



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

According to the information and explanation given to us, the Company has not established its internal financial control over financial reporting on criteria based on or 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. Because of this reason, we are unable to obtain sufficient appropriate audit evidence to provide a basis for our opinion whether the Company had adequate internal financial controls over financial reporting and whether such internal financial controls were operating effectively as at 31st March 2016.

We have considered the disclaimer reported above in determining the nature, timing, and extent of audit tests applied in our audit of the standalone financial statements of the Company, and the disclaimer does not affect our opinion on the standalone financial statements of the company.

For: S N Nanda & Co.
Chartered Accountants
FRN: 000685N
sd/-
S. N. Nanda
Partner
M. No. 005909

Place: New Delhi

Date: 29 September, 2016

BALANCE SHEET AS AT 31ST MARCH 2016

(Rs. in Lakhs)

	Particulars	Note No.	2015-16 Amount	2014-15 Amount
I.	EQUITY AND LIABILITIES			
1	Shareholders' funds			
	(a) Share capital	3	3,95,100.00	3,95,100.00
	(b) Reserves and surplus	4	(1,53,997.77)	(1,97,876.80)
	(c) Money received against share warrants			
2	Non-current liabilities			
	(a) Long-term borrowings	5	1,72,479.28	1,62,524.27
	(b) Other Long term liabilities	6	22,851.39	22,219.53
	(c) Long-term provisions	7	8,518.96	8,213.53
3	Current liabilities			
	(a) Short-term borrowings	8	20,000.00	27,500.09
	(b) Trade payables	9	3,449.50	1,129.42
	(c) Other current liabilities	10	72,859.91	55,206.63
	(d) Short-term provisions	11	11,657.54	10,114.21
	Total		5,52,918.81	4,84,130.88
II.	ASSETS			
1	Non-current assets			
	(a) Fixed assets			
	(i) Tangible assets	12	3,05,624.48	2,79,701.27
	(ii) Intangible assets	12	29.19	185.92
	(iii) Capital work-in-progress	12	22,175.94	32,040.62
	(b) Other non-current assets	13	25,337.96	14,637.55
2	Current assets			
	(a) Current investments	14		22.00
	(b) Inventories	15	948.22	1,196.46
	(c) Trade receivables	16	1,44,164.90	1,08,039.45
	(d) Cash and cash equivalents	17	30,171.43	30,087.49
	(e) Short-term loans and advances	18	1,315.84	1,128.90
	(f) Other current assets	19	23,150.95	17,091.21
	TOTAL		5,52,918.81	4,84,130.88

Note 1 is the general information only.

Note 2 states the significant accounting policies followed by the company.

Note: Previous year's figures have been regrouped and reclassified wherever considered necessary to conform to the current year classification.

sd/-
N.D Gobhil
DGM(Finance) & CFO

sd/-
P.K.Mallik
Company Secretary

sd/-
JPS Chawla
Director (Finance)

sd/-
Prem Prakash
Director (Ops) & Managing Director

As per our report of even date attached
S.N. Nanda & Co.
(Chartered Accountants)
Firm Registration No.00685N

Dated:29-9-2016
Place :New Delhi

sd/-
(CA S N Nanda)
Partner
M.No.005909

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH 2016
(Rs. in Lakhs)

Particulars		Refer Note No.	2015-16 Amount	2014-15 Amount
I.	Revenue from operations	20	1,02,744.56	74,378.56
	Other operating revenue	21	8,553.11	7,107.34
II.	Other income	22	5,653.23	4,377.34
III.	Total Revenue (I + II)		1,16,950.90	85,863.24
IV.	Expenses:			
	Employee Benefit Expenses	23	12,431.58	9,756.43
	Finance Costs	24	19,887.09	12,844.34
	Depreciation and Amortization Expenses		20,248.40	15,130.88
	Transmission, Administration and other expenses	25	8,207.57	9,998.75
V.	Total expenses		60,774.64	47,730.40
VI.	Profit before Exceptional & Extraordinary items & tax		56,176.26	38,132.84
VII.	Less: Exceptional Items		-	-
VIII.	Profit before extraordinary items & Tax (VI-VII)		56,176.26	38,132.84
IX	Extra ordinary items			
	Prior period expenses/(Income)	26	283.33	301.54
X	Profit before tax (VIII+IX)		55,892.93	37,831.30
XI	Tax Expense:			
	(1) Current tax		11,928.44	5,422.10
	(2) Deferred tax			
XII	Profit (Loss) for the period (X-XI)		43,964.49	32,409.20
XIII	Earnings per equity share (Par Value ₹ 10 each):			
	Basic & Diluted		1.11	0.82

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As per our report of even date attached
S.N. Nanda & Co.
(Chartered Accountants)
Firm Registration No.00685N

Dated:29-9-2016
Place :New Delhi

sd/-
(CA S N Nanda)
Partner
M.No.005909

Notes to Accounts for the Financial Year 2015-16

Note 1

General Information

As a part of Power Reforms brought into effect by the Govt. of NCT of Delhi, the erstwhile Delhi Vidyut Board (DVB) was unbundled into five successor Entities and one holding company w.e.f. 1st July 2002 namely IPGCL, DTL, NDPL, BYPL, BRPL and Delhi Power Company Ltd, and these successor Entities were incorporated as Companies under the Companies Act, 1956 (now repealed by Companies Act, 2013) and were assigned separately the business of Generation, Transmission, bulk Sale & Purchase and Distribution of Electricity in the State of Delhi. The scope of the business, assets and liabilities of these Entities and other incidental & consequential matters were also laid down in the Transfer Scheme Rules, 2001 notified by the Govt. of NCT of Delhi w.e.f. 01.07.2002. As per the Transfer Scheme, Delhi Transco Ltd, incorporated as one of the successor Entities, was transferred with the part of assets and liabilities of erstwhile DVB pertaining to Transmission as on 1.7.2002 and started the business of bulk supply and transmission of electricity to Distribution Companies (DISCOMs) i.e. BSES Rajdhani Power Ltd.(BRPL), BSES Yamuna Power Ltd (BYPL) and Tata Power Delhi Distribution Ltd.(TPDDL), New Delhi Municipal Council (NDMC) and Military Engineering Services(MES) in National Capital Territory of Delhi. On the expiry of the Policy Direction Period on 31.03.2007, the Company ceased to carry on the business of bulk purchase and sale of electricity and thus w.e.f. 01.04.2007 Company is carrying on the business of only transmission of electricity (wheeling operations) and is discharging the functions of SLDC.

Note 2: Significant Accounting Policies

2.1 Basis of preparation of Accounts

The financial statements are prepared on accrual basis of accounting under the historical cost convention in accordance with Accounting Principles Generally Accepted in India (GAAP), provisions of the Companies Act 2013, Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and the provisions of the Electricity Act, 2003, to the extent applicable.

2.2 Use of estimates

The preparation of financial statements in conformity with the GAAP requires the management to make estimates and assumptions on a reasonable and prudent basis taking into account all available information that affect the reported amount of assets and liabilities and disclosure of contingent liabilities as at the date of the financial statements and the amounts of revenue and expenses during the reported period. Actual results could differ from those estimates & assumptions. Future results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in the current and future periods.

2.3 Fixed Assets

A. TANGIBLE ASSETS

- a) Fixed Assets are stated at historical cost less depreciation. Cost of acquisition is inclusive of taxes, Interest during construction, duties, freight, installation and allocated incidental expenditure during construction/acquisition attributable to bring the assets to their working condition for their intended use.
- b) In case of commissioned assets where final settlement of bills with contractors is yet to be effected, capitalization is done on provisional basis subject to necessary adjustments in the year of the final settlement.
- c) Assets and systems common to more than one transmission system are capitalized on the basis of technical estimates and/or assessments.
- d) Claims for price-variation in case of contracts are accounted for on acceptance.
- e) Payments/liabilities made provisionally towards compensation and other expenses relatable to land are treated as cost of land.

B. INTANGIBLE ASSETS

Software (not being an integral part of the related hardware) acquired for internal use, is stated at cost of acquisition less accumulated amortisation and impairment losses, if any and is recognised as intangible asset.

C. CAPITAL WORK IN PROGRESS

- a) Cost of material consumed including the value of materials issued to contractors but not utilized at construction site and erection charges thereon along with other related expenditures incurred are shown as CWIP till date of capitalization.

- b) Borrowing costs directly attributable to qualifying assets, are capitalized to such assets. The income on temporary investment of the borrowed funds is reduced from the amount of interest cost on the said borrowings.
- c) The Employees cost and Administrative & General expenses of Planning, project and civil department are allocated fully to capital works in progress (CWIP) on pro rata basis based on annual accretion in CWIP.
- d) Employee Cost on projects which are executed by Powergrid Corporation of India Ltd. (PGCIL) on behalf of the company are charged @ 2.55% on annual capital expenditure on projects.

2.4 Depreciation:

- a) The Company is governed under the Electricity Act 2003 and Delhi Electricity Reforms Act 2000 as per which the tariffs of the Company are regulated, the Company is now charging depreciation at the rate specified in the Tariff Regulations, 2011 notified by Delhi Electricity Regulatory Commission (DERC).
- b) In respect of new vehicles allotted to the officers of the Company as per its vehicle policy, the Company has charged depreciation at the rate of 20% after realising the 10% of the cost of vehicle from the concerned officers. As per the policy, the vehicles shall be transferred in the name of the officers concerned after 5 years at NIL value.
- c) Assets costing up to Rs.5000/- are fully depreciated in the year in which these are put to use.
- d) Where the cost of depreciable assets has undergone a change during the year due to increase/decrease in long term liabilities on account of price adjustment, change in duties or similar factors, the unamortized balance of such assets is adjusted for such change and depreciated prospectively over the residual useful life.
- e) Depreciation charged on assets shall cease from the year following the year in which:
 - i) The year's depreciation along with the depreciation charged in the previous year(s) becomes equal to 90 % of the cost of the asset, or
 - ii) The asset permanently ceases to be used by the Company whichever is earlier.
- f) Leasehold land & buildings which are upto the lease of 30 years are amortized over the lease period. Leasehold land and buildings, whose lease period is yet to be finalized, are amortized over a period of 30 years. In case of the land under license from GNCTD, no depreciation is charged.
- g) In the case of ERP system, the cost of hardware is depreciated @ 33.34%.

2.5 Impairment

- i) In terms of AS-28 the carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use.
- ii) After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.
- iii) A previously recognised impairment loss is increased or reversed depending on changes in circumstances. However the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

2.6 Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline in the value of the investments.

2.7 Inventory Valuation

- a) The company has a main store for inventories of various materials, tools, spares etc., from where the said items are issued to the various Sub-Stations, sites and offices. The spares other than capital spares issued from the main store to the sub-stations and sites against the requirements of scheduled maintenance and execution of works is treated as stores consumable. However the quantitative records of the materials, spares and tools at respective substations and sites are maintained for the control purpose.
- b) Inventories of stores and spare parts and loose tools in stock are valued at cost, on weighted average basis.
- c) Construction Steel Scrap is valued at estimated realizable value or book value whichever is less. Other Scrap is accounted for as and when sold.

- d) The diminution in the value of obsolete, unserviceable and surplus stores and spares is ascertained by committee provided for in the form of provision for slow moving stores.

2.8 Grant in Aid

As per the method prescribed in Accounting Standard (AS)-12 "Government Gant", grants related to depreciable assets are treated as deferred income which is recognised in the Profit and Loss statement on a systematic and rational basis over the useful life of the asset.

2.9 Revenue Recognition:

- a) Transmission Income is accounted for based on the tariff rates approved by the Delhi Electricity Regulatory Commission (DERC)/Appellate Tribunal for Electricity (APTEL) and are accounted for in the year of order issued by the DERC/APTEL.
- b) The incentives/disincentives are accounted for based on the norms notified/approved by the Delhi Electricity Regulatory Commission or agreements with the beneficiaries.
- c) The surcharge on late payment/overdue sundry debtors for sale of energy/Wheeling Charges is not treated accrued due to uncertainty of its realization and is, therefore, accounted for on receipt basis.
- d) Warranty claims/liquidated damages are not treated accrued due to uncertainty of realization and are accounted for on receipt/ recovery from bills payable to suppliers/contractors.
- e) Scrap other than construction steel scrap is accounted for in the accounts as and when sold.
- f) Insurance claims are accounted for in the year of acceptance.
- g) The income or expenditure as the case may be on account of revision in tariff is accounted for on the basis of receipt of orders of DERC/CERC
- h) Revenue on cost plus Construction Contracts/Project Management works is recognized by including eligible contractual items of expenditure plus proportionate margin as per contract.

2.10 Foreign Currency Translations:

- a) Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

- b) Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

- c) Exchange Differences

Exchange differences arising on settlement of monetary items or on reporting Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

2.11 Retirement and other employee benefits:

- a) In respect of employees employed before the unbundling (DVB employees):

The Company pays fixed contribution to Provident Fund at predetermined rates to a separate trust. The employer's contribution to the fund for the year is recognised as expense and is charged to the Statement of Profit & Loss.

- b) In respect of employees employed by the company after the unbundling i.e. other than DVB employees:

- Ø Eligible employees of the company receive benefits under the Provident Fund & NPS which is defined contribution plan wherein both the employee and the company make monthly contributions equal to a specified percentage of the employee's salary. These contributions are made to the funds administered and managed by Government of India. The Company's required monthly contribution is charged to Statement of Profit and Loss.

- Ø Gratuity liability is defined benefit obligation and are provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.
- Ø Compensated absences are provided for based on actuarial valuation. The actuarial valuation is done as per projected unit credit method.
- c) Payments made under the Voluntary Retirement Scheme are charged to the statement of Profit and Loss.

2.12 Taxes on Income:

- a) Current tax is determined on the amount of tax payable in respect of taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income-tax Act, 1961 and other applicable tax laws.
- b) Deferred tax is recognized on timing differences between the accounting income and taxable income for the year and quantified using the tax rates and laws enacted or substantively enacted as on Balance Sheet date. Deferred tax assets are recognized and carried forward to the extent there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

2.13 Earning per share (AS-20):

- (a) Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events of bonus issue.
- (b) For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

2.14 Provisions and Contingent Liabilities

A provision is recognised when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Provision for expenditure relating to voluntary retirement is made when the employee accepts the offer of early retirement. Provisions have been differentiated as long term and short term keeping in the requirement of schedule III of Companies Act, 2013.

Contingent liabilities are disclosed on the basis of judgment of management. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate. Contingent assets are not recognised in the Financial Statements.

2.15 Cash Flow Statement

Cash flow statement is prepared in accordance with the indirect method prescribed in the relevant Accounting Standard

2.16 Cash and Cash equivalents:

Cash and cash equivalents in the balance sheet comprise balance at bank, cash in hand and short-term investments with an original maturity period of three months or less.

2.17 Debenture (Bonds) Redemption Reserve:

In terms of Section 71 (4) of the Companies Act, 2013 and the SEBI Guidelines, Company maintains Debenture (Bonds) Redemption Reserve at 50% of the amount of the Bonds outstanding at the end of each year.

2.18 Insurance Reserve:

Company creates Insurance Reserve @ 0.10% of the Gross Block of Fixed Assets in order to meet the loss/damage to assets and stores due to any accident, theft etc., by transfer every year out of its current year profits.

2.19 Prior Period and extraordinary items:

Prior Period and Extraordinary transactions are accounted for in accordance with Accounting Standard-5.

2.20 Significant Events occurring after the Balance Sheet date:

Treatment of contingencies and significant events are in accordance with Accounting Standard-4.

Note 3
Share capital
(Rs. In Lakhs)

Particulars	2015-16	2014-15
	Amount	Amount
Authorised		
45000 Lakh Equity Shares of Rs.10 each	4,50,000.00	4,50,000.00
Issued, Subscribed & Paid up		
39510 Lakhs Equity Shares of Rs.10 each out of which	3,95,100.00	3,95,100.00
2600 Lakhs shares of Rs.10 each are held by Delhi Power		
Company Ltd and 36910 Lakhs Shares of Rs.10 each		
held by Govt. of NCT of Delhi		
Total	3,95,100.00	3,95,100.00

Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period i.e. 2015-16

(Rs. In Lakhs)

Particulars	2015-16		2014-15	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	39,510.00	3,95,100.00	39,510.00	3,95,100.00
Shares Issued to Govt. of NCT of Delhi	-	-	-	-
Shares issued to Delhi Power Company Ltd	-	-	-	-
Shares bought back during the year				
Shares outstanding at the end of the year	39,510.00	3,95,100.00	39,510.00	3,95,100.00

Shares in the company held by each shareholder holding more than 5 percent shares

(Rs. In Lakhs)

Name of Shareholder	2015-16		2014-15	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Delhi Power Company Ltd.	26,00,00,000	6.58	26,00,00,000	6.58
Govt of NCT of Delhi	3,69,10,00,000	93.42	3,69,10,00,000	93.42
	3,95,10,00,000	100.00	3,95,10,00,000	100.00

Note 4
Reserves and surplus
(Rs. in Lakhs)

	2015-16	2014-15
	Amount	Amount
A. Debenture Redemption Reserve		
Opening Balance	10,000.00	8,000.00
(+) Current Year Transfer-+ve/(-ve)	(1,000.00)	2,000.00
Closing Balance	9,000.00	10,000.00
B. Insurance Reserve		
Opening Balance	1,433.54	1,046.19
(+) Current Year Transfer	433.23	387.35
Closing Balance	1,866.77	1,433.54
C. Capital Reserve		
Opening Balance (Grant-in-Aid)	20,000.00	-
(+) Current Year Transfer	-	20,000.00
(-) Transferred to Income	(85.46)	-
Closing Balance	19,914.54	20,000.00
D. Surplus		
Opening balance	(2,29,310.34)	(2,59,322.94)
(+) Net Profit/(Net Loss) For the current year	43,964.49	32,409.22
(+) Depreciation due to change in policy/useful life of assets-+ve/(-ve)		(9.27)
(+) Transfer to Reserves-+ve/(-ve)	566.77	(2,387.37)
Closing Balance	(1,84,779.08)	(2,29,310.34)
Total (A+B+C)	(1,53,997.77)	(1,97,876.80)

- (i) Insurance Reserve : Insurance Reserve has been created during the current year as per the policy of the Company.
- (ii) Debenture (Bonds) Redemption Reserve: In terms of Section 71 (4) of the Companies Act, 2013 and the SEBI Guidelines, the company has maintained Debenture (Bonds) Redemption Reserve amounting to Rs.9000 lakhs out of the profits being 50% of the amount of Bonds outstanding.

Note 5
(Rs. In Lakhs)

Long Term Borrowings	2015-16			2014-15		
	Total	Less: Maturities within one year	Net Borrowing	Total	Less: Maturities within one year	Net Borrowing
Secured						
(a) 9.5% Secured Redeemable Non Convertible Power Bonds (Secured by Pari Passu charge over assets of the company.)	18,000.00	2,000.00	16,000.00	20,000.00	2,000.00	18,000.00
(b) Term loans						
1. Allahabad Bank, Green Park Branch (Rate of Interest-Base Rate)	39,576.65	4,583.00	34,993.65	44,159.98	4,583.00	39,576.98
(Secured By Pari Passu Charge over Assets of the company)						
2. State Bank of India, Nehru Place Branch (Rate of Interest-Base Rate)	36,142.96	3,742.00	32,400.96	39,885.56	3,742.00	36,143.56
(Secured By Pari Passu Charge over Assets of the company)						
(c) Other loans and advances (Vehicle Loan)	6.33	6.33	-	36.89	36.89	-
(Secured by hypothecation of vehicles)						
(Rate of Interest-Base Rate)						
Sub Total (A)	93,725.94	10,331.33	83,394.61	1,04,082.43	10,361.89	93,720.54
Unsecured						
(a) Term loans						
Loan from State Government for approved Plan Scheme (Rate of Interest-9.5% to 11.5%)	1,14,247.74	25,163.07	89,084.67	84,747.73	15,944.00	68,803.73
Sub Total (B)	1,14,247.74	25,163.07	89,084.67	84,747.73	15,944.00	68,803.73
Sub Total (A+B)	2,07,973.67	35,494.40	1,72,479.28	1,88,830.16	26,305.89	1,62,524.27

i) Term loan from Allahabad Bank

Sanctioned amount of Rs. 55000 Lakhs in FY 2010-11 is repayable in 12 equal annual instalments.

ii) Term loan from SBI

Loan of Rs 3312 Lakhs repayable in two instalment, one instalment of Rs. 1667 Lakhs in FY 2023-2024 and the final instalment being Rs. 1645 Lakhs towards final repayment in March 2024. Other loan repayable in annual equal installment.

iii) Term loan from GNCTD

(a). Sanctioned amount of Rs. 29792 Lakhs is repayable in 12 equal annual instalments.

(b). Sanctioned amount of Rs. 91544 Lakhs is repayable in 15 equal annual instalments.

Note 6
Other Long Term Liabilities

(Rs. In Lakhs)

	2015-16	2014-15
	Amount	Amount
Retention Money	15,386.59	14,129.86
Security Deposits	242.64	211.77
Advance against deposit works (Net of work executed)	1,509.36	1,973.99
Payable to DPCL	5,712.80	5,903.91
Total	22,851.39	22,219.53

Note 7
Long Term Provisions

(Rs. In Lakhs)

	2014-15	Additions	Write Back	Utilization	2015-16
(a) Provision for employee benefits					
Provisions based on Actuarial Valuation	2,177.32	305.43	-	-	2,482.75
(b) Others					
Provision for disputed Claims	6,036.21	-	-	-	6,036.21
Total	8,213.53	305.43	-	-	8,518.96

Note 8
Short Term Borrowing

(Rs. In Lakhs)

	2015-16	2014-15
	Amount	Amount
Secured		
Working Capital Loans		
State Bank of India (Rate of Interest-Base Rate plus .10%)	NIL	7,500.00
Allahabad Bank (Rate of Interest-Base Rate)	NIL	0.09
Unsecured		
Short Term loans		
Loan from Delhi Power Company Limited. (Rate of Interest-10% p.a)	20,000.00	20,000.00
Total	20,000.00	27,500.09

Working Capital Loans-Secured By Pari Passu Charge over the Current Assets

Note 9
Trade Payable

(Rs. In Lakhs)

	2015-16	2014-15
	Amount	Amount
Micro and Small Scale Enterprise	Nil	Nil
For goods and services	3,449.50	1,129.42

Disclosure regarding dues to micro and small enterprises are required by the MSMED Act 2006 is made in Note no.27

Note 10
Other Current Liabilities

(Rs. In Lakhs)

	2015-16	2014-15
	Amount	Amount
Current maturities of long term borrowings		
Secured		
Bonds	2,000.00	2,000.00
Term Loans	8,325.00	8,325.00
Vehicle Loan	6.33	36.89
Un-Secured		
Loan from State Government for approved Plan Scheme	25,163.07	15,944.00
Interest accrued but not due on loans from Govt & Banks	6,733.73	5,833.44
Interest Due to GNCTD but not paid	20,491.45	11,881.78
Interest accrued on Bonds	140.55	156.16
Earnest Money Deposit	197.81	169.18
Payable against Recoveries (Employees)	259.31	177.89
Payable to Pension Trust (Ref Note No. 27 (8))	5,915.79	3,768.96
Income Tax Payable	83.47	-
Duties & Taxes	360.06	146.96
Retention Money	848.27	4,668.21
Payable to Employees	56.51	47.98
Advance from Customer	338.46	120.19
Expense Payable	170.69	160.57
PGCIL Lease Payable (Refer Note No.27 (6))	1,769.42	1,769.42
Total	72,859.91	55,206.63

Faced with severe fund deficit owing to continuing defaults by BSES Yamuna & BSES Rajdhani in releasing the payments to the company against wheeling and other commercial charges, the company had to defer the repayment of instalment of loan and interest due since FY2013-14 to FY2015-16 for payment to GNCTD during 2015-16 amounting to Rs.16577.46 lakhs (Previous Year Rs.9325.20 lakhs) and Rs.20491.45 lakhs (Previous Year Rs.11881.78 lakhs) respectively for which the approval of GNCTD is under process.

Note 11
Short Term Provisions

(Rs. In Lakhs)

	2014-15	Additions	Write Back	Utilization	2015-16
(a) Provision for employee benefits					
Provision for actuarial valuation-short term	96.91	11.60	-	-	108.51
Provision for Ex-Gratia	431.55	532.51	-	(431.55)	532.51
Provision for LSPC Contr Deputation	95.75	93.67	-	(95.75)	93.67
Provision for LTC	13.34	8.87	-	(13.34)	8.87
Provision for IPGCL Employee Salary	220.27	-	-	(8.90)	211.37
Provision for Incentive	32.65	-	-	-	32.65
Provision for Interest refundable	2.96	-	-	-	2.96
Sub Total (A) -	893.43	646.65		(549.54)	990.54
(b) Provisions on account of					
Road Restoration & Works	131.78	-	-	-	131.78
Prov for O&M Charges (PGCIL)	615.20	330.42	-	(615.20)	330.42
Other Expenses	793.03	2,370.03	-	-	3,163.06
Sub Total (B) -	1,540.01	2,700.45		(615.20)	3,625.26
(c) Provisions related to Works & Projects	5,943.38	4,808.19	-	(5,943.38)	4,808.19
Sub Total (C) -	5,943.38	4,808.19		(5,943.38)	4,808.19
(d) Others Provisions					
Statutory & Tax Audit Fees	8.66	9.82	-	(8.66)	9.82
Ground Rent	1,146.29	155.00	-	-	1,301.29
Property Tax	582.44	340.00	-	-	922.44
Sub Total (D) -	1,737.39	504.82	-	(8.66)	2,233.55
Total (A+B+C+D)	10,114.21	8,660.11	-	(7,116.78)	11,657.54

(Rs. In Lakhs)

Note 12

Fixed Asset Detail

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	Balance as at 01.04.2015	Additions during the year	Deduction/ Adjustments	Balance as at 31.03.2016	Balance as at 01.04.2015	Depreciation charge for the year	On disposals/ prior period adjustments	Balance as at 31.03.2016	Balance as at 31.03.2016	Balance as at 01.04.2015
(i) Tangible Assets										
Building (Office)	1,511.00	136.22	0.00	1,647.22	1,109.08	52.01	0.00	1,161.09	486.14	401.92
Building (Residential Colonies)	354.35	51.75	0.00	406.10	147.21	7.43	0.97	155.61	250.49	207.14
Building (sub-Station)	3,667.08	17.98	0.00	3,685.06	946.30	122.57	0.00	1,068.87	2,616.19	2,720.78
Computer	514.39	119.21	0.00	633.60	411.41	53.86	0.00	465.28	168.32	102.98
ERP Hardware	1,019.01	0.00	0.00	1,019.01	988.64	30.37	0.00	1,019.01	0.00	30.37
Four Bays of 400 KV	1,199.63	0.00	0.00	1,199.63	666.02	63.34	0.00	729.36	470.27	533.61
Furniture and Fixture	542.96	8.69	0.00	551.66	344.83	29.84	0.00	374.66	176.99	198.14
Land	6,907.88	243.26	0.00	7,151.14	0.00	0.00	0.00	0.00	7,151.14	6,907.88
Lines, Cable Network etc	1,24,538.48	35,392.70	0.00	1,59,931.18	29,963.09	7,426.14	7.44	37,396.68	1,22,534.50	94,575.42
Meters	177.97	0.00	0.00	177.97	60.74	9.37	0.00	70.12	107.85	117.23
Office Equipment	705.38	13.42	0.00	718.80	271.47	44.54	0.00	316.01	402.78	433.91
Other Civil Works	25,959.39	581.24	0.00	26,540.64	6,252.90	881.28	1.17	7,135.35	19,405.29	19,706.48
Plant & Machinery	2,11,369.09	9,831.45	-342.85	2,20,857.70	58,070.76	11,245.28	27.67	69,343.70	1,51,514.00	1,53,298.34
SCADA PLCC-Leased	3,955.10	0.00	0.00	3,955.10	3,757.35	0.00	0.00	3,757.35	197.75	197.75
SCADA PLCC-Owned	1,419.26	0.00	0.00	1,419.26	1,284.37	73.73	0.00	1,358.10	61.16	134.88
Small Value Assets	52.08	7.42	0.00	59.50	52.08	7.42	0.00	59.50	0.00	0.00
Vehicle Office	268.66	14.66	0.00	283.31	227.92	18.18	0.00	246.10	37.22	40.74
Vehicle Staff	328.01	6.30	-200.70	133.61	234.31	26.34	-171.41	89.24	44.37	93.70
Total	3,84,489.72	46,424.31	-543.55	4,30,370.48	1,04,788.47	20,091.68	-134.15	1,24,746.00	3,05,624.48	2,79,701.27
(ii) Intangible Asset										
ERP Software	2,856.33	0.00	0.00	2,856.33	2,670.41	156.73	0.00	2,827.14	29.19	185.92
Total	2,856.33	0.00	0.00	2,856.33	2,670.41	156.73	0.00	2,827.14	29.19	185.92
Grand Total (i+ii)	3,87,346.05	46,424.31	-543.55	4,33,226.81	1,07,458.86	20,248.40	-134.15	1,27,573.13	3,05,653.67	2,79,887.19

(iii). Capital Work in Progress

	Opening Balance as on 01-04-2015	Addition	Capitalization	Closing Balance as at 31.03.2016
	32,040.62	36,350.95	(46,215.63)	22,175.94
Total	32,040.62	36,350.95	(46,215.63)	22,175.94

Note: Land as appearing in the books of the company is in the name of GNCTD. The amount shown is only for payment made by the company on account of compensation etc.

Note 13
Other Non Current Assets

(Rs. In Lakhs)

	2015-16	2014-15
	Amount	Amount
Security Deposit (A)	856.68	858.35
Advances to suppliers & Govt. Dept.(B)	24,481.18	13,779.20
Total -(A+B)	25,337.86	14,637.55

Note 14
Current Investment

(Rs. In Lakhs)

	No. of Shares	2015-16	2014-15
		Amount	Amount
8.25% NPCIL	22.00	-	22.00
Total		-	22.00

Note15
Inventories (Stores & Spares)

(Rs. In Lakhs)

	2015-16	2014-15
(As taken valued and certified by management)	Amount	Amount
Stores & Materials (As valued and certified by Management)	1,085.35	1,333.59
Less: Provision for Slow Moving Stores	(137.13)	(137.13)
Total	948.22	1,196.46

Note16
Trade Receivables

(Rs. In Lakhs)

	2015-16	2014-15
	Amount	Amount
Trade receivables outstanding for a period exceeding six months from the date they are due for payment.		
Unsecured and Considered Good	1,01,807.22	83,374.27
Sub Total (A)	1,01,807.22	83,374.27
Trade receivables outstanding for a period less than six months from the date they are due for payment		
Unsecured and Considered Good	42,357.68	24,665.18
Sub Total (B)	42,357.68	24,665.18
Total Total (A+B)	1,44,164.90	1,08,039.45

As per Bulk Power Transmission agreement (BPTA) executed between company and distribution utilities, former is entitled to Late payment surcharge (LPSC) against the delay in payment of Bills after due date and therefore on account of the same LPSC is also recoverable from Distribution Companies (DISCOMs) on the amount of overdue bills. However as per the approved accounting policy of the company the amount of LPSC is recognised as income and recoverable from utilities only on receipt basis. Therefore the outstanding amount of trade receivable as shown above does not include the amount of LPSC recoverable from utilities. The outstanding amount due from utilities as shown above is subject to reconciliation & confirmation.

Note17**Cash and cash equivalents**

(Rs. In Lakhs)

	2015-16	2014-15
	Amount	Amount
Cash in hand	1.92	0.98
Balance with Scheduled Banks:		
Balance in current accounts	2,067.92	798.89
<u>Term Deposit (Having original maturity of less than 3 Months)</u>		
Fixed Deposit-Plan	12,500.00	10,313.10
Fixed Deposit-Non Plan	8,500.00	1,800.00
Corporate Liquid Term Deposit-Plan	-	53.33
Corporate Liquid Term Deposit-Non Plan	111.58	45.78
Fixed Deposit-State Load Despatch Centre	1,201.61	1,574.14
Fixed Deposit-Capital Grant	5,788.40	15,501.27
Total	30,171.43	30,087.49

Note18**Short-term loans and advances**

(Rs. In Lakhs)

	2015-16	2014-15
	Amount	Amount
Advance recoverable		
<i>Unsecured considered good</i>		
Govt Departments & Outside parties	38.22	27.56
Recovery from Suppliers	298.34	
Staff	46.09	67.71
Prepaid Expenses	17.89	11.13
Income Tax	-	-
Govt of NCT of Delhi	888.79	995.99
Indraprastha Power Generation Company Ltd	26.51	26.51
Total	1,315.84	1,128.90

As per DERC Tariff order, during the year a sum of Rs.70 Lakhs (Previous Year Rs.70 Lakhs) has been billed to DISCOMs on account of Public Grievance Cell run by GNCTD. The same is adjusted against advance recoverable from GNCTD.

Note19**Other Current Assets**

(Rs. In Lakhs)

	2015-16	2014-15
	Amount	Amount
Income Tax Refund (Net off MAT Liability)	22,513.38	16,846.34
<i>Deposit under protest</i>	532.74	
Interest accrued on Fixed Deposit	82.12	221.53
Interest accrued on advance to staff/outside parties	22.71	22.90
Interest accrued on Investment	-	0.45
Total	23,150.95	17,091.22

Note20
Revenue from operations

(Rs. In Lakhs)

Particulars	2015-16	2014-15
	Amount	Amount
Income from Wheeling Charges	1,01,841.00	73,475.00
Income from SLDC charges	903.56	903.56
Total	1,02,744.56	74,378.56

Explanatory Note:

Since the expiry of the Policy Direction Period w.e.f 31.03.2007, the Company has ceased to carry on the business of bulk purchase and sale of power and from the said date, Company is carrying on the business of transmission of power (wheeling operations) and also discharging the functions of SLDC as State Transmission Utility (STU). Wheeling charges for the financial year 2015-16 have been billed to the DISCOMS, MES and NDMC as per the Tariff Order dated 29.09.2015 issued by DERC and for SLDC as per the provisional order passed by DERC in year 2008-09. During the financial year 2015-16, the Company has billed a sum of Rs. 101841 lakhs (Previous Year Rs.73475 lakhs) & Rs. 903.56 lakhs (Previous Year Rs. 903.56 lakhs) to Discoms, NDMC and MES towards Wheeling Charges and SLDC charges respectively and included the same in the income from wheeling charges and income from SLDC charges for the financial year 2015-16.

Note21
Other Operating Revenue

(Rs. In Lakhs)

Particulars	2015-16	2014-15
	Amount	Amount
STU Charges-Open Access	4,399.81	3,844.35
Operating Charges-Open Access-SLDC	90.12	133.54
Incentive From Discom	1,088.32	426.72
Income Loading Data ABT Meter	1.96	2.35
Application Money Open Access-SLDC	50.59	51.57
Reactive Energy Charges	76.26	101.54
External Project-Revenue	512.50	
LPSC on Wheeling Charges	2,333.55	2,547.27
Total	8,553.11	7,107.34

Explanatory Note:

During the financial year 2015-16, BSES Rajdhani Power Ltd. and BSES Yamuna Power Ltd. have deposited TDS amounting to Rs. 641.34 lakhs (Previous Year Rs. 1651.62 lakhs) & Rs. 1692.21 lakhs (Previous Year Rs. 895.65 lakhs) respectively on the amount of late payment surcharge (LPSC) and credited the same to the company's account. Since the amount of LPSC is not only subject to reconciliation but has also not been realised, therefore following the accounting policy of the company the income has been recognised during the financial year 2015-16 to the extent of the amount of TDS credited to the account of the company and shown the same under Other Operating Revenue as per accounting policy 2.9 (C)

Note22
Other income

(Rs. In Lakhs)

Particulars	2015-16	2014-15
	Amount	Amount
Gain on sale of scrap	427.30	792.08
Interest on FD/CLTD	1,799.70	799.26
Excess Provision W/back	-	787.18
Interest on Investments	1.37	1.82
Income from revised tariff	3,009.15	1,126.87
Foreign Exchange Currency Fluctuation	32.60	-
Deffered Grant Income	85.46	-
Other miscellaneous receipts	297.66	870.13
Total	5,653.23	4,377.34

During the Financial Year 2015-16, the Company has accounted for income of Rs.3009.15 lakhs (Previous Year Rs.1126.87 lakhs) earned towards Power Purchase cost against the revised tariffs announced by CERC/Appellate Bodies in respect of the Power purchased by the Company before 01st April 2007 from various Generating Utilities.

Note23
Employee Benefits Expenses

(Rs.In Lakhs)

Particulars	2015-16	2014-15
	Amount	Amount
Salaries, Wages & Allowances	12,898.97	12,355.74
Staff Welfare Expenses	729.44	561.24
Contribution to Provident Fund	320.94	289.21
Terminal Benefits (Pension & Gratuity and Leave Encashment)-Contribution	1,119.49	1,274.48
Sub Total	15,068.84	14,480.67
Less: Capitalized*	(2,637.26)	(4,724.24)
Total	12,431.58	9,756.43

* Amount include ₹399.57 Lacs on account of PGCIL Projects (Refer Note No.2.3 C (d) of accounting policy)

Note24
Finance Cost

(Rs. In Lakhs)

Particulars	2015-16	2014-15
	Amount	Amount
Interest on Loan From State Government,Banks and Bonds	21,736.62	21,763.80
Bank & other Charges	0.76	0.82
Less: Interest Income of FD/CLTD	(530.83)	(926.70)
Sub Total	21,206.55	20,837.92
Less:Capitalised	(1,319.46)	(7,993.58)
Total	19,887.09	12,844.34

Note25
Transmission,Administration and other Expenses

(Rs. In Lakhs)

Particulars	2015-16	2014-15
	Amount	Amount
Repairs & Maintenance Expenses		
Buildings	622.28	550.86
Lines,Cable and Network Assets	1,483.09	1,619.91
Vehicles	9.84	7.93
Others	260.86	246.21
Sub Total (A)	2,376.07	2,424.90
Consumption of stores and spare parts	1,209.01	1,249.98
Sub Total (B)	1,209.01	1,249.98
Administration,General & Other Expenses		
Electricity & Water Charges	605.37	942.21
Communication Expenses	68.52	59.92
Professional charges	64.81	87.11
Travelling & Conveyance	70.45	23.33
Advertisement & Publicity	98.53	92.72
Medical expenses	360.25	380.99
Security expenses	1,273.62	746.21
Other Expenses	779.71	823.17
Less :Capitalization (from Admin,Gen & Other exp)	(134.76)	(952.59)
Sub Total (C)	3,186.50	2,203.07

Payment to auditor :		
Statutory Audit Fees	6.96	6.80
Tax Audit Fees	1.39	1.36
Out of Pocket expenses	0.55	0.50
In other Capacity	0.91	-
Sub Total (D)	9.82	8.66
Others		
Property Tax	340.00	2,266.00
License Fees	50.00	50.00
Foreign Exchange Currency Fluctuation	-	1,325.28
Rebate allowed on wheeling charges	332.67	256.80
External Project Cost	475.58	
Legal expenses	72.92	64.05
Ground Rent, Rates & Taxes	155.00	150.00
Sub Total (E)	1,426.17	4,112.12
Total (A+B+C+D+E)	8,207.57	9,998.73

Note 26
Prior Period Items (Net)

(Rs. In Lacs)

Particulars	2015-16	2014-15
	Amount	Amount
Prior Period Income	(175.08)	(159.58)
Prior Period Expenses	458.41	461.12
Total	283.33	301.54

Note 27 Other Explanatory Notes to Accounts
1. Disclosure relating to Contingent Liabilities:-
A. Claims against the Company not acknowledged as debts in respect of

- The contingent liability on account of arbitration/Court cases and other claims are Rs.33138.43 Lacs plus interest (Previous year Rs.5491.65 Lakhs plus interest). The company had filed counter claims of Rs. 200.18 lakhs (Previous Year Rs.1085.78 Lakhs) against these claims. The company has not assessed probable outflow (if any) of these claims and no provision has been made.
- The above contingent liabilities do not include contingent liabilities on account of pending cases in respect of service matters & others where the amount cannot be quantified.
- North Delhi Municipal Corporation (NDMC) and East Delhi Municipal Corporation (EDMC) have raised the demand of Property Tax against towers amounting to Rs.424.92 Lakhs and Rs. 20998.93 Lakhs respectively. South Delhi Municipal Corporation had demanded property tax against Building amounting to Rs.1684.66 Lakhs. The Company has contested before the MCD as well as by filing the writ petition before hon'ble High Court of Delhi. Company is contingently liable for Rs. 394.92 Lakhs against NDMC, Rs. 6113.76 Lakhs against EDMC and Rs. 1684.66 Lakhs against SDMC.
- An amount of Rs.532.74 Lakhs stands paid towards above contingent liabilities to contest the cases and is being shown as Current Assets.
- Disputed Income Tax demands are pending before appellate authorities' amounting to Rs.129.90 Lakhs (Previous year Rs.1606.00 Lakhs). The Management has decided that the demand is not tenable as such no provision has been made.
- A claim of Rs. 12211.00 Lakhs has been raised by DPCL against company for the payments released by DPCL for works, supplies, property tax etc. However, the details of the same are yet to be received by the company. Further the admissibility of the said claim is under examination by the company in terms of the Transfer Scheme rules and therefore the said claim has not been acknowledged and the same has not been recognised in the accounts of the company in the current year but has been disclosed as contingent liability.

- vii. Late Payment Surcharge on the revised power purchase cost amounting to Rs. 852.47 Lakhs (Previous year Rs. 752.56 Lakhs) has been claimed by SJVNL Ltd. which has been disputed by the company.
- viii. In the True up order dated 31.07.2013, hon'ble Delhi Electricity Regulatory Commission (DERC) has computed the amount of income tax liability of the company as recoverable from DISCOMs, NDMC and MES which is less than the amount of income tax liability assessed, discharged and claimed/recovered by the company from three discoms, NDMC and MES over and above the approved ARR for the each year of control period 2007-12. Thus hon'ble DERC in its tariff order dated 31.07.2013 has directed the company to refund a sum of Rs. 21839.00 Lakhs to Discoms, NDMC & MES. Aggrieved by the said computation of amount of Income tax recoverable from the said utilities, the company filed the appeal before the hon'ble APTEL. Hon'ble APTEL has decided the case in favour of DTL and the matter is remanded back to DERC to consider the Income Tax amount paid with due verification and prudence check. Matter is under consideration before hon'ble DERC.
- ix. DERC had demanded licence fee and interest for the delay in payment of license fee for the previous years. The company has paid license fee but contested the interest amount of Rs. 315.00 Lacs and shown as contingent liability.
- x. Security agency, namely, M/s Vishal Protection Force was awarded a contract of providing security personnel for various installations of the Company. As per the agreement, the agency is liable to make the payment to the security personnel as per minimum wages notified from time to time by Govt of NCT of Delhi. However, under a dispute the agency has not paid the minimum wages amounting to Rs. 292.00 lakhs on revision of minimum wages during the currency of the contract to the security personnel. Under the provisions of the relevant law, the Company is contingently liable as a principal employer for the revised minimum labour which works out to Rs. 292.00 Lakhs, as stated above.
2. Estimated value of contracts remaining to be executed on Capital Account (net of advance) and not provided for as at 31st March 2016 amounts to Rs. 71218.50 Lakhs (Previous year Rs. 85,595.94 Lakhs).
3. Balances of Sundry Debtors, Sundry Creditors, Advances, other Parties and bank balances shown in the Accounts for the financial year 2015-16 are subject to Confirmation/Reconciliation.
4. Machinery spares procured along with the Plant & Machinery or subsequently and whose use is expected to be irregular are required to be capitalized. The company is in process of identifying the list of such machinery spares. Capitalization shall be done after identification of such spares.
5. During the year some of the assets were purchased on buy back scheme against old asset. However residual value of old asset replaced has not been ascertained and reduced from the gross block of the fixed assets.
6. The SCADA equipment of Rs. 3955.10 Lakhs being used for ULDC system was acquired by the Company from PGCIL on lease payment basis payable over a period of 15 years. As on 31.03.2007, the Company had a liability of Rs. 3431.00 Lakhs due to PGCIL on this account and was shown as such in the annual accounts of the Company for the year ended on March 31, 2007. However, as per the orders passed by hon'ble DERC w.e.f. 1st April 2007, the balance liability is to be discharged by the DISCOMS, NDMC & MES, being the beneficiary constituents of ULDC system from that date. Accordingly, since the SCADA equipment has been recognised as asset in the books of the Company and depreciation amounting to Rs. 3757.35 Lakhs on it being claimed in ARR of the company, but at the same time its liability payable to PGCIL is being discharged by the constituent beneficiaries directly, the amount of the same has been accounted for as the income of the company in earlier years. As on 31st March 2016, the amount payable to PGCIL stands at Rs. 1769.42 lakhs and is subject to confirmation as at the close of the year.
7. The company is liable to pay revised wage with effect from 1st January, 2016 in accordance with recommendation of 7th Pay commission. The effect of the same has not been ascertained and provided.
8. For the purpose of arranging funds for DVB Pension Trust (ETBF,2002), the hon'ble DERC is providing funds through distribution tariffs which are collected by the company as nodal agency from the distribution utilities and the realised amount is then remitted to DVB Pension Trust by the company. For the Financial Year 2015-16 the hon'ble DERC has approved Rs. 57322.00 lakhs (Previous Years Rs. 47000.00 lakhs) towards the funding of DVB Pension Trust. As the company is merely a nodal agency in this behalf without incurring any liability towards the DVB Pension Trust, the said amount is not shown as the income of the company nor is it charged to expenses against payment to be released to DVB Pension Trust. During the financial year 2015-16, the Company has paid a sum of Rs. 31458.57 lakhs (Previous year Rs. 30521.35 lakhs) to Pension Trust against the provision of Rs. 57322.00 lakhs (Previous Year Rs. 47000.00 lakhs) after realising

the same from the three DISCOMs (namely BYPL, BRPL, TPDDL) in terms of the tariff order issued by hon'ble Commission in pursuance to the representation/petition filed by DVB Pension Trust(ETBF,2002). As on 31.03.2016 a sum of Rs. 24654.19 lakhs (Previous Year Rs. 16478.65 lakhs) is due from the utilities.

9. Company is dealing with the SLDC function also as per the provisions of Electricity Act. The summarized financial position of SLDC is given as under

(Rs. In Lacs)

Particulars	2015-16	2014-15
Income		
Income from SLDC charges and other operations	1,044.27	1,087.96
Interest from Banks	68.74	106.33
Other Misc receipts	1.42	2.54
Total Revenue	1114.43	1,196.83
Expenditure		
Store Consumed	1.80	12.70
Employee expenses	901.01	786.70
Repair & Maintenance	90.49	92.51
Administrative, General & Other Expenses including Bank Charges	142.97	133.49
Total expenditure	1,136.26	1,025.39
Profit before exceptional & extra ordinary items.	-19.10	171.43
Prior Period Expenses	0	-0.65
Profit/(Loss)	-21.84	172.08
Assets		
Fixed Assets (Net)	141.06	140.04
Capital Work in Progress	13.14	6.06
Stores & Material	63.84	62.18
Sundry Debtors (SLDC & Open Access Charges)	232.22	159.07
Cash & Bank Balances	1,407.47	1,659.76
Loans, Advances & Other current assets	759.08	638.52
Liabilities		
Sundry Creditors for Stores and Works	301.41	878.52
Other Current Liabilities	37.27	-

10. As per the order of the GNCTD, DTL is discharging the SLDC function and maintaining separate central pool bank accounts for UI Energy, REA Energy and Congestion charges for and on behalf of Discoms and the other constituents in Delhi. DTL as SLDC is realising from and disbursing payments to the Discoms/constituents since 01.04.2007 but the same is not accounted for in the books of accounts as well as the financial statements of DTL. Bank accounts are being maintained and operated by the company. The following balances are outstanding as on 31.03.2016

(Rs. In Lacs)

Particulars	31.03.2016
Balance in current account	743.37
Balance in Fixed Deposit	41623.69
Interest earned on Fixed Deposit	3325.63

11. The disclosure under Accounting Standard – 7 on Construction Contracts are as under:

(Rs. In Lacs)

Sl.	Particulars	31.03.2016	31.03.2015
1.	Aggregate amount of costs incurred and recognised profits (less recognised losses) on contracts in progress upto reporting date.	512.50	-
2.	Amount of advances received against contracts in progress at sl no.1	489.63	-
3.	Amount of retention.	-	-
4.	The gross amount due from customers for contract works as an asset.	22.87	-
5.	The gross amount due to customers for contract works as a liability.	-	-

12. Disclosure as required by Accounting Standard-15 on 'Employee Benefits':

- As per Accounting Standard, AS-15 issued by ICAI, Company is required to provide for the liability towards employee benefits which falls under two categories of plans namely defined contribution plan and defined benefit plan. Further, the employee benefits are paid in two forms namely short term employee benefits and post employment benefits (retirement benefits).
- The short term employee benefits i.e. wages and salaries for the whole year have been accounted for with respect to services rendered by the employees during the year 2015-16
- In respect of post employment benefits, the employees of the Company fall in two categories namely (a) Who are in employment before the unbundling of DVB i.e. 01.07.2002 and (b) Who have been employed after the unbundling of DVB i.e after 01.07.2002. In respect of post employment benefits the employees falling in category (a) above are covered with defined benefit plan which include the payment of pension, leave encashment, gratuity, medical benefits and LTC after the retirement. The employees falling in category (b) above are covered under defined benefit plan which include the payment of leave encashment and gratuity on their retirement and also under defined contribution plan i.e. Provident Fund.
- As per Transfer Scheme Rules, 2001 framed for the unbundling of Delhi Vidyut Board (DVB), a Trust designated as Delhi Vidyut Board Employees Terminal Benefit Fund 2002 was created by GNCTD for the payment of post employment benefits mentioned above to the employees of pre unbundling of DVB. The said trust was funded by GNCTD initially at the time of unbundling and subsequently is also required to be funded from the contributions by the successor entities. As per the provisions of AS 15, the defined benefit obligation (post retirement benefits) existing as on balance sheet date with the break up in current year service cost and past year service cost is required to be charged to Profit and Loss account of the year concerned. As per AS15, the value of the aforesaid defined benefit obligations should be accounted for in the accounts on the basis of actuarial valuation on the date of balance sheet. However the Company has continued to pay the monthly contributions to Delhi Vidyut Board Employee Terminal Benefit Fund, 2002 during the current financial year as being done in previous years.

General description of various employee benefit schemes are as under:

A. Provident Fund

In respect of employees employed before the unbundling (DVB employees), the Company pays fixed contribution to Provident Fund at predetermined rates to a separate trust. However, for employees employed by the company i.e. other than Ex-DVB employees, provident Fund & NPS which is defined contribution plan, the contribution are deposited in funds administered and managed by Government of India. The amount is recognized in the financial statements on accrual basis.

B. Gratuity

The Company offers gratuity benefit scheme to its employees employed by the company i.e. other than Ex-DVB employees. The amount is recognized in the financial statements by actuarial valuation at the year end.

C. Leave

The Company provides for earned leave to the employees employed by the company i.e. other than Ex-DVB employees, which is determined for the entire available leave balances (subject to maximum for 300 leaves) standing to the credit of the employees at the end of the year. The liability for the same is recognised on the basis of actuarial valuation.

Summary of various defined benefits as on 31.03.2016 is as under;

Table 1:- Key Actuarial assumption for Actuarial Valuation as at:

(Rs. In Lacs)

Particulars	As at March 31, 2016		As at March 31, 2015	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Discount rate	7.90%	7.90%	7.80%	7.80%
Expected rate of salary increases	12.00%	12.00%	12.00%	12.00%
Employee attrition rate	1%	1%	1%	1%
Methodology	Projected unit credit(PUC)	Projected unit credit(PUC)	Projected unit credit(PUC)	Projected unit credit(PUC)

Table 2:- Change in Present Value of Obligations (PVO)

(Rs. In Lacs)

Particulars	As at March 31, 2016		As at March 31, 2015	
	Gratuity (Un-funded)	Leave Encashment	Gratuity (Un-funded)	Leave Encashment
Present Value of Obligation at beginning of year	742.81	1531.41	509.83	1069.08
Interest cost	57.94	119.45	46.39	97.29
Current service cost	101.17	219.08	114.50	195.45
Benefit paid		(0.93)	-	
Actuarial loss/(gain)	(102.66)	(77.02)	72.09	169.59
Present Value of Obligation at end of year	799.26	1791.99	742.81	1531.41

Table 3:- Amount recognised in Balance Sheet

(Rs. In Lacs)

Particulars	As at March 31, 2016		As at March 31, 2015	
	Gratuity (Un-funded)	Leave Encashment	Gratuity (Un-funded)	Leave Encashment
Present Value of Obligation at end of year	799.26	1792.00	742.81	1531.41
Fair Value of plan assets at the end of year	-	-	-	-
Funded Status	(799.26)	(1792.00)	(742.81)	(1531.41)
Unrecognized actuarial gain/loss	-	-	-	-
Net Liability/ Asset(-) recognized in Balance Sheet	799.26	1792.00	742.81	1531.41

Table 4:- Amount recognised in Statement of Profit & Loss

(Rs. In Lacs)

Particulars	As at March 31, 2016		As at March 31, 2015	
	Gratuity (Un-funded)	Leave Encashment	Gratuity (Un-funded)	Leave Encashment
Current service cost	101.17	219.08	114.50	195.45
Interest cost	57.94	119.45	46.39	97.29
Expected return on Plan Assets				
Net Actuarial (gain) / loss recognized for the year	-102.66	-77.02	72.09	169.59
Expense recognized in Statement of Profit & Loss for the year	56.45	261.51	232.98	462.33

13. The Company is engaged in business of power transmission & SLDC functions, which in the context of Accounting Standard 17 "Segment Reporting" is considered as the only segment. The Company is having a single geographical segment located within the Country.

14. As per Accounting Standard (AS)-16, Borrowing costs Rs. 1319.46 Lacs (Previous Year Rs. 7993.58 Lacs) have been capitalised during the year.

15. In compliance of Accounting Standard-18 on 'Related Party Disclosures', the required information is as under: -

List of Related Parties and Relationship:

Key Management Personnel	Designation	Period
Sh.Sukesh Kumar Jain	Chairman	w.e.f 19.08.2015
Sh.Sanjeev Singh	Managing Director	FY 2015-16
Sh. J.P.S. Chawla	Director (Finance)	FY 2015-16
Sh. J.P.S. Chawla	Director (HR)	FY 2015-16
Sh. J.P.S. Chawla	Director (Operations)	From 01.04.2015 to 22.06.2015
Sh.Prem Prakash	Director (Operations)	w.e.f 22.06.2015
Sh. Surender Babbar	General Manager (F),CFO	FY 2015-16
Sh.P.K.Mallik	Executive Director (C.G),CS	FY 2015-16
Delhi Power Company Ltd.	Company Under Common Management	FY 2015-16

Transaction with related parties:

Nature of Transaction	March 31,2016	March 31,2015
Remuneration to Key managerial personnel	Rs. 116.33 Lakhs	Rs. 72.92 Lakhs
Transaction with DPCL	a) Rs. 185.11 Lakhs (Salary and other admin expenses) (b) Rs. 20000.00 Lakhs is unsecured loan as on 31.03.2016 (c) Interest paid during the year Rs. 2000.00 Lakhs	a) Rs. 181.91 Lakhs (Salary and other admin expenses) (b) Rs. 29.97 Lakhs (Arbitration award) (c) Rs. 20000.00 Lakhs is unsecured loan as on 31.03.2015 (d) Interest paid during the year Rs. 2000.00 Lakhs

16.Deferred Tax

Company has not computed deferred tax since previous years on account of accumulated unabsorbed losses.

17.Earnings / (Loss) per Share

The elements considered for calculation of Earnings per Share (Basic and Diluted) are as under:

	Year ended March 31, 2016	Year ended March 31, 2015
Profit for the year	Rs. 43964.49 Lakhs	Rs. 32409.20 Lakhs
Weighted average number of equity shares of ₹10 each outstanding during the year (Nos. In thousands)	39510	39510
Basic and Diluted	1.11	0.82

18. The management is of the opinion that no case of impairment of assets exists under the provisions of Accounting Standard (AS)-28 on "Impairment of Assets" as at 31st March, 2016

19. Based on information available with the company, there are few suppliers/service providers who are registered as micro, small or medium enterprise under The Micro, Small and Medium Enterprises Development Act,2006 (MSMED Act, 2006). Information in respect of micro and small enterprises as required by MSMED Act, 2006 is given as under:

SR No.	Particulars	Year ended March 31, 2016	Year ended March 31, 2015
1.	Principal amount and interest due thereon remaining unpaid to any supplier as at end of each accounting year: Principal Interest	Nil	Nil
2.	The amount of Interest paid by the buyer in terms of Section 16 of the MSMED Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during each accounting year:	Nil	Nil
3.	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2016.	Nil	Nil
4.	The amount of interest accrued and remaining unpaid at the end of each accounting year.	Nil	Nil
5.	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act 2006	Nil	Nil

20. There are no derivative contracts taken during the year and outstanding as at the year-end. Further, during the year the company has imported capital goods for substation work valued on CIF basis amounting to Rs.3876.81 (Previous Year Rs. 2310.38), and the same is outstanding as on 31st March, 2016.

21.Expenditure in Foreign Currency

(Rs. In Lakhs)

Particulars	March 31,2016	March 31,2015
Imports on CIF Value	3,876.81	2,310.38
Professional Charges	Nil	Nil
Travelling Expenses	Nil	Nil

22.CSR Expenditure

(a) Gross amount required to be spent by the company during the year	Rs. 337.02Lakhs(2% of the average net profits of the company made during the three immediately preceding financial years for CSR Activities)			
(b)Amount spent during the year on		In Cash	Yet to be paid in cash	Total
(i)	Construction/acquisition of any asset	Nil	Nil	Nil
(i)	On purpose other than (i) above	Nil	Nil	Nil

In terms of the provisions of Section 135 of the companies Act, 2013 the company is required to spend funds for the corporate Social Responsibility activities. As per the said provision, in case the company does not spend the same, the company is required to disclose the reason in Directors report. The company has not been able to spend money on CSR activities in view of extreme financial crisis owing to the continuing default by BYPL & BRPL in releasing their dues against wheeling and other commercial charges.

23.Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification/disclosure. Figures have been rounded off to the nearest rupees in thousands.

sd/-
N.D Gobhil
DGM (Finance) & CFO

sd/-
P.K.Mallik
Company Secretary

sd/-
JPS Chawla
Director (Finance)

sd/-
Prem Prakash
Director (Ops) & Managing Director

As per our report of even date attached
S.N. Nanda & Co.
(Chartered Accountants)
Firm Registration No.00685N

Dated: 29-09-2016
Place :New Delhi

sd/-
(CA S N Nanda)
Partner
M.No.005909