

# Jharkhand Bijli Vitran Nigam Ltd.

Engineering Building, H.E.C., Dhurwa, Ranchi - 834004



## FINAL ACCOUNTS

For the financial year 2013-14  
(Period 06.01.04 to 31.03.2014)

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Independent Auditor's Report

To  
The Members,  
Jharkhand Bijli Vitran Nigam Limited

**Report on the Financial Statements**

We have audited the accompanying financial statements of JHARKHAND BIJLI VITRAN NIGAM LIMITED ("the Company") which comprise the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 "the Act" read with the General Circular 15/2013 dated 13<sup>th</sup> September 2013 of the Ministry of Corporate Affairs in respect of the Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and 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 control relevant to the Company's preparation and fair presentation of the financial statements 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 management, as well as evaluating the overall presentation of the financial statements.





We believe that the audit evidence we have obtained is sufficient and appropriate except for the matters referred to in Basis for Disclaimer of Opinion,

**Basis for Disclaimer of Opinion**

1. *The company was incorporated on 23rd October, 2013. As per Notification No. 18, dated 6<sup>th</sup> January 2014 of the Government, Jharkhand State Electricity Board (in short JSEB) was dissolved on 05-01-2014 and its assets and liabilities were bifurcated into companies created i.e. Jharkhand Urja Vikash Nigam Limited (JUVNL), Jharkhand Bijli Vitran Nigam Limited (JBVNL), Jharkhand Urja Sancharan Nigam Limited (JUSNL), Jharkhand Urja Utpadan Nigam Limited (JUUNL) including Patratu Thermal Power Station (PTPS) in JUUNL. The intervening period i.e. dates of incorporation on 23rd October, 2013 to the date of bifurcation of JSEB into above four companies on 5th January 2014 have not been accounted for in the books. The paid up capital of the Company as at 31<sup>st</sup> March 2014 is stated at Rs. 2.10 crore for which share certificates were not shown to us.*
2. *The company owns both Lease as well as Freehold land. However classifications of cost of land between Leasehold and Freehold have not been made and amortization/depreciation of leasehold land has not been provided for in the accounts. The effect on Profit and Loss Account is not determinable. The title of above land are subject to verification as not made available to us. This is a gross violation of Accounting Standard '19' - Leases.*
3. *The confirmation of Sundry Debtors; other Receivable and Long term/Short term loans and advances from areas/circles and HO have not been confirmed and the impact on annual accounts and cash flow could not be determined. It is mainly the area/ circle where record should have been updated as revealed from our visit to all area/circles.*

*The confirmation of Trade Payable is pending, including of associate concerns e.g. JUUNL of Rs.5657.50 lakhs which have not been confirmed by audited accounts of JUUNL.*

*Similarly other advances including employees have not been confirmed. Control for recovery is missing. The adverse effect in annual accounts and cash flow is undetermined. The controls at area/ circle have to be updated.*
4. *The confirmation of Sundry Creditors and other Current Liabilities have not been obtained by the Company. The impact, if any on annual accounts and Balance Sheet or Cash flow from reconciliation and review of the balances could not be determined. It is noted that consumer's deposit of customer is not confirmed. The controls at area/ circle have to be updated.*
5. *In the absence of accounting policies, it is not established that the amount of Revenue expenditure incurred on account of employee benefits debited to capital work in progress should be per compliance of Accounting Standard '10' - 'Accounting for Fixed Assets' of Accounting Standard Rules 2006.*

6. Cash and Cash Equivalent:

6.1 Confirmations or certificate from the management, for Cash and Bank balances (including cash in transit) of Rs.58,582.52 lakhs have not been obtained. The physical Cash verification if any done by management not submitted to us. Reconciliation of Bank particularly of areas/ circle have not been submitted by all & irregularities noticed.

6.2 Investment in Fixed Deposit of Bank not confirmed nor certificate obtained. The classification of Investments and accounting is not as per AS 13 "Accounting for Investments".

7. Capital work in Progress (CWIP) as on 31.03.2014

	Rs in Lacs	% of CWIP
i) CWIP	82089.52	57%
ii) Finance cost	19142.52	13%
iii) Advance to capital	21279.14	15%
iv) Stores at capital sights	20214.76	15%
<b>Total CWIP</b>	<b><u>142725.94</u></b>	

7.1 The total of finance cost, advance & store constitute 43% of CWIP, considered very high.

7.2 CWIP in the company is not attended for years (formerly in JSEB) and there by understated cost of fixed asset by no transfer from CWIP on completion/installation of each projects to fixed asset.

This is a gross violation of accounting standard '10' "Accounting for fixed assets" and also its impact on depreciation as per accounting standard '6' "Depreciation". This is not only a violation of Accounting Standards but also vitiates true and fair view of Balance Sheet under fixed asset as well as understated loss for not charging depreciation on capitalization of assets on installation/amortization on completion of projects.

The estimated impact of few projects declared commissioned/ installed but not capitalized are given below:-

- NTPC letter dated 26-03-2009 to GOI, being nodal agency of APDRP project, copy received by technical cell of JSEB in March, 2008 on declaration of completion of 10<sup>th</sup> Plan Projects of APDRP of Rs.471 crore was not apprised to management for capitalization in violation of guidelines of GOI & violation Continues till date.
- As per REC letter of closure dated 13/01/2016 and CE letter dated 26/12/2015 on commissioning of RGGVY projects of Rs 17844.46 lacs prior to 2012; no transfer to fixed assets was made till 31/03/2014.



- c) The projects completed under APDRP which are pending for claim settlement in courts (letter No 168 dated 29/06/2010 of CE- APDRP) of Rs 338/- crore are still awaiting capitalization; although projects installed/commissioning and its capitalization is not debarred in court.
- d) Letter No 76 dated 12/01/2016 of Chas areas informed for capitalization of Rs 13.68 crore (CWIP Rs 8.22 crore and financed cost Rs. 5.46 crore i.e. 41% of CWIP) but are not capitalized till 31/03/2014 and further that the said letter mention installation/ commissioning period is before 2010-2011 for which details record are not traceable.

The estimated impact of the above is as under:-

	Cost Rs. in crore	No of year of commission	Product	Loss of Tariff
1. NTPC- APDRP	471	6	2826	650
2. REC	178	3	534	123
3. Chas	14	4	56	13
	<u>663</u>		<u>3416</u>	<u>786</u>
Depreciation @7.86% p.a. in crore assumed				268 crore

The above estimate indicate non capitalization on commissioning/ installation of fixed assets mainly of lines/ cables of Rs 663 crore and not charging of approximate depreciation of Rs. 268 crore and there by understating fixed assets in Balance Sheet and understating loss in Profit and Loss by Rs 268 crore. The tariff loss is around Rs. 786 crores for above years.

The effort of FC in appraising all areas; did not produce result. Intervention of management is called for co-operation from areas in charge.

#### 8. Opening Balance as on 06.01.2014

A) Reasons not available for not showing items of around Rs. 23,000 crore in Transfer scheme per notification No.18 dated Jan 6, 2014 & No.2917 dated Nov.20<sup>th</sup> 2015 from Total Assets/liabilities of JSEB of 05.01.2014 to Five Corporation created

	(Rupee in Crores)		
	Per JSEB B/S Schedules of 05.01.2014	Per Transfer under above notification	Differences being not transferred
1. <u>Assets</u> ( Schedule of JSEB of 05.01.2014)			
1.1 Fixed Assets not in use	229.65	NIL	229.65
1.2 Stock Schedule (26A)	371.82	369.69	2.13
1.3 Loans and Advances (Schedule 26(D))	78.03	77.26	0.77
1.4 Sundry Receivables (Schedule 26(E))	2860.52	57.80	<u>2802.72</u>
			<u>3035.27</u>
2. <u>Liabilities</u>			
2.1 Other current liabilities (Schedule 28)	12025.35	6796.01	5229.34
2.2 Payment dues on capital liabilities with interest			



(Schedule 31 A/B)	7059.84	NIL	7059.84
2.3 <u>Capital Liabilities</u> (Schedule 32)	165.87	102.82	63.05
2.4 Loan fund from State Govt. (Schedule 33)	2935.61	NIL	2935.61
2.5 Contribution of commercial grants for State Government for capital assets, grants for restricting of Board, grant in Aid for H Kutir Jyoti (Schedule 34)	2504.26	NIL	<u>2504.26</u>
			<u>17792.10</u>
Total(A) (Excluding interest of Rs 354.86 crore on public bond)			<u>20,827.37</u>

B) Item having abnormal increase from 1<sup>st</sup> notification and 2<sup>nd</sup> notification in JSEB Accounts:-

1. Repairs/Maintenance Schedule 8			
	2013-14 (9 months)	91.54	
	2012-13 (12 months)	<u>70.24</u>	21.30
2. Amount owing to Licenses (Schedule 28 Item 12)			0.47
3. Prior period charges			
	2013-14 (9 months)	2414.30	
	2012-13 (12 months)	<u>1520.03</u>	894.27
4. Other Debtor /Bad Debts (Schedule 15)			497.89
5. Lines/cable removed (Schedule gross block) with no policy/guidelines. Total (B)			<u>427.73</u>
			<u>1841.66</u>
	Total (A + B)	Rs. 22,669.03	

6. The difference of Rs 200 crore terminals benefit of employees benefit taken over by GOJ & kept under Holding Company of Rs.2924.56 crore with receivable from GOJ of Rs. 2724.56 crore for difference of Rs 200 crores is not explained.

(C) (i) The JSEB Balance Sheet as on 05.01.2014 was not signed by Board of JSEB but by Directors of JUVNL.

(ii) The PFC Consultancy report with regard to Opening Balances were not submitted to us.





**JHARKHAND STATE ELECTRICITY BOARD**

**TRANSFER OF ASSETS & LIABILITIES**

AS PER GOJ NOTIFICATION No.18 dated 6<sup>th</sup> January 2014 and Notification No. 2917 dated 28<sup>th</sup> November 2015 (Fig. in Rs. Crore)

Balance as at 05.01.2014 of JSEB and Opening of Five corporation of 06.01.2014	Vikash Holding	Utpadan	Vitran	Sancharan	PTPS	Total (2 to 6)	As per annual Accounts of 05.01.2014 of JSEB	Difference being not transferred 2 to 6 (8-5)
1	2	3	4	5	6	7	8	9
<b>NET ASSETS</b>								
<b>Net Fixed Assets</b>								
Gross Block	7.17	43.02	2253.64	507.98	930.02	3741.83	3741.83	
Less : Accumulated Depreciation	3.52	29.77	785.87	187.69	508.75	1515.60	1515.60	
Net Fixed Assets (1-2)	3.65	13.25	1467.77	320.29	421.27	2226.23	2226.23	
Capital Expenditure in Progress			1208.04	779.24	48.87	2036.15	2036.15	
Assets not in use							229.65	-229.
Deferred Costs								
Intangible Assets								
Investments		25.56	341.94			367.50	367.50	
Investment in subsidiaries	4119.92					4119.92		4119.
<b>Net Current Assets</b>								
Stock		2.64	193.80	32.19	141.06	369.69	371.82	- 2.
Receivable against supply of power			560.69			560.69	560.69	
Cash and bank balances	207.43	0.68	732.50	31.1	123.79	1095.5	1095.5	
Loan and advances	1.65	0.66	31.18	4.35	39.42	77.26	78.03	- 0.7
Sundry receivables		6.34		0.38	51.08	57.8	2860.52	- 2802.7
<b>(A) Total Current Assets</b>	<b>209.08</b>	<b>10.32</b>	<b>1518.17</b>	<b>68.02</b>	<b>355.35</b>	<b>2160.94</b>	<b>4966.56</b>	<b>- 2805.6</b>
<b>Less : Total Current Liabilities</b>								
Security Deposits from consumers			476.53			476.53	476.53	
Other current liabilities	3.04	11.1	6193.62	194.59	393.66	6796.01	12025.35	- 5229.3
(B) Total Current Liabilities	3.04	11.1	6670.15	194.59	393.66	7272.54	12501.88	- 5229.3
<b>Net Current Assets (A-b)</b>	<b>206.04</b>	<b>- 0.78</b>	<b>- 5151.98</b>	<b>- 126.57</b>	<b>- 38.31</b>	<b>- 5111.6</b>	<b>- 7535.32</b>	<b>2423.7</b>

Subsidy Receivable from Government								
Surplus /Deficit			5685.02			5685.02		5685
Receivable from Government for Terminal Benefit	2724.56					2724.56		2724
<b>NET ASSETS</b>	<b>7054.17</b>	<b>38.03</b>	<b>3550.79</b>	<b>972.96</b>	<b>431.83</b>	<b>12047.78</b>	<b>- 2675.79</b>	<b>14723</b>
Financed by								
Borrowing for working capital			339.04			339.04	339.04	
Payment due on Capital Liabilities							7059.84	- 7059
Capital Liabilities			102.82			102.82	165.87	- 63.
Funds from State Government							2935.61	- 2935.
Contribution, Grants & Subsidies Towards Cost of Capital Assets							2504.26	- 2504.
Reserve and Reserve Funds								
Terminal Benefit Liabilities	2924.56					2924.56		2924.
Equity (Balancing Figure)	4129.61	38.03	3108.93	972.96	431.83	8681.36		8681.
Surplus (Deficit)							- 15907.77	15907.
<b>TOTAL FUNDS</b>	<b>7054.17</b>	<b>38.03</b>	<b>3550.79</b>	<b>972.96</b>	<b>431.83</b>	<b>12047.78</b>	<b>- 2903.15</b>	<b>14950.</b>
							<b>227.36</b>	<b>- 227.</b>

Reasons not available for the following:

*As Per Section 131-134 of Electricity Act 2003, all assets and liabilities have to be transferred to new corporations created. Any item not apportionable to other corporation will be taken by Holding Company.*

*It is important to note that in other States, State loan with interest thereon , capital liabilities, grant, funds, subsidies, contribution, subsidies towards cost of assets were transferred to respective corporation to match the fixed and other assets created from such fund as mentioned above.*

*Non appearance of resources for capital assets not only affect true and fair position of Balance sheet but imbalance the Balance sheet and is not in accordance with AS-12- "Accounting of Government Grants".*

*It is to noted that to balance the account of the company new JSEB restructuring account was possibly created . We are unable to comment on the correctness of the opening balance figure and its presentation as per Schedule VI.*

*Further accounting of records of computer, software etc as intangible assets is not as per AS-26- "Intangible Assets".*



9. *Items of capital nature or revenue nature are carried in Balance Sheet for years, thereby understating/overstating Profit or Loss account few examples as under :-*

	<i>Understated Loss Rs. Lacs</i>	<i>Overstated Loss Rs. Lacs</i>
a) <i>Freight on capital items</i>		0.26
b) <i>ELRDC- Monitoring charge or power related matter payable to PGICL/ERLDC</i>	11.32	
c) <i>Prime/Chief Minister Relief</i>	0.20	
d) <i>Labour cess payable to Govt. not recovered from sale(subject to details)</i>	3.34	
e) <i>Preliminary expenses for incorporation of the Company in October 2013 to be charged off amount not determined or informed to us</i>		
<i>Total</i>	<u>14.86</u>	<u>0.26</u>

10. *Consumer related Liability and Assets*

10.1 *Identification and confirmation of each consumer at Area Level/HO is not done as it is very voluminous, in lacs. As volume is higher at areas/ circle; record should be updated in areas/ circle.*

*Therefore we cannot form an opinion on the authenticity as well as impact on annual accounts or on cash flow of above .On complete computerization; the aforesaid can be implemented (as seen in CESC, Kolkata).*

10.2 *Refer note 11 of current liabilities of Rs. 80,972.65 lacs. Confirmation not available from areas/ circle.*

11. *Miscellaneous charges Rs.359.9 lacs (Note 23) receivable from consumer reduced from revenue income in (Note 19) of Profit and Loss Account is informed to be the rebate allowed to consumer , the above item should be read accordingly.*

12. *Tax Matters and Electricity Duty:*

*The Company was incorporated on 23<sup>rd</sup> October, 2013 as per certificate No. U40108JH2013SGC001704 dated 23.10.2013 and Certificate of commencement of business was given on 28<sup>th</sup> November 2013.*

*The Income Tax, VAT, WCT, Service Tax, Professional Tax and other Tax statutes registration, continues in the name of JSEB which need to be transferred to the name of the company. Income tax, Service Tax and other levies of statutory nature and its assessment is incomplete as of period of audit.*

*Electricity Duty - As per information, electricity duty collected from other than HT customers are payable to States. Details of Rs.1663.02 lacs shown in note 22 of Assets side of balance sheet as electricity recoveries are not explained. If it is paid on lump sum basis; the additional payment should be reflected with a note there on.*

*Service Tax liability on following items not ascertained or accounted for by the Company as of 31<sup>st</sup> March 2014:-*

<i>1. Legal Charges</i>	<i>35.59 lacs</i>
<i>2. Consultancy fees</i>	<i>33.80 lacs</i>
<i>3. Professional fees</i>	<i>54.85 lacs</i>
<i>4. Hiring of vehicle</i>	<i>56.79 lacs</i>
<i>5. Home Guard Services</i>	<i>40.22 lacs</i>
<i>6. Computer Billing Services</i>	<i>313.45 lacs</i>
<i>7. Bill Distribution Services</i>	<i><u>5.81 lacs</u></i>
	<i><u>540.51 lacs</u></i>

*Other dues of Government and Tax Authorities, etc. are Rs. 928.57 lacs as of 31<sup>st</sup> March 2014 detailed below:-*

	<i>Rupee in lacs</i>	
<i>1. Levies to Government (not defined/detailed)</i>	<i>Rs.</i>	<i>0.31</i>
<i>2. TDS Payable</i>	<i>Rs</i>	<i>2.32</i>
<i>3. Royalty payable (not defined/detailed)</i>	<i>Rs</i>	<i>4.44</i>
<i>4. Other Tax Payable (not defined/detailed)</i>	<i>Rs.</i>	<i>14.98</i>
<i>5. Pwd (Not defined/detailed)</i>	<i>Rs.</i>	<i>0.25</i>
<i>6. TDS from contractors (not defined/detailed)</i>	<i>Rs.</i>	<i>12.72</i>
<i>7. Sales Tax/Professional Tax (not defined/detailed)</i>	<i>Rs.</i>	<i><u>893.55</u></i>
		<i><u>Rs 928.57</u></i>

*As per letter dated 11<sup>th</sup> May 2016 and 16<sup>th</sup> June 2016 of tax consultant M/s RABS & Co.; the above matters are under active consideration with tax department and representations have been made to clear the outstanding/ pending matters.*

### 13. Transmission Loss

*Transmission and operational losses as stated in unsigned statement is around 40.53%. Our observation (in absence of statement of purchase of power, Sale of Power from individual suppliers and Billing of revenue from Sale of power) indicates much higher loss of above 45%.*

*Statement of purchase and sale of electricity from various sources by technical and revenue cell have to be incorporated in financial reporting to assess transmission loss.*

### 14. Consumer Contribution and Government Grant

*The Company is using the consumer contribution & Government grant for acquiring fixed assets.*

*Be*



Identification of such assets are not done and neither amortization of proportionate value is shown and it is a violation of Accounting Standard "12" Accounting for Government Grants and as well as per gazette notification no.46 dated 20<sup>th</sup> Jan, 2016 clause 6.32 & 6.34 of GOJ.

15. Internal Control

There appears to be inadequate control in any areas of operation. Internal auditors are noted to have been appointed in 2016.

16. Contingent Liability and Commitments

A. There is no methodology in the company to identify this important item e.g. terminal benefits of employees; court cases, dispute cases etc. are not evaluated nor reported. Actuarial valuation for terminal benefit is pending. This is not in accordance with Accounting Standard 15-"Employee Benefits". Similarly, estimated amounts of contracts remaining to be executed on Capital Account and any Contingent Losses is shown as nil without being evaluated which in our opinion is not in accordance with Accounting Standard – 29 " For Provisions, Contingent Liabilities and Contingent Assets" and as well as AS-7 for construction contracts.

B. Terminal Benefits

Pending creation and operation of The Master Trust by the Holding company; the following items are floating ( as working capital of the company and Beneficiaries are losing benefit of investment, etc.)

Few items as of 31- 03-14 are as under:-

1. Gratuity Reserve	308.90 lacs
2. Pension	1761.14 lacs
3. Gr. Saving Scheme	<u>53.05 lacs</u>
And others	
	2123.09 lacs

JSEB have become a defunct body after 5<sup>th</sup> Jan 2014 under Electricity Act 2003. Therefore the following amount shown under the head Board i.e, JSEB Board needs to be corrected and shown under appropriate head.

a) JSEB Restructure account (Note 22) under Current assets	Rs. 17.52 lacs
2. Remittance from board (HQ) in	(Rs.28.17 lacs)
b) Board current account shown as HQ in Note 22 Current Assets in bracket	(Rs.4781.91 lacs)
c) GPF Board (shown as HQ) Note 22	Rs. 38.09 lacs
d) CPF Boards (shown as HQ) Contribution (Note 22)	Rs. 66.14 lacs
e) Group Insurance Board (shown as HQ) Note 22	Rs. 0.29 lacs



## 17. Compliances to MSME Act, 2006 to the Financial Statements

The Company has not completed the process of collecting information relating the Small and Micro units rendering service or supplying goods to the Company. Hence we are unable to determine whether there was delay in making payment to such entities and the resultant effect for such delay in accounts as prescribed under MSME Act, 2006 and the impact on the loss or liabilities of the Company.

## 18. Revenue Recognition

Progressive meter readings against disconnected services were observed, where, in these cases the Company raises bills against the consumers and recognizes the revenue, which in our opinion is not in accordance with the Accounting standard – 9 "Revenue Recognition", since there exists an uncertainty of collection of the receivables. The impact on the profit or loss and consequential effect on trade receivables in the Balance Sheet could not be ascertained.

## 19. Deferred Tax Asset/ Liability

Accounting for Deferred Tax Asset/ Liability not appearing in the Balance Sheet for continued losses. Nor any Provision done for Taxes. Depreciation as per Income Tax Act, 1961 have not been prepared for Income Tax assessment.

## 20. Inventory

Compliance of AS- 2 'Valuation of Inventory' not followed as net realizable value is not assessed and basis of arriving at cost of inventory is also not made available to us. Obsolete store are not identified nor written off. The Physical verification report for inventory, stores, etc. not provided to us as reportedly not done at areas/ circle.

Stock pending inspection/verification carried for years without resolving the same are shown as under , bracket means short:-

	Rs. lacs
a) Stock found in short/surplus	( 2.52 lacs)
b) Material pending inspection	( 11.00 lacs)
c) Transfer within circle	( 1.60 lacs)
d) Inter Circle Transfer	<u>(195.79 lacs)</u>
	<u>( 210.91 lacs)</u>

## 21. Accrual Accounting

As provisions for respective areas of finance e.g. terminal benefit, tax matters, claims of contractors/suppliers, etc. are not yet determined by the Company , we cannot comment on the impact of accrual accounting on the Profit & Loss Account and Balance sheet.



## 22. Preliminary Expenses

*Incorporation expenses on formation of the company have not determined nor charged off in 1<sup>st</sup> year as informed to us was not advised by the Holding Company.*

## 23. Bad Debts

*Considering very high provisions made by the company of earlier years in JSEB; read with Point 3 of this report, the carried forward provision for Bad and Doubtful Debts of Rs.2,863 Crore on Trade receivables of Rs.3,208 Crore i.e. around 89 % is disproportionately high. No provision is made for unbilled revenue of Rs.238.67 Crore. Impact in Profit and Loss Account is indeterminate. The amount of bad debt prior to 06-01-2014 i.e. the date of first operation of the company is not available.*

## 24. Prior Period Items

*Prior Period adjustment of Rs. 819.39 lacs debited to Profit and Loss Account is not per AS-5 , Secondly ; the basis of provision of Bad debts of Rs 4152.06 lacs in operation of 85 days (1<sup>st</sup> Year) is not explained. The impact of these in annual accounts is indeterminate.*

## 25.(a) Land and Land rights of Rs.114.29 Lacs

*Title deeds, other relevant documents are not made available to establish ownership of above Land Rs. 114.29 Lacs. We can't form an opinion on the correctness as well as propriety on the above land and land rights and its reflection in Balance sheet as well as possession is not confirmed.*

*Amortization charge on Leasehold land is indeterminate which in our opinion is not in accordance with Accounting Standard 19 for ' Lease '.*

- b) Fixed Assets records *There is no Fixed Assets Register in the company. This is also a violation AS-6 & AS- 10. No Fixed Asset/Inventory verification report provided to us.*

## 26. Renovation of fixed assets

- a) *Renovation of Plant and Machinery and Lines/Cables (including transformers) are carried out at cost of renovation which is capitalized by the company without removal of cost of parts replaced. The disposal value of parts or whole asset replaced is also not accounted for.*

*The renovated assets stands at inflated cost at the end of each year. It is not determinable how long this practice is continuing and its cumulative impact on the cost shown in Balance Sheet of respective year and year under audit.*

- b) *There is no monitoring system in place to record Fixed Assets and Stores (high value) transferred to places or for repair and its return of the same as well as of*



stores lying at site for installation of fixed assets by timely transfer from stores to fixed assets.

c) There is no record or value of Regulatory Assets as per Electricity Act, 2003 from JSREC.

## 27. Inter Unit Reconciliation

Inter unit reconciliation is not provided. Large amount of difference in transfer of money, store, assets between areas/HO etc. as reflected in note 22 of Current Assets of Rs.20,602.28 lacs which are to be reconciled and not attended for years are to be attended /reconciled /accounted for. Returns from Branches of data have been revised several times thus the correctness of consolidation in HO Accounts is not commented, needs reconciliation.

## 28. Borrowing cost

(a) Borrowing cost are yet to be determined and linked to assets for capitalization. It is noted that a qualifying asset is one that necessarily take substantial period of time to get ready for intended use.

(b) The borrowed fund are required to be earmarked to specified projects under implementation plan. The borrowing costs thereof are yet to be allocated/ apportioned to CWIP and the borrowing cost for completed projects and its charged are yet to be ascertained and treated in accounts accordingly. The Accounting Standard 16 "Borrowing Costs" has not been complied.

29. Internal Audit, Cost Audit & Secretarial Audit should be installed at the earliest to stop violation of Companies Act 1956 and it is informed that internal auditor are appointed in 2016. Secretarial and other statutory compliances are to be ensured.

30. During the Audit, it was revealed that Books of Accounts are not maintained as per Companies Act, 1956 and books maintained in JSEB are continued during the period of audit. The practice followed in JSEB continues with all loopholes existed as could be seen from our Disclaimer Opinion. There is absence of computerized accounts. Employee payroll details are not provided. The manual records and its volume do not assure required reflection in accounts. Signification accounting policies and AS-3 not complied.

31. It is informed that a technical workshop is operating in Ranchi for in-house repair of Transformers, etc. the accounting of the said workshops not incorporated in account.

## Disclaimer Opinion

In our opinion and to the best of our information and explanation given to us and except for the effects of the matter described in basis of disclaimer opinion section, the Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with accounting principles generally accepted in India:

(a) in the case of the Balance Sheet of the state of affairs of the Company as at March 31, 2014;





- (b) in the case of Statement of Profit and Loss of the loss for the period ended on that date ; and
- (c) in the case of the cash flow statement of the cash flows for the year ended on that date.

Other Matters :-

1. Following Disclosure are to be made :-

- a ) Advances / due of directors or remuneration of directors or any other amount receivable or payable to directors as per application of Companies Act are not furnished.
- b) C S R and foreign exchange disclosure as applicable are reported Nil for the year under audit.
- c) Related Party Disclosures as per AS -18 not provided.

2. Record Updation

As JSEB is dismantled, the lease of Head quarters of all corporations housed in the Engineering Building leased by HEC should be modified/ corrected and lease can be transferred to Holding Company, who in turn collect charges for services etc. from each corporation. All other documents in name of JSEB should be correctly updated in the name of the companies.

3. Disaster / Waste Management/ Cost improvement

As no insurance coverage for assets of the company; cash/ cash in transit exposure of accidental prone risk of technical personnel in the field of highly hazardous electricity distribution; the company should address requirement of coverage.

- 3.1 Disaster Management for any eventuality as practiced in all corporate bodies in India and the World also need attention. Proper backup system of Data also required.
- 3.2 Introduction of Waste Management is important as evinced from computer, printer, computer stationary and other furniture/fixture lying in all floor of H.O. valued in few lacs.
- 3.3 The existing fleet of vehicles with higher repairs/ maintenance/ running cost may be replaced by updated modern economy vehicles to control cost in exchange scheme of vehicles available in the market.

4. Computerisation

With existing Manual system with backlog/ no effective control etc. It is important to have computerization of financial and operational areas in HO as well as all areas/circles with effective software (ERP) to have control at H.O. and with M I S system in place for faster managerial decisions to retrieve the position. Effective backup system for data is also required. The ERP and XBLR are required.

5. Adverse effect on Tariff

- a) Benefit of tariff from Jharkhand State Electricity Regulatory Commission (JSERC) are not fully availed. There should be a separate cell for JSERC.
- b) Tariff claim is receivable from Jharkhand State Electricity Commission (JSERC) consisting of depreciation charge, interest on working capital, O & M etc. Average tariff claim come to say 23% of capital cost.
- c) As per Point 7 of CWIP; the estimated tariff loss for not capitalizing fixed assets by transfer from CWIP in time is a tariff loss of about Rs 786 crores for years mentioned.

## 6. Insurance coverage

The company do not have any insurance coverage of its assets worth above Rs.30,000/- Crore including other assets e.g. cash etc. There is also no coverage of insurance of personnel attached to accident prone areas of Electricity. Considering the hazardous nature of operation; and no disaster management in place it is felt, that insurance coverage needs prior consideration.

## Report on Other Legal and Regulatory Requirements:

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of Sub-section (4A) of Section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the order.
2. As required by Section 227(3) of the Act, we report that subject to Disclaimer of Opinion ;
  - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our<sup>2</sup> audit;
  - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of these books;
  - c) the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d) in our opinion, *except for the effects of the matter described in basis of disclaimer opinion portion of our report* in our opinion, the Balance Sheet, Statement of Profit and loss, and cash flow statement comply with the Accounting Standards referred to in subsection (3C) of Section 211 of the Companies Act, 1956 read with the General Circular 16/2013 dated 18<sup>th</sup> September 2013 of the Ministry of Corporate Affairs in respect of the Section 133 of the Companies Act, 2013;
  - e) as per information and explanations given to us, the clause (g) of Sub-section (1) of Section 274 of the Companies Act 1956 is not applicable to this Company ;
  - f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under Section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

**For M/s B C DUTTA & Co,**  
**Chartered Accountants**  
FRN No: 004589C



CA. BALAI CHANDRA DUTTA  
(Partner)  
Membership No: 007146

Place : Ranchi  
Date : 02.07.2016





**The Annexure referred to in paragraph under the heading of Report on Other Legal and Regulatory Requirements of Our Report of even date to the members of Jharkhand Bijli Vitran Nigam Limited on the accounts of the company for the year ended 31<sup>st</sup> March, 2014.**

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that;

1. A) The Company *has not maintained* proper records showing full particulars, including quantitative details and situation of fixed assets upto 31<sup>st</sup> March 2014.

B) As informed to us, physical verification of the fixed assets *has not been* carried out during the year and has not been reconciled as Fixed Asset Register is not made.

C) In the absence of fixed assets register and physical verification report of fixed assets we are unable to comment on disposal of fixed assets

2. a) As explained to us, during the year inventories of the Company *have not been* physically verified by the company. However, policy should be framed for physical verification at regular interval.

b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the Management *are yet to be formulated*.

However, in our opinion the procedures of physical verification of inventories needs to be expedited and the identification of slow moving/non-moving and obsolete inventories is to be undertaken and any loss arising there in have to be booked.

c) Proper records of inventory *are not maintained* at any of the units of the company visited by us or at HO. As explained to us, the discrepancies if noticed on verification prior to the period of audit between the physical stocks and the books records are material; the same are to be properly dealt with in the books of account after verification of inventory is undertaken.

There are *amount of discrepancies of high value* in the books of accounts prior to the period of audit and continue to remain static.

3. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register required under section 301 of the Companies Act, 1956.

(b) The Company has taken amounts from its associate JUUNL during the year and outstanding as on 31.03.2014 is Rs.5657.50 lacs and JUSNL Rs. 3139.86 lacs. The terms and conditions of such amounts *has not been informed to us neither confirmation submitted*.

4. In our opinion and according to the information and explanations given to us, there is *inadequate internal control* procedure commensurate with the size of the company and



the nature of its business. During the course of our audit, instances of continued failure to correct weaknesses in the internal controls has been noticed.

5. According to the information and explanations given to us there are no contracts or agreements that need to be entered into the Register maintained under Section 301 of the Companies Act, 1956.
6. The Company has not accepted any deposits from the public covered under Section 58A and 56AA of the Companies Act, 1956. Therefore, the provisions of clause 4(vi) of the Companies (Auditor's Report) Order, 2003, are not applicable to the Company.
7. As per information & explanations given by the management, the Company has *no internal audit system*.
8. We have broadly reviewed the books of account maintained by the Company pursuant to the order made by the Central government for the maintenance of cost records under Section 209(1) (d) of the Act and are of the opinion that *prima facie*, the prescribed accounts and records *have not been made and maintained*. We have not however, carried out any detailed examination of such records and accounts in the absence of internal Audit or cost Audit as well as absence of any system of control mechanism.
9. According to the records of the Company examined by us in our opinion, the company is generally *not regular* in depositing undisputed statutory dues including provident fund, employees' State Insurance, income tax, professional tax, sales tax, wealth tax, service tax, customs duty, VAT, excise duty, cess and other statutory dues as applicable to it with the appropriate authorities.  
According to the information and explanations given to us, undisputed accounts payable in respect of statutory dues as aforesaid are not determined as at 31<sup>st</sup> March 2014. The details of other due under the period audit from 06.01.2014 to 31.03.2014 are not available.
10. The Company has accumulated losses at the end of the financial year and it has incurred cash losses in current financial year covered by our audit immediately preceding financial year submission of last year figure is not applicable as financial transaction after bifurcation of Jharkhand State Electricity Board is made effective from 6<sup>th</sup> January 2014.
11. Based on our audit and in the absence of information/details; and confirmation of installment and interest due to lender *we can not form any opinion* whether the company has defaulted in repayment of dues to any financial institution or bank.
12. According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities, other than the housing loans to staff which are continuing where also mortgage of house property to the company *is not confirmed* and terms and conditions not informed to us.

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13. The Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provision of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 is not applicable to the Company.
14. The Company is not dealing or trading in shares, securities, debentures and other investments.
15. According to the information and explanations given to us, the Company has not given any guarantees for loan taken by others from a bank or financial institution.
16. Based on our audit procedures and on the information given by the management, we report that the company has raised term loans but their application in absence of internal control can not be commented.
17. Based on the information and explanations given to us and on an overall examination of the Balance Sheet of the Company as at 31<sup>st</sup> March 2014 and in absence of internal control, we are unable report on utilization of short term fund for long term purpose since we do not have appropriate audit evidence for classification and recoverability of certain amounts.
18. Based on the audit procedures performed and the information and explanations given to us by the management, we report that the Company has not made any preferential allotment of shares during the year.
19. The Company has not issued any debenture during the year. Accordingly, the provisions of clause 4(xix) of the Companies (Auditor's Report) order, 2003, are not applicable to the Company.
20. The Company has not raised any money by public issue during the year.
21. According to information and explanation given to us and on the basis of our review, we note that Company is susceptible to frauds on the Company owing to power theft and such frauds have been noticed and reported during the year however considering the fact that such matters are Sub-Judice amount involved could not be adjudged independently. Further, no fraud by the Company has been reported during the year.

**For M/s B C DUTTA & Co,**  
**Chartered Accountants**  
FRN No: 004589C

*B. C. Dutta*

CA. BALAI CHANDRA DUTTA  
(Partner)  
Membership No: 007146

Place : Ranchi  
Date : 02.07.2016



**Balance Sheet as at 31<sup>st</sup> March 2014**

*in r lakh*

Particulars		Note No.	As at 31 <sup>st</sup> March 2014**	As at 31 <sup>st</sup> March 2013*
<b>I. EQUITY AND LIABILITIES</b>				
<b>1 Shareholders' funds</b>				
(a)	Share capital	3	210.00	-
(b)	Reserves and surplus	4	(7,098.42)	-
(c)	Money received against share warrants			
<b>2 Share application money pending allotment</b>				
<b>3 Restructuring Account pending adjustment</b>				
<b>4 Non-current liabilities</b>				
(a)	Long-term borrowings	6	12,493.08	-
(b)	Deferred tax liabilities (Net)		-	-
(c)	Other Long term liabilities	7	-	-
(d)	Long-term provisions	8	-	-
<b>5 Current liabilities</b>				
(a)	Short-term borrowings	9	-	-
(b)	Trade payables	10	6,28,655.27	-
(c)	Other current liabilities	11	80,972.65	-
(d)	Short-term provisions	12	1,585.58	-
<b>TOTAL</b>			<b>10,30,201.54</b>	
<b>II. ASSETS</b>				
<b>1 Non-current assets</b>				
(a)	Fixed assets	13		
(i)	Tangible assets		1,46,927.96	-
(ii)	Intangible assets		-	-
(iii)	Capital work-in-progress		1,01,232.04	-
(iv)	Intangible assets under development		-	-
(b)	Non-current investments	14	-	-
(c)	Deferred tax assets (Net)		-	-
(d)	Long-term loans and advances	15	21,279.14	-
(e)	Other non-current assets	16	-	-
<b>2 Current assets</b>				
(a)	Current investments	17	26,250.35	-
(b)	Inventories	18	21,155.95	-
(c)	Trade receivables	19	58,416.93	-
(d)	Cash and cash equivalents	20	58,582.52	-
(e)	Short-term loans and advances	21	3,173.60	-
(f)	Other current assets	22	5,93,183.06	-
<b>TOTAL</b>			<b>10,30,201.54</b>	-

The accompanying notes form an integral part of the financial statements

\* Previous year figures not applicable as company was incorporated on 23<sup>rd</sup> Oct 2013.

\*\*All the Accounts have been compiled by Manmohan Singh & Co. as per the records provided.

ies and report  
of creditors  
**B. C. Datta & Co.**  
Chartered Accountants  
Sr. Manager (F&A)  
2-7-16  
Partner  
C.A. BALACHANDRAN DUTTA  
Place: Ranchi

Finance Controller

Managing Director

Chairman  
13/05/16

Ranchi  
2-7-16



**JHARKHAND BIJLI VITRAN NIGAM LIMITED**

**Profit and loss statement for the period ended 31<sup>st</sup> March 2014**

*in r lakh, except share and per equity share data*

Particulars	Note	For the period ended 31 <sup>st</sup> March 2014**	For the period ended 31 <sup>st</sup> March 2013*
I. Revenue From Operations	23	65,220.51	-
II. Other income	24	59,841.00	-
III. Total Revenue (I + II)		1,25,061.51	-
IV. Expenses:			
Purchases of Power and Transmission charges	25	1,14,011.89	-
Employee benefits expense	26	4,541.54	-
Finance costs	27	2,102.19	-
Administrative expenses	28	909.51	-
Depreciation and amortization expense	13	3,926.59	-
Repairs & Maintenance	29	1,696.75	-
Other expenses		-	-
Total expenses		1,27,188.47	-
V. Profit before exceptional and extraordinary items and tax (III-IV)		(2,126.96)	-
VI. Exceptional items		-	-
VII. Profit before extraordinary items and tax (V - VI)		(2,126.96)	-
VIII. Extraordinary Items(Prior Period Credits/Charges)		819.39	-
IX. Profit before tax (VII- VIII)		(2,946.36)	-
X. Tax expense:			
(1) Current tax		-	-
(2) Deferred tax		-	-
XI. Profit (Loss) for the period		(2,946.36)	-
Less: Provisions			
Provisions for Doubtful debts		4,152.06	-
XII. Profit (Loss) to be transferred to Reserves & Surplus		(7,098.42)	-
XIII. EARNINGS PER EQUITY SHARE:			
Equity shares of par value r 10/- each			
(1) Basic		(338.02)	-
(2) Diluted		(338.02)	-

The accompanying notes form an integral part of the financial statements

\* Previous year figures not applicable as company was incorporated on 23<sup>rd</sup> Oct 2013.

\*\*All the Accounts have been compiled by Manmohan Singh & Co. as per the records provided.

*In terms of our report of even date*

**B. C. Dutt & Co.**  
Chartered Accountants

2-7-16  
B. C. Dutt  
Sr. Manager (F&A)  
B. C. Dutt - KANAKA DUTTA  
Reg. No. 066582  
07146  
Place: Ranchi

*[Signature]*  
Finance Controller

*[Signature]*  
Managing Director  
2-7-16

*[Signature]*  
13/05/16  
Chairman

**Statement of Cash Flows**  
for the period ended 31<sup>st</sup> March 2014

Rs. in lakh

Particulars	Amount(Rs.)	Amount(Rs.)
<b>Cash flows from operating activities</b>		
Profit before taxation		(7,098.42)
<i>Adjustments for:</i>		
Depreciation	3,899.49	
Provision for Audit Fees	3.42	
Investment income	-	
Profit / (Loss) on the sale of property, plant & equipment	-	3,902.91
<b>Working capital changes:</b>		
Increase in inventories	(1,889.23)	
Increase in trade and other receivables	(22,942.19)	
Increase in trade and other payables	42,815.90	17,984.48
Cash generated from operations		14,788.97
Interest paid	-	
Income taxes paid	-	
Dividends paid	-	
<b>Net cash from operating activities</b>		<b>14,788.97</b>
<b>Cash flows from investing activities</b>		
Purchase of Building		(235.95)
Purchase of Land		(1.57)
Purchase of Other Civil Works		(58.84)
Purchase of Plant & Machinery		(323.10)
Purchase of Lines & Cable Network		(3,491.89)
Purchase of Vehicles		(38.00)
Purchase of Furniture & Fixture		(0.28)
Purchase of Office Equipments		(0.86)
Purchase of CWIP		(1,546.11)
Maturity of Investment		7,943.21
<b>Net cash from investing activities</b>		<b>2,246.61</b>
<b>Cash flows from financing activities</b>		
Proceeds from issue of share capital		-
Proceeds from long-term borrowings		2,210.58
Payment of long-term borrowings		(33,903.75)
<b>Net cash used in financing activities</b>		<b>(31,693.17)</b>
<b>Net increase in cash and cash equivalents</b>		<b>(14,657.59)</b>
Cash and cash equivalents at beginning of period		73,240.11
Cash and cash equivalents at end of period		<b>58,582.52</b>

  
Sr. Manager (F&A)

  
Finance Controller

*For B. C. Datta & Co.  
Chartered Accountants*

*B. C. Datta  
Partner*





## Note 1. Corporate information

Jharkhand Bijli Vitran Nigam Limited (the company) is a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The registered office of the company will be situated in the State of Jharkhand. The company is engaged in distribution of power throughout the state of Jharkhand.

## Note 2. Significant Accounting Policies

### 2.1 Basis of accounting and preparation of financial statements

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year, except for the change in accounting policy explained below.

### 2.2 Presentation and disclosure of financial statements

During the year ended 31 March 2014, the revised Schedule VI notified under the Companies Act 1956, has become applicable to the company, for preparation and presentation of its financial statements. The adoption of revised Schedule VI does not impact recognition and measurement principles followed for preparation of financial statements. However, it has significant impact on presentation and disclosures made in the financial statements. The company has also reclassified the previous year figures in accordance with the requirements applicable in the current year.

### 2.3 Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

### 2.4 Tangible Fixed Assets

Fixed assets are stated at cost, net of accumulated Depreciation. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

### 2.5 Depreciation on Fixed Assets

Depreciation on fixed assets has been calculated as per the rate prescribed by the JSERC vide notification no. 33 & 34 dated 27/10/2010 and 35 dated 01/11/2010.

Sr. Manager (Fin. & Acct.)  
Jharkhand Bijli Vitran Nigam Ltd.

Finance Controller  
JBVNL

For B. C. Datta & Co  
Chartered Accountants

B. C. Datta



## 2.6 Government Grants and Subsidies

Grants and subsidies from the government are recognized when there is reasonable assurance that

- (i) the company will comply with the conditions attached to them, and
- (ii) the grant/subsidy will be received.

When the grant or subsidy relates to revenue, it is recognized as income on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs, which they are intended to compensate. Where the grant relates to an asset, it is recognized as reduction in the cost of the related asset.

## 2.7 Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

## 2.8 Inventories

Inventories are valued at the lower of cost (on FIFO / weighted average basis) and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty.

- i) Stock of Raw Materials: - At Cost
- ii) Stock of Finished Goods: - At Cost or Market Price whichever is less.
- iii) Stock of Stores: - At Cost.

## 2.9 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

### Sale of goods

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods. The company collects sales taxes and value added taxes (VAT) on behalf of the government and, therefore, these are not economic benefits flowing to the company. Hence, they are excluded from revenue. Excise duty deducted from revenue (gross) is the amount that is included in the revenue (gross) and not the entire amount of liability arising during the year.

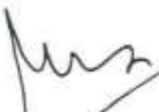
### Income from services

Revenues from Supervision Services and Commission are recognized as and when services are rendered. The company collects service tax on behalf of the government and, therefore, it is not an economic benefit flowing to the company. Hence, it is excluded from revenue

### Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

  
Sr. Manager (Fin. & Acct.)  
Markhand Biji Vitaran Nigam Ltd

  
Finance Controller  
JBVNL

For B. C. Datta & Co.  
Chartered Accountants  
Partner





## 2.10 Employee Benefits

Employee benefits include provident fund, superannuation fund, gratuity fund, compensated absences, long service awards and post-employment medical benefits.

### Defined contribution plans

The Company's contribution to provident fund and superannuation fund are considered as defined contribution plans and are charged as an expense as they fall due based on the amount of contribution required to be made.

### Defined benefit plans

For defined benefit plans in the form of gratuity fund and post-employment medical benefits, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

### Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service. The cost of such compensated absences is accounted as under :

- (a) in case of accumulated compensated absences, when employees render the services that increase their entitlement
- (b) in case of non-accumulating compensated absences, when the absences occur.

### Long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the Balance Sheet date less the fair value of the plan assets out of which the obligations are expected to be settled. Long Service Awards are recognised as a liability at the present value of the defined benefit obligation as at the Balance Sheet date.

## 2.11 Borrowing Costs

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

For B. C. Datta & Co.  
Chartered Accountants  
B. C. Datta  
Partner

Finance Controller  
JBVNL

For B. C. Datta & Co.  
Chartered Accountants  
B. C. Datta  
Partner





## 2.12 Leases

Where the Company as a lessor leases assets under finance leases, such amounts are recognised as receivables at an amount equal to the net investment in the lease and the finance income is recognised based on a constant rate of return on the outstanding net investment.

Assets leased by the Company in its capacity as lessee where substantially all the risks and rewards of ownership vest in the Company are classified as finance leases. Such leases are capitalised at the inception of the lease at the lower of the fair value and the present value of the minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis.

## 2.13 Earnings per share

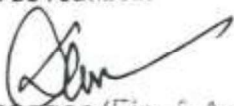
Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as-adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.


## 2.14 Income Tax

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each reporting date, the company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

  
Sr. Manager (Fin. & Acct.)  
Jharkhand Bijli Vitaran Nigam Ltd.

  
Finance Controller  
JBVNL

For B. C. Dutta & Co  
Chartered Accountants  
B. C. Dutta  
Partner





## 2.15 Deferred Tax

The carrying amount of deferred tax assets are reviewed at each reporting date. The company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the specified period.

## 2.16 Earnings Per Share

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. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

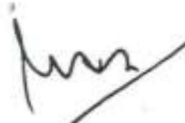
For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

## 2.17 Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.



Sr. Manager (Fin. & Acct.)  
Jharkhand Biju Vitane Group Ltd.



Finance Controller  
JBVNL

For B. C. Dutta & Co.  
Chartered Accountants

BCD  
Partner



Note 3: Share Capital

in ₹ lakh, except as otherwise stated

Particulars	As at 31 <sup>st</sup> March 2014		As at 31 <sup>st</sup> March 2013	
	Number	Amount	Number	Amount
<b>Authorised</b> Equity Shares of ₹ 10/- each	500,000,000.00	50,000.00		
<b>Issued</b> Equity Shares of ₹ 10/- each	2,100,000.00	210.00		
<b>Subscribed &amp; fully Paid up</b> Equity Shares of ₹ 10/- each	2,100,000.00	210.00		
<b>Total</b>	<b>2,100,000.00</b>	<b>210.00</b>	-	-

Particulars	Equity Shares			
	As at 31 <sup>st</sup> March 2014		As at 31 <sup>st</sup> March 2013	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	-	-	-	-
Shares Issued during the year	2100000	210.00	-	-
Shares bought back during the year	-	-	-	-
Any other movement	-	-	-	-
Shares outstanding at the end of the year	2100000	210.00	-	-

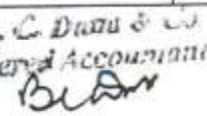
Out of Equity shares issued by the Company, shares held by its holding company, ultimate holding company and their subsidiaries/ associates are as below:

Particulars	Nature of Relationship	As at 31 <sup>st</sup> March 2014	As at 31 <sup>st</sup> March 2013
<b>Equity Shares</b>			
Jharkhand Urja Vikas Nigam Ltd	Holding Company	210.00	-

Name of Shareholder	Equity Shares			
	As at 31 <sup>st</sup> March 2014		As at 31 <sup>st</sup> March 2013	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Jharkhand Urja Vikas Nigam Ltd	2,099,400	99.9714%	-	-
Principal Secretary/ Secretary, Power, GoJ	100	0.0048%	-	-
Principal Secretary/ Secretary, Finance, GoJ	100	0.0048%	-	-
Principal Secretary/ Secretary, Planning & Development, GoJ	100	0.0048%	-	-
Principal Secretary/ Secretary, Water Resource, GoJ	100	0.0048%	-	-
Principal Secretary/ Secretary, Mines & Natural Resources, GoJ	100	0.0048%	-	-
Principal Secretary/ Secretary, Forest & Environment, GoJ	100	0.0048%	-	-
<b>Total</b>	<b>2,100,000</b>	<b>100.00%</b>	-	-

  
Sr. Manager (Fin. & Acct.)  
Jharkhand Biji Vitaran Nigam Ltd.

  
Finance Controller  
JBVNL

  
Chartered Accountant  
B. C. Das & Co.

13/03/15





Note 4: Reserves & Surplus

in ₹ lakh

Particulars	As at 31 <sup>st</sup> March 2014	As at 31 <sup>st</sup> March 2013
	Amount	Amount
a. Capital Reserves		
b. Capital Redemption Reserve	-	-
c. Securities Premium Account	-	-
d. Debenture Redemption Reserve	-	-
e. Revaluation Reserve	-	-
f. Share Options Outstanding Account	-	-
g. Other Reserves	-	-
h. Surplus		
Opening balance	-	-
(+) Net Profit/(Net Loss) For the current year	(7,098.42)	-
(+) Transfer from Reserves	-	-
(-) Proposed Dividends	-	-
(-) Interim Dividends	-	-
(-) Transfer to Reserves	-	-
Closing Balance	(7,098.42)	-
<b>Total</b>	<b>(7,098.42)</b>	<b>-</b>

Note 5: Restructuring Account pending adjustment

in ₹ lakh

Particulars	As at 31 <sup>st</sup> March 2014	As at 31 <sup>st</sup> March 2013
	Amount	Amount
Restructuring Account (Balancing Figure) (as per GoJ notified "The Jharkhand State Electricity Reforms Transfer Scheme ,2013" vide Notification No.18 dated 6 <sup>th</sup> January 2014)	3,13,383.38	-
<b>Total</b>	<b>3,13,383.38</b>	<b>-</b>

Finance Controller  
JDEVNL

For & on Behalf of  
Director of Accounts  
BCLP



Note 6: Long Term Borrowings

in ₹ lakh

Particulars	As at 31 <sup>st</sup> March 2014	As at 31 <sup>st</sup> March 2013
	Amount	Amount
<b>Secured</b>		
(a) Bonds/debentures	-	
(b) Term loans	-	
Loan from PFC	12,493.08	
(c) Deferred payment liabilities	-	
(d) Deposits	-	
(e) Loans and advances from related parties	-	
(f) Long term maturities of finance lease obligations	-	
(g) Other loans and advances (specify nature)	-	
	<b>12,493.08</b>	<b>-</b>
<b>Unsecured</b>		
(a) Bonds/debentures	-	
(b) Term loans	-	
(c) Deferred payment liabilities	-	
(d) Deposits	-	
(e) Loans and advances from related parties	-	
(f) Long term maturities of finance lease obligations	-	
(g) Other loans and advances (specify nature)	-	
	-	-
<b>Total</b>	<b>12,493.08</b>	<b>-</b>

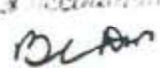
Note 7: Other Long Term Liabilities

in ₹ lakh

Particulars	As at 31 <sup>st</sup> March 2014	As at 31 <sup>st</sup> March 2013
	Amount	Amount
(a) Trade Payables		
(b) Others		
<b>Total</b>	<b>-</b>	<b>-</b>

  
Sr. Manager (Fin. & Acct.)  
Barkhand Bijli Vitaran Nigam Ltd.

  
Finance Controller  
JBVNL

*Handwritten notes and signatures:*  
# of ...  
...  





Note 8: Long Term Provisions

in ₹ lakh

Particulars	As at 31 <sup>st</sup> March 2014	As at 31 <sup>st</sup> March 2013
	Amount	Amount
(a) Provision for employee benefits		
Superannuation	-	
Leave Encashment	-	
(b) Others (Specify nature)	-	
<b>Total</b>	-	-

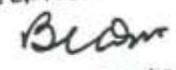
Note 9: Short Term Borrowings

in ₹ lakh

Particulars	As at 31 <sup>st</sup> March 2014	As at 31 <sup>st</sup> March 2013
	Amount	Amount
<u>Secured</u>		
(a) Loans repayable on demand	-	-
(b) Loans and advances from related parties	-	-
(c) Deposits	-	-
(d) Other Loans and advances	-	-
	-	-
<u>Unsecured</u>		
(a) Loans repayable on demand	-	-
(b) Loans and advances from related parties	-	-
(c) Deposits	-	-
(d) Other loans and advances (specify nature)	-	-
	-	-
<b>Total</b>	-	-

  
St. Michael's  
Bharuwa, Jharkhand

  
Finance Controller  
JBVNL

For B. C. Datta & Co.  
(Chartered) Accountants  
  
Partner



Note 10: Trade Payables

in ₹ lakh

Particulars	As at 31 <sup>st</sup> March 2014	As at 31 <sup>st</sup> March 2013
	Amount	Amount
Liabilities for Purchase of Power-Mittal Power	59.17	
Liabilities for Purchase of Power-JUUNL	5,657.50	
Liabilities for Purchase of Power-JUSNL	3,139.86	
Liabilities for Purchase of Power-APNRL	5,111.02	
Liabilities for Purchase of Power-DVC	322,208.95	
Liabilities for Purchase of Power-NTPC	27,357.92	
Liabilities for Purchase of Power-VVNL(NTPC)/ Manikaran	35.09	
Liabilities for Purchase of Power-EREB UI A/C	115.49	
Liabilities for Purchase of Power-NHPC-Rangit	1,181.90	
Liabilities for Purchase of Power KIJALK (SOLAR)	721.92	
Liabilities for Purchase of Power-PGCIL-Transmission Charges & ERLDC	2,781.96	
Liabilities for Purchase of Power--WBSEB	742.10	
Liabilities for Purchase of Power--TVNL	240,725.85	
Liabilities for Purchase of Power--PTC	540.02	
Liabilities for Purchase of Power-Provision against power dues& LPSC	135.15	
OTHERS		
Liability for Supply of materials	551.50	
Other Creditors	3,912.00	
Liability for Capital Suppliers/Works	12,170.04	
Liabilities for O.M.Suppliers/Works	1,322.47	
Liability for O.M. Works	185.36	
<b>Total</b>	<b>628,655.27</b>	<b>-</b>

Sr. Manager (Fin. & Acct.)  
Barkhand Bijli Vitaran Nigam Ltd

Finance Controller  
JBVNL

For B. C. Dutta & Co.  
Chartered Accountants

B. C. Dutta  
Partner





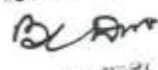
Note 11: Other Current Liabilities

in ₹ lakh

Particulars	As at	As at
	31 <sup>st</sup> March 2014	31 <sup>st</sup> March 2013
	Amount	Amount
(a) Current maturities of long-term debt	-	-
(b) Current maturities of finance lease obligations	-	-
(c) <u>Tax Payable:</u>		
Other tax payable	14.98	
Income Tax From Contractor payable	12.72	
Sales Tax/ Professional Tax payable	893.55	
(d) <u>Deposits:</u>		
Security deposits from Consumer (In Cash)	27,067.24	
Security deposits form Consumer (Other than Cash)	6,538.78	
Consumer's Contribution for service line	374.89	
Interest payable on Consumers deposits	16,010.29	
Other Deposit	139.87	
Security Deposit from Staff	0.44	
Deposit Kept in Abeyance	0.81	
Deposit for works to the done	173.42	
Deposits and Retention from Suppliers	1,152.19	
Security Deposit from Contractors	17,755.21	
Keep Back deposit	6,353.88	
Penalty Keep Back	812.37	
Retention Money for Suppliers /Contractors	654.60	
Penalty for Contractors	376.62	
Deposit for Electrification, Service Connection	398.23	
(e) <u>Others:</u>		
Advance against energy consumed by State Govt	833.03	
Court Attachment	0.86	
Liabilities for Establishment	1,091.91	
Levies payable to Governemnt	0.31	
Liability for Expenses	17.25	
Miscellaneous Advance (O&M)	47.79	
Other Liabilities	246.72	
Royalty Payable	4.44	
Public Works Department	0.25	
<b>Total</b>	<b>80,972.65</b>	<b>-</b>

  
Sr. Manager (Fin. & Acct.)  
Barkhad Bijli Vitaran Nigam Ltd

  
Finance Controller  
JBVNL

For B. C. Datta & Co.  
Chartered Accountants  
  
Partner



Note 12: Short Term Provisions

in ₹ lakh

Particulars	As at 31 <sup>st</sup> March 2014	As at 31 <sup>st</sup> March 2013
	Amount	Amount
<b>(a) Provision for employee benefits</b>		
Contribution to CPF	3.05	
EPF(Employers)	55.87	
EPF(Employees)	13.75	
ESI(Employers)	18.10	
ESI(Employees)	3.92	
Pay Advance	17.27	
Group Insurance	157.94	
Salary Payable	1,288.08	
Income Tax (Staff)	7.45	
PLI & LIP	12.19	
GPF(Trustee)	0.03	
TDS payable	2.32	
Staff Loan(SBI)	0.54	
Marriage Advance	1.65	
<b>(b) Others</b>		
Statutory Audit & Tax Audit Fees	3.42	
<b>Total</b>	<b>1,585.58</b>	<b>-</b>

  
Sr. Manager (Fin. & Acct.)  
Charkhand Bijli Vitaran Nigam Ltd.

  
Finance Controller  
JBVNL

For B. C. Datta & Co.  
Chartered Accountants







Note 14: Non-Current Investments

in ₹ lakh

S.No.	Particulars	As at	As at
		31 <sup>st</sup> March 2014	31 <sup>st</sup> March 2013
		Amount	Amount
A	Trade Investments	-	-
B	Other Investments		
	Grand Total (A + B)	-	-
	Less : Provision for dimunition in the value of Investments	-	-
	Total	-	-

Note 15: Long Term Loans and Advances

in ₹ lakh

S.No.	Particulars	As at	As at
		31 <sup>st</sup> March 2014	31 <sup>st</sup> March 2013
		Amount	Amount
a.	Capital Advances		
	Secured, considered good	21,279.14	
	Unsecured, considered good	-	
	Doubtful	-	
	Less: Provision for doubtful advances	-	
		21,279.14	-
b.	Security Deposits	-	-
c.	Loans and advances to related parties	-	-
d.	Other loans and advances	-	-
	Total	21,279.14	-

for E. C. Datta & Co.  
Chartered Accountants

Partner



Sr. Manager (Fin. & Acct.)  
Charkhand Biji Vitaran Nigam Ltd.

Finance Controller  
JBVNL



Note 16: Other Non-Current Assets


in ₹ lakh

Particulars	As at 31 <sup>st</sup> March 2014	As at 31 <sup>st</sup> March 2013
	Amount	Amount
<b>a. Long term trade receivables (including trade receivables on deferred credit terms)</b>		
Secured, considered good	-	
Unsecured, considered good	-	
Doubtful	-	
Less: Provision for doubtful debts	-	-
<b>b. Others</b>		
Secured, considered good	-	
Unsecured, considered good	-	
Doubtful	-	
<b>c. Debts due by related parties</b>		
Secured, considered good	-	
Unsecured, considered good	-	
Doubtful	-	
Less: Provision for doubtful debts	-	-
<b>Total</b>	-	-

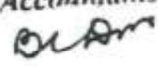
Note 17: Current Investments

in ₹ lakh

Particulars	As at 31 <sup>st</sup> March 2014	As at 31 <sup>st</sup> March 2013
	Amount	Amount
Current investments- Fixed Deposits	26,250.35	-
<b>Total</b>	26,250.35	-

  
Sr. Manager (Fin. & Acct.)  
Barkhand Bijli Vitaran Nigam Ltd.

  
Finance Controller  
JBVNL


For E. C. Datta & Co.  
(Chartered) Accountants  
  
Partner




Note 18: Inventories

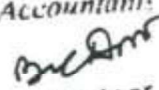
in ₹ lakh

Particulars	As at 31 <sup>st</sup> March 2014	As at 31 <sup>st</sup> March 2013
	Amount	Amount
<b>a. Raw Materials and components</b>		
Stock of Materials at construction Stock (Capital)	20,214.76	
Stock of Materials at other site Stock (O&M)	941.18	
	<b>21,155.94</b>	-
<b>b. Work-in-progress</b>		
	-	-
<b>c. Finished goods</b>		
Internally Manufactured		
Other than internally manufactured		
Goods-in transit	-	-
<b>d. Stock-in-trade</b>		
Internally Manufactured		
Other than internally manufactured		
Goods-in transit	-	-
<b>e. Stores and spares</b>		
	-	-
<b>f. Loose Tools</b>		
	-	-
<b>g. Others (Specify nature)</b>		
	-	-
	-	-
<b>Total</b>	<b>21,155.94</b>	-

  
Sr. Manager (Fin. & Acct.)  
Jharkhand Bijli Vitaran Nigam Ltd.

  
Finance Controller  
JBVNL

For E. C. Datta & Co.  
Chartered Accountants

  
Partner





Note 19: Trade Receivables

in r lakh


Particulars	As at 31 <sup>st</sup> March 2014	As at 31 <sup>st</sup> March 2013
	Amount	Amount
Trade receivables outstanding for a period less than six months from the date they are due for payment- <b>Provision for Unbilled Revenue</b>	23,867.91	
Secured, considered good	-	
Unsecured, considered good	-	
Unsecured, considered doubtful	-	
Less: Provision for doubtful debts	-	
	23,867.91	-
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Secured, considered good	320,822.08	
Unsecured, considered good	-	
Unsecured, considered doubtful	-	
Less: Provision for doubtful debts	286,273.06	
	34,549.02	-
<b>Total</b>	<b>58,416.93</b>	<b>-</b>

Note 20: Cash and Cash Equivalents

in r lakh

Particulars	As at 31 <sup>st</sup> March 2014		As at 31 <sup>st</sup> March 2013	
	Amount	Amount	Amount	Amount
a. Balances with banks	47,451.12	47,451.12	-	-
b. Cheques, drafts on hand	-	-	-	-
c. Cash in hand	14.14	14.14	-	-
d. Others:			-	-
Balances With Division	612.15		-	-
Cash with Division	5,374.07		-	-
Cash in Transit	4,309.11		-	-
Balances With Circle	536.52		-	-
Inter Circle Transfer	45.04		-	-
Imprest Cash	240.37	11,117.26	-	-
<b>Total</b>		<b>58,582.52</b>		<b>-</b>

  
Sr. Manager (Fin. & Acct.)  
Barkhand Bijli Vitaran Nigam Ltd

  
Finance Controller  
JBVNL

For B. C. Dutta & Co.  
Chartered Accountants

B. C. Dutta  
Partner

DW

Note 21: Short Term Loans and Advances

in r lakh

Particulars	As at	As at
	31 <sup>st</sup> March 2014	31 <sup>st</sup> March 2013
	Amount	Amount
a. Loans and advances to related parties		
Total	-	-
b. Others		
1. Advance to Suppliers	804.72	
2. Advance to Contractors	78.99	
3. <u>Advances to Employees:</u>		
Advances to Staff	7.18	
TA Advance	13.35	
Festival Advance	19.79	
Car Advance	1.80	
Motor Cycle Advance	0.05	
Cycle Advance	0.18	
Advance for other conveyance	1.02	
House Building	49.98	
Medical Advance	20.61	
Arrear Pay in Advance	50.58	
Temporary Advance	67.90	
Other Advance	37.33	
Wages/Salary Advance	74.18	343.95
4. <u>Taxes:</u>		
TDS & Advances to Authorities	1,448.12	
Corporation Tax	0.59	
Advance to Commercial taxes	496.29	1,945.00
5. <u>Others:</u>		
Computer Advance	0.94	0.94
Total	3,173.60	-
Grand Total	3,173.60	-

For B. C. Datta & Co.  
(Chartered Accountants)

*B. C. Datta*  
Partner

Note 22: Other Current Assets

in r lakh

Particulars	As at	As at
	31 <sup>st</sup> March 2014	31 <sup>st</sup> March 2013
	Amount	Amount
1. <u>Inter-Company:</u>		
Inter Company Transaction Account	19,421.84	
Transfer Within Circle & HQ	6,940.94	
Inter Unit Adjustment Account	72.89	
J.S.E.B. Restructuring Account	17.52	
Remittances from HQ	(28.17)	
Remittances from RE	(240.29)	
Inter Circle Transfer-Others	(9.16)	
Circle Current Account	(790.74)	
HQ Current Account	(4,781.91)	
Inter Circle Transfer-Personal	(0.65)	20,602.27
2. <u>Personnel Cost:</u>		
Gratuity Reserve	308.90	
Pension Reserve	1,761.14	
Group Saving Scheme	53.05	
Officers Welfare Fund	0.01	
Leave Encashment	134.37	
GPF HQ	38.09	
CPF	5.81	
CPF HQ's Contribution	66.14	
Group Insurance (HQ)	0.29	2,367.80
3. <u>Others:</u>		
Deposit for Temporary Connection	0.30	
Prime/Chief Minister Relief Fund	0.20	
Amount owing from Licensees	46.98	
Claim Receivable from GOJ	568,502.40	
Other Recoveries	0.09	
Electricity Duty Recoveries	1,663.02	570,212.99
Total	593,183.06	

*Mr. J. R. V. N. L.*

Finance Controller  
.IRVNL

*Sr. Manager (Fin. & Acct.)*  
Anand Biju, Vitaran Nigam Ltd.



Note 23: Revenue From Operations


in ₹ lakh


Particulars	As at	As at
	31 <sup>st</sup> March 2014	31 <sup>st</sup> March 2013
	Amount	Amount
a. Sale of Products;	-	-
b. Sale of Services;	-	-
Domestic	10,734.68	-
Commercial	7,041.04	-
Public Lighting	542.80	-
Irrigation	124.00	-
Public Water Works	937.99	-
Industrial LT	2,908.82	-
Industrial HT	31,645.86	-
Railway	9,739.68	-
Bulk supply (Inter state)	-	-
Outside State	1,709.76	-
Electricity Duty Recovery	-	-
Other State Duty Recovery	-	-
Meter Rent	195.77	-
Wheeling Charges / Fuel surcharge	-	-
c. Other operating revenues;	-	-
Less:	-	-
d. Excise duty	-	-
e. Miscellaneous Charges from Consumers	359.89	-
<b>Total</b>	<b>65,220.51</b>	<b>-</b>

Note 24: Other Income

in ₹ lakh

Particulars	As at	As at
	31 <sup>st</sup> March 2014	31 <sup>st</sup> March 2013
	Amount	Amount
Grants-in-aid for debt services	53,332.00	-
Interest Income from Investment in Fixed Deposits	270.62	-
D.P.S from Consumer	5,719.26	-
Interest on advance to Supplier/Contractor	1.42	-
Interest from Bank (Other than FD)	114.87	-
Income from Trading	0.02	-
Income from Staff Welfare activities	-	-
Miscellaneous Receipt	402.81	-
Dividend Income	-	-
<b>Total</b>	<b>59,841.00</b>	<b>-</b>

  
Sr. Manager (Fin. & Acct.)  
Barkhand Bijli Vitaran Nigam Ltd

  
Finance Controller  
JBVNL

For B. C. Dutta & Co.  
Chartered Accountants

  
Partner



**Note 25: Cost of Material Consumed**


*in ₹ lakh*

Particulars	As at 31 <sup>st</sup> March 2014	As at 31 <sup>st</sup> March 2013
	Amount	Amount
Inventory at the beginning of the year		
Add: Purchases of Power	114,011.89	-
Add: Transfer to internal department X	-	-
	<b>114,011.89</b>	-
Less: Inventory at the end of the year	-	-
Less: Abnormal Losses during the year	-	-
Less: Transfer from Internal Department Y	-	-
Cost of raw material consumed	<b>114,011.89</b>	-
Packing Material ( if considered as part of Raw Material)	-	-
Other materials ( purchased intermediates and components)	-	-
<b>Total</b>	<b>114,011.89</b>	-

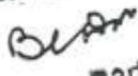
**Note 26: Employee Benefits Expense**

*in ₹ lakh*

Particulars	As at 31 <sup>st</sup> March 2014	As at 31 <sup>st</sup> March 2013
	Amount	Amount
(a) Salaries and incentives	4,222.26	-
(b) Contributions to -		-
(i) Provident and other fund	45.61	-
(ii) Superannuation scheme	2.59	-
(iii) Pension Fund	174.40	-
(c) Gratuity fund contributions	72.38	-
(d) Social security and other benefit plans	-	-
(e) Expense on Employee Stock Option Scheme (ESOP) and Employee Stock Purchase Plan (ESPP)	-	-
(f) Staff welfare expenses	24.30	-
(g) Others	-	-
<b>Total</b>	<b>4,541.54</b>	-

  
Sr. Manager (Fin. & Acct.)  
Jharkhand Biji Vitaran Nigam Ltd.

  
Finance Controller.  
JBVNL

For B. C. Datta & Co.  
Chartered Accountants  
  
Partner





Note 27: Finance costs

in ₹ lakh

Particulars	As at	As at
	31 <sup>st</sup> March 2014	31 <sup>st</sup> March 2013
	Amount	Amount
<b>Interest expense:</b>		
i) Interest on PFC Loan	197.63	-
ii) Interest on Consumers Deposits	552.52	-
iii) Interest on Bank Loan	1,280.91	-
iv) Others	4.71	-
Bank Charges	66.43	-
Other borrowing costs	-	-
Applicable net gain/loss on foreign currency transactions and translation	-	-
<b>Total</b>	<b>2,102.20</b>	<b>-</b>

Note 28: Administrative Expenses

in ₹ lakh

Particulars	As at	As at
	31 <sup>st</sup> March 2014	31 <sup>st</sup> March 2013
	Amount	Amount
Rent Rates & Taxes	18.75	-
Insurance	0.05	-
Telephone Charges, Postage, telegram & Telex chgs	24.34	-
Legal Charges	35.59	-
Consultancy Charges	33.80	-
Other Professional Charges/ Collection and Remittance charge	54.85	-
Conveyance Expenses	14.22	-
Traveling Expenses	26.31	-
Vehicle Running Expenses Petrol & Oil)	69.60	-
Hired Vehicles	56.79	-
Fees & Subscription	0.53	-
Books & Periodicals	0.35	-
Printing & Stationary	5.08	-
Advertisements	0.73	-
Water Charges	0.07	-
Electric Charges	116.72	-
Entertainment Charges	10.81	-
Miscellaneous Expenses	39.24	-
Home Guard	40.22	-
Computer Billing	313.45	-
Bills Distribution.	5.81	-
Others	7.63	-
Freight	2.35	-
Freight on capital Equipments	0.26	-
Other Freight	3.06	-
Vehicle Running Trucks/Delivery	15.75	-
Vehicle Running exps-Trucks/vehicles	0.53	-
Incidental Stores Expenses	9.20	-
Audit Fees	3.42	-
<b>Total</b>	<b>1,117.12</b>	<b>-</b>

Sr. Manager (Fin. & Acct.)  
Jharkhand Biji Vitaran Nigam Ltd.

Finance Controller  
JBVNL

K. H. P. & Co.  
Chartered Accountants  
B. P. S.

partner

Note 29: Repairs & Maintenance

in ₹ lakh

Particulars	As at 31 <sup>st</sup> March 2014	As at 31 <sup>st</sup> March 2013
	Amount	Amount
Plant and Machinery	2.59	
Building	29.01	
Civil Works	35.27	
Hydraulic Works	6.01	
Line Cable Net Works	1,606.97	
Vehicles	0.76	
Furniture and Fixtures	14.06	
Office Equipment	2.08	
<b>Total</b>	<b>1,696.75</b>	<b>-</b>



Sr. Manager (Fin. & Acct.)  
Barkhand Biji Vitaran Nigam Ltd



Finance Controller  
JBVNL

M. B. C. Datta & Co.  
Chartered Accountants



Partner

