punjab repayable in 60 equal monthly instalments starting from August'2017.                                                          | 50.403          | 97,50,00,000                          | -                                     |
| 28        | At Base Rate+2.00% p.a. (floating) loan from Oriental Bank of Commerce guaranteed by Govt. of Punjab repayable in 60 equal monthly instalments starting from Oct'2017.                                               | 50.403          | 1,50,00,00,000                        | -                                     |
| 29        | At Base Rate+1.75% p.a. (floating) loan from State Bank of India guaranteed by Govt. of Punjab repayable in 18 equal monthly instalments starting from April'2017.                                                   | 50.403          | 1,50,00,00,000                        | -                                     |
| 30        | At Base Rate+1.50% p.a. with annual reset loan from Central Bank of India against the security of Default Escrow repayable in 60 equal monthly instalments starting from Dec'2012.                                   | 50.403          | -                                     | 2,58,20,00,000                        |
| 31        | At Base Rate+1.50% p.a. with annual reset loan from Central Bank of India against the security of Default Escrow repayable in 60 equal monthly instalments starting from July'2013.                                  | 50.403          | -                                     | 61,60,00,000                          |
| 32        | At Base Rate+1.50% p.a. with annual reset loan from Central Bank of India against the security of Default Escrow repayable in 60 equal monthly instalments starting from March'2014.                                 | 50.403          | -                                     | 1,90,43,00,000                        |
| 33        | At Base Rate+2.00% p.a. (floating) loan from Allahabad Bank against the security of Default Escrow repayable in 20 equal quarterly instalments starting from September'2014.                                         | 50.403          | -                                     | 29,25,00,000                          |
| 34        | At Base Rate+1.50% p.a. with annual reset loan from Central Bank of India against the security of Default Escrow repayable in 60 equal monthly instalments starting from Aug'2014.                                   | 50.403          | -                                     | 2,20,79,00,000                        |
|           |                                                                                                                                                                                                                      |                 | 3,97,50,00,000                        | 59,51,46,66,602                       |
|           | <b>TOTAL MEDIUM TERM LOANS FROM BANKS</b>                                                                                                                                                                            |                 | 26,27,85,68,846                       | 78,20,90,05,190                       |
|           | <b>TOTAL LONG &amp; MEDIUM TERM LOANS FROM BANKS</b>                                                                                                                                                                 |                 |                                       |                                       |
| 4         | <b>LONG AND MEDIUM TERM LOANS FROM OTHER FINANCIAL INSTITUTIONS:</b>                                                                                                                                                 |                 |                                       |                                       |
|           | <b>AO-BANKING L&amp;D</b>                                                                                                                                                                                            |                 |                                       |                                       |
| 1         | At 12.50% p.a. (fixed) loan from REC Ltd. against the security of Default Escrow repayable in 18 equal monthly instalments starting from June'2016.                                                                  | 50.404          | -                                     | 1,50,00,00,000                        |
| 2         | Working Capital Term Loan @ 11.78% p.a. from REC Ltd. With 3 years interest reset clause secured against Punjab State Govt. Guarantee & Default Escrow repayable in 96 monthly instalments starting from April'2014. | 50.404          | -                                     | 6,03,82,05,220                        |
| 3         | Transitional Loan @11.88% p.a. from REC Ltd. With 3 years interest reset clause guaranteed by Govt. of Punjab & Default Escrow repayable in 84 equal monthly instalments starting from March'2016.                   | 50.404          | -                                     | -                                     |
| 4         | 12.25% p.a. (fixed) medium term loan from REC Ltd. secured against Punjab State Govt. Guarantee & Default Escrow repayable in 33 equal monthly instalments starting from April'2015.                                 | 50.404          | -                                     | 1,24,09,09,092                        |
| 5         | 12.25% p.a. (fixed) medium term loan from REC Ltd. secured against Punjab State Govt. Guarantee & Default Escrow repayable in 18 equal monthly instalments starting from July'2016.                                  | 50.404          | -                                     | 1,00,00,00,000                        |
| 6         | 12.25% p.a. (fixed) medium term loan from REC Ltd. secured against Punjab State Govt. Guarantee & Default Escrow repayable in 18 equal monthly instalments starting from July'2016.                                  | 50.404          | -                                     | 1,00,00,00,000                        |
| 7         | 12.25% p.a. (fixed) medium term loan from REC Ltd. secured against Punjab State Govt. Guarantee & Default Escrow repayable in 18 equal monthly instalments starting from August'2018.                                | 50.404          | -                                     | 1,00,00,00,000                        |





| Sr. No. | Particulars                                                                                                                                                                                             | Account Code | As on 31 <sup>st</sup> March, 2016 | As on 31 <sup>st</sup> March, 2015 |
|---------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|------------------------------------|------------------------------------|
| 8       | 12.25% p.a. (fixed) medium term loan from REC Ltd. secured against Punjab State Govt. Guarantee & Default Escrow repayable in 18 equal monthly instalments starting from September'2016                 | 50.404       | -                                  | 4,25,00,00,000                     |
| 9       | 12.25% p.a. (fixed) medium term loan from REC Ltd. secured against Punjab State Govt. Guarantee & Default Escrow repayable in 18 equal monthly instalments starting from October'2016                   | 50.404       | -                                  | 1,00,00,00,000                     |
| 10      | 12.25% p.a. (fixed) medium term loan from REC Ltd. secured against Punjab State Govt. Guarantee & Default Escrow repayable in 18 equal monthly instalments starting from March'2017                     | 50.404       | 3,50,00,00,000                     | -                                  |
| 11      | Working Capital Term loan from PFC Ltd. @ 11.65% p.a. secured against Punjab State Govt. Guarantee & Default Escrow repayable in 28 equal quarterly instalments starting from Feb'2019                  | 50.404       | 20,00,00,00,000                    | -                                  |
| 12      | At 7.15%-12.75% p.a. term loan from PFC Ltd. guaranteed by Govt. of Punjab & Default Escrow                                                                                                             | 53.801       | 8,41,07,174                        | 25,68,57,603                       |
| 13      | Transitional Loan @11.88%-12.13% p.a. from PFC Ltd. with 3 years interest reset clause guaranteed by Govt. of Punjab & Default Escrow repayable in 84 equal monthly instalments starting from Jan'2016. | 50.404       | -                                  | 9,64,28,57,143                     |
| 14      | Term Loan from PFC Ltd. For Oddidha UMPP @ 12.50% secured against Punjab State Govt. Guarantee & Default Escrow                                                                                         | 53.801       | -                                  | 71,90,00,000                       |
| 15      | Working Capital loan from PFC Ltd. @ 12.25% p.a. secured against Punjab State Govt. Guarantee & Default Escrow repayable in 33 equal monthly instalments starting from April'2015                       | 50.404       | -                                  | 1,24,09,09,092                     |
| 16      | Transitional Loan @11.88% p.a. from REC Ltd. with 3 years interest reset clause guaranteed by Govt. of Punjab & Default Escrow repayable in 84 equal monthly instalments starting from Mar'2016.        | 50.404       | -                                  | 9,88,09,52,384                     |
|         | <b>Total</b>                                                                                                                                                                                            |              | <b>23,58,41,07,174</b>             | <b>38,76,96,90,534</b>             |
| 5       | <b>LIABILITY FOR RBI BONDS</b>                                                                                                                                                                          |              |                                    |                                    |
|         | Liability for RBI Bonds @8.50% payable to GOP as and when demanded.                                                                                                                                     |              | 17,61,60,600                       | 16,23,60,000                       |
| 6       | <b>OTHERS :</b>                                                                                                                                                                                         |              |                                    |                                    |
| 1       | Debenture subscription money pending allotment.                                                                                                                                                         | 52.2         | 2,81,593                           | 2,70,799                           |
|         | <b>Total</b>                                                                                                                                                                                            |              | <b>2,81,593</b>                    | <b>2,70,799</b>                    |
| 7       | <b>LOANS UNDER CENTRALLY SPONSORED SCHEMES</b>                                                                                                                                                          |              |                                    |                                    |
|         | <b>AO-APDRP</b>                                                                                                                                                                                         |              |                                    |                                    |
| 1       | 10.50% - 12.50% p.a. loans under Centrally Sponsored Schemes from Govt. of India through Govt. of Punjab repayable in 20 years in monthly instalments.(10 instalments from June to March every year)    | 53.720       | 39,31,57,933                       | 45,62,84,802                       |
|         | <b>Total</b>                                                                                                                                                                                            |              | <b>39,31,57,933</b>                | <b>45,62,84,802</b>                |
| 8       | <b>Govt. of Punjab Loan Under UDAY Scheme</b>                                                                                                                                                           |              |                                    |                                    |
| 1       | Govt. of Punjab Loan Under UDAY Scheme as per MOU signed on 04.03.2016 at average rate of 8.51%                                                                                                         | 54.601       | 55,97,07,00,000                    |                                    |
| 2       | Govt. of Punjab Loan Under UDAY Scheme as per MOU signed on 04.03.2016 at average rate of 8.50%                                                                                                         | 54.601       | 42,62,65,00,000                    |                                    |
|         | <b>Total</b>                                                                                                                                                                                            |              | <b>98,59,72,00,000</b>             |                                    |
|         | <b>Grand Total</b>                                                                                                                                                                                      |              | <b>1,88,17,60,08,238</b>           | <b>1,71,90,50,50,763</b>           |





**PUNJAB STATE POWER CORPORATION LIMITED**

**NOTE NO. 6**

**OTHER LONG-TERM LIABILITIES**

(Amount in ₹)

| Account code  | Particulars                                      | As at 31st March, 2016 | As at 31st March, 2015 |
|---------------|--------------------------------------------------|------------------------|------------------------|
| 46.1 & 28.930 | Deposit & retention money from supplier          | 1,68,42,31,786         | 1,52,12,50,128         |
| 47            | Deposit for electrification/Service connection   | 6,59,28,44,564         | 5,53,95,76,940         |
|               | <b>Total</b>                                     | <b>8,27,70,76,350</b>  | <b>7,06,08,27,068</b>  |
| 48.1          | Security deposits from consumers in cash         | 27,52,98,35,748        | 25,39,95,67,148        |
| 48.2          | Security deposits from consumers other than cash | 16,14,058              | 35,71,582              |
|               | <b>Total</b>                                     | <b>27,53,14,49,806</b> | <b>25,40,31,38,730</b> |
| GH-57         | General Provident Fund Liability (including CPF) | 17,72,88,62,408        | 20,02,91,59,685        |
|               | <b>Grand Total</b>                               | <b>53,53,73,88,564</b> | <b>52,49,31,25,483</b> |

**Provident Fund & CPF**

**Note no. 6 (i)**

As per notification of GOP dated 24-12-12, the amount of liability of GPF payable as on 31-03-2013 will be paid to GPF Trust in equal monthly installments in ten year with effect from 01-04-2013.

The company has made the payments during the year on account of GPF and NPS of employees as under:

(Amount in ₹)

| Particulars                                              | GPF                    | NPS                |
|----------------------------------------------------------|------------------------|--------------------|
| Balance as on 1-04-15                                    | 19,90,84,38,894        | 2,25,69,874        |
| Subscription received during the year including interest | 5,54,25,84,651         | 28,49,75,487       |
| <b>Payments</b>                                          |                        |                    |
| Out of Opening Balance                                   | 2,62,74,03,932         | 2,02,38,872        |
| For Subscription received during the year                | 5,22,65,22,695         | 25,79,98,714       |
| <b>Closing Balance as on 31-03-2016</b>                  |                        |                    |
| Out of Opening Balance                                   | 17,28,10,34,962        | 23,31,002          |
| For Subscription received during the year                | 31,60,61,956           | 2,69,76,773        |
| <b>Total Closing Balance as on 31-03-2016</b>            | <b>17,59,70,96,918</b> | <b>2,93,07,775</b> |

**Note no. 6 (ii)**

The employees who joined on or after 1-1-2004, the PSPCL is contributing equal amount to CPF. The company has provided interest of ₹ 8304/- on the contribution of CPF (employees' share and employers' share) @ 8 % for the FY 15-16.

**Note no. 6 (iii)**

The liability of employees of Municipal Corporation, Amritsar absorbed by erstwhile PSEB/PSPCL amounting to Rs. 10.22 crore is due to non receipt of amount from trust of Municipal Corporation, Amritsar. The amount has not been remitted to PF trust of PSPCL & PSTCL till 31-3-16.

**Note no. 6 (iv)**

The company has a trust transferred while taking over the Electric Wing of Municipal Corporation of Amritsar on 01-04-95. The SE/ DS City Circle, Amritsar is Secretary Board of Trust. Further Rs. 9.22 crore is lying with the State Bank of India, Amritsar in SDS-III scheme relating to fund of erstwhile employees of Municipal Corporation Amritsar (Electricity Wing) taken over by PSEB/PSPCL w.e.f. 01-04-1995. Interest on it for the year 2015-16 of Rs. 80,15,000 has been credited under account code 57.140 "GPF M.C. Amritsar Employees absorbed".

**NOTE NO. 7**

**LONG-TERM PROVISIONS**

There is no item under this note.





**NOTE 8: SHORT TERM BORROWINGS**

(Amount in Rs.)

| Sr. No. | Particulars                              | Account Code | As on 31 <sup>st</sup> March, 2016 | As on 31 <sup>st</sup> March, 2015 |
|---------|------------------------------------------|--------------|------------------------------------|------------------------------------|
|         | <b>UNSECURED SHORT TERM BORROWINGS :</b> |              |                                    |                                    |
|         | Loans from PFC                           |              | 3,25,00,00,000                     | 8,50,00,00,000                     |
|         | Loans from REC                           |              | 1,00,00,00,000                     | -                                  |
|         | Loans from Commercial Banks              |              | -                                  | 2,85,00,00,000                     |
|         | <b>TOTAL</b>                             |              | <b>4,25,00,00,000</b>              | <b>11,35,00,00,000</b>             |

**UNSECURED SHORT TERM BORROWINGS**

| Sr. No. | Particulars                                                                                                                                       | Account Code | As on 31 <sup>st</sup> March, 2016 | As on 31 <sup>st</sup> March, 2015 |
|---------|---------------------------------------------------------------------------------------------------------------------------------------------------|--------------|------------------------------------|------------------------------------|
| 1       | <b>UNSECURED SHORT TERM LOANS FROM FINANCIAL INSTITUTIONS</b>                                                                                     |              |                                    |                                    |
|         | <b>AO-BANKING L&amp;D</b>                                                                                                                         |              |                                    |                                    |
|         | a) PFC                                                                                                                                            |              |                                    |                                    |
|         | i 12.50% p.a. (fixed) loan from PFC Ltd. secured against Default Escrow with 90 days reset clause                                                 | 50.402       | -                                  | 2,50,00,00,000                     |
|         | ii 11.25% p.a. (fixed) loan from PFC Ltd. secured against Default Escrow with 90 days reset clause                                                | 50.402       | 50,00,00,000                       | -                                  |
|         | iii 12.25% p.a. (fixed) short term loan from PFC Ltd. Secured against Punjab State Govt. Guarantee & default escrow with 90 days reset clause.    | 50.402       | -                                  | 2,50,00,00,000                     |
|         | iv 12.25% p.a. (fixed) short term loan from PFC Ltd. Secured against Punjab State Govt. Guarantee & default escrow with 90 days reset clause.     | 50.402       | -                                  | 2,50,00,00,000                     |
|         | v 12.25% p.a. (fixed) short term loan from PFC Ltd. Secured against Punjab State Govt. Guarantee & default escrow with 90 days reset clause.      | 50.402       | -                                  | 1,00,00,00,000                     |
|         | vi 11.00% p.a. (fixed) short term loan from PFC Ltd. Secured against Punjab State Govt. Guarantee & default escrow with 90 days reset clause.     | 50.402       | 2,75,00,00,000                     | -                                  |
|         | <b>Sub Total (a)</b>                                                                                                                              |              | <b>3,25,00,00,000</b>              | <b>8,50,00,00,000</b>              |
|         | b) REC                                                                                                                                            |              |                                    |                                    |
|         | i 11.75% p.a. (fixed) loan from REC Ltd. secured against Default Escrow                                                                           | 50.402       | 1,00,00,00,000                     | -                                  |
|         | <b>Sub Total (b)</b>                                                                                                                              |              | <b>1,00,00,00,000</b>              | <b>-</b>                           |
|         | <b>TOTAL (a+b)</b>                                                                                                                                |              | <b>4,25,00,00,000</b>              | <b>8,50,00,00,000</b>              |
| 2       | <b>SHORT TERM LOANS FROM COMMERCIAL BANKS :</b>                                                                                                   |              |                                    |                                    |
|         | <b>AO-BANKING L&amp;D</b>                                                                                                                         |              |                                    |                                    |
|         | i At Base Rate+1.75% p.a. (floating) loan from Bank of Baroda against Punjab State Govt. Guarantee repayable in 7 tranches starting from Nov'2015 | 50.401       | -                                  | 2,85,00,00,000                     |
|         | <b>TOTAL</b>                                                                                                                                      |              | <b>-</b>                           | <b>2,85,00,00,000</b>              |
|         | <b>GRAND TOTAL</b>                                                                                                                                |              | <b>4,25,00,00,000</b>              | <b>11,35,00,00,000</b>             |





**PUNJAB STATE POWER CORPORATION LIMITED**

**NOTE NO. 9**

**Trade Payables**

(Amount in ₹)

| Account code    | Particulars                                  | As at 31st March, 2016 | As at 31st March, 2015 |
|-----------------|----------------------------------------------|------------------------|------------------------|
| GH-40.1         | Liability to railway for coal receipts       | 39,02,55,607           | 32,78,33,647           |
| GH-40.2         | Liability on a/c of grade difference of coal | -                      | -                      |
| GH-40.3 to 40.6 | Liability for fuel related cost              | 2,36,44,237            | 1,95,32,708            |
| GH-40.7         | Unpaid coal bills                            | 3,05,27,42,759         | 2,06,80,24,130         |
|                 | <b>Total</b>                                 | <b>3,46,66,42,603</b>  | <b>2,41,53,90,485</b>  |
| GH-41           | Liability for Purchase of Power              | 20,69,46,53,347        | 15,08,05,61,611        |
| GH-42           | Liability for Capital supplies/works         | 1,90,78,20,879         | 2,51,68,70,161         |
| GH-43           | Liability for O&M supplies/works             | 1,37,18,22,407         | 92,92,57,222           |
|                 | <b>Grand Total</b>                           | <b>27,44,09,39,236</b> | <b>20,94,20,79,479</b> |

**NOTE NO. 10**

**OTHER CURRENT LIABILITIES**

(Amount in ₹)

| Account code | Particulars                                                                               | As at 31st March, 2016 | As at 31st March, 2015 |
|--------------|-------------------------------------------------------------------------------------------|------------------------|------------------------|
| GH-46.310    | Electricity duty & other levies payable to Govt. - CED                                    | (17,695)               | 38,845                 |
| GH-46.300    | Electricity duty & other levies payable to Govt. -Elec. Duty                              | 6,13,32,76,598         | 4,69,36,06,148         |
| GH-46.301    | Electricity duty & other levies payable to Govt. -Elec. Duty (DSSF)                       | 4,68,40,11,606         | 4,88,51,59,556         |
| GH-46.302    | Infrastrucutre development fee Payable to Punjab Infrastructure Development Board (Elec.) | 2,11,21,96,313         |                        |
| GH-46.320    | Electricity duty & other levies payable to Govt. -Ocroi                                   | 1,46,21,78,535         | 1,23,06,33,891         |
| GH-46.311    | Excise Duty on Sale of Fly Ash                                                            | 28,733                 | 28,753                 |
| GH-46.321    | Amount of Water and Sewerage bills recovered by PSPCL                                     | 16,37,278              | -                      |
| 46.3         | <b>Total</b>                                                                              | <b>14,39,33,11,368</b> | <b>10,80,94,67,193</b> |
| GH-46.9      | Other Liability & provisions                                                              | 3,78,22,80,517         | 6,05,85,93,054         |
|              | <b>Total (46.3 to 46.9)</b>                                                               | <b>18,17,55,91,885</b> | <b>16,86,80,60,247</b> |
| GH-51        | Payment due on capital liability                                                          | 63,60,092              | 64,70,259              |
|              | Long Term loans (Detail as per annexure attached)                                         | 62,24,12,00,282        | 35,76,93,58,033        |
|              | <b>Grand TOTAL</b>                                                                        | <b>80,42,31,52,259</b> | <b>52,64,38,88,539</b> |

**Note 10 (i)**

Government of Punjab vide notification no SO25/PA8/2002/S.25/2015 dated 24-06-2015 has levied IDF @ 5% on the value of electricity consumed. The amount realized on this account is deposited with the Punjab Infrastructure Development Board in the month following the month of closure of monthly account.

**Note 10 (ii)**

Government of Punjab has started the combined billing of water & sewerage billing along with Electricity consumers in selected cities including Municipal Corporation Amritsar. The amount received by PSPCL was accounted for under GH 46.321 "Amount of Water and Sewerage bills recovered by PSPCL".



Note 10 - OTHER CURRENT LIABILITIES

| Particulars                                    | Annexure -<br>'C' | AS ON<br>31 <sup>st</sup> MARCH, 2016 | AS ON<br>31 <sup>st</sup> MARCH, 2015 |
|------------------------------------------------|-------------------|---------------------------------------|---------------------------------------|
| <b>CURRENT MATURITIES OF LONG TERM DEBTS :</b> |                   |                                       |                                       |
| <b>SECURED LOANS :</b>                         |                   |                                       |                                       |
| <b>LOANS FROM OTHER FINANCIAL INSTITUTIONS</b> |                   |                                       |                                       |
| Loan from PFC                                  | (1) (a)           | 1,17,98,059                           | 2,50,00,000                           |
| Loan from REC                                  | (1) (b)           | 24,57,08,79,367                       | 8,77,63,01,676                        |
| <b>TOTAL</b>                                   |                   | <b>24,58,26,77,426</b>                | <b>8,80,13,01,676</b>                 |
| <b>UNSECURED LOANS :</b>                       |                   |                                       |                                       |
| Loans from Commercial Banks                    | (2)               | 30,83,30,55,418                       | 18,60,52,83,607                       |
| Loan from PFC                                  | (3a)              | 89,17,50,471                          | 1,24,35,20,535                        |
| Loan from REC                                  | (3b)              | 12,39,38,22,484                       | 2,05,62,59,376                        |
| Loans under Centrally sponsored schemes        | (4)               | 6,31,26,870                           | 6,31,26,870                           |
| <b>TOTAL</b>                                   |                   | <b>44,18,17,55,243</b>                | <b>21,96,81,90,388</b>                |
| <b>CC/OD Limits :</b>                          |                   |                                       |                                       |
| Secured                                        | (5)               | 1,79,68,11,283                        | 1,85,89,78,224                        |
| Unsecured                                      | (6)               | (8,32,00,43,670)                      | 3,14,08,87,745                        |
| <b>TOTAL</b>                                   |                   | <b>(6,52,32,32,387)</b>               | <b>4,99,98,65,969</b>                 |
| <b>GRAND TOTAL</b>                             |                   | <b>62,24,12,00,282</b>                | <b>35,76,93,58,033</b>                |

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## NOTE: 10 OTHER CURRENT LIABILITIES - CURRENT MATURITIES OF LONG TERM DEBT

(Annexure - 'C')

(Amount in Rs.)

| Sr. No. | Particulars                                                                                                                                                                                                                                                                                     | Account Code | As on 31 <sup>st</sup> March, 2016 | As on 31 <sup>st</sup> March, 2015 |
|---------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|------------------------------------|------------------------------------|
| 1       | <b>SECURED TERM LOANS FROM FINANCIAL INSTITUTIONS :</b>                                                                                                                                                                                                                                         |              |                                    |                                    |
|         | (a) <b>LOANS FROM PFC</b>                                                                                                                                                                                                                                                                       |              |                                    |                                    |
|         | AO-APDRP                                                                                                                                                                                                                                                                                        |              |                                    |                                    |
|         | 1 At 9.00% - 11.50% p.a. loan under R-APDRP Scheme Part-B from Govt. of India/PFC Ltd. secured against hypothecation of assets and guaranteed by Govt. of Punjab and Default Escrow repayable in 20 years in monthly instalments (10 instalments from June to March every year)                 | 53.731       | -                                  | 2,50,00,000                        |
|         | 2 At 12.50% p.a. loan for Improvement of Sultanpur Lodhi Distribution Scheme from PFC secured against hypothecation of assets and default escrow.                                                                                                                                               | 53.801       | 1,17,98,059                        | -                                  |
|         | <b>TOTAL</b>                                                                                                                                                                                                                                                                                    |              | <b>1,17,98,059</b>                 | <b>2,50,00,000</b>                 |
|         | (b) <b>LOANS FROM REC</b>                                                                                                                                                                                                                                                                       |              |                                    |                                    |
|         | (i) <b>AO- BANKING L &amp; D</b>                                                                                                                                                                                                                                                                |              |                                    |                                    |
|         | 1 7.00%-12.75% p.a. with 3 year reset clause, scheme term loans from REC Ltd. secured against Punjab State Govt. Guarantee, Default Escrow & Hypothecation of assets repayable in 10/12 years in equal quarterly/yearly instalments.                                                            | 53.301       | 2,74,63,03,378                     | 2,67,29,33,285                     |
|         | 2 11.00% - 12.50% p.a. with 3 year reset clause, scheme term loans from REC Ltd. secured against Hypothecation of future assets & Default Escrow repayable in 10 years in equal quarterly/yearly instalments.                                                                                   | 53.301       | 13,51,61,866                       | 7,31,76,184                        |
|         | (ii) <b>AO- RE</b>                                                                                                                                                                                                                                                                              |              |                                    |                                    |
|         | 1 8%-13.50% p.a. with 3 year reset clause, scheme term loans from REC Ltd. Secured against Punjab Govt. Guarantee & default escrow repayable in 7/13 years in case of Bulk/Transmission & Distribution schemes in equal monthlyquarterly/yearly instalments.                                    | 53.301       | 36,29,91,155                       | 31,06,44,912                       |
|         | 2 9%-9.50% p.a. with 3 year reset clause, scheme term loans from REC Ltd. Secured against Punjab Govt. Guarantee & hypothication of 50% eisting and 80% future assets repayable in 7/13 years in case of Bulk/Transmission & Distribution schemes in equal monthlyquarterly/yearly instalments. | 53.301       | -                                  | 15,40,54,955                       |
|         | 3 11.50%-12.25% p.a. with 3 year reset clause, scheme term loans from REC Ltd. Secured against 30% Punjab Govt. Guarantee & hypothication of 100% future assets repayable in 7/13 years in case of Bulk/Transmission & Distribution schemes in equal monthlyquarterly/yearly instalments.       | 53.301       | 4,70,16,14,949                     | 2,06,90,05,916                     |
|         | 4 10.90%-13.50% p.a. with 3 year reset clause, scheme term loans from REC Ltd. Secured against hypothication of 100% future assets repayable in 7/13 years in case of Bulk/Transmission & Distribution schemes in equal monthlyquarterly/yearly instalments.                                    | 53.301       | 16,62,48,08,019                    | 3,49,64,86,424                     |
|         | <b>TOTAL (b)</b>                                                                                                                                                                                                                                                                                |              | <b>24,57,08,79,367</b>             | <b>8,77,63,01,676</b>              |
|         | <b>SUB TOTAL</b>                                                                                                                                                                                                                                                                                |              | <b>24,58,26,77,426</b>             | <b>8,80,13,01,676</b>              |
| 2       | <b>LONG &amp; MEDIUM TERM UNSECURED LOANS FROM BANKS</b>                                                                                                                                                                                                                                        |              |                                    |                                    |
|         | AO-BANKING L&D                                                                                                                                                                                                                                                                                  |              |                                    |                                    |
|         | a) <b>LONG TERM LOANS FROM COMMERCIAL BANKS :</b>                                                                                                                                                                                                                                               |              |                                    |                                    |
|         | 1 At 8.45% p.a. loan from Punjab National Bank against the security of Default Escrow repayable in 28 equal quarterly instalments starting from Dec'2008                                                                                                                                        | 53.503       | -                                  | 21,42,82,000                       |
|         | 2 At SBI PLR-2.00% p.a. with 3 year reset clause loan from Punjab National Bank against the security of Default Escrow repayable in 28 equal quarterly instalments starting from Oct'2009                                                                                                       | 53.503       | 21,42,82,000                       | 42,85,72,000                       |
|         | 3 At SBI PLR-2.00% p.a. with 3 year reset clause loan from Punjab National Bank against the security of Default Escrow repayable in 28 equal quarterly instalments starting from Dec'2012                                                                                                       | 53.503       | 1,49,99,99,988                     | 42,85,71,432                       |
|         | 4 At Base Rate+ TP(0.50%)+Spd(1.0%) loan from Punjab National Bank against the security of Default Escrow repayable in 28 equal quarterly instalments starting from March'2014                                                                                                                  | 53.503       | 42,85,71,432                       | 42,85,71,432                       |





| Sr. No. | Particulars                                                                                                                                                                                       | Account Code | As on 31 <sup>st</sup> March, 2016 | As on 31 <sup>st</sup> March, 2015 |
|---------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|------------------------------------|------------------------------------|
| 5       | At SBI PLR-2.00% p.a. with 3 year reset clause loan from Bank of Maharashtra against the security of Default Escrow repayable in 7 yearly instalments starting from Dec'2010                      | 53.519       | 14,28,58,000                       | 14,28,57,000                       |
| 6       | At SBI PLR-2.25% p.a. with 3 year reset clause loan from Bank of Maharashtra against the security of Default Escrow repayable in 84 equal monthly instalments starting from Feb'2011              | 53.519       | 26,22,00,000                       | 14,28,00,000                       |
| 7       | At SBI PLR-2.00% p.a. with 3 year reset clause loan from Bank of Rajasthan now ICICI Bank against the security of Default Escrow repayable in 84 equal monthly instalments starting from Jan'2010 | 53.516       | 7,50,00,025                        | 9,99,99,996                        |
| 8       | At SBI PLR-2.25% p.a. with 3 year reset clause loan from Bank of Rajasthan now ICICI Bank against the security of Default Escrow repayable in 84 equal monthly instalments starting from Feb'2011 | 53.516       | 13,09,52,378                       | 7,14,28,572                        |
| 9       | At SBI PLR-2.25% p.a. with 3 year reset clause loan from Allahabad Bank against the security of Default Escrow repayable in 28 equal quarterly instalments starting from April'2011               | 53.506       | 28,57,14,300                       | 14,28,57,140                       |
| 10      | At SBI PLR-2.25% p.a. with 3 year reset clause loan from UCO Bank against the security of Default Escrow repayable in 28 equal quarterly instalments starting from May'2013                       | 53.509       | 50,00,00,000                       | 50,00,00,000                       |
| 11      | At Base Rate+ 2.00% loan from Bank of India guaranteed by Govt. of Punjab & default escrow repayable in 28 equal quarterly instalments starting from Jan'2015                                     | 53.510       | 35,71,44,000                       | 35,71,44,000                       |
|         | <b>TOTAL (a)</b>                                                                                                                                                                                  |              | <b>3,89,67,22,123</b>              | <b>2,95,70,83,572</b>              |
| b)      | <b>MEDIUM TERM LOANS FROM COMMERCIAL BANKS :</b>                                                                                                                                                  |              |                                    |                                    |
| 1       | At Base Rate+1.50% p.a. with annual reset loan from Central Bank of India secured against Default Escrow repayable in 60 equal monthly instalments starting from Dec'2012                         | 50.403       | 2,58,20,00,000                     | 1,55,04,00,000                     |
| 2       | At Base Rate+1.50% p.a. with annual reset loan from Central Bank of India secured against Default Escrow repayable in 60 equal monthly instalments starting from July'2013                        | 50.403       | 61,60,00,000                       | 27,60,00,000                       |
| 3       | At Base Rate+1.50% p.a. with annual reset loan from Central Bank of India secured against Default Escrow repayable in 60 equal monthly instalments starting from March'2014                       | 50.403       | 1,90,43,00,000                     | 65,40,00,000                       |
| 4       | At Base Rate+2.00% p.a. (floating) loan from Allahabad Bank against the security of Default Escrow repayable in 20 equal quarterly instalments starting from September'2014                       | 50.403       | -                                  | 9,00,00,000                        |
| 5       | At Base Rate+1.50% p.a. with annual reset loan from Central Bank of India against the security of Default Escrow repayable in 60 equal monthly instalments starting from Aug'2014                 | 50.403       | 2,20,79,00,000                     | 66,24,00,000                       |
| 6       | At Base Rate+2.00% p.a. (floating) loan from Bank of Baroda guaranteed by Govt. of Punjab repayable in 60 equal monthly instalments starting from July'2014                                       | 50.403       | 2,59,93,00,000                     | 80,04,00,000                       |
| 7       | At Base Rate+2.00% p.a. (floating) loan from Bank of India guaranteed by Govt. of Punjab repayable in 60 equal monthly instalments starting from July'2014                                        | 50.403       | 97,50,00,000                       | 30,00,00,000                       |
| 8       | At Base Rate+2.00% p.a. (floating) loan from Vijaya Bank guaranteed by Govt. of Punjab repayable in 60 equal monthly instalments starting from August'2014                                        | 50.403       | -                                  | 99,99,99,996                       |
| 9       | At Base Rate+2.00% p.a. (floating) loan from Indian Overseas Bank guaranteed by Govt. of Punjab repayable in 60 equal monthly instalments starting from August'2014                               | 50.403       | -                                  | 1,59,99,99,996                     |
| 10      | At Base Rate+2.00% p.a. (floating) loan from Union Bank of India guaranteed by Govt. of Punjab repayable in 20 equal quarterly instalments starting from September'2014                           | 50.403       | -                                  | 1,00,00,00,000                     |
| 11      | At Base Rate+2.00% p.a. (floating) loan from UCO Bank guaranteed by Govt. of Punjab repayable in 60 equal monthly instalments starting from October'2014                                          | 50.403       | -                                  | 39,99,99,996                       |
| 12      | At Base Rate+2.00% p.a. (floating) loan from Punjab & Sind Bank guaranteed by Govt. of Punjab repayable in 20 equal quarterly instalments starting from June'2015                                 | 50.403       | -                                  | 40,00,00,000                       |
| 13      | At Base Rate+2.00% p.a. (floating) loan from Oriental Bank of Commerce guaranteed by Govt. of Punjab repayable in 60 equal monthly instalments starting from May'2014                             | 50.403       | 91,66,659                          | 1,07,00,00,004                     |





| Sr.<br>No. | Particulars                                                                                                                                                             | Account<br>Code | As on<br>March, 2016 | As on<br>March, 2015 |
|------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|----------------------|----------------------|
| 14         | At Base Rate+2.00% p.a. (floating) loan from Oriental Bank of Commerce guaranteed by Govt. of Punjab repayable in 60 equal monthly instalments starting from Jan'2015.  | 50.403          | 1,46,39,99,990       | 40,00,00,008         |
| 15         | At Base Rate+2.00% p.a. (floating) loan from Dena Bank guaranteed by Govt. of Punjab repayable in 60 equal monthly instalments starting from June'2014.                 | 50.403          | 1,26,66,66,652       | 40,00,00,008         |
| 16         | At Base Rate+2.00% p.a. (floating) loan from Bank of Maharashtra guaranteed by Govt. of Punjab repayable in 60 equal monthly instalments starting from June'2014.       | 50.403          | -                    | 40,00,00,008         |
| 17         | At Base Rate+2.00% p.a. (floating) loan from Bank of Maharashtra guaranteed by Govt. of Punjab repayable in 60 equal monthly instalments starting from June'2014.       | 50.403          | -                    | 20,00,00,004         |
| 18         | At Base Rate+2.00% p.a. (floating) loan from Bank of Maharashtra guaranteed by Govt. of Punjab repayable in 60 equal monthly instalments starting from June'2014.       | 50.403          | -                    | 20,00,00,004         |
| 19         | At Base Rate+2.00% p.a. (floating) loan from Bank of Maharashtra guaranteed by Govt. of Punjab repayable in 60 equal monthly instalments starting from June'2014.       | 50.403          | -                    | 20,00,00,004         |
| 20         | At Base Rate+2.00% p.a. (floating) loan from Bank of Maharashtra guaranteed by Govt. of Punjab repayable in 60 equal monthly instalments starting from June'2014.       | 50.403          | -                    | 20,00,00,004         |
| 21         | At Base Rate+2.00% p.a. (floating) loan from Indian Bank guaranteed by Govt. of Punjab repayable in 60 equal monthly instalments starting from Sep'2014.                | 50.403          | -                    | 20,00,00,004         |
| 22         | At Base Rate+2.00% p.a. (floating) loan from Canara Bank guaranteed by Govt. of Punjab repayable in 60 equal monthly instalments starting from May'2014.                | 50.403          | -                    | 20,00,00,004         |
| 23         | At Base Rate+2.00% p.a. (floating) loan from Canara Bank guaranteed by Govt. of Punjab repayable in 60 equal monthly instalments starting from Oct'2014.                | 50.403          | -                    | 1,40,00,00,004       |
| 24         | At Base Rate+2.00% p.a. (floating) loan from Canara Bank guaranteed by Govt. of Punjab repayable in 60 equal monthly instalments starting from April'2015.              | 50.403          | -                    | 54,99,99,996         |
| 25         | At Base Rate+2.00% p.a. (floating) loan from State Bank of India guaranteed by Govt. of Punjab repayable in 10 equal monthly instalments starting from August'2014.     | 50.403          | -                    | 54,99,99,996         |
| 26         | At Base Rate+2.00% p.a. (floating) loan from Oriental Bank of Commerce guaranteed by Govt. of Punjab repayable in 60 equal monthly instalments starting from July'2015. | 50.403          | -                    | 50,00,00,000         |
| 27         | At Base Rate+2.00% p.a. (floating) loan from Canara Bank guaranteed by Govt. of Punjab repayable in 60 equal monthly instalments starting from Jan'2016.                | 50.403          | 2,12,19,99,994       | 37,50,00,003         |
| 28         | At Base Rate+2.00% p.a. (floating) loan from UCO Bank guaranteed by Govt. of Punjab repayable in 60 equal monthly instalments starting from Jan'2016.                   | 50.403          | -                    | 20,75,00,001         |
| 29         | At Base Rate+1.50% p.a. (floating) loan from Central Bank of India guaranteed by Govt. of Punjab repayable in 60 equal monthly instalments starting from August'2016.   | 50.403          | -                    | 6,24,99,999          |
| 30         | At Base Rate+1.75% p.a. (floating) loan from State Bank of India guaranteed by Govt. of Punjab repayable in 60 equal monthly instalments starting from July'2016.       | 50.403          | 2,90,00,00,000       | -                    |
| 31         | At Base Rate+2.00% p.a. (floating) loan from Oriental Bank of Commerce guaranteed by Govt. of Punjab repayable in 60 equal monthly instalments starting from Oct'2017.  | 50.403          | 2,50,00,00,000       | -                    |
| 32         | At Base Rate+1.75% p.a. (floating) loan from State Bank of India guaranteed by Govt. of Punjab repayable in 18 equal monthly instalments starting from April'2017.      | 50.403          | 1,00,00,00,000       | -                    |
|            | TOTAL (b)                                                                                                                                                               | 50.403          | 1,50,00,00,000       | -                    |
|            | TOTAL LONG & MEDIUM TERM UNSECURED LOANS FROM BANKS (a+b)                                                                                                               |                 | 26,93,63,33,295      | 15,64,82,00,035      |
| 3          | UNSECURED TERM LOANS FROM FINANCIAL INSTITUTIONS :                                                                                                                      |                 | 30,83,30,55,418      | 18,60,52,83,607      |
| (a)        | LOANS FROM PFC                                                                                                                                                          |                 |                      |                      |
|            | AO- BANKING L & D                                                                                                                                                       |                 |                      |                      |





| Sr. No. | Particulars                                                                                                                                                                                                          | Account Code | As on 31 <sup>st</sup> March, 2016 | As on 31 <sup>st</sup> March, 2015 |
|---------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|------------------------------------|------------------------------------|
| 1       | 9.35%-12.75% p.a. term loan from PFC Ltd. secured against Punjab State Govt. Guarantee & Default Escrow                                                                                                              | 53.801       | 17,27,50,471                       | 17,72,86,770                       |
| 2       | Term Loan from PFC Ltd. For Oddidha UMPP @ 12.50% secured against Punjab State Govt. Guarantee & Default Escrow                                                                                                      | 53.801       | 71,90,00,000                       |                                    |
| 3       | Transitional Loan @11.88%-12.13% p.a. from PFC Ltd. with 3 years interest reset clause guaranteed by Govt. of Punjab & Default Escrow repayable in 84 equal monthly instalments starting from Jan'2016.              | 50.404       | -                                  | 35,71,42,857                       |
| 4       | Working Capital loan from PFC Ltd. @ 12.25% p.a. secured against Punjab State Govt. Guarantee & Default Escrow repayable in 33 equal monthly instalments starting from April'2015                                    | 50.404       | -                                  | 70,90,90,908                       |
|         | <b>TOTAL (a)</b>                                                                                                                                                                                                     |              | <b>89,17,50,471</b>                | <b>1,24,35,20,535</b>              |
|         | <b>(b) LOANS FROM REC</b>                                                                                                                                                                                            |              |                                    |                                    |
|         | <b>(i) AO- BANKING L &amp; D</b>                                                                                                                                                                                     |              |                                    |                                    |
| 1       | Working Capital Term Loan @ 11.78% p.a. from REC Ltd. With 3 years interest reset clause secured against Punjab State Govt. Guarantee & Default Escrow repayable in 96 monthly instalments starting from April'2014. | 50.404       | 2,17,20,69,187                     | 1,00,63,67,532                     |
| 2       | Transitional Loan @11.88% p.a. from REC Ltd. With 3 years interest reset clause guaranteed by Govt. of Punjab & Default Escrow repayable in 84 equal monthly instalments starting from March'2016.                   | 50.404       | 10,00,00,00,000                    | 11,90,47,619                       |
| 3       | 12.25% p.a. (fixed) medium term loan from REC Ltd. secured against Punjab State Govt. Guarantee & Default Escrow repayable in 33 equal monthly instalments starting from April'2015                                  | 50.404       | -                                  | 70,90,90,904                       |
| 4       | 8.50%-12.75% p.a. with 3 year reset clause, scheme term loans from REC Ltd. secured against Punjab State Govt. Guarantee & Default Escrow repayable in 10/13 years in equal quarterly/yearly instalments.            | 53.301       | 22,17,53,297                       | 22,17,53,321                       |
|         | <b>TOTAL (b)</b>                                                                                                                                                                                                     |              | <b>12,39,38,22,484</b>             | <b>2,05,62,59,376</b>              |
|         | <b>TOTAL LONG &amp; MEDIUM TERM UNSECURED LOANS FROM FINANCIAL INSTITUTIONS (a+b)</b>                                                                                                                                |              | <b>13,28,55,72,955</b>             | <b>3,29,97,79,911</b>              |
| 4       | <b>LOANS UNDER CENTRALLY SPONSORED SCHEMES</b>                                                                                                                                                                       |              |                                    |                                    |
|         | <b>AO-APDRP</b>                                                                                                                                                                                                      |              |                                    |                                    |
| i       | 10.50% - 12.50% p.a. loans under Centrally Sponsored Schemes from Govt. of India through Govt. of Punjab repayable in 20 years in monthly instalments.(10 instalments from June to March every year)                 | 53.720       | 6,31,26,870                        | 6,31,26,870                        |
|         | <b>TOTAL</b>                                                                                                                                                                                                         |              | <b>6,31,26,870</b>                 | <b>6,31,26,870</b>                 |
| 5       | <b>OVERDRAFT FACILITY AGAINST SECURITY OF FIXED DEPOSIT RECEIPTS :</b>                                                                                                                                               |              |                                    |                                    |
|         | <b>AO-BANKING DRAWING</b>                                                                                                                                                                                            |              |                                    |                                    |
| i       | Punjab & Sind Bank (APDRP)                                                                                                                                                                                           | 50.2         | 62,18,59,160                       | 1,00,21,55,744                     |
| ii      | IDBI Bank (APDRP)                                                                                                                                                                                                    | 50.2         | -                                  | 9,68,22,555                        |
| iii     | IDBI Bank (APDRP)                                                                                                                                                                                                    | 50.2         | -                                  | 76,00,00,000                       |
| iv      | Punjab & Sind Bank (APDRP)                                                                                                                                                                                           | 50.2         | 1,09,89,84,201                     | -                                  |
| v       | Punjab & Sind Bank (APDRP)                                                                                                                                                                                           | 50.2         | 7,59,67,922                        | (75)                               |
|         | <b>TOTAL OVERDRAFT LIMITS</b>                                                                                                                                                                                        |              | <b>1,79,68,11,283</b>              | <b>1,85,89,78,224</b>              |
| 6       | <b>CASH- CREDIT LIMIT SECURED AGAINST DEFAULT ESCROW :</b>                                                                                                                                                           |              |                                    |                                    |
|         | <b>AO-BANKING DRAWING</b>                                                                                                                                                                                            |              |                                    |                                    |
| i       | From Punjab National Bank                                                                                                                                                                                            | 50.2         | 52,12,89,911                       | 98,70,11,350                       |
| ii      | From Indian Overseas Bank                                                                                                                                                                                            | 50.2         | 1,20,32,16,613                     | 1,02,04,61,760                     |
| iii     | From State Bank of Patiala                                                                                                                                                                                           | 50.2         | (10,23,69,91,712)                  | 97,30,36,396                       |
| iv      | From State Bank of India                                                                                                                                                                                             | 50.2         | 19,24,41,518                       | 16,03,78,239                       |
|         | <b>TOTAL CASH CREDIT LIMITS</b>                                                                                                                                                                                      |              | <b>(8,32,00,43,670)</b>            | <b>3,14,08,87,745</b>              |
|         | <b>Grand Total</b>                                                                                                                                                                                                   |              | <b>62,24,12,00,282</b>             | <b>35,76,93,58,033</b>             |





**PUNJAB STATE POWER CORPORATION LIMITED**

**NOTE NO. 11**

**SHORT-TERM PROVISIONS**

(Amount in ₹)

| Account code | Particulars                                      | As at 31st March, 2016 | As at 31st March, 2015 |
|--------------|--------------------------------------------------|------------------------|------------------------|
| GH-44        | Staff related liabilities & provisions           | 1,66,70,19,850         | 1,66,57,26,376         |
| GH-46.4      | Liability for expenses                           | 54,78,68,727           | 57,37,28,407           |
| GH-46.8      | Provision for Income tax                         | -                      | -                      |
| GH-46.7      | Accrued/Unclaimed amounts relating to borrowings | 2,71,33,88,842         | 2,19,44,35,905         |
| GH-48.3      | Interest payable on consumers deposits           | 1,91,94,88,275         | 1,69,36,51,846         |
|              | <b>Total</b>                                     | <b>6,84,77,65,694</b>  | <b>6,12,75,42,534</b>  |

**Note no. 11 (i)**

Interest of ₹ 192.01 crore on consumer security deposit on the balance outstanding as per control register as on 31-03-2016 has been provided for in the accounts as required under (Clause 18) of Electricity (Supply) Act, 2003.

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| Account Code | PARTICULARS                                                  | GROSS BLOCK              |                                         |                                         |                          | DEPRECIATION             |                                         |                                         |                          | NET BLOCK                |                          |
|--------------|--------------------------------------------------------------|--------------------------|-----------------------------------------|-----------------------------------------|--------------------------|--------------------------|-----------------------------------------|-----------------------------------------|--------------------------|--------------------------|--------------------------|
|              |                                                              | AS ON                    | ADDITION / TRANSFER WITHIN ORGANISATION | DISPOSAL / TRANSFER WITHIN ORGANISATION | AS ON                    | UP TO                    | ADDITION / TRANSFER WITHIN ORGANISATION | DISPOSAL / TRANSFER WITHIN ORGANISATION | UP TO                    | AS AT                    | AS AT                    |
|              |                                                              | 01-04-2015               | 2015-16                                 | 2015-16                                 | 31-03-2016               | 01-04-2015               | 2015-16                                 | 2015-16                                 | 31-03-2016               | 31-03-2016               | 31-03-2015               |
| 10.1         | Land and land rights                                         | 1,89,27,91,75,690        | 9,26,00,458                             | 1,62,683                                | 1,89,37,16,73,485        | 1,77,295                 | 51,10,26,771                            | -                                       | 1,77,295                 | 1,89,37,16,73,485        | 1,89,27,91,75,690        |
| 10.2         | Buildings                                                    | 17,88,55,95,600          | 66,78,83,743                            | 14,26,38,996                            | 18,42,08,40,347          | 8,51,00,51,892           | 2,24,20,80,841                          | 38,430                                  | 9,02,10,40,238           | 9,39,58,00,109           | 9,38,55,43,703           |
| 10.3         | Hydraulic works                                              | 43,69,11,49,063          | 1,03,25,209                             | -                                       | 43,70,14,74,274          | 21,24,08,92,735          | -                                       | -                                       | 21,48,29,73,576          | 20,21,85,00,698          | 22,45,02,54,330          |
| 10.4         | Other civil works                                            | 94,60,80,850             | 5,47,78,592                             | 85,32,347                               | 99,23,27,095             | 54,29,00,990             | 3,55,92,109                             | -                                       | 58,84,92,899             | 39,38,14,096             | 38,11,79,960             |
| 10.5         | Plant and Machinery                                          | 1,09,54,57,87,675        | 12,13,12,80,991                         | 5,11,79,73,087                          | 1,16,55,90,95,579        | 52,00,52,17,170          | 4,74,45,40,799                          | 81,92,38,680                            | 55,91,05,19,380          | 1,04,64,85,76,293        | 57,54,05,70,500          |
| 10.6         | Line and cable net works                                     | 80,69,29,51,856          | 13,42,48,78,946                         | 1,12,60,73,116                          | 92,99,17,57,684          | 33,32,16,10,669          | 3,73,54,27,147                          | 1,59,26,508                             | 37,04,11,11,308          | 55,95,66,46,376          | 47,37,13,41,187          |
| 10.7         | Vehicles                                                     | 25,74,69,877             | 8,91,46,609                             | 10,75,630                               | 34,55,40,866             | 19,41,25,545             | 99,33,704                               | -                                       | 20,47,81,460             | 14,67,59,406             | 6,33,44,332              |
| 10.8         | Furniture and fixture                                        | 19,14,91,103             | 1,51,36,082                             | 17,445                                  | 20,66,09,940             | 10,30,51,292             | 2,13,14,713                             | (1,13,817)                              | 12,44,79,422             | 8,31,30,118              | 8,84,40,013              |
| 10.9         | Office Equipment                                             | 1,37,32,93,328           | 4,67,33,816                             | 440                                     | 1,42,00,26,704           | 58,40,24,895             | 17,64,87,030                            | 1,33,805                                | 76,03,78,120             | 65,56,48,584             | 78,92,68,433             |
| 11.1         | Capital Exp. Resulting in assets not belonging to the Board. | 4,43,87,29,99,244        | 26,53,28,24,446                         | 6,39,64,73,736                          | 4,64,00,93,45,954        | 1,16,52,20,02,388        | 11,47,61,93,114                         | 85,44,91,804                            | 1,27,14,39,04,098        | 3,36,86,54,41,556        | 2,27,35,09,92,856        |
| 11.2         | Spare units/ service units                                   | 3,34,80,820              | -                                       | -                                       | 3,34,80,820              | 1,48,30,564              | 6,01,244                                | -                                       | 1,54,31,808              | 1,50,49,012              | 1,86,50,256              |
| 11.3         | Capital spares at generating stations                        | 7,34,43,444              | 1                                       | -                                       | 7,34,43,445              | 6,82,40,087              | -                                       | -                                       | 6,82,40,087              | 52,03,358                | 52,03,357                |
| 11.4         | Assets Transferred inward                                    | 44,11,83,226             | (8,83,189)                              | -                                       | 44,01,93,037             | 9,23,05,593              | 1,51,61,360                             | -                                       | 10,74,66,953             | 33,27,26,084             | 34,88,76,633             |
| 11.9         |                                                              | -                        | 9,09,189                                | -                                       | 9,09,189                 | (1,02,876)               | 52,229                                  | -                                       | (50,647)                 | 10,39,836                | 1,02,876                 |
|              | <b>Sub Total (GH-11)</b>                                     | <b>54,81,06,490</b>      | <b>1</b>                                | <b>-</b>                                | <b>54,81,06,491</b>      | <b>17,52,73,368</b>      | <b>1,58,14,833</b>                      | <b>-</b>                                | <b>19,10,88,201</b>      | <b>35,30,18,290</b>      | <b>37,28,33,122</b>      |
|              | <b>Total (GH-10 &amp; 11)</b>                                | <b>4,44,42,11,01,734</b> | <b>26,53,28,24,447</b>                  | <b>6,39,64,73,736</b>                   | <b>4,64,55,74,52,445</b> | <b>1,16,69,72,75,756</b> | <b>11,49,22,07,947</b>                  | <b>85,44,91,804</b>                     | <b>1,27,31,49,92,299</b> | <b>3,37,22,24,60,146</b> | <b>3,27,72,38,25,978</b> |
| GH-16        | Assets Not In Use                                            | 1,11,19,16,637           | (25,84,89,017)                          | -                                       | 87,34,47,600             | 67,17,67,452             | 1,24,48,27,537                          | 1,30,60,18,432                          | 81,09,76,557             | 26,28,71,043             | 40,01,69,165             |
|              | <b>Total Assets Including Not In Use</b>                     | <b>4,45,55,30,38,351</b> | <b>26,27,43,35,430</b>                  | <b>6,39,64,73,736</b>                   | <b>4,65,43,09,00,045</b> | <b>1,17,86,90,43,208</b> | <b>12,73,70,35,484</b>                  | <b>2,16,05,09,836</b>                   | <b>1,27,94,55,88,856</b> | <b>3,37,48,53,31,189</b> | <b>3,28,18,19,95,141</b> |
|              | <b>Previous year Note 12 (a)</b>                             | <b>4,26,07,35,14,969</b> | <b>30,37,84,970</b>                     | <b>10,89,85,61,588</b>                  | <b>4,45,55,30,38,351</b> | <b>1,08,47,75,45,056</b> | <b>11,09,84,47,776</b>                  | <b>2,20,69,49,624</b>                   | <b>1,17,36,90,43,208</b> | <b>3,28,18,19,95,143</b> | <b>3,17,59,59,69,913</b> |

i) The fixed assets have been taken up on the values notified by the State Govt. Further the depreciation is provided on the terms and conditions of Punjab State Electricity Regulatory Commission read with rates prescribed by Central Electricity Regulatory Commission taking the same useful life as it was at the time of transfer from Govt. of Punjab and depreciation is charged accordingly by leaving the residual value at 10%.

ii) The above land also include the land (308 holdings of 955.585 acres) valued ₹ 807.84 crore for which title deeds are not in the name of company. All these lands are in peaceful possession of PSPCL and investment have already been made on such lands for creation of assets which are owned by PSPCL.

iii) The above land also include the land held under lease (10 holdings) to the tune of ₹ 91.03 crore. In the absence of details of such land including period of lease, no depreciation/ amortisation has been considered.

iv) The fixed assets of the company except Plant and Machinery of Thermals have not been insured during the year 2015-16.

v) Addition and withdrawal/ disposal during the year in Gross Block and Depreciation includes the adjustment of value of assets transferred with in company, adjustment of damaged & repaired transformer. The difference in depreciation as per note no. 28 and depreciation during the year in the above note is due to withdrawal of depreciation by an unit in one accounting period and the addition of the same by other unit in different accounting period.

vi) Assets not in use are in the nature of discarded/surveyed off assets and these have been taken at its written down value. It also includes the value of damaged and repaired transformers. The 'Depreciation during the year' and 'Depreciation adjustment/ transfer' against Assets not in use depicts the value of accumulated depreciation on damaged transformer transferred to and accumulated depreciation on repaired/ scraped transformer transferred from the stores.

vii) The land valued ₹ 3.10 crore (46.631 acres) has been encroached, the matter is being taken up for vacating the same at the earliest.

viii) Land includes the land of PSD project measuring 25279 acres valued ₹ 3896.85 crore whose mutation stands in the name of Punjab Govt. in revenue records.

NOTE NO. 12(b)  
Intangible Assets

| Account Code | PARTICULARS  | GROSS BLOCK         |                                         |                                         |                     | AMORTISATION        |                                             |                                           |                     | NET BLOCK           |                     |
|--------------|--------------|---------------------|-----------------------------------------|-----------------------------------------|---------------------|---------------------|---------------------------------------------|-------------------------------------------|---------------------|---------------------|---------------------|
|              |              | AS ON               | ADDITION / TRANSFER WITHIN ORGANISATION | DISPOSAL / TRANSFER WITHIN ORGANISATION | AS ON               | UP TO               | FOR THE YEAR / TRANSFER WITHIN ORGANISATION | ADJUSTMENT / TRANSFER WITHIN ORGANISATION | UP TO               | AS AT               | AS AT               |
|              |              | 01-04-2015          | 2015-16                                 | 2015-16                                 | 31-03-2016          | 01-04-2015          | 2015-16                                     | 2015-16                                   | 31-03-2016          | 31-03-2016          | 31-03-2015          |
| 18.100       | Software     | 58,05,16,336        | 13,17,76,841                            | -                                       | 71,22,93,177        | 23,25,99,979        | 9,36,61,784                                 | -                                         | 32,62,61,723        | 34,60,29,454        | 18,79,16,357        |
|              | <b>Total</b> | <b>58,05,16,336</b> | <b>13,17,76,841</b>                     | <b>-</b>                                | <b>71,22,93,177</b> | <b>23,25,99,979</b> | <b>9,36,61,784</b>                          | <b>-</b>                                  | <b>32,62,61,723</b> | <b>34,60,29,454</b> | <b>18,79,16,357</b> |



**PUNJAB STATE POWER CORPORATION LIMITED**

**NOTE NO. 12(c)**

**CAPITAL WORK IN PROGRESS**

(Amount in ₹)

| Account code            | Particulars                                                                                        | As at 31st March, 2016 | As at 31st March, 2015 |
|-------------------------|----------------------------------------------------------------------------------------------------|------------------------|------------------------|
| GH-14                   | Capital works in progress                                                                          | 16,56,24,72,691        | 17,01,63,64,362        |
| GH-19                   | Interest capitalized during construction                                                           | 3,82,69,16,332         | 3,77,16,54,456         |
| GH-15.1                 | Contracts in progress                                                                              | 8,47,10,05,841         | 10,95,23,87,472        |
| GH-15.2                 | Revenue exp. pending allocation over capital works                                                 | 64,19,66,317           | 82,10,11,362           |
| GH-15.3                 | Working of machinery for capital works                                                             | 4,89,45,105            | 5,33,65,169            |
| GH-15.4                 | Expenditure on Shahpurkandi                                                                        | 6,42,72,91,406         | 5,58,96,25,630         |
| GH-15.6                 | Construction facility                                                                              | (93,32,264)            | (93,32,264)            |
|                         | <b>Total (15.1 to 15.6)</b>                                                                        | <b>15,57,98,76,405</b> | <b>17,40,70,57,369</b> |
| 22.60 & 22.61           | Stock of materials at construction stores                                                          | 5,08,12,14,348         | 3,51,77,23,709         |
| 22.640, 22.660 & 22.680 | Material at capital locations, capital material pending inspection and capital material in transit | 12,33,38,772           | 1,44,56,56,346         |
|                         | <b>Total - PSPCL</b>                                                                               | <b>41,17,38,18,548</b> | <b>43,15,84,56,242</b> |

**NOTE NO. 12(c)(1)**

The details of Capital Work in Progress and expenses capitalized are as under:

(Amount in ₹)

| Particulars                                                                                            | As at 31st March, 2016 | As at 31st March, 2015 |
|--------------------------------------------------------------------------------------------------------|------------------------|------------------------|
| Opening Capital work in Progress(excluding Advances to suppliers/contractors)                          | 38,19,50,76,187        | 36,21,67,64,609        |
| Addition during the year including interest capitalized on world bank loan funded projects             | -                      | -                      |
| Interest capitalized during the year excluding interest capitalized on world bank loan funded projects | 3,82,69,16,332         | 3,77,16,54,456         |
| Employees cost and other expenses capitalized during the year                                          | 30,15,55,79,160        | 24,75,58,09,425        |
| Less: Transferred to fixed assets during the year                                                      | 36,20,83,06,251        | 26,54,91,52,303        |
| Closing capital work in progress at the end of the year( excluding advances to suppliers)              | 35,96,92,65,428        | 38,19,50,76,187        |

- Capital Work In Progress also includes pre-operative expenses i.e. expenses capitalized in the previous years. Capital Work in Progress also includes expenditure on BBMB works to the tune of ₹ 25.52 crore, which will be transferred to fixed assets on receipt of information of information from BBMB.
- Capital Works in Progress also include ₹ 101.90 crore on SYL Project held in abeyance due to inter state water dispute.
- No interest has been capitalised on the expenditure booked under SYL Scheme and the expenditure incurred by BBMB.
- Expenditure on Supply-cum-Erection works have been treated as work in progress as per accounting policy [Note 1 Sr No 2 (j)].
- The contract in progress also include the value of works which have been executed under RGGVY and RTW schemes and will be transferred to fixed assets on finalisation/ approval of Bills of Quantity (BOQ) by the competent authority.

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**PUNJAB STATE POWER CORPORATION LIMITED**

**NOTE NO.13 (a)**

**NON-CURRENT INVESTMENTS**

| (Amount in ₹)               |                                                                                                         |                        |                        |
|-----------------------------|---------------------------------------------------------------------------------------------------------|------------------------|------------------------|
| Account Code                | Particulars                                                                                             | As at 31st March, 2016 | As at 31st March, 2015 |
| 20.210 to 291 except 20.280 | Other Investment at cost unquoted (other than fund) - Bonds                                             |                        |                        |
|                             |                                                                                                         | 1,08,940               | -                      |
| 20.9                        | Less:- Provosion for Loss on Investments                                                                | -                      | -                      |
|                             | <b>Sub Total (20.2)</b>                                                                                 | <b>1,08,940</b>        | <b>-</b>               |
| 20.3                        | Investment in (Subsidiary) SPV- Gidderbaha Power Ltd. (50,000 shares @ Rs. 10 each)                     | 5,00,000               | 5,00,000               |
| 20.3                        | Investment in (Subsidiary) - Punjab Thermal Generation Limited (50,000 shares @ Rs. 10 each on 20-7-13) | 5,00,000               | 5,00,000               |
|                             | <b>Sub Total (20.3)</b>                                                                                 | <b>10,00,000</b>       | <b>10,00,000</b>       |
|                             | <b>Total</b>                                                                                            | <b>11,08,940</b>       | <b>10,00,000</b>       |

**NOTE NO 13 (a) 1**

Investment includes amount of Rs. 1,08,940 on account of share capital of joint venture company i.e. M/s Bengal Birbhum Coalfields Limited.

**NOTE NO.13(b)**

**CURRENT INVESTMENTS**

| (Amount in ₹)               |                                                             |                        |                        |
|-----------------------------|-------------------------------------------------------------|------------------------|------------------------|
| Account Code                | Particulars                                                 | As at 31st March, 2016 | As at 31st March, 2015 |
| 20.210 to 291 except 20.280 | Other Investment at cost unquoted (other than fund) - Bonds |                        |                        |
|                             |                                                             | -                      | 33,78,778              |
| 20.9                        | Less:- Provosion for Loss on Investments                    | -                      | 4,30,902               |
|                             | <b>Total</b>                                                | <b>-</b>               | <b>29,47,876</b>       |

**Note 13 (b) (i)**

Rs. 29,00,000 has been realized against the purchase value of Rs. 33,78,778 and loss of Rs. 47,876 has been charged to P&L Account under Note 29 "Other Debits".

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**PUNJAB STATE POWER CORPORATION LIMITED**

**NOTE NO. 14**

**LONG-TERM LOANS AND ADVANCES**

(Amount in ₹)

| Account Code | Particulars                                  | As at 31st March, 2016 | As at 31st March, 2015 |
|--------------|----------------------------------------------|------------------------|------------------------|
|              | <b>Capital Advances</b>                      |                        |                        |
| 25           | Advances to Suppliers/ Contractors( capital) | 1,79,57,13,613         | 1,88,82,02,753         |
|              | <b>Deposits (including other deposits)</b>   |                        |                        |
| 28.9         | Deposits                                     | 1,46,22,17,888         | 1,25,75,92,337         |
| 27.3         | Loan & Advances                              | 4,08,46,96,080         | 5,07,58,45,100         |
| 27           | Other Loan & Advances                        | 1,14,17,69,047         | 1,04,95,96,759         |
|              | <b>TOTAL</b>                                 | <b>8,48,43,96,628</b>  | <b>9,27,12,36,949</b>  |

|           |                                        |                       |                       |
|-----------|----------------------------------------|-----------------------|-----------------------|
|           | <b>Details</b>                         |                       |                       |
|           | <b>(a) Capital advances</b>            |                       |                       |
| GH-25     | Secured, considered good               | 1,79,57,13,613        | 1,88,82,02,753        |
|           | <b>(b) Deposits -</b>                  |                       |                       |
| 28.9      | Secured, considered good               | 1,46,22,17,888        | 1,25,75,92,337        |
| 27.3      | <b>(c) Loans and advances</b>          |                       |                       |
|           | Unsecured, considered good             |                       |                       |
| 27.300    | Loan & Advances to Licensees- GPL      | 12,01,00,000          | 12,01,00,000          |
| 27.310    | Loan & Advances to Licensees- PSTCL    | 3,96,45,96,080        | 4,95,57,45,100        |
|           | <b>Total</b>                           | <b>4,08,46,96,080</b> | <b>5,07,58,45,100</b> |
|           | <b>(d) Other Loans &amp; Advances</b>  |                       |                       |
|           | Secured, considered good               |                       |                       |
| 27.1&27.2 | Loan & Advances to staff               | 3,76,33,103           | 3,07,56,480           |
| 27.4      | Advance Income tax deduction at source | 1,10,41,35,944        | 1,01,88,40,279        |
|           | <b>Total</b>                           | <b>1,14,17,69,047</b> | <b>1,04,95,96,759</b> |
|           | <b>Grand Total</b>                     | <b>8,48,43,96,628</b> | <b>9,27,12,36,949</b> |

**NOTE NO. 14.1**

As notified vide notification dated 24-12-2012 of Govt. of Punjab, loan availed prior to 16.04.2010 amounting to Rs. 250 crore repayable during 2010-11 and Rs. 350 Crore repayable during 2011-12 are vested with PSTCL and shown under the head Loans and Advances in the balance sheet as these loans were repaid by PSPCL. It also includes the adjustment of interest on such Loans.

**NOTE NO. 14.2**

**Details of tax deducted/deposited**

(Amount in ₹)

| Financial Year | Particulars                  | Amount of Tax deducted at source/deposited |
|----------------|------------------------------|--------------------------------------------|
| As on          |                              |                                            |
| 16-4-10        | TDS                          | 48,90,74,642                               |
| 2010-11        | TDS                          | 3,03,59,999                                |
| 2011-12        | TDS                          | (25,76,47,796)                             |
| 2012-13        | TDS                          | 15,39,47,297                               |
| 2013-14        | TDS & MAT                    | 34,95,63,214                               |
| 2014-15        | TDS                          | 25,35,42,923                               |
| 2015-16        | TDS                          | 8,52,95,665                                |
|                | <b>Total upto 31-03-2016</b> | <b>1,10,41,35,944</b>                      |

The negative value during the year 2011-12 includes the adjustment of demand of income tax department adjusted against the refund of TDS, which has been accounted for in 'other receivables' under Note No. 15 - Other Current Assets.

Company has received refund of Rs. 37,03,86,940 for the financial year 2012-13 during the year 2015-16.

**Note no. 14.3**

Rs. 71.67 crore included in the GH- 28.934 is on account of security deposit with lease financiers pending final adjustments.





**PUNJAB STATE POWER CORPORATION LIMITED**

**NOTE NO.-15**

**OTHER NON-CURRENT ASSETS**

| Account Code                   | Particulars                                                                                                    | (Amount in ₹)          |                        |
|--------------------------------|----------------------------------------------------------------------------------------------------------------|------------------------|------------------------|
|                                |                                                                                                                | As at 31st March, 2016 | As at 31st March, 2015 |
|                                | <b>(a) Long Term Trade Receivables</b>                                                                         |                        |                        |
| 28.1                           | Sundry Debtors - Trading account                                                                               | 51,40,458              | 51,33,501              |
| 28.2                           | (i) Interest accrued on deposits                                                                               | 2,35,97,728            | 2,35,78,307            |
| 28.3                           | (ii) Interest accrued but not due on staff & other loans (including Investments)                               | 7,56,96,227            | 8,55,00,170            |
| 28.511 & 28.512                | (ii) Fuel related receivables & claims - Grade difference of coal (net provision for loss on grade difference) | 11,28,59,684           | 4,68,48,257            |
| 28.513 & 28.514                | (iii) Railway claims for - coal                                                                                | 15,87,78,024           | 6,59,74,432            |
| 28.515 to 28.599 except 28.561 | (iv) Railway claims for - Others                                                                               | 36,58,00,675           | 37,71,29,302           |
| 28.561                         | Payment on account of additional levy or commission pending with Govt for refund                               | 3,91,46,36,262         | 3,91,46,36,262         |
| 28.5                           | <b>Total</b>                                                                                                   | <b>4,55,20,74,645</b>  | <b>4,40,45,88,253</b>  |
| 28.7                           | (v) Other claims                                                                                               | 4,73,21,31,736         | 4,58,99,21,898         |
| 28.8                           | (vi) Other receivables (except from PSTCL)                                                                     | 4,77,11,28,914         | 2,53,67,63,826         |
| 28.8 & 46.9                    | (vii) Receivables from PSTCL                                                                                   | 52,15,06,047           | 88,03,97,342           |
|                                | <b>Total (28.8)</b>                                                                                            | <b>5,29,26,34,961</b>  | <b>3,41,71,61,168</b>  |
|                                | <b>Total</b>                                                                                                   | <b>14,68,12,75,755</b> | <b>12,52,58,83,297</b> |
|                                | <b>(b) Others</b>                                                                                              |                        |                        |
|                                | <b>Inter Unit Transactions (IUT)</b>                                                                           |                        |                        |
| 39                             | (i) Inter Unit Transfer                                                                                        | 7,02,84,578            | 7,11,86,008            |
| 30-37                          | (ii) Inter Unit Transfer                                                                                       | 3,93,47,19,716         | 2,23,89,98,650         |
|                                | <b>Sub total</b>                                                                                               | <b>4,00,50,04,294</b>  | <b>2,31,01,84,658</b>  |
| 28.943                         | Deposits with Sevak machine receivable from other Divns.                                                       | 24,55,85,888           | 1,49,93,127            |
| 28.945                         | Deposits under inter connectivity scheme receivable from other Divns.                                          | 25,23,469              | 59,18,977              |
|                                | <b>Sub total</b>                                                                                               | <b>4,25,31,13,651</b>  | <b>2,33,10,96,762</b>  |
| 46.941                         | Less: Liability for credits awaiting IUT                                                                       | 2,68,31,23,436         | 1,46,57,31,304         |
| 46.944                         | Less: Cr. pertaining to other Divns.-Sevak machine                                                             | 99,85,935              | 11,36,469              |
| 46.945                         | Less: Credit pertaining to other Divisions                                                                     | 83,60,715              | 2,73,34,911            |
|                                | <b>Sub total</b>                                                                                               | <b>2,70,14,70,086</b>  | <b>1,49,42,02,684</b>  |
|                                | <b>Net IUT</b>                                                                                                 | <b>1,55,16,43,565</b>  | <b>83,68,94,078</b>    |
| 17.2                           | Acquiring the title and start mining operation of PCCM                                                         | 1,68,11,18,249         | -                      |
| 17.3                           | Expenditure on survey / feasibility studies of project not yet sanctioned                                      | 9,01,28,477            | 8,85,23,904            |
| 22.8                           | Materials stock excess/shortage pending investigation                                                          | (10,95,10,968)         | (10,95,50,293)         |
|                                | <b>Total</b>                                                                                                   | <b>17,89,46,55,078</b> | <b>13,34,17,50,986</b> |





**PUNJAB STATE POWER CORPORATION LIMITED**

**NOTE NO.-15 (i)**

An amount of Rs. 33,84,72,303 under Inter Corporation Transaction (ICT) heads is payable to Punjab State Power Corporation Limited as per the books of Punjab State Transmission Corporation Limited and Rs. 52,15,06,047 are receivable from Punjab State Transmission Corporation Limited as per books of accounts of Punjab State Power Corporation Limited which is hereby reconciled and confirmed except Rs. 18,30,33,744 which is under reconciliation. The abstract of ICT is as under:

|              |                                                  | (Amount in ₹)         |                       |
|--------------|--------------------------------------------------|-----------------------|-----------------------|
| Account Head |                                                  | As on 31-03-16        | As on 01-04-15        |
| 28.881       | ICT - Capital Expenditure                        | 20,12,85,275          | 20,12,85,275          |
| 28.882       | ICT - Material                                   | 66,74,97,268          | 65,23,34,488          |
| 28.883       | ICT - Personnel                                  | 21,14,54,730          | 21,10,98,662          |
| 28.884       | ICT - Cash                                       | (69,42,81,062)        | (69,42,81,062)        |
| 28.885       | ICT - Others                                     | 2,99,87,99,801        | 2,97,02,73,766        |
| 28.887       | ICT- Leave Encashment                            | 5,17,05,910           | 15,09,23,885          |
| 28.888       | ICT-Leave Encashment                             | -                     | -                     |
| 28.890       | ICT -Fixed Medical/Medical Reimbursement & LTC   | -                     | -                     |
| 28.893       | ICT- Fixed Med/Reimb of Med. & LTC to Pensioners | 94,12,315             | 93,62,315             |
| 28.8         | <b>Total ICT Receivables</b>                     | <b>3,44,58,74,237</b> | <b>3,50,09,97,329</b> |
| 46.946       | ICT Credit- Payables                             | 2,90,39,57,926        | 2,60,07,17,530        |
| 46.959       | ICT Credit- Material                             | 2,04,10,264           | 1,98,82,457           |
| 46.9         | <b>Total Payables</b>                            | <b>2,92,43,68,190</b> | <b>2,62,05,99,987</b> |
|              | <b>Net Receivables (28.8 - 46.9)</b>             | <b>52,15,06,047</b>   | <b>88,03,97,342</b>   |

**NOTE NO.-15 (ii)**

PSERC in its Tariff Order disallowed interest on account of diversion of funds. A portion of this disallowance is recoverable from Govt. of Punjab. However, PSEB has paid interest in excess to GOP on its outstanding Loans. Resultantly, Rs. 426.15 crore is the amount of excess interest paid by PSEB to GOP upto 2009-10. GOP approached APTEL against orders of PSERC. Hon'ble APTEL turned down the appeal filed by GOP. Now, GOP had challenged the decision of APTEL in the Supreme Court of India and the case is pending in the Hon'ble Supreme Court. The said recoverable amount to the tune of Rs. 426.15 has been booked under account code 28.7.

**NOTE NO.-15 (iii)**

Shortages found on physical verification of stocks are booked under the head "Stock shortages pending investigation" (Account Code 22.8). These shortages are recoverable from the persons responsible or written off as the case may be, on completion of investigations.

**NOTE NO.-15 (iv)**

The Other receivables include Losses under investigation (a/c code 28.870) Rs. 44.82 crore, Cost of shortage of transformer - pending investigation (a/c code 28.874) Rs. 28.24 crore which are under investigation and will be cleared as and when the decision from the competent authority is received.







**PUNJAB STATE POWER CORPORATION LIMITED**

**NOTE NO. -16**

**INVENTORIES**

(Amount in ₹)

| Account Code  | Particulars                                      | As at 31st March, 2016 | As at 31st March, 2015 |
|---------------|--------------------------------------------------|------------------------|------------------------|
|               | (a) Stores and Spares                            |                        |                        |
|               | Fuel Stock                                       |                        |                        |
| 21.101        | Coal Stock                                       | 6,64,37,61,997         | 4,64,12,55,030         |
| 21.102        | Coal mill rejects stock account                  | 60,29,491              | 24,26,984              |
| 21.105        | Oil stock - furnace oil                          | 18,92,91,380           | 21,39,85,257           |
| 21.106        | Oil stock-Diesel/LDO/LSHS                        | 3,18,60,643            | 7,87,40,904            |
| 21.121        | Coal in Transit                                  | 15,21,35,939           | 39,00,86,990           |
| 21.1          | <b>Total</b>                                     | <b>7,02,30,79,450</b>  | <b>5,32,64,95,165</b>  |
| 21.2          | Fuel stock excess/shortage pending investigation | 74,783                 | 49,058                 |
|               | <b>Sub Total (Total GH-21)</b>                   | <b>7,02,31,54,233</b>  | <b>5,32,65,44,223</b>  |
|               | Material & Spares                                |                        |                        |
| 22.1          | Insurance stock / spares                         | (1)                    | (1)                    |
| 22.62 & 22.63 | Stock of materials at O&M stores                 | 1,62,93,23,431         | 1,71,93,15,508         |
| 22.650        | Materials at site at O&M locations               | 33,18,59,206           | 38,21,25,080           |
| 22.670        | Materials pending inspection (O&M)               | -                      | 23,42,017              |
| 22.690        | Materials in transit (O&M)                       | 1,55,391               | 7,79,108               |
|               | <b>Sub Total (GH 22.6)</b>                       | <b>1,96,13,38,028</b>  | <b>2,10,45,61,713</b>  |
| 22.7          | Other materials accounts                         | 22,20,60,302           | 19,16,56,233           |
| 22.9          | Difference due to revaluation                    | 30,02,424              | 11,64,615              |
|               | <b>Sub Total (Material &amp; Spares)</b>         | <b>2,18,64,00,753</b>  | <b>2,29,73,82,560</b>  |
|               | <b>Grand Total</b>                               | <b>9,20,95,54,986</b>  | <b>7,62,39,26,783</b>  |

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**PUNJAB STATE POWER CORPORATION LIMITED**

**NOTE NO. -17**

**TRADE RECEIVABLES**

|              |                                                                                                        | (Amount in ₹)          |                        |
|--------------|--------------------------------------------------------------------------------------------------------|------------------------|------------------------|
| Account code | Particulars                                                                                            | As at 31st March, 2016 | As at 31st March, 2015 |
| 23.1         | Sundry debtors for sale of power                                                                       | 12,54,09,55,955        | 10,45,96,42,974        |
| 23.6         | Sundry debtors for interstate sale of power                                                            | 1,07,60,29,221         | 98,89,14,506           |
| 23.5         | Dues from permanently disconnected consumers (net off security deposit forfeited)                      | 2,43,22,46,040         | 2,27,14,68,873         |
| 23.7         | Sundry debtors Misc. receipts from consumers                                                           | 1,30,26,63,551         | 1,23,80,57,499         |
| 23.8         | Sundry debtors Cross Subsidy Surcharge                                                                 | 16,69,24,541           | 32,70,21,338           |
|              | <b>Total</b>                                                                                           | <b>17,51,88,19,308</b> | <b>15,28,51,05,190</b> |
| 23.9         | Less :- Provision for doubtful Trade receivables                                                       | 2,32,58,22,768         | 2,12,19,87,374         |
|              | <b>Sub-Total</b>                                                                                       | <b>15,19,29,96,540</b> | <b>13,16,31,17,816</b> |
| 23.2         | Sundry debtors for :- Elec. Duty                                                                       | 6,31,31,64,441         | 5,04,20,67,130         |
| 23.2         | Elec. Duty DSSF                                                                                        | 3,86,48,33,008         | 3,05,86,65,423         |
| 23.2         | Octroi                                                                                                 | 1,07,40,26,579         | 91,45,06,070           |
| 23.2         | IDF                                                                                                    | 90,80,67,437           | -                      |
|              | <b>Sub-Total</b>                                                                                       | <b>12,16,00,91,465</b> | <b>9,01,52,38,623</b>  |
|              | <b>Grand Total</b>                                                                                     | <b>27,35,30,88,005</b> | <b>22,17,83,56,439</b> |
|              | <b>Out of the above</b>                                                                                |                        |                        |
|              | Trade receivables outstanding for a period exceeding 12 months from the date they were due for payment |                        |                        |
|              | Secured, considered good                                                                               | 2,63,97,90,944         | 3,01,34,61,443         |
|              | Unsecured, considered good                                                                             | 3,56,42,74,616         | 2,00,15,28,925         |
|              | Doubtful                                                                                               | 55,38,22,423           | 51,71,11,952           |
|              | <b>Sub-Total</b>                                                                                       | <b>6,75,78,87,983</b>  | <b>5,53,21,02,320</b>  |
|              | Less: Provision for doubtful trade receivables                                                         | 89,71,86,589           | 76,80,05,920           |
|              | <b>Sub-Total (A)</b>                                                                                   | <b>5,86,07,01,394</b>  | <b>4,76,40,96,400</b>  |
|              | Other Trade receivables                                                                                |                        |                        |
|              | Secured, considered good                                                                               | 8,95,34,93,834         | 10,22,34,86,266        |
|              | Unsecured, considered good                                                                             | 12,08,91,05,339        | 6,79,03,98,306         |
|              | Doubtful                                                                                               | 1,87,84,23,617         | 1,75,43,56,921         |
|              | <b>Sub-Total</b>                                                                                       | <b>22,92,10,22,790</b> | <b>18,76,82,41,493</b> |
|              | Less: Provision for doubtful trade receivables                                                         | 1,42,86,36,179         | 1,35,39,81,454         |
|              | <b>Sub Total (B)</b>                                                                                   | <b>21,49,23,86,611</b> | <b>17,41,42,60,039</b> |
|              | <b>Total of receivables</b>                                                                            | <b>29,67,89,10,773</b> | <b>24,30,03,43,813</b> |
|              | <b>Total of Provisions</b>                                                                             | <b>2,32,58,22,768</b>  | <b>2,12,19,87,374</b>  |
|              | <b>Net Receivables</b>                                                                                 | <b>27,35,30,88,005</b> | <b>22,17,83,56,439</b> |

**NOTE NO. -17 (i)**

The amount outstanding against the bills issued upto previous year has been considered as more than one year and remaining Trade Receivables outstanding for less than one year in the same ratio as it was in the previous year.

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**PUNJAB STATE POWER CORPORATION LIMITED**

**NOTE NO. -18**

**CASH AND CASH EQUIVALENTS**

|                             |                                         | (Amount in ₹)          |                        |
|-----------------------------|-----------------------------------------|------------------------|------------------------|
| Account Code                | Particulars                             | As at 31st March, 2016 | As at 31st March, 2015 |
| 20.100                      | Investment against fund-FD              | 13,71,10,530           | 11,67,89,001           |
| 20.280                      | Investment other than fund-FD           | 1,83,41,31,055         | 1,95,18,20,621         |
|                             | <b>Total</b>                            | <b>1,97,12,41,585</b>  | <b>2,06,86,09,622</b>  |
| 24.110 & 24.120             | (a) Cash in hand                        | 34,78,254              | 41,87,602              |
| 24.2                        | (b) Cash imprest with staff             | 14,05,069              | 13,41,647              |
| 24.111, 24.112, 24.3 & 24.4 | (c) Balances with banks                 |                        |                        |
|                             |                                         | 1,18,01,22,918         | 1,01,56,44,046         |
| 24.5 & 6                    | (d) Remittance to HO in transit account | 1,26,88,30,171         | 1,32,12,32,288         |
| 24.9                        | Cash Inflow and Cash Outflow Account    | -                      | -                      |
|                             | <b>Total</b>                            | <b>2,45,38,36,412</b>  | <b>2,34,24,05,583</b>  |
|                             | <b>Grand Total</b>                      | <b>4,42,50,77,997</b>  | <b>4,41,10,15,205</b>  |

**Note 18 (i)**

The above includes ₹ 15.55 crore unutilised funds repayable under RGGVY scheme.

**Note 18 (ii)**

The above fixed deposits have been pledged against the overdraft limit. The outstanding amount of overdraft availed as on 31-03-2016 is Rs. 179.68 Crore.

**NOTE NO. -19**

**SHORT TERM LOANS AND ADVANCES**

|              |                                         | (Amount in ₹)          |                        |
|--------------|-----------------------------------------|------------------------|------------------------|
| Account Code | Particulars                             | As at 31st March, 2016 | As at 31st March, 2015 |
|              | <b>Secured, Considered Good</b>         |                        |                        |
| 26.1-26.7    | Advances to O&M suppliers / contractors | 8,98,31,523            | 50,93,59,391           |
| 26.8         | Advances for fuel - supplies            | 1,15,67,89,993         | 1,19,29,47,484         |
| 27.8         | Loans and Advances - others             | 3,90,751               | 3,99,356               |
|              | <b>Total Secured, Considered Good</b>   | <b>1,24,70,12,267</b>  | <b>1,70,27,06,231</b>  |
|              | <b>Unsecured, Considered Good</b>       |                        |                        |
|              | Doubtful                                | -                      | -                      |
|              | <b>Total</b>                            | <b>1,24,70,12,267</b>  | <b>1,70,27,06,231</b>  |

**NOTE NO. -20**

**OTHER CURRENT ASSETS**

|              |                                                                                                    | (Amount in ₹)          |                        |
|--------------|----------------------------------------------------------------------------------------------------|------------------------|------------------------|
| Account Code | Particulars                                                                                        | As at 31st March, 2016 | As at 31st March, 2015 |
| 28.4         | Amount recoverable from employees                                                                  | 5,19,62,429            | 4,72,83,503            |
| 28.6         | Carrying Cost recoverable from State Government                                                    | 2,99,69,77,587         | 3,79,95,77,587         |
| 28.6         | Subsidy receivable from State Govt. for free supply to Scheduled Cast/ Agricultural Power consumes | 24,35,29,75,918        | 15,21,59,75,918        |
| 23.4         | Provision for unbilled revenue                                                                     | 15,93,81,65,028        | 12,16,61,91,021        |
| 27.310       | Loan & Advances to Licensees- PSTCL                                                                | 99,11,49,020           | 99,11,49,020           |
|              | <b>Grand Total</b>                                                                                 | <b>44,33,12,29,982</b> | <b>32,22,01,77,049</b> |





**PUNJAB STATE POWER CORPORATION LIMITED**

NOTE NO. -21

**DETAILS OF REVENUE FROM SALE OF POWER**

(Amount in ₹)

| Account Code            | Particulars                                                        | Current Year<br>2015-16 | Previous Year<br>2014-15 |
|-------------------------|--------------------------------------------------------------------|-------------------------|--------------------------|
| 61.1                    | Outside State                                                      | 29,55,09,401            | 15,35,39,623             |
|                         | Within State                                                       |                         |                          |
| 61.201                  | Domestic                                                           | 53,16,60,01,789         | 49,01,09,51,372          |
| 61.202/209              | SOP DS Power Factor Surcharge/Incentive(Net)                       | (2,30,28,905)           | 1,27,850                 |
| 61.205                  | DS Monthly Minimum Charges                                         | 75,38,60,386            | 66,98,61,154             |
| 61.206                  | Rebate allowed to consumer on higher consumption - DS              | -                       | (1,15,41,35,642)         |
| 61.208                  | SOP-Domestic-"High Voltage Rebate" (Debit)                         | (1,66,97,103)           | -                        |
|                         | <b>Sub Total Domestic</b>                                          | <b>53,88,01,36,167</b>  | <b>48,52,68,04,734</b>   |
| 61.211                  | Commercial                                                         | 21,93,46,65,786         | 20,00,82,61,561          |
| 61.212 & 61.219         | SOP Non Residential supply Power Factor Surcharge/ Incentive (Net) | (1,85,57,387)           | (2,09,47,058)            |
| 61.215                  | CS Monthly Minimum Charges                                         | 1,76,44,89,852          | 1,64,72,31,380           |
| 61.216                  | Rebate allowed to consumer on higher consumption - CS              | -                       | (32,80,99,444)           |
| 61.218                  | SOP-Commercial-High Voltage Rebate (Debit)                         | (11,00,31,048)          | (4,52,415)               |
|                         | <b>Sub Total Commercial</b>                                        | <b>23,57,05,67,203</b>  | <b>21,30,59,94,024</b>   |
| 61.221                  | Small Power                                                        | 5,64,46,71,562          | 5,18,80,54,193           |
| 61.222 & 61.229         | SOP Small Power Power Factor Surcharge/Incentive(Net)              | 1,00,61,388             | (1,08,32,800)            |
| 61.225                  | Small Power - MMC                                                  | 40,24,05,295            | 37,93,06,356             |
| 61.226                  | Rebate allowed to consumer on higher consumption - SP              | -                       | (8,08,61,547)            |
| 61.228                  | SOP-Small Power-"High Voltage Rebate,, (Debit)                     | (12,96,670)             | -                        |
|                         | <b>Sub Total Small Power</b>                                       | <b>6,05,58,41,575</b>   | <b>5,47,56,66,202</b>    |
| 61.231                  | Medium Supply                                                      | 12,82,75,36,610         | 12,06,97,69,237          |
| 61.232, 61.233 & 61.239 | Medium Supply Power Factor Surcharge/Incentive(Net)                | 1,29,77,277             | 6,40,03,946              |
| 61.235                  | Medium Supply - MMC                                                | 58,34,73,856            | 55,17,26,107             |
| 61.236                  | Rebate allowed to consumer on higher consumption - MS              | (1,09,499)              | (5,14,22,390)            |
| 61.237                  | SOP-MS Rebate during peak off hours (debit)                        | (15,74,975)             | -                        |
| 61.238                  | SOP-Medium Supply-High Vottage Rebate Debit                        | (5,87,59,365)           | (5,43,59,481)            |
| 61.240                  | Medium Supply - Other Charges                                      | 1,10,75,483             | 1,72,96,016              |
|                         | <b>Sub Total Medium Supply</b>                                     | <b>13,37,46,19,387</b>  | <b>12,59,70,13,435</b>   |
| 61.241                  | Large supply                                                       | 65,88,77,41,317         | 71,94,50,86,966          |
| 61.242, 61.246 & 61.249 | Large Supply Power Factor Surcharge /Incentive/off Peak Hours(Net) | (1,42,33,99,238)        | (3,73,38,92,311)         |
| 61.243                  | Large supply - Demand charges                                      | 1,31,09,595             | 1,98,45,586              |
| 61.244                  | Large supply - Voltage Surcharge                                   | 2,27,62,184             | 9,02,107                 |
| 61.245                  | Large supply - MMC                                                 | 30,74,36,958            | 37,11,32,044             |
| 61.247                  | Rebate allowed to consumer on higher consumption - LS              | -                       | (71,56,01,844)           |
| 61.248                  | SOP-Large Supply High Vottage Rebate Debit                         | (95,84,51,356)          | (1,24,44,30,415)         |
| 61.250                  | Large Supply - Other surcharge                                     | -                       | -                        |
|                         | <b>Sub Total Large Supply</b>                                      | <b>63,84,91,99,460</b>  | <b>66,64,30,42,133</b>   |
| 61.251                  | Agriculture                                                        | 2,08,371                | 2,63,482                 |
| 61.252                  | Agriculture - lumpsum temp T/w Charges                             | -                       | -                        |
| 61.255                  | Agriculture - MMC                                                  | -                       | -                        |
|                         | <b>Sub Total Agriculture Supply</b>                                | <b>2,08,371</b>         | <b>2,63,482</b>          |
| 61.261                  | Public Lighting                                                    | 1,23,71,90,563          | 1,20,41,42,626           |
| 61.265                  | Public Lighting - MMC                                              | 45,35,492               | 65,80,267                |
| 61.268                  | SOP-Public Lighting- High Vottage Rebate (Debit)                   | 3,93,814                | -                        |
|                         | <b>Sub Total Public Lighting</b>                                   | <b>1,24,21,19,869</b>   | <b>1,21,07,22,893</b>    |
| 61.271                  | Bulk Supply                                                        | 3,89,58,14,059          | 3,83,12,11,060           |
| 61.272, 61.273 & 61.279 | Bulk Supply Power Factor Surcharge /Incentive(Net)                 | (53,18,57,61)           | (1,68,86,391)            |





**PUNJAB STATE POWER CORPORATION LIMITED**

**NOTE NO. -21**

**DETAILS OF REVENUE FROM SALE OF POWER**

(Amount in ₹)

| Account Code | Particulars                                           | Current Year<br>2015-16  | Previous Year<br>2014-15 |
|--------------|-------------------------------------------------------|--------------------------|--------------------------|
| 61.275       | Bulk Supply - MMC                                     | 3,17,19,051              | 3,32,06,729              |
| 61.276       | Rebate allowed to consumer on higher consumption - B5 | -                        | (69,07,788)              |
| 61.278       | SOP-Bulk Supply- High Voltage Rebate (Debit)          | (6,77,27,035)            | -                        |
|              | <b>Sub Total Bulk Supply</b>                          | <b>3,85,44,87,499</b>    | <b>3,84,06,23,610</b>    |
| 61.281       | Grid Supply                                           | 2,86,74,001              | 2,77,69,853              |
| 61.282       | Grid supply-power factor surcharge                    | -                        | -                        |
| 61.283       | Grid supply-demand charges                            | 25,512                   | -                        |
| 61.285       | Grid Supply                                           | -                        | -                        |
| 61.288       | SOP-Grid Supply- High Voltage Rebate (Debit)          | -                        | -                        |
|              | <b>Sub Total Grid Supply</b>                          | <b>2,86,99,513</b>       | <b>2,77,69,853</b>       |
| 61.291       | Common Pool Supply                                    | 1,35,31,09,621           | 1,04,39,18,625           |
| 61.292       | SOP recognized by PSERC                               | 2,76,82,00,000           | -                        |
| <b>61.2</b>  | <b>Total</b>                                          | <b>1,69,97,71,88,665</b> | <b>1,60,67,18,18,991</b> |
| 61.3         | Railway & Other (water works & sewerage)              | 1,14,42,66,116           | 99,39,56,180             |
| 61.286       | Rebate allowed to consumer on higher consumption - RS | -                        | (23,61,337)              |
|              | <b>Sub Total Grid Supply</b>                          | <b>1,14,42,66,116</b>    | <b>99,15,94,843</b>      |
|              | <b>Sale of Power with in state</b>                    | <b>1,71,12,14,54,781</b> | <b>1,61,66,34,13,834</b> |
|              | <b>Total Sale of Power (61.1, 61.2 &amp; 61.3)</b>    | <b>1,71,41,69,64,182</b> | <b>1,61,81,69,53,457</b> |
| 61.6         | Meter rent/Service Line Rental                        | 90,48,82,542             | 88,66,08,121             |
| 61.7         | Recoveries for theft of power/ Malpractices           | 51,30,49,084             | 59,37,83,684             |
| 61.8         | Wheeling Charges/ recoveries                          | 3,39,46,24,565           | 1,40,99,28,526           |
| 61.9         | Misc. charges from consumers                          | 1,85,51,69,454           | 2,76,81,28,157           |
|              | <b>Total (61.6 to 61.9)</b>                           | <b>6,66,77,25,645</b>    | <b>5,65,84,48,488</b>    |
|              | <b>Total GH-61 except GH-61.5</b>                     | <b>1,78,08,46,89,827</b> | <b>1,67,47,54,01,945</b> |
|              | <b>State levies</b>                                   |                          |                          |
| 61.501-510   | Electricity Duty                                      | 12,88,16,65,650          | 12,72,73,10,188          |
| 61.531-540   | Electricity Duty DSSF                                 | 8,02,66,28,452           | 7,96,66,92,257           |
| 61.521-530   | Other state levies - Octroi                           | 1,53,02,84,808           | 1,47,87,50,105           |
| 61.571-580   | Other state levies - IDF                              | 5,27,67,50,029           | -                        |
|              | <b>Total 61.5</b>                                     | <b>27,71,53,28,939</b>   | <b>22,17,27,52,550</b>   |
|              | <b>Gross revenue from sale of Power</b>               | <b>2,05,80,00,18,766</b> | <b>1,89,64,81,54,495</b> |
|              | <b>Less :- State Levies</b>                           |                          |                          |
| 61.541       | Elecy duty payable (contra)                           | 12,88,16,65,650          | 12,72,73,10,188          |
| 61.544       | Other state Levies payable - IDF (contra)             | 5,27,67,50,029           | -                        |
| 61.551       | Elecy. Duty payable DSSF (contra)                     | 8,02,66,28,452           | 7,96,66,92,257           |
| 61.561       | Other state Levies payable (octroi)(contra)           | 1,53,02,84,808           | 1,47,87,50,105           |
|              | <b>Total 61.5</b>                                     | <b>27,71,53,28,939</b>   | <b>22,17,27,52,550</b>   |
|              | <b>Net Revenue from Sale of Power - PSPCL</b>         | <b>1,78,08,46,89,827</b> | <b>1,67,47,54,01,945</b> |

**NOTE NO. -21 (i)**

Common pool sales appearing in Note-21 represent the Company's share in the sale of power made by BBMB to the consumers directly.

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**PUNJAB STATE POWER CORPORATION LIMITED**

**NOTE NO. -21.(ii)**

**TARIFF COMPENSATION FROM STATE GOVERNMENT**

(Amount in ₹)

| Account Code | Particulars                                                                      | Current Year<br>2015-16 | Previous Year<br>2014-15 |
|--------------|----------------------------------------------------------------------------------|-------------------------|--------------------------|
|              | Tariff compensation from State Govt. on a/c of:                                  |                         |                          |
| 63.110       | RE subsidies                                                                     | -                       | -                        |
| 63.130       | Free Supply to SC/BPL domestic consumers                                         | 11,23,35,00,000         | 9,59,38,77,036           |
| 63.140       | Tariff compensation from State Govt. for hike in tariff for other categories     | -                       | -                        |
| 63.150       | Govt Subsidy on a/c of Free tubewell supply                                      | 46,37,35,00,000         | 49,15,54,98,882          |
| 63.160       | Tariff compensation from State Govt. for hike in tariff for other categories     | -                       | -                        |
|              | <b>Total</b>                                                                     | <b>57,60,70,00,000</b>  | <b>58,74,93,75,918</b>   |
| 63.2         | Subsidies for flood( waiver off bills of DS consumer of flood affected villages) | -                       | -                        |
|              | <b>Total</b>                                                                     | <b>57,60,70,00,000</b>  | <b>58,74,93,75,918</b>   |

**NOTE NO. -22**

**OTHER INCOME**

(Amount in ₹)

| Account Code | Particulars                                                                        | Current Year<br>2015-16 | Previous Year<br>2014-15 |
|--------------|------------------------------------------------------------------------------------|-------------------------|--------------------------|
| 62.210-19    | Interest on Staff Loans & advances                                                 | 2602920                 | 2554397                  |
| 62.240       | Interest on loans and advances to licensees                                        | 63,29,71,672            | 77,12,63,795             |
| 62.250       | Delayed pmt. charges from consumers *                                              | -                       | -                        |
| 62.260       | Interest on advances to suppliers/contractors                                      | 3,31,39,755             | 14,68,49,910             |
| 62.270       | Interest from banks(other than fixed deposit)                                      | 12,44,454               | 45,52,557                |
| 62.280       | Interest on fixed deposits & other investments                                     | 15,88,28,414            | 25,87,72,480             |
| 62.281-299   | Delayed payment charges from consumers                                             | 80,30,34,772            | 2,25,35,15,846           |
|              | <b>Total</b>                                                                       | <b>1,63,18,21,987</b>   | <b>3,43,75,08,985</b>    |
| 62.3         | Income from trading (Sale of scrap, fly ash and other misc. receipts from trading) | 8,00,02,872             | 15,73,58,567             |
| 62.4         | Gain on sale of assets                                                             | 64,700                  | 18,272                   |
| 62.6         | Income from staff welfare activities                                               | 5,02,530                | 5,94,181                 |
| 62.901       | Rental for Staff quarter                                                           | 2,97,81,312             | 3,10,57,228              |
| 62.902       | Rental from Contractors                                                            | 1,09,40,279             | 1,08,15,747              |
| 62.903       | Sale of tender forms                                                               | 44,68,347               | 46,17,772                |
| 62.905       | Excess found on verification of material                                           | 40,795                  | 75,829                   |
| 62.910       | Recovery for vehicle expenses (Not Staff)                                          | 1,63,211                | 6,29,567                 |
| 62.912       | Sundry credit balance written back                                                 | 2,90,35,842             | 2,42,40,199              |
| 62.915       | Gain on settlement of railway claims coal                                          | 1,13,458                | 39,644                   |
| 62.918       | Rebate availed of timely payment of REC                                            | 12,12,388               | 8,44,712                 |
| 62.930       | Other income                                                                       | 2,05,07,38,086          | 6,35,83,41,575           |
| 62.931       | Deposits forfeited                                                                 | 14,37,594               | 21,25,582                |
| 62.940       | Receipt on account of damaged meters                                               | 9,39,06,551             | 8,43,99,985              |
| 62.950       | Commission for collection of octroi                                                | 12,87,21,877            | 12,92,19,458             |
| 62.951       | Receipt from consumers- passbook                                                   | -                       | -                        |
| 62.952       | Incentive from PSUs under one time settlement                                      | -                       | 1,125                    |
| 62.955       | Fee received under right to information act                                        | 2,31,802                | 2,22,759                 |
| 62.961       | Receipts from schools - PSEB                                                       | 2,19,910                | 2,60,673                 |
| 62.962       | Receipts from PSEB Guest Houses                                                    | 6,50,900                | 5,60,008                 |
| 62.964       | Receipts from PSEB colonies                                                        | 65,87,556               | 64,66,072                |
| 62.965       | Misc. Receipt under open Access                                                    | -                       | -                        |
| 62.967       | Op charges Receipt - under Open Access                                             | -                       | 32,030                   |





**NOTE NO. -22**  
**OTHER INCOME**

| (Amount in ₹)    |                                                                               |                       |                        |
|------------------|-------------------------------------------------------------------------------|-----------------------|------------------------|
| Account Code     | Particulars                                                                   | Current Year 2015-16  | Previous Year 2014-15  |
| 62.968           | Generation based incentive for Solar Power                                    | 9,16,74,382           | 9,23,34,790            |
| 62.969 to 62.972 | Processing Fees                                                               | 36,63,275             | 53,222                 |
| 62.999           | Other income transferred from consumer contribution (Transferred from Note 3) | 82,24,08,610          | 72,41,72,335           |
|                  | <b>Total</b>                                                                  | <b>3,27,59,96,175</b> | <b>7,47,05,10,312</b>  |
|                  | <b>Total - PSPCL</b>                                                          | <b>4,98,83,88,264</b> | <b>11,06,59,90,317</b> |

**NOTE NO. -22 (i)**

The interest of Rs. 15,88,28,414/- has been booked at gross value. TDS to the tune of Rs. 1,72,29,692/- has been deducted by the banks out of the interest on fixed deposits.

**NOTE NO. -22 (ii)**

Interest received from PSTCL amounting to Rs. 63,29,71,672 has been booked at gross value. TDS amounting to Rs. 6,32,97,166 has been deducted by PSTCL on this interest amount.

**NOTE NO. -22 (iii)**

During the year amount of Rs. 79.28 crore has been received as incentive for timely payment of power purchase bills.

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**PUNJAB STATE POWER CORPORATION LIMITED**

**NOTE NO. -23**

**POWER PURCHASE**

| Account Code | Particulars                                | (Amount in ₹)            |                          |
|--------------|--------------------------------------------|--------------------------|--------------------------|
|              |                                            | Current Year<br>2015-16  | Previous Year<br>2014-15 |
| 70.100       | Power Purchase                             | 1,23,85,86,88,366        | 1,07,87,90,94,859        |
| 70.102       | Power Purchase through banking             | (1,86,67,00,959)         | -1,46,17,65,004          |
| 70.103       | Power Purchase premium through banking     | -71,283                  | 4,13,93,006              |
| 70.104       | Unschedule Interchange charges-open access | -                        | -                        |
|              | <b>Total</b>                               | <b>1,21,99,19,16,124</b> | <b>1,06,45,87,22,861</b> |
| 70.400       | Wheeling charges                           | 8,43,28,03,603           | 8,42,75,23,214           |
| 70.401       | Transmission Charges                       | 9,49,23,00,000           | 8,65,99,00,001           |
| 70.402       | SLDC Charges                               | 18,42,00,000             | 29,64,00,000             |
| 70.4         | Wheeling charges & Transmission Charges    | 18,10,93,03,603          | 17,38,38,23,215          |
| 70           | <b>Grand Total (GH-70) - PSPCL</b>         | <b>1,40,10,12,19,727</b> | <b>1,23,84,25,46,076</b> |

**NOTE NO. -24**

**GENERATION OF POWER**

| Account Code          | Particulars                                | (Amount in ₹)           |                          |
|-----------------------|--------------------------------------------|-------------------------|--------------------------|
|                       |                                            | Current Year<br>2015-16 | Previous Year<br>2014-15 |
|                       | <b>Fuel Consumption</b>                    |                         |                          |
| 71.110                | Coal                                       | 26,50,93,14,483         | 30,78,00,67,025          |
| 71.120/121            | Oil                                        | 40,24,98,481            | 58,26,02,294             |
| 71.2 - 71.4<br>& 62.7 | Other Fuel related costs                   | 41,94,28,427            | 39,57,63,106             |
|                       | <b>Total</b>                               | <b>27,33,12,41,391</b>  | <b>31,75,84,32,425</b>   |
|                       | <b>Operating expenses</b>                  |                         |                          |
| 71.5                  | Cost of Water                              | 16,65,60,286            | 35,17,47,376             |
| 71.6                  | Lubricant & Consumable stores              | 3,06,36,956             | 3,96,40,989              |
| 71.7                  | Station Supplies                           | 5,80,30,355             | 3,87,24,716              |
|                       | <b>Total</b>                               | <b>25,52,27,597</b>     | <b>43,01,13,081</b>      |
|                       | <b>Cost of Generation of Power (GH 71)</b> | <b>27,58,64,68,988</b>  | <b>32,18,85,45,506</b>   |
| 72                    | Fuel related Losses                        | 49,72,16,535            | 27,90,77,192             |
|                       | <b>Grand Total - PSPCL</b>                 | <b>28,08,36,85,523</b>  | <b>32,46,76,22,698</b>   |

**NOTE NO. -25**

**REPAIR & MAINTENANCE**

| Account Code | Particulars                 | (Amount in ₹)           |                          |
|--------------|-----------------------------|-------------------------|--------------------------|
|              |                             | Current Year<br>2015-16 | Previous Year<br>2014-15 |
| 74.1         | Plant and Machinery         | 2,62,08,65,837          | 2,81,18,37,687           |
| 74.2         | Buildings                   | 17,16,94,405            | 18,60,00,462             |
| 74.3         | Civil Works                 | 8,66,69,175             | 9,62,43,735              |
| 74.4         | Hydraulic Works             | 2,34,96,305             | 2,01,32,689              |
| 74.5         | Lines Cable & Net Work etc. | 71,14,53,862            | 72,63,11,064             |
| 74.6         | Vehicles                    | 2,61,56,325             | 2,51,00,578              |
| 74.7         | Furniture and Fixtures      | 4,58,982                | 4,39,058                 |
| 74.8         | Office Equipment            | 27,02,185               | 33,29,493                |
|              | <b>Total - PSPCL</b>        | <b>3,64,34,97,076</b>   | <b>3,86,93,94,766</b>    |





**PUNJAB STATE POWER CORPORATION LIMITED**

**NOTE NO. -26**

**EMPLOYEES BENEFITS EXPENSES**

| Account Code              | Particulars                                  | (Amount in ₹)           |                          |
|---------------------------|----------------------------------------------|-------------------------|--------------------------|
|                           |                                              | Current Year<br>2015-16 | Previous Year<br>2014-15 |
| 75.1                      | Salaries                                     | 13,09,87,02,020         | 13,07,32,78,579          |
| 75.2                      | Overtime                                     | 11,69,79,437            | 9,20,34,514              |
| 75.3                      | Dearness Allowance                           | 10,81,75,40,953         | 9,88,50,06,055           |
| 75.4                      | Other Allowances                             | 2,13,01,19,450          | 2,26,34,52,481           |
| 75.5                      | Bonus/Generation Incentive                   | 17,65,84,435            | 32,17,09,327             |
| 75.612 & 613              | Leave Travel Assistance                      | 1,38,35,919             | 1,24,19,297              |
| 75.616                    | Encashment of EL as the time of availing LTC | 69,47,997               | 39,86,656                |
| 75.617 & 618              | Earned Leave Encashment                      | 1,57,66,00,379          | 1,37,39,19,754           |
| 75.629-631                | Payment Under Workmen's compensation act     | 15,04,422               | 5,49,611                 |
| 75.611 & 75.641 to 75.655 | Medical Expenses reimbursement               | 18,17,34,857            | 18,37,76,780             |
| 75.6                      | Total                                        | 1,78,06,23,574          | 1,57,46,52,098           |
| 75.7                      | Staff Welfare Expenses                       | 33,08,41,821            | 34,77,06,155             |
| 75.8                      | Terminal Benefits                            | 16,74,33,51,059         | 14,70,44,42,672          |
|                           | Grand Total - PSPCL                          | 45,19,47,42,749         | 42,26,22,81,881          |

**Note no. 26.1**

No Commission has been paid/payable to the CMD/Directors by way of percentage of profit in accordance with section 198 of the Companies Act, 2013.

**Note no. 26.2**

**a) Gratuity**

The company has a defined benefit gratuity plan. Every employee who has rendered continuous service of five years or more is entitled to get gratuity at 15 days salary (last drawn basic salary plus dearness allowance) for each completed year of service (maximum 16% month salary) subject to a maximum of ₹10 Lac, on superannuation, disablement. In case of death of an employee, gratuity payable to family at the rate of one month salary for each completed year of service (maximum 16% month salary) subject to maximum ₹ 10.00 lac. The liability for the same is recognized on actual payment basis.

**b) Retired Employee Health Scheme**

The Retired employee and his family is reimbursed Indoor medical facility expenses at Govt. rates besides payment of Fixed Medical Allowance @ ₹ 500 PM.

**c) Travelling Allowance on Retirement / Death**

Actual cost of shifting from place of duty at which employee is posted at the time of retirement to any other place or his home town or from his home town to last duty station, where he / she may like to settle after retirement is paid as per the rules of the company. In case of death, family of deceased employee can also avail this facility.

**d) Leave Encashment**

The company provides for earned leave benefit and half-pay leave to its employees, which accrues annually at 22 days and 20 days respectively. The earned leave is encashable @ maximum of 300 days on superannuation. The liability for the same is recognized on actual payment basis.

**e) LTC**

Employees are entitled to avail LTC within India in a block of 4 years. Presently the same is discontinued except employees retiring in one year & pensioners due to economy measures.

The above mentioned schemes a) to e) are unfunded and recognised on actual basis.

**f) Arrear**

Arrear of revision of pay is accounted for on actual payment basis as per para 5(c) of Significant Accounting Policies. Moreover, no provision for increase of DA/ ADA has been made.

**Note no. 26.3**

As per GUP Notification NO 1/4/04-EB(PRI)/620 dated 24-12-12, the terminal benefit trusts are to be progressively funded by Powrecom and Transco as decided by the Punjab State Regulatory Commission in the ratio of 88.64:11.36 respectively, over a period of 15 financial years commencing from 1st April, 2014. The terminal benefits liability accruing during the period of progressive funding and thereafter, shall be shared in the same ratio by both corporations. Punjab State Regulatory Commission has not allowed the progressive funding of the terminal benefits in the tariff order for the year 2015-16 also. Therefore, the company has decided not to provide the same in the books of accounts for the year 2015-16. The total liability on account of terminal liability is of Rs. 24638.13 crore as on 31-03-2016. Accordingly, the liability of PSPCL as on 31-03-2016 is Rs. 21839.24 crore.





**PUNJAB STATE POWER CORPORATION LIMITED**

**NOTE NO - 27**

**ADMINISTRATION & GENERAL EXPS.**

(Amount in ₹)

| Account Code | Particulars                                  | Current Year<br>2015-16 | Previous Year<br>2014-15 |
|--------------|----------------------------------------------|-------------------------|--------------------------|
| 76.101-102   | Rent, Rates & Taxes                          | 4,71,02,659             | 3,79,52,249              |
| 76.104-106   | Insurance                                    | 54,15,441               | 55,59,222                |
| 76.111-116   | Telephone, Postage, Telegramme and Telex     | 8,13,20,504             | 5,84,00,607              |
| 76.114       | Sattelite Charges                            | 93,738                  | 1,17,980                 |
| 76.121       | Legal Charges                                | 8,36,34,422             | 6,57,46,922              |
| 76.122       | Audit Fees                                   | 21,04,171               | 33,51,760                |
| 76.123       | Consultancy Charges                          | 37,92,895               | 27,05,088                |
| 76.124       | Technical Fees                               | 3,39,764                | 45,000                   |
| 76.125       | Other Professional Charges                   | 13,19,77,410            | 3,58,39,590              |
| 76.127       | Credit Rating Charges                        | 3,93,260                | -                        |
| 76.128       | Certification and filing charges             | 86,700                  | 86,404                   |
| 76.129       | Annual License fee                           | 12,50,68,969            | 11,32,33,479             |
| 76.131-143   | Conveyance & Travel Charges                  | 35,31,76,231            | 34,65,32,823             |
| 76.151       | Fees & Subscription                          | 8,08,05,802             | 5,93,27,860              |
| 76.152       | Books & Periodicals                          | 4,30,527                | 4,27,916                 |
| 76.153       | Printing & Stationery                        | 3,35,54,967             | 3,15,63,258              |
| 76.154       | Computer time hire cost                      | 9,25,37,212             | 8,31,99,345              |
| 76.155       | Advertisement                                | 3,27,72,874             | 1,20,25,227              |
| 76.156       | Expense relating to NPS                      | 10,30,890               | 6,66,147                 |
| 76.157       | Donations (Detailed below)                   | 5,12,71,000             | 10,00,00,000             |
| 76.158       | Elecy. Charges                               | 12,90,25,555            | 14,33,22,568             |
| 76.160       | Water Charges                                | 11,11,587               | 7,04,629                 |
| 76.162       | Entertainment                                | -                       | -                        |
| 76.164       | Revenue stamps for affixing on receipts      | 13,610                  | 2,900                    |
| 76.166       | Meter reading and Bill distribution expenses | 31,96,37,922            | 29,84,00,538             |
| 76.167       | Expenses on training of UDC/LDC/Others       | 20,74,724               | -                        |
| 76.170       | Free elecy to religious places               | 5,99,016                | 1,69,000                 |
| 76.180       | Entertainment                                | 1,11,925                | 2,46,997                 |
| 76.181       | Hospitality                                  | 40,33,795               | 35,58,564                |
| 76.182       | Conference Expenses                          | 19,14,759               | 23,55,540                |
| 76.183       | Publicity Expenses                           | 20,45,716               | 14,41,360                |
| 76.184       | Mtc. of Guest houses                         | 28,24,880               | 40,42,210                |
| 76.185       | Festival expenses                            | 54,299                  | 71,500                   |
| 76.188       | Gifts (Other than employees)                 | 21,748                  | 8,88,870                 |
| 76.189       | Other hospitality provided in offices        | 12,57,131               | 66,993                   |
| 76.190       | Misc. Expenses                               | 21,05,80,088            | 16,36,80,309             |
| 76.191       | A&G Expenses of school run by PSEB           | 228                     | -                        |
| 76.192       | A&G Expenses of PSEB colonies                | -                       | -                        |
| 76.193       | Mobile set purchase expenses                 | -                       | 7,659                    |
| 76.194       | Sewak Machine hire charges                   | 1,96,90,176             | 1,02,51,257              |
| 76.1         | <b>Total</b>                                 | <b>1,82,19,06,595</b>   | <b>1,58,59,91,771</b>    |
| 76.201-220   | Freight                                      | 10,24,68,854            | 10,95,48,642             |
| 76.230-290   | Other Purchase related expenses              | 14,94,98,601            | 14,28,84,578             |
| 76.2         | <b>Total</b>                                 | <b>25,19,67,455</b>     | <b>25,24,33,220</b>      |
|              | <b>Grand Total - PSPCL</b>                   | <b>2,07,38,74,050</b>   | <b>1,83,84,24,991</b>    |





**PUNJAB STATE POWER CORPORATION LIMITED**

Note No 27.1

(Amount in ₹)

| Particulars                                                                                                                                             | This Year 2015-16 |
|---------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|
| M/s Datta Singla & Co., Chandigarh                                                                                                                      |                   |
| Statutory Audit Fee for FY 2013-14 (Paid)                                                                                                               | 20,500            |
| Tax Audit fee for FY 2013-14 (Revised)(Paid)                                                                                                            | 1,43,125          |
| Tax Audit fee for FY 2014-15 (Provisional)(Paid)                                                                                                        | 1,43,125          |
| Fee for reporting u/s 92E of Income Tax Act, 1961 FY 2014-15 (Paid)                                                                                     | 2,29,000          |
| <b>Total</b>                                                                                                                                            | <b>5,35,750</b>   |
| Audit Fees for trust to M/s PS Mittal & Co. for FY 2013-14                                                                                              | 12,100            |
| Audit Fees for employees gratuity fund to M/s J P S & Associates for FY 2014-15                                                                         | 3,600             |
| Audit Fees for employees pension fund trust to M/s J P S & Associates for FY 2014-15                                                                    | 3,600             |
| M/s Jain & Associates, Chandigarh                                                                                                                       |                   |
| Statutory Audit Fee for FY 2015-16 (Provision)                                                                                                          | 15,45,750         |
| Other audit fee                                                                                                                                         | 3,371             |
| <b>Total</b>                                                                                                                                            | <b>21,04,171</b>  |
| The TA/ DA will be paid actual amount incurred by Statutory Auditor of PSPCL subject to maximum Rs. 3.00 lac.                                           |                   |
| The provision of Statutory Audit Fee for FY 15-16 has been made in the books of accounts and other fees will be booked at the time of payment of bills. |                   |

**Details of Donation during the year 2015-16**

|                                                  |                    |
|--------------------------------------------------|--------------------|
| Punjab State Cancer and Drug addiction Treatment | -                  |
| Director Culture Affair, Punjab                  | 5,00,00,000        |
| Society for welfare of handicapped               | 21,000             |
| Punjab Bureau of Investment Promotion            | 11,00,000          |
| Department of Governance Reforms, Punjab         | 1,50,000           |
| <b>Total</b>                                     | <b>5,12,71,000</b> |

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**PUNJAB STATE POWER CORPORATION LIMITED**

**NOTE NO. - 28**

**DEPRECIATION**

| Account Code | Particulars                                                    | (Amount in ₹)           |                          |
|--------------|----------------------------------------------------------------|-------------------------|--------------------------|
|              |                                                                | Current Year<br>2015-16 | Previous Year<br>2014-15 |
| 77.110       | Amortisation of leasehold assets                               | -                       | -                        |
| 77.120       | Buildings                                                      | 45,38,51,909            | 45,57,59,178             |
| 77.130       | Hydraulic Works                                                | 2,23,72,68,899          | 2,27,39,74,536           |
| 77.140       | Other Civil Works                                              | 2,93,13,988             | 4,07,78,784              |
| 77.150       | Plant and Machinery                                            | 4,10,25,51,142          | 3,60,95,34,409           |
| 77.160       | Lines Cable and Network\                                       | 3,44,16,17,721          | 2,75,63,35,432           |
| 77.170       | Vehicles                                                       | 98,464                  | 1,04,313                 |
| 77.171       | Motor Cars                                                     | 32,01,833               | 27,84,765                |
| 77.172       | Jeep                                                           | 2,33,490                | (16,719)                 |
| 77.173       | Vehicles                                                       | 14,60,824               | 17,24,572                |
| 77.180       | Furniture and Fixtures                                         | 1,32,16,039             | 2,59,88,360              |
| 77.190       | Office Equipments                                              | 17,36,99,964            | 13,34,96,041             |
| 77.1         | <b>Total</b>                                                   | <b>10,45,65,14,273</b>  | <b>9,30,04,63,671</b>    |
| 77.210       | Capital expenditure resulting in Assets not belonging to Corp. | 7,55,030                | 6,01,244                 |
| 77.220       | Spare Units/ Service Units                                     | -                       | 4,305                    |
| 77.230       | Capital Spares at Generating Stations                          | 1,52,13,589             | 1,54,88,631              |
| 77.2         | <b>Total</b>                                                   | <b>1,59,68,619</b>      | <b>1,60,94,180</b>       |
|              | <b>Grand Total - PSPCL</b>                                     | <b>10,47,24,82,892</b>  | <b>9,31,65,57,851</b>    |

**NOTE NO. - 29**

**OTHER DEBITS**

| Account Code | Particulars                              | (Amount in ₹)           |                          |
|--------------|------------------------------------------|-------------------------|--------------------------|
|              |                                          | Current Year<br>2015-16 | Previous Year<br>2014-15 |
| 79.1         | Materials cost variance                  | -                       | -                        |
| 79.410 to    |                                          |                         |                          |
| 430          | Bad & doubtful debts written off         | 9,68,007                | 4,48,493                 |
| 79.460       | Provision for Bad & doubtful debts       | 20,38,45,859            | 35,10,97,627             |
| 79.4         | <b>Total</b>                             | <b>20,48,13,866</b>     | <b>35,15,46,120</b>      |
| 79.5         | Miscellaneous losses and write offs      | 6,16,13,648             | 6,03,79,774              |
| 79.7         | Intangible assets written off            | 9,36,59,677             | 6,66,71,061              |
| 79.8         | Extra Ordinary Debit                     | 6,12,082                | 4,97,950                 |
|              | <b>Total</b>                             | <b>36,06,99,273</b>     | <b>47,90,94,905</b>      |
| 77.7         | loss on sale of Assets-Plant & Machinery | 40,000                  | 1,27,699                 |
|              | <b>Grand Total</b>                       | <b>36,07,39,273</b>     | <b>47,92,22,604</b>      |

**NOTE NO. - 30**

**OTHER EXPENSES CAPITALIZED**

| Account Code | Particulars                                             | (Amount in ₹)           |                          |
|--------------|---------------------------------------------------------|-------------------------|--------------------------|
|              |                                                         | Current Year<br>2015-16 | Previous Year<br>2014-15 |
| 71.9         | Capitalisation of cost of generation during trial stage | -                       | (9,82,88,509)            |
| 74.9         | Repair and Maintenance                                  | 3,03,91,937             | 1,51,38,189              |
| 75.9         | Employee costs                                          | 1,21,47,83,243          | 1,49,76,39,482           |
| 76.9         | Administration & General expenses                       | 21,27,59,286            | 23,90,01,111             |
| 77.9         | Depreciation & related cost                             | 44,54,704               | 24,72,849                |
|              | <b>Total</b>                                            | <b>1,46,23,89,170</b>   | <b>1,65,59,63,122</b>    |

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**PUNJAB STATE POWER CORPORATION LIMITED**

**NOTE NO. -31**

**FINANCE COST**

(Amount in ₹)

| Account Code                           | Particulars                                                                  | Current Year<br>2015-16 | Previous Year<br>2014-15 |
|----------------------------------------|------------------------------------------------------------------------------|-------------------------|--------------------------|
| 78.1                                   | Interest on State Govt Loans - RBI bonds                                     | 5,03,29,599             | 10,51,00,000             |
| 78.202                                 | Interest on Non-SLR Bonds                                                    | 33,28,41,040            | 33,38,35,900             |
|                                        | Interest on other Loans :-                                                   |                         |                          |
| 78.501                                 | Life Insurance Corporation                                                   | -                       | 20,32,740                |
| 78.531                                 | Rural Electrification Corporation                                            | 7,01,67,08,359          | 6,67,55,15,026           |
| 78.551                                 | Commercial Banks                                                             | 2,81,52,12,954          | 2,18,69,66,259           |
| 78.582,<br>78.583 &<br>78.585          | Interest on loans from PFC Ltd., HUDCO & GACL                                |                         |                          |
|                                        |                                                                              | 12,39,37,513            | 13,68,64,042             |
| 78.589                                 | Loans from GOI under CSS - APDRP                                             | 5,86,49,956             | 6,54,02,979              |
| 78.592                                 | Interest on loan R-APDRP IT Plan                                             | 17,19,82,459            | 16,01,83,498             |
| 78.593                                 | Interest on loan R-APDRP-REG Distri.                                         | 23,05,22,927            | 22,09,48,350             |
| 78.5                                   | <b>Total</b>                                                                 | <b>10,41,70,14,168</b>  | <b>9,44,79,12,894</b>    |
| 78.6                                   | Interest to Consumers                                                        | 1,92,05,56,020          | 1,70,19,32,629           |
|                                        | <b>Total Interest on Capital Liabilities</b>                                 | <b>12,72,07,40,827</b>  | <b>11,58,87,81,423</b>   |
| 78.7                                   | Interest on borrowing for working capital - Other interest & finance charges | 16,48,43,62,727         | 14,23,88,01,257          |
| 78.820-841                             | Discount to consumers for advance payments of bills,                         | 43,59,468               | 20,39,185                |
| 78.852                                 | Interest on General Provident Fund                                           | 1,62,73,22,263          | 1,72,39,16,832           |
| 78.853 &<br>78.854                     | Other Interests                                                              | 17,143                  | 8,08,468                 |
| 78.855                                 | Carrying cost allowed by PSERC passed on to GOP                              | 80,26,00,000            | -                        |
| 78.861-869                             | Cost of Raising Finance                                                      | 4,15,47,337             | 2,11,571                 |
| 78.873                                 | Redemption premium on bonds/debenture                                        | 8,15,571                | -                        |
| 78.875                                 | Advisory fee relating to Non-SLR Bonds                                       | 2,20,408                | 4,13,490                 |
| 78.881 -<br>78.889<br>except<br>78.884 | Other Charges                                                                | 4,17,23,167             | 3,62,15,604              |
| 78.884                                 | Gaurantee charges paid/ payable to State Govt.                               | 90,92,50,000            | 41,87,50,000             |
| 78.8                                   | <b>Total</b>                                                                 | <b>3,42,78,55,357</b>   | <b>2,18,23,55,150</b>    |
|                                        | <b>Sub Total</b>                                                             | <b>32,63,29,58,911</b>  | <b>28,00,99,37,830</b>   |
| 78.9                                   | Less : Capitalization                                                        | 3,82,69,16,332          | 3,77,16,54,456           |
|                                        | <b>Grand Total</b>                                                           | <b>28,80,60,42,579</b>  | <b>24,23,82,83,374</b>   |

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**PUNJAB STATE POWER CORPORATION LIMITED**

**NOTE NO. - 32**

**NET PRIOR PERIOD CREDIT/CHARGES**

(Amount in ₹)

| Account Code | Particulars                                        | Current Year<br>2015-16 | Previous Year<br>2014-15 |
|--------------|----------------------------------------------------|-------------------------|--------------------------|
|              | Income relating to previous year.                  |                         |                          |
| 65.1         | Fuel relating gains.                               | -                       | -                        |
| 65.2         | Sale of Power                                      | 6,51,92,341             | 5,29,15,325              |
| 65.4         | Interest Income for prior periods                  | 15,21,403               | 7,39,290                 |
| 65.5         | Interest income for prior periods                  | -                       | -                        |
| 65.6         | Excess prov. For depreciation                      | 3,34,40,967             | 13,71,69,714             |
| 65.7         | Excess prov for Interest & finance Charges         | 1,16,50,169             | 2,46,91,279              |
| 65.8         | Other excess provision                             | 7,31,76,119             | 1,69,72,972              |
| 65.9         | Other Income                                       | 1,22,85,977             | 1,02,12,73,083           |
|              | <b>Total (GH-65)</b>                               | <b>19,72,66,976</b>     | <b>1,25,37,61,663</b>    |
|              | Prior period expenses / losses                     |                         |                          |
| 83.1         | Purchase of Power                                  | -                       | -                        |
| 83.2         | Fuel related losses-previous years                 | -                       | 44,29,137                |
| 83.3         | Operating expenses                                 | 2,05,38,471             | 45,85,030                |
| 83.5         | Employee costs                                     | 3,07,06,056             | 1,02,91,861              |
| 83.6         | Depreciation unprovided in previous years          | 46,69,85,188            | 17,15,83,114             |
| 83.7         | Interest & finance charges                         | 1,11,59,664             | 3,44,08,733              |
| 83.820       | Administrative Exps. Previous year                 | 1,49,64,261             | 3,98,032                 |
| 83.840       | Freight & other purchase related expenses          | 76,27,004               | 13,74,278                |
| 83.8         | <b>Total</b>                                       | <b>2,25,91,265</b>      | <b>17,72,310</b>         |
|              | <b>Total (GH-83)</b>                               | <b>55,19,80,644</b>     | <b>22,70,70,185</b>      |
|              | <b>Net prior period (Credit) / Charges - PSPCL</b> | <b>35,47,13,668</b>     | <b>(1,02,66,91,478)</b>  |

**NOTE NO. - 33**

**PROVISION FOR INCOME TAX**

(Amount in ₹)

| Account Code | Particulars              | Current Year<br>2015-16 | Previous Year<br>2014-15 |
|--------------|--------------------------|-------------------------|--------------------------|
| 81.100       | Provision for Income Tax | -                       | -                        |

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34. The company has come into existence after unbundling of the erstwhile PSEB on 16-04-2010 as per notification (Transfer Scheme) dated 16-04-2010 issued by Govt. of Punjab. Opening balances have been notified vide first amendment to the Transfer Scheme issued vide notification of Govt. of Punjab on dated 24-12-2012. The opening assets and liabilities have been depicted at the values and in the heads so notified by the Govt. of Punjab.
35. Provisions have been made for all known expenses of the current financial year.
36. As per Section 1(4)(d) of the Companies Act, 2013, the provisions of Companies Act 2013 will apply except where the said provisions are inconsistent with the provisions of the Electricity Act 2013, in that case provisions of Electricity Act 2013 shall prevail.
37. The common assets, as notified vide notification dated 24-12-2012 of GOP, allocated to PSPCL are being utilized by the PSTCL and vice versa. In the absence of any specific agreements, the Accounting of rentals payable/receivable to/from PSTCL, have not been made in the accounts of the company.

38. a) Status of pending dispute settlement cases is as under: (Rs. in Lacs)

| Opening Balance as on 01-04-15 |        | Addition During 15-16 |         | Disposed-off During 15-16 |         | Closing Balance as on 31-3-16 |        |
|--------------------------------|--------|-----------------------|---------|---------------------------|---------|-------------------------------|--------|
| No.                            | Amt.   | No.                   | Amt.    | No.                       | Amt.    | No.                           | Amt.   |
| 123                            | 754.31 | 709                   | 5526.49 | 672                       | 5485.61 | 160                           | 795.19 |

- b) Consolidated information of RTI Applications is as under: (In Nos.)

| Applications outstanding as on 01-04-15 | Received during the year 15-16 | Disposed-off during the year 15-16 | Applications outstanding as on 31-3-16 |
|-----------------------------------------|--------------------------------|------------------------------------|----------------------------------------|
| Nil                                     | 6156                           | 6156                               | Nil                                    |

- c) Complaints & Grievances: (In Nos.)

| Outstanding as on 01-04-15 | Received during the year 15-16 | Disposed-off during the year 15-16 | Outstanding as on 31-3-16 |
|----------------------------|--------------------------------|------------------------------------|---------------------------|
| 896                        | 11049                          | 11096                              | 849                       |

- d) Status of cases with Consumer Grievances Redressal forum (Rs. In lacs)

| Opening Balance as on 01-4-15 |        | Addition During 15-16 |         | Disposed-off During 15-16 |         | Closing Balance as on 31-3-16 |        |
|-------------------------------|--------|-----------------------|---------|---------------------------|---------|-------------------------------|--------|
| No.                           | Amt.   | No.                   | Amt.    | No.                       | Amt.    | No.                           | Amt.   |
| 19                            | 212.15 | 145                   | 2277.31 | 142                       | 2349.22 | 22                            | 140.24 |

Pending Legal and OMBUDSMAN cases & amount involved therein as on 31-3-2016 is not available centrally.

- e) The Company is in the process of identifying suppliers under the provisions of Micro, Small and Medium Enterprise Development Act, 2006. Accordingly no disclosures as required therein have been made.
- f) The company has deposited (through MM organization) Rs. 54.05 crore, under protest, @ 75% of total disputed overdue to the SSI units as on 31-03-2016 booked under deposits and shown under 'Non-Current Assets-Other Deposits'.





**39. Segment Reporting: (AS-17)**

The company has business Segment namely Generation and Supply/Distribution of Electricity. The company has its three Thermal Generating Stations & various Hydro/Micro Hydel projects besides share in BBMB Projects for its generation & Transmission business. The company's business, therefore, does not fall under different business segments as defined under AS-17.

**40. As per Accounting Standard-18 'Related Party Disclosures' as prescribed under Companies (Accounting Standards) Rules, 2006, the Company's related parties and transactions are disclosed below:**

**Subsidiary Companies: -**

|   |       |                           |                                                                                                                                                                                                                                                                                                                                                                                                                        |
|---|-------|---------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| A | (i)   | Name of Related Party     | M/s Gidderbaha Power Limited                                                                                                                                                                                                                                                                                                                                                                                           |
|   | (ii)  | Relationship (Subsidiary) | Wholly owned Subsidiary along with common directors.                                                                                                                                                                                                                                                                                                                                                                   |
|   | (iii) | Nature of Transaction     | During the year no transactions with the company has been entered. However, as on 31.03.2016 loan amounting to Rs. 12.01 crores, investment amounting to Rs. 0.05 crores and Other Receivables amounting to Rs. 0.11 crores and interest accrued and due amounting to Rs. 0.19 crore has been shown under long term loan advances, Non-Current investment and other Non-Current Assets respectively as on 31.03.2016 . |
| B | (i)   | Name of Related Party     | M/s Punjab Thermal Generation Limited.                                                                                                                                                                                                                                                                                                                                                                                 |
|   | (ii)  | Relationship (Subsidiary) | Wholly owned Subsidiary along with common directors.                                                                                                                                                                                                                                                                                                                                                                   |
|   | (iii) | Nature of Transaction     | During the year no transactions with the company has been entered. However, as on 31.03.2016 investment of Rs. 0.05 crore and Rs. 0.01 crore has been shown under Non-Current Investment and other Non-Current Assets respectively as on 31.03.2016.                                                                                                                                                                   |

**C. Joint Venture M/s Panem Coal Mines Limited:**

Erstwhile PSEB (Now PSPCL) was allocated captive coal mining block at Amarapara, Jharkhand. The company has entered into a joint venture operation with M/s Eastern Mineral & Trading Agency (EMTA) for extraction of coal and supplying the coal produced wholly and exclusively to the power stations of the erstwhile PSEB (now PSPCL). The Joint Venture Company namely, M/s Panem Coal Mines Ltd. (domicile India) was incorporated with a paid up share capital of Rs. 5,00,00,000/- (50,00,000 equity shares of Rs. 10 each), out of which Company holds 26% equity (13,00,000 equity shares of Rs. 10 each)

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amounting to Rs. 1,30,00,000/-for which no adjustment regarding investment has been made in the accounts.

In regard to the status of said Joint venture: The coal supplies from Pachhwarra Central coal mine is not available after 31.03.2015, as per the orders of Hon'ble Supreme Court. With the strenuous efforts of PSPCL through Government of Punjab the mine again got allotted to PSPCL, for which Rs. 160.86 crore has been deposited with Ministry of Coal, Govt. of India. Now, PSPCL is in the process of appointment of new Mine Developer-cum-Operator (MDO) through competitive bidding route for looking after the mining operations at Pachhwarra Central. The Process of allocation Mining Lease is undergoing and the application along with required documents has been submitted to the office of Mine Commissioner (Mines) at Ranchi and Deputy Director (Mines) regarding onward transfer of PSPCL case to Ministry of Coal, New Delhi for approval of Mining Lease. Meanwhile as a transitory measure for a period of 9 months or till mine developer -cum-operator to be appointed by company through competitive bidding starts mining operations, meanwhile EMTA Coal LTD has been appointed as mining contractor.

The JV company M/s Panem Coal mines Ltd. has not been dissolved yet. No proceedings for winding up of joint venture have been initiated. M/s Panem is also liable to make some statutory payments to the Jharkhand State/Central Govt. Moreover, a Notice of Arbitration dated 19.09.2014 has been received by PSPCL on behalf of EMTA for Rs. 1602.80 crore (joint venture partner in Panem Coal Mines Ltd.) Considered as contingent liability by PSPCL as on 31.03.2016.

Based on the audited accounts of M/s Panem Coal Mines Limited, the Assets and Liabilities as at 31<sup>st</sup> March, 2016 in respect of company's share (PSPCL) is as under: -

| Particulars                    | Note | As at 31 <sup>st</sup> March, 2016<br>(₹) | As at 31 <sup>st</sup> March, 2015<br>(₹) |
|--------------------------------|------|-------------------------------------------|-------------------------------------------|
| <b>EQUITY AND LIABILITIES</b>  |      |                                           |                                           |
| Shareholders' Funds            |      |                                           |                                           |
| Share Capital                  | 1    | 13,000,000                                | 13,000,000                                |
| Reserves & Surplus             | 2    | 26,060,451                                | 47,135,730                                |
| Non-Current Liabilities        |      |                                           |                                           |
| Long-term borrowings           | 3    | -                                         | 211,749,333                               |
| Deferred tax liabilities (Net) |      | -                                         | -                                         |
| Other long term liabilities    | 4    | 128,286                                   | 128,286                                   |
|                                |      | 128,286                                   | 211,877,619                               |
| Current Liabilities            |      |                                           |                                           |
| Short-term borrowings          | 5    | 221,690,464                               | 10,378,018                                |
| Trade payables                 | 6    | 358,694,715                               | 381,678,541                               |
| Other current liabilities      |      | -                                         | -                                         |
| Other Current Liabilities      | 7    | 96,665,941                                | 113,484,339                               |
| Short-term provision           | 8    | 41,323,015                                | 30,266,053                                |
|                                |      | 718,374,135                               | 535,806,951                               |



|                               |    |             |             |
|-------------------------------|----|-------------|-------------|
| TOTAL                         |    | 757,562,872 | 807,820,300 |
| ASSETS                        |    |             |             |
| Non-Current Assets            |    |             |             |
| Fixed assets                  |    |             |             |
| i) Tangible Assets            | 9  | -           | 73,013,536  |
| ii) Intangible Assets         | 9  | -           | 115,486,391 |
| iii) Capital Work-in-Progress | 9  | 33,858      | 33,627,423  |
|                               |    | 33,858      | 222,127,350 |
| Long-term loans and advances  | 10 | 595,276     | 9,721,596   |
| Deferred Tax Assets           |    | 34,591,244  | 31,389,127  |
| Other non-current assets      | 11 | 482,207,743 | 196,340,771 |
|                               |    | 517,394,263 | 237,451,494 |
| Current Assets                |    |             |             |
| Inventories                   | 12 | 82,100      | 7,930,722   |
| Trade Receivables             | 13 | -           | 140,101,264 |
| Cash and bank balance         | 14 | 11,663,083  | 47,355,409  |
| Short-term loans and advances | 15 | 6,556,512   | 151,062,865 |
| Other current assets          | 16 | 221,833,056 | 1,791,196   |
|                               |    | 240,134,751 | 348,241,456 |
| TOTAL                         |    | 757,562,872 | 807,820,300 |

- D. **Joint Venture M/s Bengal Birbhum Coalfields Limited:** Company has entered into an agreement for new joint venture namely M/s Bengal Birbhum Coalfields Ltd. in West Bengal with 6 states. During the year company has paid Rs. 1,08,940/- towards share capital in joint venture depicted as investment (refer note 13(a)). The PSPCL has decided to opt out of JV company vide its 48<sup>th</sup> meeting of BOD held on 17.03.2016.
- E. **Joint-venture Partner M/s EMTA Coal LTD:** The Company has paid an interest bearing advance@13%p.a. of Rs. 3 crore to EMTA on account of R&R and CSR activity which has been shown under Note-19 "short term loan & advances". The same will be charged to final head on submission of supporting documents by EMTA or otherwise the same will be adjusted as mining charges under the contract.
- F. **Bhakhra Beas Management Board:** The erstwhile PSEB now PSPCL is partner in the Bhakhra Beas Management Board (BBMB) projects since its inception along with Haryana, Rajasthan & Himachal Pradesh. The company has different rate of share of expenditure in each project. The company has incorporated its share of expenditure in our books of accounts for the year, as intimated by BBMB authorities. The abstract of which is as under:

| Sr. no | Particulars                            | Account code | Amount in Rs. |           |
|--------|----------------------------------------|--------------|---------------|-----------|
|        |                                        |              | Debit         | Credit    |
| 1      | Fixed Assets                           | 10           | 412306960     | 0         |
| 2      | Provision for Depreciation             | 12           | 0             | 84532601  |
| 3      | Capital Works in progress              | 14           | 0             | 0         |
| 4      | Renovation Modernization and Up-rating | 15           | 0             | 289999432 |

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|    |                                          |       |            |            |
|----|------------------------------------------|-------|------------|------------|
| 5  | Other loans and advances                 | 27    | 0          | 2030658    |
| 6  | Settlement a/c with BBMB                 | 28    | 0          | 336876946  |
| 7  | U-cheque control account                 | 37000 | 0          | 1045549120 |
| 8  | Receipt from common pool consumers (SOP) | 61    | 0          | 1353109621 |
| 9  | Other Income                             | 62    | 0          | 59950143   |
| 10 | Prior Period Income                      | 65    | 0          | 338250     |
| 11 | Cost of generation of Power              | 71    | 58030355   | 0          |
| 12 | Repairs and Maintenance                  | 74    | 225986926  | 0          |
| 13 | Employees cost                           | 75    | 2342222083 | 0          |
| 14 | Administration & General expenses        | 76    | 49300518   | 0          |
| 15 | Depreciation                             | 77    | 84532601   | 0          |
| 16 | Other debits                             | 79    | 7328       | 0          |

**G. Details of CMD/Directors/Company Secretary for the year ending 2015-16 is as under:-**

| Sr. no. | Name                     | Designation                    | Tenure                   |
|---------|--------------------------|--------------------------------|--------------------------|
| 1.      | Er. K.D. Chaudhri        | Chairman-cum-Managing Director | 01.04.2015 to 31.03.2016 |
| 2.      | Sh. S.C. Arora           | Director/Finance               | 01.04.2015 to 31.03.2016 |
| 3.      | Sh. Surinder pal         | Director/Commercial            | 01.04.2015 to 31.03.2016 |
| 4.      | Sh. G.S. bacchi          | Director/Administration        | 01.04.2015 to 31.03.2016 |
| 5.      | Sh. K.L.Sharma           | Director/Distribution          | 01.04.2015 to 31.03.2016 |
| 6.      | Sh. Mansa ram Parihar    | Director/Generation            | 01.04.2015 to 31.03.2016 |
| 7.      | Miss Vini Mahajan        | Director/Ex-officio            | 01.04.2015 to 03.06.2015 |
| 8.      | Sh. D.P. Reddy (IAS)     | Director/Ex-officio            | 04.06.2015 to 31.03.2016 |
| 9.      | Sh. Anirudh Tiwari (IAS) | Director/Ex-officio            | 01.04.2015 to 08.06.2015 |
| 10.     | Anurag Aggarwal (IAS)    | Director/Ex-officio            | 09.06.2015 to 15.09.2015 |
| 11.     | Sh. Venu Parshad (IAS)   | Director/Ex-officio            | 16.09.2015 to 31.03.2016 |
| 12.     | CA Jaspal Singh          | Company Secretary              | 01.04.2015 to 31.03.2016 |

41. The company has not diminished its value of investment amounting to Rs. 0.05 Crores in Gidderbaha Power Limited. The company has not provided for the interest on the loan advanced amounting to Rs. 12.01 Crores to Gidderbaha Power Limited on the basis that the auditor of Gidderbaha Power Limited has expressed their reservation to the going concern status of the company during the year 2015-16. The management is of the opinion that since Power Purchase Agreement (PPA) has been made with NTPC, the same is recoverable from NTPC, however NTPC has declined to make payment and the matter has been pending with PSERC.
42. No deferred Tax liability/Assets has been provided in view of accumulated losses as on 31.03.2016 and due to virtual uncertainty of sufficient future taxable income.
43. As required by AS-20 "Earning per Share" issued by the Institute of Chartered Accountants of India, Basic earnings per Share has been calculated by dividing net profit after tax by the weighted average number of equity shares outstanding during the year as per details given below:-





| Sr. No | Particulars                                                                                | FY 2015-16        |
|--------|--------------------------------------------------------------------------------------------|-------------------|
| 1      | Profit (+)/Loss (-) as per Profit & Loss Account (Amount in Rs.)                           | (16,94,85,30,276) |
| 2      | Number of share at the beginning of the year:                                              | 608,14,74,259     |
| 3      | Number of share at the end of the year:                                                    | 608,14,74,259     |
| 4      | Weighted average number of shares used in computing basic earning per equity share. (Nos.) | 608,14,74,259     |
| 5      | Basic earnings per share (Rs.) (on nominal value of Rs. 10/- per share)                    | -2.79             |
| 6      | Diluted earnings per share (Rs.) (on nominal value of Rs. 10/- per share)                  | -2.79             |

44. During the year embezzlements of Rs. 1.50crore were detected in 6 no. Offices out of which Rs. 1.07 crore stands recovered. However, no provision has been for Rs.0.43 Crores during the financial year for the theft/embezzlement in respect of cases/ litigations pending at various courts.

45. **AS-29: - Contingent Assets & Liabilities.**

- i. Supreme Court vide its decision dated 27-9-11, has directed the Central Govt. that Himachal Pradesh would be given share of Power @ 7.19% from Nov-2011onwards from the power generated from the BBMB projects. Accordingly, the same has been implemented by BBMB and all states.

For the earlier period up to October, 2011, the Central Govt. during July 2013 filed an affidavit with Hon'ble Supreme Court declaring an amount of Rs. 1497.39 crore (@ 6% simple interest) or Rs. 1525.62 crore (@6% compounding interest) would become payable to Himachal Pradesh by Punjab & Haryana Governments through their Electricity utilities in the ratio of 58:42. An alternative solution proposed by Central Govt. in affidavit is to compensate the State of Himachal Pradesh, in kind, by allotting additional energy over a period of 30 years with corresponding reduction of share of power of Punjab and Haryana from these projects. The aforesaid affidavit has been submitted by Central Government to Hon'ble Supreme Court for verification of the statement and for making final decree. GOP has also filed a counter affidavit in July, 2013 and subsequently in February, 2015 claiming an amount of Rs. 1611.89 crore i.e. capital expenditure recoverable from Himachal Pradesh borne by the GOP in establishing the BBMB Projects. The matter is still pending with Hon'ble Supreme Court as all the parties have filed its representation. However, as per the expert opinion of advocate obtained by company, there is no requirement to provide for liability in the books of accounts since liability has not been decreed. Further, since the matter is still pending with Hon'ble Supreme Court the accounting treatment for the amount recoverable from Himanchal Pradesh has also not been recognized in the books of accounts.





ii. Other Contingent Liabilities: -

(a) Contingent Liability related to M/s PANEM Coal Mines Ltd.

| Sr. No                                                                                                           | Description                                                                                                         | Amount                                                                                                               | Remarks                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| i)                                                                                                               | EMTA vs PSPCL Arbitration case                                                                                      | Rs. 1602.80 Crore and claims pendente lite and future interest @SBI PLR 1% per annum on the claims.                  | As per claims filed by EMTA in EMTA vs PSPCL arbitration case initiated by EMTA Coal Ltd. Till now, 15 no. hearings have been held in Arbitral Tribunal. Next date of hearing for pronouncement of order of section- 16 application to be intimated separately by Arbitral Tribunal.                                                                                                                                                                                       |
| ii)                                                                                                              | Balance additional levy to be paid in respect of Pachhwara central coal mine as per orders of Hon'ble Supreme Court | Rs.1162.68 Crore (Total amount Rs. 1554.13 Crores Less amount paid by PSPCL Rs. 391.46 Crores (26% of total amount)) | In terms of the explanation to Section 3(1)(n) of Coal Mines (Special Provisions) Act 2015 and as per Clause 1.1.40 of the Allotment Agreement dated 26.03.2016 signed between PSPCL and Nominated Authority Ministry of Coal, GOI; Panem Coal Mines Ltd. is the Prior Allottee for the Pachhwara Central Coal Mine and the liability on account of additional levy in case of Pachhwara Central coal mine is of M/s Panem only and not of PSPCL. (Also refer Note 45-iv.) |
| iii)                                                                                                             | Royalty                                                                                                             | Rs. 99 crore + interest                                                                                              | Outstanding amount prior to cancellation of Pachhwara Central Coal Mine. Under litigation between Panem and State Authorities in High Court Ranchi, Jharkhand.                                                                                                                                                                                                                                                                                                             |
| iv)                                                                                                              | Sales Tax                                                                                                           | Rs. 39.00 crore                                                                                                      | Outstanding amount prior to cancellation of Pachhwara Central Coal Mine.                                                                                                                                                                                                                                                                                                                                                                                                   |
| v)                                                                                                               | Indian Oil                                                                                                          | Rs. 1.00 crore                                                                                                       | For Differential Sales tax amount for non-submission of Form 'C' by M/s Panem Coal Mines Ltd to IOC.                                                                                                                                                                                                                                                                                                                                                                       |
| * The above contingent liabilities are subject to final decision and limited to the share of PSPCL in the Panem. |                                                                                                                     |                                                                                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |

Other additional liability of M/s Panem Coal Mines Ltd. is as under:-

INCOME TAX

The following disputed Income-Tax demand which have not been deposited and provided in the accounts since pending adjudication in appeal :-

|                         |                                    |
|-------------------------|------------------------------------|
| Assessment year 2003-04 | Rs. 10,84,680/- (without interest) |
| Assessment Year 2004-05 | Rs. 11,97,091/- (Without interest) |
| Assessment Year 2005-06 | Rs. 12,80,715/- (Without interest) |

In respect of the above said assessment years, the Department has filed an SLP before the Hon'ble Supreme Court and the case was first assessed u/s. 143(3) of the I.T. Act, 1961.





Further, the same addition i.e. Interest Income on Fixed Deposit during preoperative period, was made by assessing officer during the assessment proceedings u/s.153A (Block Assessment) of the I.T. Act, 1961 which was allowed by Hon'ble CIT(A) in favor of the company and against this the Department has filed an appeal before the Hon'ble Income-tax Appellate Tribunal. The Hon'ble Tribunal allowed in favor of the company. Finally the Income Department filed SLP before the Hon'ble Supreme Court.

#### CENTRAL SALES TAX

Bank Guarantees aggregating to Rs. 12,56,96,000/- (Previous Year – Rs. 5,00,00,000/-) against the security of Counter Guarantee of like amount by the company.

No provision has been made in the Accounts towards the demand orders issued by the Deputy Commissioner, Commercial Taxes, Government of Jharkhand, Pakur against the Company for recovery of Central Sales Tax on Rebate allowed by the Company to Punjab State Power Corporation Ltd. in the Invoices along with interest for the respective financial years stated here under against which being aggrieved the Company has filed a Writ Petition before the Hon'ble High Court of Jharkhand at Ranchi which is pending for final disposal – Against the below mentioned demand the Panem has deposited an amount of Rs. 3,38,00,490/- under protest.

| Financial Year | Amount (Rs.) |
|----------------|--------------|
| 2006-07        | 18,095,008   |
| 2007-08        | 42,619,920   |
| 2008-09        | 7,989,035    |
| 2009-10        | 113,143,598  |
| 2010-11        | 47,846,713   |
| 2011-12        | 53,267,747   |
| 2012-13        | 59,262,759   |
| 2013-14        | 56,297,953   |
| 2014-15        | 33,222,703   |
| Total          | 431,745,436  |

The above liability except Central Sale Tax disclosed by M/s Panem Coal Mines Ltd. are the liabilities of joint venture & not of PSPCL.

#### (b) Other Contingent Liabilities: -

|      |                                          |                                    |                                                                                                                         |
|------|------------------------------------------|------------------------------------|-------------------------------------------------------------------------------------------------------------------------|
| i)   | Railway Vs PSPCL Surcharges case         | Rs. 381 crore + interest @12% pa   | Under litigation in Punjab and Haryana High Court, Chandigarh. Latest status of case as date of hearing was 21.11.2016. |
| ii)  | Narayan Vs PSPCL Court Case              | Rs. 6.42 crore + interest @ 12% pa | Under litigation in District Court Patiala. Latest status of case as last hearing was on 22.08.2016.                    |
| iii) | Amount to be deposited in Escrow account | Rs. 35.08 crore + interest         | For previous operational period of Pachhwara central coal mine from 2005-06 to 2015-16 for mine closure purpose.        |
| iv)  | Liability of Balance amount              | Rs. 65.63 crore                    | The amount of Rs. 65.63 Crores includes interest amounting to Rs.35.18 Crores                                           |

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|       |                                                      |                   |                                                                                                                   |
|-------|------------------------------------------------------|-------------------|-------------------------------------------------------------------------------------------------------------------|
|       | and Interest to MSM enterprises (by MM Organization) |                   | calculated up to 30.11.2016.                                                                                      |
| v)    | M/s Adani Enterprises Ltd.                           | Rs. 3.50 crores   | On account of Railway Freight dispute.                                                                            |
| vi)   | Entry Tax & VAT                                      | Rs. 633.18 crores | Details at note 45-iii below.                                                                                     |
| vii)  | VAT on meter/ Service rent                           | Rs.111.96 crores  | Case is pending with DCIT (Appeals) Patiala.                                                                      |
| viii) | LCs & Bank Guarantee                                 | Rs. 647.57 crores | LC 452.05 Crores<br>BG 195.52 Crores                                                                              |
| ix)   | EPF                                                  | Rs. 8.66 crore    | On account of Non Deposit of EPF for the period 1980 to 1993 in respect ASHP, case pending with High Court Delhi. |
| x)    | BSNL Vs PSPCL                                        | Rs. 10.92 crore   | Arbitration case pending.                                                                                         |

iii. **Entry Tax**

The State Govt. levied Entry Tax on various item on entry of goods purchased from other states. The notification regarding levy of this tax has been challenged and quashed by the Hon'ble Punjab & Haryana High Court, Chandigarh on March, 28<sup>th</sup> 2011 as the matter is pending with the Hon'ble Supreme Court of India. Presently, the GOP has also withdrawn the said notification on dated 04-10-2013. However, the same has been disclosed as contingent liability to the tune of Rs.633.18crore.

- iv. As per order dated 24.09.2014 of Hon'ble Supreme Court of India cancelling coal block allocations, the allotment of Pachhwara (Central) Coal Mine to PSPCL was also cancelled. This coal block was being operated by M/s Panem Coal Mines Ltd. (a joint venture company of PSPCL and EMTA). As per the orders of the Hon'ble Supreme Court & the Coal Mine Ordinance dated 21.10.2014, additional levy of Rs. 295 per Tonne coal mined was to be paid by the prior allottee for participation in auction or direct allotment. Since, PSPCL was in critical need of the allotment of the Pachhwara Central Coal Block, therefore as a matter of abundant caution to become eligible for allotment of coal mine, PSPCL after getting the opinion of Legal counsel Sh. M.G. Ramachandran, Advocate and as per the decision of the BODs has deposited a sum of Rs. 391.46 Crore during the FY 2014-15 (to the extent of PSPCL's share in Joint Venture Company i.e. M/s Panem Coal Mines Limited) i.e. 26% of Rs. 295/- per MT of the coal extracted upto 24.09.2014 from Pachhwara Central block and has been shown as advances receivable under Note 15 – Other Non-Current Assets (a/c code 28.561).

v. **Reconciliation Sheet of PSPCL & M/s Panem Coal Mines Ltd. for the year 2015-2016:-**

| Sr. No | Particulars                                   | PSPCL    | Panem | Difference |
|--------|-----------------------------------------------|----------|-------|------------|
| 1      | Purchase /Sale of Coal                        | 8422356  | 0     | 8422356    |
| 2      | Purchase /Sale of Coal/ Coal Grade Difference | 20889041 | 0     | 20889041   |





|      |                                    |           |            |             |
|------|------------------------------------|-----------|------------|-------------|
|      | Sub- Total                         | 29311397  | 0          | 29311397    |
|      | Interest Received/paid on advances | 1675137   | 419667     | 1255470     |
|      | Sub-Total                          | 1675137   | 419667     | 1255470     |
| 3    | Payable/Receivable                 |           |            | 0           |
| (i)  | Against Coal                       | 157394240 | 855693546  | -698299306  |
| (ii) | Against Freight                    | 0         | 0          | 0           |
|      | Others                             | 202201438 | 998951619  | -796750181  |
|      | Sub-Total                          | 359595678 | 1854645165 | -1495049487 |
|      | Grand Total                        | 390582212 | 1855064832 | -1464482620 |

46. Pensioner charges Rs. 89.96 crore is recoverable from GOP, HVPNL, U.T. Chandigarh and HPSEB Ltd. and efforts are being made to recover from them.
47. The balances prior to 1-4-86 have been parked under one dummy location code 899 the adjustment of the same among the concerned accounting units is under progress.
48. Other Non-Current Assets include Rs. 21.91 crore (figures to be checked) and Trade Receivables (prior to 04/1995) Rs. 89.60 crore recoverable from Municipal Corporation, Amritsar against which MC, Amritsar has filed an appeal with Hon'ble High Court, Chandigarh. The Hon'ble High Court has directed Chief Secretary, Punjab to settle the issue, which is still pending.
49. Some negative balances appearing in books due to misclassification are reflected under different account heads and are under reconciliation.
50. The balances of sundry debtors, sundry creditors, loans, advances recoverable and other personal accounts are subject to confirmation and reconciliation.
51. In the opinion of the management, current and non-current assets including Loans and Advances are stated at the value which is realizable in the ordinary course of business.
52. The Company has been entrusted with the responsibility of implementing projects / works relating to RGGVY schemes. Ministry of Power has authorized REC for realize of funds to Erstwhile PSEB on behalf of GOP. Accordingly Grant of Rs. 51.44 Crores and loans of Rs. 5.46 Crores received by Erstwhile PSEB and Assets created out of these grants and loans have been included in the books of erstwhile PSEB/PSPCL though the Ownership remains with GOP, which shall be transferred on implementation/completion. The Interest on loan component is being paid by PSPCL and charged to Profit and loss account under interest and finance charges.

Under the scheme closure reports for all the projects were submitted to REC Ltd. for closing the projects. REC Ltd. vide its memo no. 20-24 dated 05.04.2016 has informed that competent authority has approved the closure proposal of RGGVY for Rs. 34.90 crores. Subsidy and loan of Rs. 56.90 Crores was received by Ministry of Power. Resulting this Rs. 22.00 crores is refundable to Ministry of Power.

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Earlier REC has preferred claim of 29.40 crores after including amount of bank guarantees encashed of Rs. 6.61 crores by PSPCL and balance interest earned on subsidy by PSPCL of Rs. 0.79 Crores at the time of submission of closure proposal. Now REC has revised the claim after recalculating the amount of Bank Guarantees to 90%, as such amount of Rs. 28.74 crore (Balance Fund- Rs. 22.00 Crores + Bank Guarantee Rs. 5.95 Crores + Interest 0.79 Crores) is refundable. Interest on subsidy after submission of closure proposal approximately Rs. 1.98 crores (excluding interest of Rs.0.79 Crores) will also be payable to REC. Total liability of refundable amount will be Rs. 30.72 crore.

53. There are certain outstanding balances under various accounting heads which are being investigated and are under reconciliation.
54. Interest on disputed amount of consumers is adjusted and recognized at the time of final settlement of the case.
55. The date of commissioning and completion of assets created under RAPDRP and RGGVY schemes are being called for from the units concerned, necessary adjustment regarding depreciation required, if any, will be carried out in next year.
56. Purchase of power from central sectors is accounted for on the basis of bills received. The adjustment or additional liability shall be accounted for in the year of revision of tariff by CERC.
57. Details of Subsidy of AP Consumers and Domestic Consumers for the year ending 31.03.2016:

| Particulars                                                                                                                       | AP Subsidy | DS Subsidy | Total (Amount in Crores) |
|-----------------------------------------------------------------------------------------------------------------------------------|------------|------------|--------------------------|
| Subsidy receivable as on 01.04.2015                                                                                               |            |            | 1521.61                  |
| The amount of subsidy on the basis of actual consumption/                                                                         | 5320.28    | 1123.35    | 6443.63                  |
| Less: adjustment in the amount of subsidy due to true up of FY 2012-13 and FY 2013-14 by PSERC in its Tariff order for FY 2016-17 | 682.93     | -          | 682.93                   |
| Net Amount recoverable                                                                                                            | 4637.35    | 1123.35    | 5760.70                  |
| Less: subsidy Received during the year ending 31.03.2016                                                                          |            |            | 4847.00                  |
| Subsidy receivable as on 31.03.2016                                                                                               |            |            | 2435.31                  |

58. Liability under account code 46.973 of Rs. 233.94 crore provided in the F.Y. 2014-15 @ Rs. 1/- per kwh to the consumers having consumption more than average of last three years consumption and has been paid during the year 2015-16.
59. i) RPDRP-A:- The loan alongwith interest thereon shall be converted into grant once the establishment of the required system is achieved and verified by an independent agency appointed by the Ministry of Power. No conversion to grant will be made in case





projects are not completed within 5 years from the date of sanctioning of project. In such cases the concerned utility will have to bear full loan and interest repayment. The Project will be deemed to be completed on the establishment of the required system duly verified by an independent agency appointed by Ministry of Power.

Whenever the loan from GOI and FIs will be converted into grant, interest and other charges paid on the converted amount will also be treated as grant reimbursed to utility. For the loan and interest which could not be converted into grant on account of not meeting the conditions of conversion, the utility/ state will have to bear the balance burden of loan and interest repayment.

ii) RAPDRP-B: As and when Distribution utility achieve the target of 15% AT&C loss on a sustained basis for a period of 5 years( Extended up to 31.03.2017) in the project area and the project is completed within the time schedule fixed by the steering committee, which shall in no case exceed five years from the date of project approval, up to 50% state loan against Part-B projects will be convertible into grant in equal tranches, every year for 5 years in which the base-line data system (Part-A) of project area concerned is established and verified by the independent agency appointed by MoP. If the utility fails to achieve or sustain the 15% AT&C loss target in a particular year, that year's tranches of conversion of loan to grant will be reduced in proportion to the shortfall in achieving 15% Aggregate Technical and Commercial (AT&C) loss target from the starting base line assessed figure. This loan from GOI shall be converted into grant first. Loan from FIs shall be converted into grant only after the conversion of full GOI loan into grant.

Whenever the loan from GOI and FIs will be converted into grant, interest and other charges paid on the converted amount will also be treated as grant reimbursed to utility. For the loan and interest which could not be converted into grant on account of not meeting the conditions of conversion, the utility/ state will have to bear the balance burden of loan and interest repayment.

**60. Disclosure under Uday Scheme-**

(a) As per MOU signed under UDAY Scheme on dated 04.03.2016, Government of Punjab is to take over 75% of the total loan outstanding of Rs.20837.68 crores in the books of the company as on 30.09.2015 amounting to Rs. 15628.26 crores through issue of bonds equivalent to 50% of total DISCOM debt of Rs. 20837.68 crore i.e. Rs. 10418.84 crore during the FY 2015-16 and 25% i.e. Rs. 5209.42 crore during the FY 2016-17.

Govt. of Punjab has issued bonds of Rs.9859.72 crore out of total amount of Rs.10418.84 crore during 2015-16 and remaining bonds of Rs. 559.12 crore has been issued in FY 2016-17. For the next 25% of loans, Govt. of Punjab has issued bonds of Rs. 5209.42 crore in 2016-17.

(b) The matter for refund of penal interest (amount not ascertained) to be recovered from banks under "UDAY Scheme" has been initiated and is under consideration with banks. It will be booked as and when received.





- (c) As per the Clause No. 1.2(j) of UDAY agreement, defaulting amount outstanding against Govt. Departments on account of supply of electricity as on 30.09.2015 was Rs. 431.02 crores & for its realization matter has been taken up with Punjab Govt.

**61. Status of RPO Compliance by PSPCL For FY 2015-16.**

| Sr. No. | Description                               | Obligation/Compliance |
|---------|-------------------------------------------|-----------------------|
|         |                                           | 2015-16               |
| 1       | Input Energy (MUs)                        | 46389                 |
| 2       | RPO Targets                               |                       |
|         | i) Non- Solar(%)                          | 3.9                   |
|         | ii) Solar(%)                              | 1                     |
|         | iii) Non-Solar(MUs)                       | 1809.17               |
|         | iv) Solar(MUs)                            | 463.89                |
| 3       | NRSE Power Purchased                      |                       |
|         | i) Non-Solar (MUs)                        | 1083.18               |
|         | ii) Solar (MUs)                           | 386.48                |
| 4       | RECs Purchased (Equivalent Energy)        |                       |
|         | i) Non-Solar(MUs)                         | 0                     |
|         | ii) Solar(MUs)                            | 0                     |
| 5       | Total Equivalent NRSE Energy (3+4)        |                       |
|         | i) Non-Solar(MUs)                         | 1083.18               |
|         | ii) Solar(MUs)                            | 386.48                |
| 6       | Carry forward of previous FY i.e. 2014-15 |                       |
|         | i) Non-Solar (MUs)                        | 772.56                |
|         | ii) Solar (MUs)                           | 1.67                  |
|         | Net Balance RE Power Available            |                       |
| 7       | i) Non-Solar (MUs)                        | 310.62                |
|         | ii) Solar (MUs)                           | 384.81                |
| 8       | Short fall for FY 2015-16                 |                       |
|         | i) Non-Solar(MUs)                         | 1498.55               |
|         | ii) Solar(MUs)                            | 79.08                 |
| 9       | Total Non-Solar RECs- required            | 1498550               |
| 10      | Total Solar RECs- required                | 79080                 |
| 11      | Floor Price of Non-Solar REC              | 1500                  |
| 12      | Cost of 1498550 RECs( Rs. In Crores)      | 224.7825              |
| 13      | Floor Price of Solar REC                  | 3500                  |
| 14      | Cost of 79080 RECs( Rs. In Crores)        | 27.678                |
| 15      | Total Funds Requirement ( Rs. In Crores)  | 252.4605              |

Petition has been filed with PSERC vide no.61/2016 to carry forward RPO shortfall at Sr. No. 8 to FY 2016-17.





62. (i) Additional information: -

| Sr. No | Particulars                                                                                                             | Units (in MUs) |
|--------|-------------------------------------------------------------------------------------------------------------------------|----------------|
| 1      | Generation                                                                                                              |                |
| A      | Thermal                                                                                                                 | 8012.13        |
| B      | Hydro                                                                                                                   |                |
| (i)    | Own                                                                                                                     | 4654.55        |
| (ii)   | BBMB (Net)                                                                                                              | 4294.72        |
|        | Total Hydro(B)                                                                                                          | 8949.27        |
| C      | Gross Generation (A+B)                                                                                                  | 16961.40       |
| D      | Less Total Auxiliary (Thermal, Hydro)                                                                                   | 781.27         |
| E      | Net Generation (C-D)                                                                                                    | 16180.13       |
| 2      | Net Power Purchase including Sale to other States, royalty & wheeling with in Punjab, Open Access sale and UI (imports) | 32233.68       |
| 3      | Available for Sale                                                                                                      | 48413.81       |
| 4      | T&D Losses                                                                                                              |                |
|        | Units                                                                                                                   | 7084.15        |
|        | %age                                                                                                                    | 14.63          |

ENERGY SOLD WITHIN STATE (MUs) DURING THE YEAR

| Sr. No. | Description                                          | 2015-16  |
|---------|------------------------------------------------------|----------|
| 1       | General                                              |          |
|         | a. Domestic                                          | 11859.47 |
|         | b. Commercial (NRS)                                  | 3389.63  |
|         | Total (a+b)                                          | 15249.10 |
| 2.      | Industrial                                           |          |
|         | a. Small Power                                       | 791.31   |
|         | b. Medium Supply LT                                  | 1445.34  |
|         | HT                                                   | 444.91   |
|         | c. Large Supply LT                                   | 761.96   |
|         | HT                                                   | 9091.65  |
|         | d. Public Water Works LT                             | 329.56   |
|         | HT                                                   | 132.61   |
|         | Total (a to d)                                       | 12997.34 |
| 3.      | Others                                               |          |
|         | a. Bulk/Grid/Railway Traction supply                 | 806.73   |
|         | b. Street Lighting                                   | 176.50   |
|         | c. Units used on Board's works                       | 24.36    |
|         | Total (a to c)                                       | 1007.59  |
| 4.      | Total metered sale excl. Agricultural Supply (1+2+3) | 29254.03 |
| 5.      | Agricultural Supply                                  | 11513.88 |
| 6       | Theft detected                                       | 264.039  |
| 7       | Under assessed (on account of MCOs.)/Unbilled units  | 297.711  |
| 8       | Total Sale within State (4+5+6+7)                    | 41329.66 |





|    |                                           |          |
|----|-------------------------------------------|----------|
| 9  | Export to other States                    |          |
| 10 | Total Sale including Exports (8+9)        | 41329.66 |
| 11 | UN-ACCOUNTED ENERGY (MUs) DURING THE YEAR | 7084.15  |
| 12 | PERCENTAGE T&D LOSSES                     | 14.63    |

- ii) CIF Value of Imports (Capital Goods) -NIL-
- iii) Expenditure in Foreign Currency on purchase of Material (Stores & Spares) -NIL-
- iv) Expenditure in Foreign Currency Consultancy Fees (Capitalized) -NIL-
- v) Earning in Foreign Exchange -NIL-
- vi) Expenditure in Foreign currency on director's travelling in abroad. -NIL-
63. Company has framed Corporate Social Responsibility policy in Oct. 2016. Company has not incurred any expenditure on CSR activities during the year 2015-16.
64. PSERC vide its order dated 21.11.2016 in IA in review petition no. 4/2016 in petition no. 78 of 2015 has recognized 276.82 crore as income related to true up for FY 2010-11 (136.48 crore) & FY 2011-12 (140.34 crore) and will be allowed by PSERC at the time of true up for FY 2014-15. Thus the amount of 276.82 crore has been booked in the accounts for 2015-16 as income under the account code 61.292 with contra debit to provision for unbilled revenue accrued but not due under account code 23.420.
65. An amount of Rs. 379.95 crore has been booked as other income & shown as recoverable from state Govt. under note 20 "other current assets" during the year 2014-15. This amount pertains to carrying cost due to delay in notifying the opening balance sheet as on 16.04.2010 of PSPCL by Govt. of Punjab. This amount was booked on the basis of approval given by regulatory commission. During the year 2015-16 Rs. 80.26 crore has been booked as expense under Interest and Finance Charges Note -31 which results in reduction of the carrying cost amount recoverable from the State Government in view of the Tariff order for the year 2015-16.
66. CERC vide order dated 12.11.2015 & 21.03.2016 has determined the tariff for transmission assets & generating assets of BBMB. PSERC in view of the decision of CERC vide its Tariff order dated 26.07.2016 has decided the share of O&M expenses of PSPCL & has shown the excess amount of Rs. 754.73 crore recoverable from BBMB as on 31.03.2016. In view of uncertainty of realization of the amount no adjustment has been made in the accounts for FY 2015-16 as BBMB has already filed petitions in CERC/APTEL/PSERC which are still pending.
67. Contribution received from Foreign Service employer (on Deputation) on account of leave/pension/gratuity in respect of employees of PSEB/PSPCL is credited to terminal benefits under account head 75.830 in the year of its receipt.
68. General Reserve incorrectly includes Rs.0.43 crore under "Sinking Fund for Repayment of Borrowings" which pertains to prior to the period 16.04.2010 & is under examination.





69. Previous year's figures have been re-arranged/ re-grouped, where ever necessary, to make them comparable with current year's figures.


**70. AS-15 Employee Benefits: -**

As per GOP Notification NO 1/4/04-EB(PR)/620 dated 24-12-12, the terminal benefit trusts are to be progressively funded by Powercom and Transco as decided by the Punjab State Regulatory Commission in the ration of 88.64:11.36 respectively, over a period of 15 financial years commencing from 1st April, 2014. The terminal benefits liability accruing during the period of progressive funding and thereafter, shall be shared in the same ratio by both corporations. However, Punjab State Regulatory Commission has not allowed the progressive funding of the terminal benefits in the tariff order for the year 2015-16. Therefore, the company has decided not to provide the same in the books of accounts for the year 2015-16. The total liability on account of terminal liability is of Rs. 24638.14 crore as on 31-03-2016. Accordingly, the liability of PSPCL as on 31-03-2016 is Rs. 21839.24 crore.

**71. Contingent Liability: -**

Estimate amount of the contracts remaining to be executed on capital works cannot be ascertained due to large number of works being operated in PSPCL.

For and on behalf of the Board of Directors

  
K.D. Chaudhri  
Chairman-cum-Managing Director  
DIN: 03114565

  
S.C. Arora  
Director/Finance  
DIN: 00154601

  
Jatinder Goyal  
Chief Financial Officer

  
Jaspal Singh  
Company Secretary

Signed in terms of our report of even date  
For Jain & Associates  
Chartered Accountants  
Firm Reg. No. 001361N

Place: Patiala  
Dated: 23-02-2017





  
[S.C. Pathak]  
Partner  
Membership No. 010194



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**INDEPENDENT AUDITOR'S REPORT ON THE STANDALONE FINANCIAL  
STATEMENTS**

**TO THE MEMBERS OF PUNJAB STATE POWER CORPORATION LIMITED**

1. We have audited the accompanying standalone financial statements of PUNJAB STATE POWER CORPORATION LIMITED ("the Company"), which comprises the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Standalone Financial Statements**

2. 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 standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

3. Our responsibility is to express an opinion on these standalone financial statements based on our audit.
4. 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.
5. 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.





6. 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. 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.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the standalone financial statements.

#### **Basis for Qualified Opinion**

#### **RESERVES & SURPLUS**

8. Capital Reserve Rs. 8750.73 crores had been created in 2010-11 on revaluation of land after adjustment of carried forward revenue loss of erstwhile PSEB. The adjustment of accumulated losses i.e. revenue loss against capital reserve between PSPCL and PSTCL was against the generally accepted accounting principle.
9. Capital Subsidy under RGGVY from GOI, as per closer reports of works undertaken under these schemes submitted to REC Ltd., Rs. 30.72 crores is refundable. The liability of Rs. 22.00 crores has not been recognized. Reserves are overstated and liability is understated by Rs. 22.00 crores. (Refer Note no.52 on notes on accounts).

#### **OTHER LONG TERM LIABILITIES**

10. Following Deposits for electrification/service connection has not been adjusted with capital reserves i.e. Consumer Contribution although some of service connections have been installed.

| Account Code | Account Head                      | Amount in crores |
|--------------|-----------------------------------|------------------|
| 47.303       | ARPC Scheme- Industrial consumers | 21.11            |
| 47.304       | VDS                               | 4.79             |

11. The GPF & Pension Liability of Rs. 10.22 crores due towards employees of electricity wing of municipal Corporation Amritsar absorbed in erstwhile Board/company in April 1995 standing in the books of accounts as on 31.03.2016, against the actual liability of Rs. 0.98 crores for remaining employees. This has resulted in overstatement of liability and loss amounting to Rs. 9.24 crores. (Refer Noteno.6(iii) on notes on accounts)
12. Provision for Gratuity and Provision for Pension having debit balance amounting to Rs. 0.43 crores and Rs. 0.87 crores under accounting Head 44.110 & 44.120 respectively resulting in understatement of losses and understatement of liabilities to that extent.



## OTHER CURRENT LIABILITIES

13. Details of Public Works Misc. deposit GH 46.926 Rs. 271.08 crores and GH 46.922 Rs. (-)23.42 crores are not available. The impact of the same is not ascertained.

## FIXED ASSETS

14. Land Includes land revalued at Rs. 807.84 crores during financial restructuring plan including lease hold land Rs. 91.03 crores which were in the possession of erstwhile PSEB for installing its equipment allotted by village panchayat and other Govt. departments and were not eligible for revaluation as these were not owned and are neither saleable nor transferable resulting in overstatement of fixed assets and capital reserve. (Refer Note no.12(a)(ii) & 12(a)(iii) on notes on accounts)
15. Inter division transfer of fixed assets has been shown as additions and deductions resulting in overstatement of same. (Refer Note no.12 on notes on accounts)
16. Assets not in use GH 16 include Rs. 2.96 crores in respect of Location Code-717 which has not been reconciled with actual balance of Rs.44.54 crores as per subsidiary record. The impact of the same is not ascertained.
17. Reconciliation of IUT-Capital Expenditure/ Fixed Assets Rs. 155.10 crores has not been made and the same has been shown as non-current asset. Fixed Assets has been understated and non-current asset overstated to that extent.
18. No profit or loss on sale of plant and machinery account code 16.105 Rs. 130.91 crores has been ascertained & accounted for. The impact of the same is not ascertained.
19. Fixed assets of APDRP Project Part A Scheme amounting to Rs. 16.58 crores are capitalised during the year for which no completion certificate is produced in order to verify the correctness of the amount so capitalised and depreciation thereon. The impact of the same is not ascertained. (Refer Note no.55 on notes on accounts)

## CAPITAL WORK-IN-PROGRESS

20. In the absence of sufficient details of expenditure incurred upto 31.03.2016 amounting to Rs. 112.81 crores, the impact of the same is not ascertained.
21. APDRP Part B Scheme includes Rs. 504.73 crores where works have been completed and put to use but not capitalized for non-availability of completion certificates. The impact of over capitalisation of interest and non-charging of Depreciation is not ascertained.
22. Details of CWIP outstanding in some of divisions as to status of completion are not available. Some works completed in earlier years have been capitalized during the year. The impact of over capitalisation of interest and non-charging of Depreciation is not ascertained.

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23. CWIP includes Rs. 101.90 crores on SYL projects which is held in abeyance. The Government of Punjab has resolved to abandon the SYL canal. No provision has been made for obsolescence of project. Losses are understated and CWIP is overstated by Rs. 101.90 crores.

#### INVESTMENT

24. 1300000 equity shares of joint venture company "Panam Coal Mines Ltd." allotted in earlier years to erstwhile PSEB have not been accounted for. (Refer Note no.40C on notes on accounts)

#### LONG TERM LOANS & ADVANCES

25. Pending decision/completion of terms and conditions, no adjustment has been made to Security deposits with lease financiers as on 31.03.2016 under GH 28.934 amounting to Rs. 22.57 crores. (Refer Note no.14.3 on notes on accounts)

#### NON CURRENT ASSETS

26. Neither any provision of following outstanding balances is made nor details and age wise analyses is available:

| Account Code | Particulars                                            | Amount in crores | Dr/Cr |
|--------------|--------------------------------------------------------|------------------|-------|
| 28.870       | Losses Under Investigation                             | 44.82            | Dr    |
| 28.874       | Cost of shortage of transformers pending investigation | 28.24            | Dr    |
| 22.8         | Material excess/shortage pending investigation         | 10.95            | Cr    |
| 28.745       | Claim for loss to capital assets- Suppliers            | 46.76            | Dr    |
| IUT codes    | IUT balance account (Net) other than capital           | 0.06             | Dr    |

The impact of the same is not ascertained till the conclusion of Investigation.

27. Under Accounting Code 17.300 "Expenditure on Preliminary survey" amounting to Rs. 9.01 crores is shown under Non-Current asset though the amount is in the nature of Revenue expenditure. Losses are understated and Non-Current Assets are overstated to that extent.

28. GH 28.5 Fuel related receivables includes old outstanding balance Rs. 7.81 crores. No provision has been made. Loss is understated and non-current assets are overstated by Rs. 7.81 crores.

29. Amount recoverable on account of Pensioner Charges amounting to Rs. 89.96 crores from other states board/companies under account code 28.861 and 28.866 are outstanding since long. Some of states have also filed counter claims for which no details have been provided. The impact of the same on the accounts is not ascertained.

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30. As per confirmation of balance with PSTCL, the difference of amount of Rs. 18.30 crores is recoverable as per the books of PSPCL as on 31.03.2016. The amount recoverable from PSTCL is overstated by Rs. 18.30 crores, consequent to non reconciliation, the impact of the same on accounts is not ascertained. (Refer Note no.15(i) on notes on accounts)

31. Company has made investment of Rs. 0.05 crores and advanced Loan of Rs. 12.01 crores to Subsidiary "Gidharbaha Power Ltd". The auditor's of subsidiary have expressed reservation to going concern status of subsidiary. The company has not diminished its value of investment. Further no provision of non recoverable advance and non realisation of investment have been made by the company. Accordingly losses are understated and assets are overstated by Rs. 12.06 crores. (Refer Note no.41 on notes on accounts)

#### INVENTORY

32. We are unable to comment on the accuracy of reports of balance of inventory generated by NIELET with Inventory as per Trial Balance as on 31.03.2016. The impact on the accounts due to non-reconciliation is not ascertained.

33. In the absence of segregation of slow moving/obsolete/dead inventory, no provision has been made in this regard. The impact of the same on the accounts is not ascertained.

#### TRADE RECEIVABLES

34. Credit balance Rs. 24.20 crores included in Debtors for sale of power account code 23.6 has not been reconciled. Further Rs. 104.51 crores recoverable under account code 23.6 is outstanding since long. The impact of the same on the accounts is not ascertained.

#### CASH AND CASH EQUIVALENTS

35. Cheque issued account GH 24.403 is having debit balance of Rs. 9.67 crores as on 31.03.2016 for which no details have been provided the impact of the same on the accounts is not ascertained.

#### SALE OF POWER

36. The Company has recognized revenue of Rs. 8.71 crores for the year ending 31.03.2016 on Sale of power to HPSEB LTD. against which no realization has been made. The total amount recoverable upto 31.03.2016 from HPSEB Ltd. is Rs. 94.49 crores. As per AS9 "Revenue Recognition", revenue shall not be recognized if the uncertainty exists in ultimate realization. This result in understatement of loss and overstatement of Debtors by Rs. 8.71 crores for the year ending 31.03.2016. Further overstatement of Reserves and debtors by Rs. 85.78 crores of earlier years.





37. As per the order dated 21.11.2016 by PSERC the amount of Rs.276.82 crores has been booked as income under the account code 61.292 in the books of accounts for financial year 2015-16 related to income to true-up for financial year 2010-11 Rs. 136.48 crores & for Financial year 2011-12 Rs.140.34 crores. As per the PSERC order the finality of income of Rs. 276.82 crores will be confirmed at the time of true up of the financial year 2014-15. Accordingly in our opinion the recognition of income is in contravention to AS-9 (Accounting of Revenue Recognition) and Income should be recognized at the time of finalization of true up of F.Y. 2014-15. The losses are understated and current assets are overstated to that extent.(Refer Note no.64 on notes on accounts)

#### OTHER INCOME

38. The Company during the previous year ended 31.03.2015 has accounted for Rs. 379.95 crores recoverable from Government of Punjab as carrying cost as per tariff order 2014-15 which is subject to right of appeal by GOP. Further during the year ending 31.03.2016 in view of the tariff order for the year 2015-16 the company has booked as expense under interest and finance charges amounting to Rs. 80.26 crores resulting in the reduction of carrying cost recoverable from State Government. Since the same has not been acknowledged by the Government and considering the fundamental prudence concept of accounting, the reserves and current assets of the earlier years are overstated by Rs.299.69 crores. (Refer Note no.65 on notes on accounts)

#### PURCHASE OF POWER

39. On the basis of the documents dated 29.12.2016 produced before us, the Company has not accounted for Rs. 90 crores payable to PTC Mallana on account of State Commission order dated 20.12.2016 for announcing the true up of AFC for Financial Year 2014-15 and provisional AFC for the financial year 2015-16. Considering the conservatism principle of accounting, losses and current liability is understated by Rs. 90 crores.

40. Liability on account of Purchase of Power from PGCIL amounting to Rs. 15.19 crores covering the period July 2011 to March 2015 (Rs. 6.19 crores) and April 2015 to March 2016 (Rs. 9 crores) have not been accounted for resulting in understatement of losses by Rs.9 crores, overstatement of Reserves by Rs. 6.19 crores and understatement of liabilities by Rs. 15.19 crores for the year ending 31.03.2016.

#### EMPLOYEE COST

41. Terminal benefits gratuity, leave encashment and pension are accounted for on actual payment basis which is not in accordance with AS-15, Employees Benefits (Revised). Liability for terminal benefits Rs. 1847.52 crores for the year ending 31.03.2016 and Rs.19991.72 crores for previous years as per actuarial valuation has not been accounted for. Loss is understated by Rs. 1847.52 crores, Reserves are overstated by Rs. 19991.72 crores and noncurrent liability understated by Rs. 21839.24 crores.(Refer Note no.70 on notes on accounts)





42. Provision for arrears of pension, pay and allowances Rs. 9.12 crores paid in 2016-17 has not been provided. Actual arrear of pay and allowances as per accrual system of accounting have not been determined. Loss is understated and current liability is understated by Rs. 9.12 crores.

#### OTHER DEBITS

43. The following observations in regard to Provision for Bad and Doubtful Debts are as follows:

- a) As a prudent commercial policy, loss on account of theft is required to be provided for in the year of detection net of recovery or other claims recoverable. The company in absence of such policy has not made any provision for bad and doubtful debts for debtors for theft of power amounting to Rs. 130.26 crores. The losses are understated and current assets are overstated to that extent.
- b) Provision for bad and doubtful debtors has not been made for Interstate debtors where in Rs. 105.01 crores has been old outstanding. The losses are understated and current assets are overstated to that extent.
- c) We are unable to comment on the adequacy of provision of Bad and Doubtful debts since the percentage of rate i.e 4% in general and 75% of permanent disconnected customers are being consistent from the year ending 31.03.2011 till the year ending 31.03.2016.

#### DISCLOSURE REQUIREMENT

44. Company has not fulfilled proper disclosure requirement as per AS-18-Related Party Disclosures.
45. Trade receivables have been bifurcated into Current and non Current assets by the company on the basis of duration of outstanding from the date they were due for payment instead of classifying on the basis of realisation within 12 months from the date of balance sheet or operating cycle of business and the Company has not disclosed Trade Receivables more than 6 months separately. The above disclosure is not in accordance with the requirement of Schedule III of The Companies Act 2013. (Refer Note no.17 on notes on accounts).
46. Information required to be disclosed as per MSMED Act, 2006 has not been disclosed. Since company has not completed the process of collecting the information relating the Small and Micro units rendering service or supplying goods to the Company, we are unable to determine whether there was delay in making payment to such entities and the resultant interest for such delay as prescribed under MSMED Act, 2006. (Refer Note no.38(e) on notes on accounts)
47. Fair value of plan assets and obligations of GPF Trust has not been disclosed as per requirement of AS15 "Employee Benefits (Revised)".





## IMPAIRMENT OF ASSETS

48. Impairment of assets has not been ascertained as no techno-economic assessment has been made as required by AS 28 "Impairment of Assets".

## OTHERS

49. The following observations in regard to accounting policies which are in contravention of accounting standards issued by Institute of Chartered Accountants of India:
- a) Interest during construction period amounting to Rs. 382.69 crores has been capitalized on the basis of weighted average formula as per Accounting Policy No. 2 (e) which is contrary to AS-16 "Borrowing Costs" wherein actual borrowing costs are required to be capitalized.
  - b) Obsolete/scrapped assets not in use under account Code 16.1 and 16.2 amounting to Rs. -6.60 crores have not been recorded at lower of cost or net realisable value as per requirement of AS-10 "Accounting for Fixed Assets. (Refer Note no.12a(vii) on notes on accounts).
  - c) Inventory has been valued at Weighted Average Cost and stores at site have been valued at engineering estimates instead of valuing the inventory at lower of Cost or Realizable value as per AS-2 Valuation of Inventories. The accounting policy adopted by the company in regard to valuation of inventory is in contravention to AS-2 "Valuation of Inventories". (Refer Note no.1(4) on notes on accounts).
  - d) Under Accounting Code GH-23 Rs. 2735.30 crores, neither reconciliation of consumer ledger balance with trial balance nor age wise analyses has been made. In the absence of which we are unable to comment on the realisation and its impact on the accounts for the year ending 31.03.2016. (Refer Note no.50 on notes on accounts)
  - e) Certain expenses are accounted for on Cash Basis, which is not in accordance with AS-9 "Revenue Recognition" issued by ICAI. Financial impact for not following the accrual basis, is not ascertained. (Refer Note no.1(a) on notes on accounts)
50. Difference of debtors for Octroi, DSSF and ED Rs. 102.74 crores has not been reconciled with corresponding liability. The impact of the same on the accounts is not ascertained.
51. Negative balances of assets Rs. 336.84 crores and liabilities Rs. 708.35 crores appearing in various account heads have been adjusted in respective account heads resulting in understatement of respective balances. (Refer Note no.49 on notes on accounts)
52. Balances prior to 1986 have been accounted for separately. These balances comprise assets and liabilities Rs. 1259.65 crores are required for further allocation to the respective divisions of the company. Accordingly we are unable to form an opinion.





53. Confirmation and reconciliation of balances of creditors amounting to Rs. 2744.09 crores, Trade Receivables amounting to Rs. 2735.30 crores under GH 23, Loans, advances recoverable and other personal accounts has not been made. The impact of the same on the accounts is not ascertained. (Refer Note no. 50 on notes on accounts)
54. Negative price variation on purchase of transformers and other items has not been accounted for resulting in higher purchases and creditors. The impact of the same on the accounts is not ascertained.
55. The Company has not complied with following provisions of The Companies Act, 2013 related to:
- Appointment of Independent Directors as required under section 149(5)
  - Constitution of CSR committee under section 135 comprising one independent director
  - Appointment of one Women director as required under section 149(1)
  - Framing of CSR Policy
56. Meetings of Board of Directors had been attended by proxy of nominee directors. As per Section 166 of The Companies Act, 2013, director of a company shall not assign his office. There is no provision in Table A schedule 1 of The Companies Act, 2013 for such attendance by proxy and AOA of company permitting the proxy cannot override the Table A schedule 1 of The Companies Act, 2013.
57. Finance cost includes an expenditure of Rs. 197.05 crores on account of interest on security deposits of consumers amounting to Rs. 2539.95 crores as on 01.04.2015, instead of Rs. 304.79 crores as worked out at the applicable rate. The Short provision of interest on balance of security has resulted in understatement of Current liabilities and understatement of Loss by Rs. 112.74 crores.
58. Stale Cheques account code 46.910 having credit balance of Rs. 18.19 crores as on 31.03.2016 needs adjustment. The impact of the same on the accounts is not ascertained.
59. There is short provision of expenses in regard to Cost of water accounting code 71.500 by Rs. 14.62 crores for the year ending 31.03.2016. This results in understatement of losses and Current liabilities to that extent.
60. Advance received on sale of stores accounting code 46.922 showing debit balance of Rs. 23.43 crores needs adjustment. The impact of the same on the accounts is not ascertained.
61. In view of above observations at Sr. No. 11, 12, 23, 27, 28, 31, 36, 37, 39, 40, 41, 42, 43(a), 43(b), 57 & 59 considering the impact quantifiable, Loss for the year is understated by Rs. 2726.64 crores, Assets overstated by Rs. 737.36 crores and Liability understated by Rs. 1989.28 crores. The EPS computed by company is subject to our observations contained herein.



62. In the absence of information and sufficient details, we are unable to quantify the impact on financial statements of our observations given at other paragraphs.

### **Qualified Opinion**

63. In our opinion and to the best of our information and according to the explanations given to us, except for the effects/possible effects of the matters described in the Basis for Qualified Opinion paragraph above, 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 31<sup>st</sup> March, 2016, its losses and its cash flows for the year ended on that date.

### **Emphasis of Matters**

**Without qualifying our opinion, we draw attention to the following matters in the Notes to the standalone financial statements:**

64. Equity share capital of the company of Rs.6081.47 Crores was allotted to Government of Punjab in 2012-13 for consideration other than cash which includes Consumer Contributions, grants and subsidies i.e. liability Rs. 3402.37 Crores of erstwhile PSEB converted into Equity share capital.
65. The company has not recognized Deferred Tax Assets/Liabilities as on 31.03.2016 as in the opinion of the management of the company due to accumulated losses as on 31.03.2016 and virtual uncertainty of sufficient future taxable income. (Refer Note no.42 on notes on accounts).
66. Hon'ble Supreme Court vide its order dated 24th Sept, 2014 has cancelled the allocation of coal block to company and ordered payment of Rs. 295 Per M.T of the coal extracted as additional levy. The Company has deposited a sum of Rs. 391.46 crores during the financial year 2014-15 to the extent of PSPCL share in Joint Venture Company i.e. M/s Panem Coals Mines Ltd and has been shown as Advances Receivable. The balance additional levy of Rs. 1162.68 crores to be paid in respect of Pachhwara Central Coal Mine is considered as Contingent Liability. (Refer Noteno.45(ii)(a)(ii) & 45 (iv) on notes on accounts).
67. As per article 10 of joint venture agreement provided for obtaining quarterly financial statements relating to operation and activities of Joint venture company. The company did not receive the adequate information and established internal controls for ensuring the delivery of produced coal in the earlier years to company only. The company did not actively participated in Joint Venture management, make advance payment to Panem Coal Mines Limited and did not exercise the requisite controls and its only endeavour was to receive coal in the earlier years. The non active participation in management of Joint Venture by the company has resulted in jeopardising its interest of 26% in Joint Venture.





68. The Company is having dispute pending in Hon'ble Supreme Court with Himachal Pradesh Government regarding amount receivable / payable for share in BBMB Project. Since the matter is still pending with Hon'ble Supreme Court the accounting treatment for the amount recoverable and payable from Himachal Pradesh has also not been recognized in the books of accounts. (Refer Note no. 45(i) on notes on accounts).
69. Non purchase of renewable energy certificate obligation upto the year ending 31.03.2016 is amounting to Rs. 252.46crores. (Refer Note no.61 on notes on accounts).
70. As per the terms of sanction of loans under R-APDRP Scheme, the funds provided were not to be diverted for any other scheme or used for any other purpose. However, the company has used these funds for general operations by obtaining overdrafts against fixed deposits created out of these loans. As on 31<sup>st</sup> March, 2016 loan outstanding were Rs.179.68crores.(Refer Note no.18(ii)(a) on notes on accounts).
71. Debtors include Rs. 297.17crores where the disputes have been pending in various courts or arbitration proceeding is in process.
72. Subsidy of Rs. 6443.63 crores has been recognized on the basis of actual consumption, whereas the same has been approved by PSERC at Rs. 5364.77 crores in its tariff order for the year 2015-16 and the same has been revised to Rs. 5872.80 crores in review of tariff order for the year 2016-17.(Refer Note no.57 on notes on accounts)
73. No insurance of stock of Coal has been taken during the financial year 2015-16 to mitigate the risk due to fire, flood, earthquake and any other natural calamities.
74. As per MOU signed on 04.03.2016 under "Uday Scheme" The Government has taken over 75% of the total outstanding loan of the company amounting to Rs.20837.68 crores standing in the books of the company as on 30.09.2015 amounting to Rs.15628.26 crores by issuing bonds.(Refer Note no.60 on notes on accounts).
75. As per terms and conditions of "Uday Scheme" the amount outstanding against Government Departments as on 30.09.2015 amounting to Rs. 431.02 Crores was to be cleared by 31.03.2016. The realization of the amount due has been taken up with Punjab Government.(Refer Note no.60(c) on notes on accounts).
76. Bank overdraft under account code 50.2 is showing debit balance amounting to Rs 652.32 crores as on 31.03.2016. (Refer Note no.10, 'Annexure C' on notes on accounts)

Our opinion is not qualified in respect of above said matters





### Report on Other Legal and Regulatory Requirements

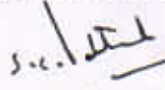
77. As required under section 143(5) of the companies act 2013, we give in the "Annexure I", a revised statement on the Directions issued by Comptroller and Auditor General of India after complying with the suggested methodology of Audit, the action taken thereon and its impact on the accounts and financial statement of the company.
78. 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 II", a statement on the matters specified in paragraphs 3 and 4 of the Order.
79. As required by section 143 (3) of the Act, we report that:
- a) We have sought and, *Except for the effects of matters described in the Basis Of Qualified Opinion paragraph*, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) *Except for the effects of matters described in the Basis Of Qualified Opinion paragraph*, in our opinion proper books of accounts as required by law have been kept by the Company so far as appears from our examination of those books *except subsidiary creditors ledger for O&M and Capital supplies at central office which have not been maintained and proper returns adequate for the purpose of our audit have been received from branches not visited by us*;
  - c) *Except for the effects of matters described in the Basis Of Qualified Opinion paragraph above*, the Balance sheet , Statement of Profit & Loss account and Cash Flow Statements dealt with by this Report are in agreement with the books of accounts;
  - d) *Except for the effects of matters described in the Basis Of Qualified Opinion paragraph above*, in our opinion, the standalone 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) Since, the company is Govt. company, sub-section (2) of section 164 of the Companies Act, 2013 is not applicable.
  - 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 Reporting "Annexure III" ;and





- 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) *Except for the effects of matters described in the Basis Of Qualified Opinion paragraph above, the Company has disclosed the impact of pending litigations on its financial position in its Standalone financial statements; (Refer Note no.45 on notes on accounts).*
  - ii) The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses and
  - iii) There has been delay in transferring amounts of unclaimed bonds Rs. 0.15 crores, to the Investor Education and Protection Fund by the Company.

For JAIN & ASSOCIATES  
Chartered Accountants  
(Regd No.:001361N)

  
S.C. Pathak  
Partner  
Membership No.: 010194



Place: Patiala  
Date: 23.02.2017



**"Annexure-I" to the Independent Auditor's Report of even date on the Financial Statements of PUNJAB STATE POWER CORPORATION LIMITED**

Directions of the Comptroller & Auditor General of India under section 143(5) of the Companies Act 2013, in respect of Punjab State Power Corporation Limited for the year 2015-16.

| Sr. no. | Directions                                                                                                                                                                                         | Reply / Facts by the Company                                                                                                                                                                                                                                                                                                                                                                                                                           |
|---------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.      | 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 deeds are not available?      | According to information and explanations given by the management, the title deeds of immovable properties included in fixed assets are held in the name of the Company. Except in case of the following immovable properties where the title deeds are not in the name of the company:<br><br>1. 298 Freehold holdings amounting to Rs. 716.81 Crores as on 31.03.2016<br><br>2. 10 Leasehold holdings amounting to Rs.91.03 Crores as on 31.03.2016. |
| 2.      | Whether there are any cases of waiver /writeoff of debts/loans /interest etc? If yes then reason there for and the amount involved.                                                                | According to information and explanations given to us, the company has not booked interest on the amount advanced i.e. Rs. 12.01 Crores to its subsidiary, M/s Gidderbaha Power limited for the year ending 31/03/2016.                                                                                                                                                                                                                                |
| 3.      | Whether proper records are maintained for inventories lying with third parties and assets received as gifts/grants(s) from Govt or other authorities.                                              | According to information and explanations given to us, the company is maintaining proper records for the inventories lying with the third parties. Further as informed to us no assets has been received as gift/ grant from Government or other authorities.                                                                                                                                                                                          |
| 4.      | Has the company entered in to agreements with franchise for distribution of electricity in selected areas and revenue sharing agreements adequately protect the financial interest of the company? | We have been informed that no agreement has been entered into with the franchise for, distribution of electricity.                                                                                                                                                                                                                                                                                                                                     |
| 5.      | Report on the efficacy of the system of billing and collection                                                                                                                                     | We have been informed that the company has well laid down system of billing and collection through easy bill payment, e-payment, bill payment machine and cash counter of PSPCL. However details of system and deficiency report                                                                                                                                                                                                                       |



|                          |                                                                                                                                                                          | have not been provided to ascertain the efficacy of billing. As per MIR the collection of revenue efficiency is above 90%, however the age wise analysis and details of consumers having large outstanding including government departments has not been provided to us to report on efficacy of collection of revenue.                                                                                                                                                                                                                                                                                      |                          |                 |                    |                 |                   |                   |                 |                    |                   |                   |
|--------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|-----------------|--------------------|-----------------|-------------------|-------------------|-----------------|--------------------|-------------------|-------------------|
| 6.                       | Whether tamper proof meters have been installed for all consumers? If not then, examine how accuracy of billing is ensured.                                              | <p>We have been informed following:</p> <ul style="list-style-type: none"> <li>-state of art 0.2 accuracy meters have been installed at large consumption customer.</li> <li>-High and medium supply customers have been installed with static and electronic meters which are tampered proof.</li> <li>-The work of replacing electromechanical meters of single phase and commercial consumers is under progress under APDRP &amp; RAPDRP schemes.</li> <li>-No details or cases of tampering /deficiency and billing have been provided to us to enable us to examine the accuracy of billing.</li> </ul> |                          |                 |                    |                 |                   |                   |                 |                    |                   |                   |
| 7.                       | Whether the Company recovers and accounts the State Electricity Regulatory Commission (SERC) approved Fuel and Power Purchase Adjustment and cost(FPPCA)?                | <p>The circular issued by o/o CE, Commercial for recovery of Fuel Cost Adjustment surcharge as per PSERC order is as under:</p> <table border="1"> <tr> <th>Applicable Period of FCA</th> <th>Recovery Period</th> </tr> <tr> <td>April to June 2015</td> <td>Oct to Dec 2015</td> </tr> <tr> <td>July to Sept 2015</td> <td>Jan to March 2016</td> </tr> <tr> <td>Oct to Dec 2015</td> <td>April to June 2016</td> </tr> <tr> <td>Jan to March 2016</td> <td>July to Sept 2016</td> </tr> </table> <p>Company has neither disclosed nor accounted for the impact of accounting of FCA on cash basis.</p>    | Applicable Period of FCA | Recovery Period | April to June 2015 | Oct to Dec 2015 | July to Sept 2015 | Jan to March 2016 | Oct to Dec 2015 | April to June 2016 | Jan to March 2016 | July to Sept 2016 |
| Applicable Period of FCA | Recovery Period                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                          |                 |                    |                 |                   |                   |                 |                    |                   |                   |
| April to June 2015       | Oct to Dec 2015                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                          |                 |                    |                 |                   |                   |                 |                    |                   |                   |
| July to Sept 2015        | Jan to March 2016                                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                          |                 |                    |                 |                   |                   |                 |                    |                   |                   |
| Oct to Dec 2015          | April to June 2016                                                                                                                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                          |                 |                    |                 |                   |                   |                 |                    |                   |                   |
| Jan to March 2016        | July to Sept 2016                                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                          |                 |                    |                 |                   |                   |                 |                    |                   |                   |
| 8.                       | Whether the reconciliation of receivables and payables between the generation and transmission companies has been completed. The reasons for difference may be examined. | As per reconciliation of balance with PSTCL, there is difference of Rs.18.30 Crores which is not reconciled as on 31/03/2016 and it has been disclosed at note 15(1) to financial statements., there is difference of Rs.18.30crores.In the absence of details provided by company the reasons could not be ascertained.                                                                                                                                                                                                                                                                                     |                          |                 |                    |                 |                   |                   |                 |                    |                   |                   |
| 9.                       | Whether the company is supplying power to franchises, if so, whether the company is not supplying power to franchises below its average cost of purchase.                | We have been informed that company is not supplying power to franchises.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                          |                 |                    |                 |                   |                   |                 |                    |                   |                   |
| 10.                      | How much tariff roll back subsidies have been allowed and booked in the accounts                                                                                         | We have been informed that no roll back of subsidy has been accounted for during the year. As per financial statements note no. 57Rs.                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                          |                 |                    |                 |                   |                   |                 |                    |                   |                   |

|     |                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|-----|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|     | <p>during the year? Whether the same is being reimbursed regularly by the state government shortfall if any may be commented.</p>                                                                                                                 | <p>2435.31crores is recoverable as at 31st March 2016. Subsidy has not been reimbursed regularly but the same is adjusted against Electricity duty , Guarantee fee and service of RBI bonds.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| 11. | <p>In the cases of Thermal Power Projects, Compliance of the various Pollution Control Acts and the impact thereof including utilization and disposal of ash and the policy of the company in this regard, may be checked and commented upon.</p> | <p>We have been informed that Punjab Pollution Control Board and CPCB have issued various show cause notices to the company in the previous year for non compliance of following:</p> <ol style="list-style-type: none"> <li>1. For not maintained record of e-waste</li> <li>2. Not installing flow meter on raw water intake</li> <li>3. Meter not installed to calculate the effluents generated from various sections.</li> <li>4. Solid waste generated from colony is dumped in empty area</li> <li>5. Not complying with provisions of the hazardous wastes</li> <li>6. Non maintenance of stack of adequate height of dust extraction system of secondary crusher</li> <li>7. For not providing measuring devices for recording fresh water consumption and waste v generated from various parts of it</li> <li>8. Suction system of APCD is required to be upgraded. No energy meter has been provided.</li> </ol> <p>It has been informed by the Company the consent to operate has been received from various departments. Company has not complied with the various directions issued by Ministry of Environment related to disposal of Fly Ash, utilizations of sale proceeds of Fly Ash, Creation of Infrastructure Facilities etc.</p> |
| 12. | <p>Has the Company entered into revenue sharing agreements with private parties for extraction of coal at pitheads and it adequately protects the financial interests of the company?</p>                                                         | <p>Erstwhile PSEB has joint venture agreement with EMTA for supply of coal from Pachwara Mine at price base of Coal India Limited less discount depending on grade of coal .</p> <p>As per article 10 of joint venture agreement provided for obtaining quarterly financial statements relating to operation and activities of Joint venture company. The company did not receive the adequate information and established internal controls for ensuring the delivery of produced coal to company only. The company did not actively participated in Joint Venture management, make advance payment to Panem Coal Mines Limited and did not exercise the</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |



|     |                                                                                                                                                                                                              |                                                                                                                                                                                                                                                                                                              |
|-----|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|     |                                                                                                                                                                                                              | requisite controls and its only endeavour was to receive coal in the earlier years . The non active participation in management of Joint Venture by the company has resulted in jeopardising its interest of 26% in Joint Venture.                                                                           |
| 13. | Does the company have the proper reconciliation of quality and quantity of coal ordered and received and whether grade of coal/moisture and demurrage etc. are properly recorded in the books of accounts?   | Company does not have any system of Reconciliation of Quantity/ Quality of coal ordered and received. We have been informed that company do not place any order for coal . The coal moisture is deducted from coal bills and demurrage paid to railways is properly recorded in the books of accounts.       |
| 14. | How much share of free power was due to the state government and whether the same was calculated as per the agreed terms and depicted in the accounts as per accepted accounting norms?                      | We have been informed that no free power has been given to State Government.                                                                                                                                                                                                                                 |
| 15. | In the case of Hydroelectric Projects the water discharge is as per policy/guidelines issued by the state Government to maintain bio diversity. For not maintaining it penalty paid/payable may be reported. | We have been informed that :<br>-There is no policy or guidelines have been issued by the State Government regarding water discharge from Hydroelectric Projects.<br>-Discharge of water is controlled by irrigation department.<br>-No penalty has been paid or is payable for no maintaining biodiversity. |

For JAIN & ASSOCIATES  
Chartered Accountants  
(Regd No.:001361N)

S.C. Pathak  
Partner

Membership No.: 010194

Place: Patiala

Date: 23.02.2017

**"Annexure-II" to the Independent Auditor's Report**

[referred to in paragraph 78 under ' Report on other legal and regulatory requirements' in the Independent Auditor's Report of even date to the members of M/s PUNJAB STATE POWER CORPORATION LIMITED ('the Company') on the Financial Statements for the year ended 2016.]

Re:


- (i) (a) *Company has generally maintained proper records showing full particulars including quantitative details and situation of fixed assets however, these have not been maintained as per requirements of Companies Act, 2013.*
- (b) *As per information and explanation given Fixed assets have been physically verified by the management during the year but no record of such verification has been produced before us. In the absence of details we are unable to verify the reasonableness and frequency of physical verification commensurate to size and nature of its fixed assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.*
- (c) *According to information and explanations given by the management, the title deeds of immovable properties included in fixed assets are held in the name of the Company. Except in case of the following immovable properties where the title deeds are not in the name of the company:*

**In case of land:**

| No. of cases | Leasehold/ Freehold | Gross Block as at 31 <sup>st</sup> March, 2016 | Net Block as at 31 <sup>st</sup> March, 2016 | Remarks                                                                                                                           |
|--------------|---------------------|------------------------------------------------|----------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------|
| 298 Holdings | Freehold            | Rs. 716.81 Crores                              | Rs. 716.81 Crores                            | • All these lands are in peaceful possession of PSPCL and investment has already being made on such lands for creation of assets. |
| 10 Holdings  | Leasehold           | Rs. 91.03 Crores                               | Rs. 91.03 Crores                             | In the absence of detail of such including period of lease, no depreciation/ amortization has been considered.                    |





- (ii) *Company does not carry any stock of finished goods and raw material. Inventory of coal was physically verified at reasonable intervals. Inventory of O&M material and capital stores has been physically verified by the management during the year but no documentary evidence was provided.*
- (iii) In respect of loans, secured or unsecured, granted to the parties covered in register maintained under section 189 of the Companies Act 2013: According to the information and explanations given to us, the Company has not granted any loans to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013; and therefore paragraph 3(iii) of the Order is not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, in respect of loans, investments, guarantees and security made.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted, raised or renewed any deposits from the public; and therefore paragraph 3(v) of the Order is not applicable.
- (vi) According to information and explanation given to us, company is in the process of maintaining books of accounts pursuant to rules made by the Central Government for maintenance of cost records under section 148(1) of the Companies Act, 2013 as on date of financial statements.
- (vii) (a) According to the records of the company and information and explanations given to us, the Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues applicable to it
- (b) In the absence of information and details, we are unable to comment on undisputed amounts payable in respect of Income-tax, Wealth Tax, Custom Duty, Excise Duty, sales tax, VAT, Cess and other material statutory dues in arrears /were outstanding as at 31 March, 2016 for a period of more than six months from the date they became payable.
- (c) According to the records of the Company, the dues outstanding of income-tax, sales-tax, , service tax, duty of custom, duty of excise ,value added tax and cess on account of any dispute, are as follows:
- 

| Name of the Statute | Nature of Dues                                     | Amount<br>(In<br>RsCrores<br>) | Period to<br>which the<br>amount<br>relates | Forum where<br>dispute is<br>pending |
|---------------------|----------------------------------------------------|--------------------------------|---------------------------------------------|--------------------------------------|
| Sales Tax           | VAT on meter / Service rent                        | 111.96                         | 2006-07 to<br>2009-10                       | Dy CIT(A)<br>Appeal                  |
| Entry Tax & VAT     | Entry tax on imports of goods<br>from other states | 633.18                         | 28.03.2011<br>to<br>31.03.2015              | Supreme<br>Court of India            |

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to financial institutions, banks and debenture holders.
- (ix) In our opinion and according to the information and explanations given to us, the money raised by way of term loans during the year have been applied for the purpose for which they were raised except the company has deposited unutilized term loan proceeds in fixed deposits and availed overdrafts against the fixed deposits which have been utilized for general operations of the company. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year.
- (x) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the company or on the company by its officers or employees during the course of our audit except fraud on the Company on account of embezzlements of Rs. 1.50 crores were detected in six offices during the year. The company has already reported the same to Audit Committee / Board of Directors.
- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/ provided the for managerial remuneration in accordance with requisite approvals as mandated by the provisions of the section 197 read with Schedule V to the Act.
- (xii) In our opinion, the Company is not a Nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards *except as reported in the audit report.*

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- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the Company and, not commented upon.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) 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

For JAIN & ASSOCIATES  
Chartered Accountants  
(Regd No.:001361N)

S.C. Pathak  
Partner  
Membership No.: 010194

Place: Patiala

Date: 23.02.2017

**"Annexure III" to the Independent Auditor's Report of even date on the  
Financial Statements of PUNJAB STATE POWER CORPORATION LIMITED**

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

**To the Members of PUNJAB STATE POWER CORPORATION LIMITED**

We have audited the internal financial controls over financial reporting of PUNJAB STATE POWER CORPORATION LIMITED ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone 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 the 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.

**Auditor's 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 as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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





### Meaning of Internal Financial Controls Over Financial Reporting

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

### Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

### Opinion

In our opinion, the Company has, in all material respects, internal financial controls system *which does not commensurate with size of the company and nature of its business over financial reporting* and such internal financial controls needs strengthening over financial reporting as on 31st March, 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.

For JAIN & ASSOCIATES  
Chartered Accountants  
(Regd No.:001361N)

S.C. Pathak  
Partner  
Membership No.: 010194

Place: Patiala

Date: 23.02.2017