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Board of Directors

Chairman	
Shri Praful Patel	(w.e.f. 30.12.2016)
Managing Director	
Shri Kannan Gopinathan, IAS	(w.e.f. 21.09.2017)
Shri S. S. Yadav, IAS	(from 16.03.2017 to 20.09.2017)
Directors	
Shri R. Mihir Vardhan, IAS	(w.e.f. 12.07.2018)
Dr. S. B. Deepak Kumar, IAS	(till 12.07.2018)
Shri Gaurav Singh Rajawat, IAS	(till 11.12.2017)
Smt. Priyanka Kumari	(till 18.06.2018)
Smt. Soumya, IAS	(w.e.f. 31.07.2018)
Independent Directors	
Shri Hemanshu Kapadia	
Shri Pentayya Polagani	
Shri Vijay Kulkarni	(w.e.f. 10.05.2018)
Key Managerial & Senior Officers	
Shri Pawan Kumar Mishra	(w.e.f. 01.06.2018)
Shri C. A. Parmar, Chief Engineer	
Company Secretary	
Shri Vitthal M Chavan	
Bankers	
Dena bank	
State Bank of India	
Statutory Auditors	
M/s Agarwal & Dhandhania	
Chartered Accountants, Surat	



Chairman' Speech



Dear Shareholders,

The Corporation is supplying power to all its consumers at very competitive rates approved by the Joint Electricity Regulatory Commission. During the FY 2017-18, even the consumers who had earlier opted for open access supply of electricity discontinued the option due to higher landed cost of electricity and opted for electricity being supplied by the Corporation.

During the year, the Corporation has substantially reduced its loss before tax to Rs. 5.89 crore against the previous year's loss of Rs. 68.13 crore. T & D loss has been reduced during year to 4.47 % as against previous years of 5.40%. The T&D loss of the Corporation is one of the lowest in the country. The total AT & C losses stands at 6.24% for FY 2017-18, which depicts the better realisation and lower T & D loss.

I am glad to inform that Hon' ble Prime Minister of India, Shri Narendra Modiji inaugurated 3 MW Solar Plant at Velugam on 17th April 2017. Further, on auspicious hands of Hon'ble Prime Minister of India, Shri. Narendra Modiji, foundation stone was laid on 24.02.2018 for underground cabling project and setting of GIS sub-station at Silvassa city.

The Corporation will make all efforts to ensure sustainable growth and surge ahead to attain better heights of performance.

I convey my appreciation to my colleagues on the Board for their valuable contribution and to all our stakeholders for reposing confidence in the performance of the Corporation.





Directors



Shri Praful Khodabhai Patel
Chairman

Shri Praful Khodabhai Patel is an Administrator of Daman and Diu and Dadra & Nagar Haveli. He has served as Minister of State – Home Gujarat.

He is Chairman of the Corporation w.e.f. 30.12.2016.



Shri S. S. Yadav, IAS
Nominee Director

Shri S. S. Yadav is an IAS officer of AGMUT Cadre 1995 Batch. He is an Advisor to the Hon'ble Administrator of Daman & Diu and Dadra & Nagar Haveli.

He has been appointed as a Director in the Corporation w.e.f. 16.03.2017.



Shri R. Mihir Vardhan, IAS
Nominee Director

Shri R. Mihir Vardhan is an IAS officer of AGMUT Cadre 2003 Batch. He is Secretary (Revenue), DD & DNH. He is holding additional charge of Finance Secretary, DD & DNH.

He has been appointed as a Director in the Corporation w.e.f. 12.07.2018.



Shri Kannan Gopinathan, IAS
Managing Director

Shri. Kannan Gopinathan is an IAS Officer of AGMUT Cadre 2012 Batch. He is holding substantial charge of Collector, DNH.

He is Managing Director of the Corporation w.e.f. 21.09.2017.



Directors



Smt. Soumya, IAS
Nominee Director

Smt. Soumya is an IAS Officer of AGMUT Cadre 2014 Batch. She was Resident Deputy Collector of Silvassa.

She has been appointed as Director in the Corporation w.e.f.31.07.2018. She ceased to be Director w. e. f. 05.10.2018



Shri Hemanshu Kapadia
Independent Director

Shri Hemanshu Kapadia is Practicing Company Secretary & Insolvency Professional at Mumbai. He is having more than 30 years' experience in the area of corporate laws, secretarial, finance and legal matters. He is rendering his services to reputed business houses which includes listed, unlisted, public & private companies. He is also a law graduate. He is associated with UT of Daman & Diu and Dadra & Nagar Haveli as Company Law Advisor since 1992.

He is an Independent Director in the Corporation w.e.f. 01.04.2014



Shri Pentayya Polagani
Independent Director

Shri Pentayya Polagani is post-graduate in Electrical Engineering from Andhra University. He has 33 years of experience in Power System Operation in Central Electricity Authority, Power Grid Corporation of India Ltd and Power System Operation Corporation Ltd. He was head of two Regional Load Dispatch Centers - ERLDC and WRLDC from Feb'10 to Feb'14 and presently retired from service. He has vast experience in Power System Operation, Power System studies, protection, commercial and market operations, SCADA & EMS, Cyber Security.

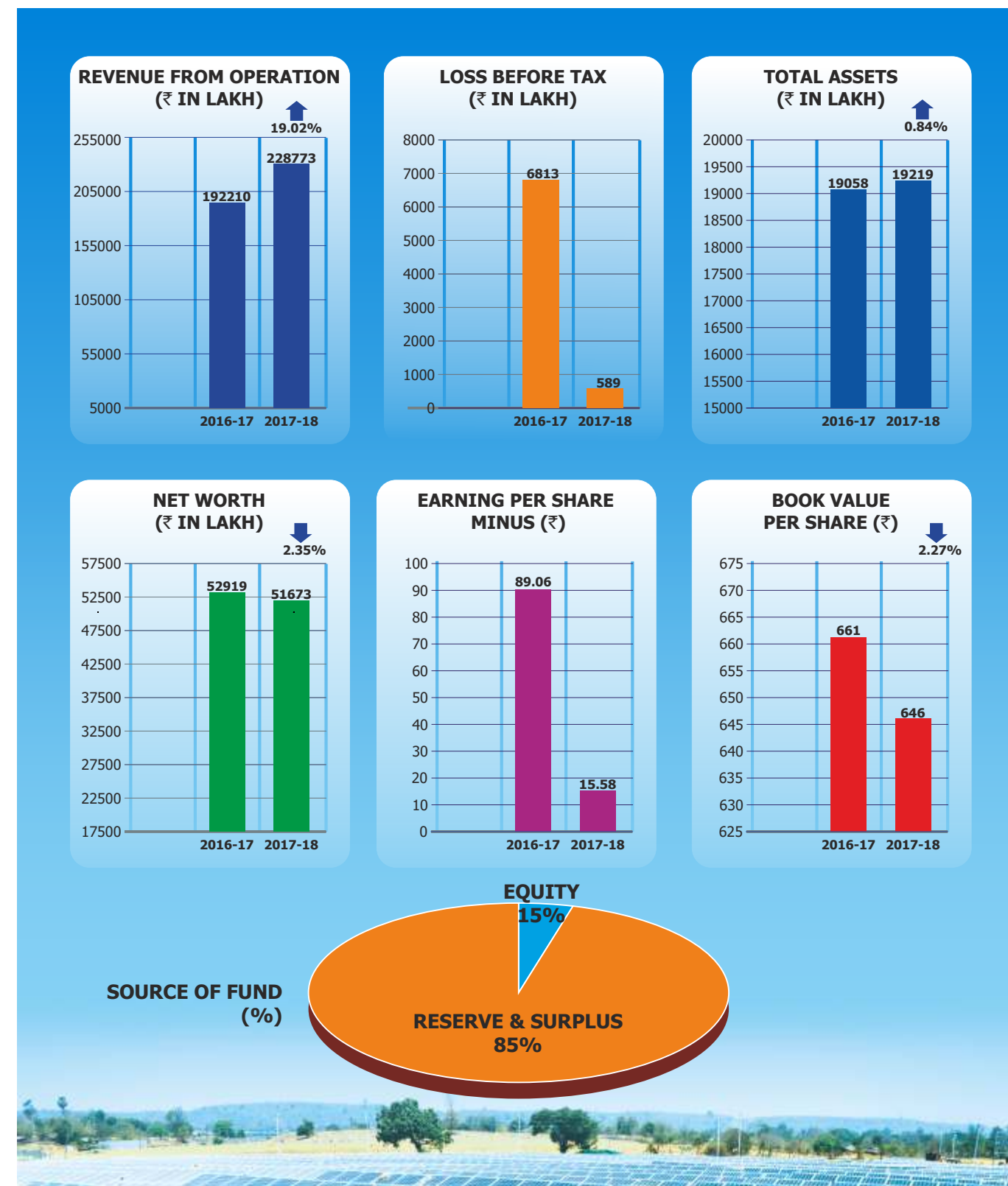
He joined the Company as Independent Director w.e.f. 08.08.2014



Shri Vijay Kulkarni
Independent Director

Shri Vijay Kulkarni is Marine Engineer. He has served as Chief Engineer on Merchant vessels, Tech. Manager / Tech. Supt. in Mumbai & London in reputed Shipping companies. Presently, he is running a business of providing Engineering solutions to various Industries and manufacturing of components for Electrical transformers with clientele spread all over India. Also teaching as visiting faculty in a world renowned Ship Management company to Mariners in various subjects.

He joined the Company as Independent Director w.e.f. 10.05.2018



To,

The Members,

Your Directors have great pleasure in presenting the 6th Annual Report of your Corporation and the Audited Financial Statements for the year ended 31st March 2018.

1. KEY HIGHLIGHTS :

The key highlights for the Financial Year 2017-18 are:

Financial performance of the company;

Increase in revenue from operations by 19.02% to Rs. 2287.73 crore

Increase in total income by 20.82% to Rs. 2378.78 crore.

Decrease in Loss before tax from Rs. 68.13 crore to Rs. 5.89 crore

In the matter of tariff determination by Hon'ble Joint Electricity Regulatory Commission (JERC) for FY 2017-18 and true up of FY 2016-17, tariff was decreased by the Commission. After submission of the negative impact of the decrease in the tariff, the Commission after considering the petition of the Corporation allowed Regulatory Surcharge of 9.70% for January 2018 to 31st March 2018 and for FY 2018-19.

The Corporation continued to substantially improve the technical performance, T & D Losses reduced to 4.47% in FY 2017-18 against 5.40% in FY 2016-17.

The total A T & C losses stands at 6.24% for FY 2017-18, this depicts the better realization and lower T & D Losses

3 MW Solar plant at Velugam was commissioned and inaugurated on 17.04.2017 by Hon'ble Prime Minister of India, Shri. Narendra Modiji.

Further, on auspicious hands of Hon'ble Prime Minister of India, Shri. Narendra Modiji, foundation stone was laid on 24.02.2018 for underground cabling project and setting of GIS sub-station at Silvassa city.

"UDAY" Tripartite Memorandum of Understanding was signed on 20.11.2017 with Ministry of Power, Govt. of India and Administration of UT of Dadra & Nagar Haveli and DNH Power Distribution Corporation Ltd.

The Corporation started facility for making application online for release of power, change of name, reduction of load etc. to Industrial consumers.

Total generation capacity of Solar Generation stands at 4.85 MW at on 31.03.2018.

Total peak demand reached to 781 MW on 20.07.2017 during FY 2017-18



2. FINANCIAL PERFORMANCE HIGHLIGHTS :

The financial performance of the Company for the year ended March 31, 2018 is summarized hereunder;

Particulars	(₹ in Lakhs)	
	FY 2017-18	FY 2016-17
Revenue from Operations	2,28,773	1,92,210
Other Income	9,105	4,683
Total Income	2,37,878	1,96,893
Purchase of Power	2,33,322	1,99,075
Operation and Maintenance Expenses	1,317	720
Employee Benefit Expenses	1,144	1,202
Administration and Other Expenses	828	389
Finance Costs	327	929
Depreciation and Amortization Expenses	1,529	1,391
Total Expenditure	2,38,467	2,03,706
Profit / (Loss) before Rate Regulated Activities	(589)	(6,813)
Rate Regulated Income / (Expenses)	—	—
Profit / (Loss) Before Tax	(589)	(6,813)
Tax Expenses	657	312
Profit / (Loss) from Continuing Operation	(1,246)	(7,125)
Other Comprehensive Income (Net of Tax)	—	—
Total Comprehensive Income for the year	(1,246)	(7,125)
Add: Balance brought forward from previous year	8,308	15,632
Balance available for Appropriations	7,062	8,507
a) Final Dividend and tax paid for previous year	—	—
b) Interim Dividend and tax paid for current year	—	—
c) Transfer from CSR Fund	279	—
d) Transfer from DNHPDCL CAPEX Fund	4,186	—
e) Transfer to CSR Fund	—	199
Balance carried to Balance Sheet	11,527	8,308
Earnings per Share in Rs. (Equity share having face value of Rs. 100/- each)	(15.58)	(89.06)

These financial performances has been summarized on the basis of Indian Accounting Standards (Ind AS) notified under 'Companies Indian Accounting Standard Rules 2015'.



3. OPERATIONAL PERFORMANCE :

The net power purchased during FY 2017-18 was 5936.88 Million KWh as against 3966.17 Million KWh during previous FY 2016-17, thus showing an increase of 1970.71 Million KWh. Further, the own generation from solar plants was 5.23 Million KWh as against 0.88 Million KWh during previous FY 2016-17. Hence, the total power available for sale was 5942.11 Million KWh as against 3967.05 Million KWh during previous FY 2016-17, thus showing an increase of 1975.06 Million KWh (49.79%). The consumers who had opted for the option of open access supply of electricity had discontinued the option due to higher landed cost of electricity and opted for the electricity being supplied by the Company. This has resulted in increase in net power purchased and also electricity sales during the current financial year.

The electricity sales to the consumers during FY 2017-18 was 5676.29 Million KWh as against 3752.91 Million KWh during previous FY 2016-17, thus showing an increase of 1923.38 Million KWh (51.25%). Accordingly, the distribution losses during FY 2017-18 was 265.82 Million KWh as against 214.14 Million KWh during previous FY 2016-17. The distribution losses in terms of percentage during FY 2017-18 had decreased to 4.47% as against 5.40% during previous FY 2016-17.

4. OPERATIONAL RESULTS :

The loss from continuing operation before tax of the Company for FY 2017-18 was Rs. 589 Lakh as compared to Rs. 6,813 Lakh for previous FY 2016-17 i.e. decrease of Rs. 6,224 Lakh. Whereas, the provision for taxation (i.e. deferred tax) during the current FY 2017-18 was Rs. 657 Lakh as compared to Rs. 312 Lakh for previous FY 2016-17. The increase in provision of deferred tax during the FY 2017-18 was mainly on account of new assets capitalization, which had resulted in taxable temporary difference. The total comprehensive income (i.e. loss) of the Company including provision for taxation and items of other comprehensive income for FY 2017-18 was Rs. 1,246 Lakh as compared to Rs. 7,125 Lakh for previous FY 2016-17 i.e. decrease of Rs. 5879 Lakh.

The reduction in the loss from continuing operation was attributable to various factors such as reduction in average loss per unit during FY 2017-18 as compared previous FY, increase in other income and decrease in certain expenses (i.e. Employee Benefits Expenses and Finance Costs). The detailed analysis has been provided under Financial Review / Analysis paragraph included in the Annual Report.

5. FINANCIAL REVIEW / ANALYSIS :

Results of Operations (Statement of Profit and Loss Analysis)

A detailed financial analysis of results of operations of the Company is furnished below. Reference to the Note in the following paragraphs refers to the Notes to the Financial Statements of FY 2017-18 included in this Annual Report. Figures of previous FY have been regrouped / rearranged, wherever necessary.

Total Income (Statement of Profit & Loss)

The total income mainly comprises of income from distribution and retail supply of power (i.e. electricity) in the area of Dadra & Nagar Haveli (Union Territory) sale of power through exchange, income from investments (i.e. deposits with banks) and miscellaneous income. The total income for FY 2017-18 was Rs. 2,37,878 Lakh (i.e. Revenue from Operations Rs. 2,28,773 Lakh + Other Income Rs. 9,105 Lakh) as compared to Rs. 1,96,893 Lakh (i.e. Revenue from Operations Rs. 1,92,210 Lakh + Other Income Rs. 4,683 Lakh) for previous FY 2016-17, thus showing an increase of Rs. 40,985 Lakh (20.82%).



Revenue from Operations (Note – 19)

The details of revenue from operations as under;

	(₹ in Lakhs)	
Particulars	FY 2017-18	FY 2016-17
Revenue from Sale of Power	2,28,044	1,89,419
Add: Other Operating Income	729	2,791
Total Revenue from Operations	2,28,773	1,92,210

The Company's major customers for the revenue from sale of power are High Tension and Low Tension (Industries) consumers and approximately 95% of total Revenue from Operation are contributed by these consumers.

The revenue from sale of power during FY 2017-18 was Rs. 2,28,044 Lakh as compared to Rs. 1,89,419 Lakh for previous FY 2016-17 i.e. an increase of Rs. 38,625 Lakh (20.39%). The average selling price in terms of per Kwh derived on the basis of total unit sold for FY 2017-18 was Rs. 4.02 per unit as against Rs. 5.05 per unit for pervious FY 2016-17. During the previous FY 2016-17, certain consumers had opted for the open access and paid the fixed charges to the Company for availing the open access and accordingly average selling price per unit was higher. During the current FY 2017-18, the consumers had discontinued the option of open access due to higher landed cost of electricity and opted for the electricity being supplied by the Company. This has resulted in increase in sale of power during the current financial year and also reduction in average selling price.

The other operating income consists of reactive income, STOA (Short Term Open Access) application fees, Supervision charges and other miscellaneous charges from consumers during FY 2017-18 was Rs. 729 Lakh as compared to Rs. 2,791 Lakh for previous FY 2016-17 i.e. decrease of Rs. 2,062 Lakh. The said decrease is mainly on account of decrease in STOA application fees amounting to Rs. 2,230 Lakh due to discontinuation of the option of open access by the consumers as explained above.

Accordingly, the total Revenue from Operations (i.e. mainly sale of power) for FY 2017-18 was Rs. 2,28,773 Lakh as compared to Rs. 1,92,210 Lakh for previous FY 2016-17 i.e. an increase of Rs. 36,563 Lakh (19.02%).

Other Income (Note – 20)

The Other Income for FY 2017-18 was Rs. 9,105 Lakh as compared to Rs. 4,683 Lakh for previous FY 2016-17 i.e. an increase of Rs. 4,422 Lakh. The said increase is mainly on account of following;

- Writing-off the old provisioning amounting to Rs. 3,934 Lakh created towards power purchase (i.e. capacity & Other Charges) from M/s Ratnagiri Gas & Power Private Limited (RGPPPL). The RGPPPL had stopped the generation and supply of power since October-2013 on account of technical minimum requirement load as the principle beneficiary (95% beneficiary of installed capacity) of the power plant i.e. Maharashtra was not scheduling the power. Accordingly, the non-supply of the power as per the terms of Purchase Power Agreement is solely on account of reason attributable to RGPPPL, hence, the Company is not liable to make any payment to RGPPPL.
- Levy of a penalty amounting to Rs. 881 Lakh on M/s GMR Warora Energy Limited for FY 2013-14 on account of non-compliance of the terms of Power Purchase Agreement (i.e. increase in the contracted capacity).



Total Expenditure (Statement of Profit & Loss)

Total expenditure of the Company consisting of Purchase of Power, Operating & Maintenance Expenses, Employee Benefits Expenses, Administration & Other Expenses, Finance Costs and Depreciation & Amortisation was Rs. 2,38,467 Lakh as compared to Rs. 2,03,706 Lakh for the previous FY 2016-17, thus showing an increase of Rs. 34,761 Lakh (17.07%). The details of the total expenditure as under;

	(₹ in Lakhs)	
Particulars	FY 2017-18	FY 2016-17
Total Expenses:		
Purchase of Power	2,33,322	1,99,075
Operation & Maintenance Expenses	1,317	720
Employee Benefits Expenses	1,144	1,202
Administrative & Other Expenses	828	389
Finance Costs	327	929
Depreciation & Amortization	1,529	1,391
Total Expenditure	2,38,467	2,03,706

Purchase of Power (Note – 21)

The Purchase Power for FY 2017-18 was Rs. 2,33,322 Lakh as compared to Rs. 1,99,075 Lakh for previous FY 2016-17 i.e. an increase of Rs. 34,247 Lakh (17.20%). This said increase was mainly on account of increase in purchase of electricity in terms of Million KWh. The average purchase price in terms of per KWh derived on the basis of total unit sold for FY 2017-18 was Rs. 4.11 per unit as against Rs. 5.30 per unit during pervious FY 2016-17. Hence, the average loss per unit (i.e. average selling price less average purchase price) for FY 2017-18 had been reduced to Rs. 0.09/- per unit (i.e. Rs. 4.02 less Rs. 4.11) as compared to Rs. 0.25 per unit (Rs. 5.05 less Rs. 5.30) for previous FY 2016-17.

Operation & Maintenance Expenses (Note – 22)

The Operation and Maintenance Expenses for FY 2017-18 was Rs. 1,317 Lakh as compared to Rs. 720 Lakh for the previous FY 2016-17 i.e. an increase of Rs. 597 Lakh. The said increase was mainly on account of JERC license fees of Rs. 410 Lakh accounted during the current FY.

Employee Benefits Expenses (Note – 23)

The Employee Benefits Expenses for FY 2017-18 was Rs. 1,144 Lakh as compared to Rs. 1,202 Lakh for the previous FY 2016-17 i.e. decrease of Rs. 58 Lakh. As such, there is no material variation in the said expenses.

Administration Expenses (Note – 25)

The Administration Expenses for FY 2017-18 was Rs. 828 Lakh as compared to Rs. 389 Lakh for the previous FY 2016-17 i.e. an increase of Rs. 439 Lakh. The said increase was mainly on account increase in the provisioning of bad debts amounting to Rs. 309 Lakh and CSR Expenditure amounting to Rs. 150 Lakh.



Finance Costs (Note – 24)

The finance costs for FY 2017-18 was Rs. 327 Lakh as compared to Rs. 929 Lakh for previous FY 2016-17, thus showing a decrease of Rs. 602 Lakh. The said decrease was mainly on account of reduction in interest charges amounting to Rs. 577 Lakh included in the power purchase bills as compared to previous FY 2016-17.

Depreciation (Note – 1 & 3)

The depreciation for FY 2017-18 was Rs. 1,529 Lakh as compared to Rs. 1,391 Lakh for previous FY 2016-17, thus showing an increase of Rs. 138 Lakh. The increase in depreciation was on account of capitalization of solar plants during FY 2017-18.

Profit / Loss before Tax and Other Comprehensive Income (Statement of Profit & Loss)

The Loss before tax of the Company for FY 2017-18 was Rs. 589 Lakh as compared to Rs. 6,813 Lakh for previous FY 2016-17 i.e. decrease of Rs. 6,224 Lakh.

Tax Expenses

An amount of Rs. 657 Lakh (Previous Year Rs. 312 Lakh) has been provided towards tax expenses under deferred tax.

Profit / Loss after Tax and Total Comprehensive Income (Statement of Profit & Loss)

The Loss after tax or the total comprehensive income (loss) of the Company for FY 2017-18 was Rs. 1,246 Lakh as compared to Rs. 7,125 Lakh for previous FY 2016-17 i.e. decrease of Rs. 5,879 Lakh.

FINANCIAL POSITION (BALANCE SHEET ANALYSIS)

No material changes and commitments have occurred after the close of the financial year till the date of the Annual Report, which affect the financial position of the Company. Financial Analysis of financial position of the company is furnished below. Reference to the Note in the following paragraphs refers to the Notes to the Financial Statements of FY 2017-18 included in this Annual Report.

Property, Plant & Equipments (PPE) and Intangible Assets (Note – 1 and 3)

The PPE and Intangible Assets net of depreciation and amortization as on 31st March 2018 increased to Rs. 19,053 Lakh from Rs. 17,148 Lakh as on 31st March 2017, thereby registering an increase of Rs. 1,905 Lakh. The said increase is mainly on account of capitalization of 3MW of solar plant at Velugam during FY 2017-18.

Capital Work in Progress (Note – 2)

The Capital work in progress as on 31st March 2018 was Rs. 166 lakh in comparison to Rs. 1,910 Lakh as on 31st March 2017, thus showing a decrease of Rs. 1,744 Lakh. The said decrease is on account of capitalization of 3MW of solar plant at Velugam during FY 2017-18



Non-Current Financial and Other Assets (Note – 4 & 5)

The non-current financial and other assets comprising of security deposits, advance income tax (net of provision) and capital advances was Rs. 3,076 Lakh as on 31st March 2018 in comparison to Rs. 1,621 Lakh as on 31st March 2017, thus showing an increase of Rs. 1,455 Lakh. The said increase is on account of capital advance allowed for underground cabling of overheads lines.

Total Current Assets (Note – 6 to Note - 10)

The current assets comprising of mainly O&M inventories, trade receivables, cash and bank balances, loans and advances, other recoverable and prepaid expenses was Rs. 58,582 Lakh as on 31st March 2018 in comparison to Rs. 74,109 Lakh as on 31st March 2017, thus showing a decrease of Rs. 15,527 Lakh. The said decrease is mainly on account of decrease in Cash & Bank Balances, which in tune utilized for settlement of trade and other payables (i.e. power purchase liability).

Net worth (Note – 11 & 12)

The net worth comprising of paid up share capital and revenue reserves / funds created out of the profits of the Company at the end of FY 2017-18 stands to Rs. 51,673 Lakh as against Rs. 52,919 Lakh at the end of FY 2016-17, thereby registering a decrease of Rs. 1,246 Lakh. The said marginal decrease is on account of loss during FY 2017-18.

Non-Current Financial and Other Liabilities (Note – 13 & 14)

The non-current financial and other liabilities, which includes security deposit from consumers and deferred tax liabilities was Rs. 5,754 Lakh as on 31st March 2018 in comparison to Rs. 4,479 Lakh as on 31st March 2017, thus showing an increase of Rs. 1,275 Lakh. The said increase is mainly on account of increase in security deposits from consumers and increase in deferred tax provision.

Current Financial and Other Liabilities (Note – 15 to Note - 18)

The current financial and other liabilities comprising of mainly trade and other payables, payable towards deposit works, provisions and other liabilities was Rs. 23,450 Lakh as on 31st March 2018 in comparison to Rs. 37,390 Lakh as on 31st March 2017, thus showing a decrease of Rs. 13,940 Lakh. The said decrease is mainly on account of decrease in trade and payables (i.e. power purchase liability).

Financials at a Glance

The financial performance of DNHPDCL for the last 2 years along with the key financial analysis and ratio are summarized as "Financials Analysis and Ratio at a Glance" and enclosed as **Annexure – A**.

6. DIVIDEND :

There was substantial reduction in the quantum of loss during FY 2017-18, nevertheless, the Company remained under the regime of loss during FY 2017-18 and accordingly, the Board of Directors has decided not to recommend any dividend for the FY 2017-18.



7. TRANSFER TO RESERVES :

In view of losses, your directors do not propose to transfer funds to reserves for the financial year 2017-18.

8. OPERATIONAL PERFORMANCE DETAILS :

i) Key figures depicting the operational performance of the Corporation during year 2017-18 are as under :

Sr. No.	Particulars	FY 2017-18	FY 2016-17
1	Net Power Purchased (Mus)	5942.11	3966.17
2	Net Self Generation from Solar Power	5.23	0.88
3	Units Sold (Mus)	5676.29	3752.91
4	Unit Loss (Mus)	265.82	214.14
5	Distribution Losses (%)	4.47%	5.40%

Distribution loss of your Corporation during year 2017-18 is only 4.47% and is the lowest amongst the power distribution Companies.

ii) New connections released during year 2017-18:

Sr. No.	Particulars	FY 2017-18	FY 2016-17
1	HT new connections/Additional Load	23	7
2	LT industries new connections	1	25
3	Residential connections	2646	3222
4	Commercial connections	223	280
5	Street Light connections	24	26
6	Agricultural	50	52
7	Water works connections	40	18
8	Others	32	13
	Total	3039	3643

iii) Category wise sales:

Sr. No.	Consumer Category	FY 2017-18		FY 2016-17	
		₹ (in Cr.)	%	₹ (in Cr.)	%
1	HT Industrial	2104.73	92.26	1746.92	92.20
2	LT Industrial	79.98	3.49	90.83	4.80
3	Commercial	11.14	0.50	11.54	0.61
4	Residential	22.82	1.00	20.72	1.09
5	Public Lighting	2.56	0.11	2.82	0.14
6	Public Water Works	2.11	0.09	2.04	0.10
7	Agriculture & others	2.34	0.10	2.84	0.15
8	Sale of power through exchange	52.30	2.30	0	0
9	DSM Mechanism	3.34	0.15	17.23	0.91
	Total	2281.32	100	1894.93	100



iv) Category wise consumers as on 31st March 2018

Sr. No.	Consumer Category	FY 2017-18	FY 2016-17
1	HT	918	895
2	LT	2064	2063
3	Commercial	7809	7586
4	Residential	60084	57438
5	Public Lighting	374	350
6	Agriculture	1313	1263
7	Others	777	705
	Total	73339	70300

9. SYSTEM IMPROVEMENTS INITIATIVES :

A. The DNHPDCL has taken up many steps for the improvement of system. DNHPDCL has made the following major achievements and provided continuous and un-interrupted power supply to all the category of Consumers.

- The work for establishment of 66/11 KV GIS sub-station at Power House initiated and work of underground cabling work started during the year.
- The Corporation is implementing DDGJUY scheme of GOI for strengthening the rural feeders and installation of DT meters in rural areas.
- Augmentation of 66/11KV Athal substation from 2X20 to 3X20MVA capacity.
- Initiated upgradation and Modernisation of existing 66/11KV substation at Khadoli & Masat.
- Operation and Maintenance of existing transformers and line for uninterrupted power supply to consumers.

B. VARIOUS OTHER INITIATIVES

i. CONSUMER SERVICES :

Your Corporation is committed to ensure customer satisfaction through excellent, prompt service. In this direction, the operation and maintenance staff are extending round the clock service to ensure quality power supply and attending technical faults in distribution network to ensure uninterrupted power supply to the consumers.

The Corporation has put in place e-payment facility as a part of better services to its consumers. The consumers are able to pay electricity bills either by using net banking, credit/debit cards, NEFT/RTGS/IMPS/etc., at their convenience from anywhere at any time. Moreover consumers can pay their bills from their banks website using INSTAPAY service. The Corporation is on board on Bharat Bill Payment System of NPCI. This facility is in addition to the Kiosks, collection counters of the Corporation. Your Corporation has also integrated the energy bill payment with "Common Service Centre" (CSC) of the Administration of Dadra & Nagar Haveli. The facilities for the online payment through Mobile APP also started by the Corporation. Consumer Grievances Redressal Forum is also in place to address the grievances of consumers.



ii. SAFETY MEASURES TAKEN :

Your Corporation is ensuring adequate safety measures as per IE Rules 1956 for safety of living beings and to avoid any accident due to electrocution from its network. Proper fencing has been provided for distribution transformers and adequate earthing system was also provided. Circulars have been issued regularly to promote awareness of general public to safeguard the utilization of electricity especially during monsoon period. Awareness videos have been prepared and shared with general public through social media and uploaded on website of DNHPDCL.

iii. I.T. INITIATIVES :

Your Corporation already introduced Automatic Meter Reading system, online spot billing system and online bill payment system which helped Corporation to improve billing efficiency and revenue realization. It has also facilitated the Corporation to monitor and analyzing the data time to time by sitting in the office. Your Corporation started using online software for stores management which has facilitated the monitoring and analyses of data from time to time. Your Corporation has also provided facility of making online application for release of power, reduction of load, change of name etc., initially to the Industrial consumers. DNHPDCL is in the process to implement the ERP scheme for its business process.

iv. FUTURE PLANS :

The following works are proposed to be executed in next three years for strengthening the system and provide reliable and efficient power supply to the consumers of Dadra and Nagar Haveli.

- Establishment of new 66/11 KV Sub-station at village Sayali with associated 66KV underground line
- Augmentation of 66/11 kV Kharadpada Sub-station by adding 20 MVA Transformer
- Replacement of ACSR Panther conductor by High Capacity TACSR conductor of 66 KV Kharadpada
- ERP Software for business processes
- New 66KV line from 220/66 KV Wagchipa Sub-station
- Upgradation of existing Dudhani 11 KV feeder on Areal Bunch Conductor (ABC) along with mono-pole tower (appro. 50 km)
- Charging station for e-vehicle
- Smart metering
- Upgradation of existing Mandoni 11 KV feeder on Areal Bunch Conductor (ABC) along with mono-pole tower (appro. 40 km)
- Capacitor placement at each sub-station
- A scheme for replacement of ACSR Panther conductor by High Capacity TACSR conductor of 66 Kv line
- Augmentation of Waghdhara Sub-station (1 X 15 + 20) MVA to (1 X 15 + 2 X 20) MVA along with 66 KV bay and relay panel:



New Sub-station at Dadra 66/11(2 X 20) MVA GIS sub-station.

Extension of 66KV line with higher capacity conductor (TACSR) from 220KV Khadoli S/s to 66 KV Kala- Velugam S/s Common point

Upgradation of modernization of the lab division.

v. ANTI-THEFT MEASURES :

DNHPDCL has a separate Division for Lab & Vigilance for providing accurate testing of all energy meters and installation of metering equipment to EHT and HT consumer installations and checking of metering installations of all categories of consumers in the territory. The meters and equipment installed in the sub-stations are also tested and connected by Lab & Vigilance division. The vigilance checks are being done by the division periodically and kept vigil checks on the consumption pattern of the consumers.

vi. TARIFF :

The JERC (Joint Electricity regulatory Commission) for the State of Goa and all Union Territories is the Regulatory Authority for the working of electricity utilities in the U.T. and is entrusted with various functions including the determination of tariff for retail sale of power to the various category of consumers within the territory.

The DNHPDCL filed petition for the approval of Tariff proposal for the year 2017-18. Based on the petition of DNHPDCL, Joint Electricity Regulatory Commission has issued tariff order for the FY 2017-18 which is implemented w.e.f. 01.04.2017.

vii. AUTOMATIC METER READING :

Automatic Meter Reading (AMR) system is a technology which is used to gather data from energy metering devises and transfer it to central station in order to analyse it for billing purposes. It is an effective mean of data collection that allow substantial saving through meter re-read, greater data accuracy, allow frequent meter reading, improved billing and consumer service, more timely energy profiles and consumption trends update and better deployment of human resource. At present 75 % of high tension consumers which constitute 94 % of total sales are covered under this system. The system has started in other categories and proposed to cover LT industrial consumers in a phased manner by end of March 2019.

viii. E-BILL & ONLINE BILL PAYMENT :

DNH Power Distribution Corporation Ltd. has started online spot billing through mobile GPRS technology. The work has been carried out through external agency. The Consumers of DNHPDCL can pay their bills online using net-banking, credit card, debit card, IMPS etc. The Corporation is on board on Bharat Bill Payment System of NPCI. Moreover consumer can pay their bills from their banks website using INSTAPAY service. The Corporation has also integrated the energy bill payment with "Common Service Centre (CSC)" of Administration of Dadra and Nagar Haveli.

ix. PHOTO READINGS :

The energy bill of Domestic, Commercial, Agriculture, Temporary category are done by photo reading in most of the areas of DNH. The work is carried out by the external agencies namely M/s P.



B. Electrotech and M/s Aditya Data Services. The photometer reading has reduced consumer complaints and also improved the accuracy.

x. E-TENDERING :

DNHPDCL has implemented e-tendering process for all the tenders having estimated cost of more than Rs. 5.00 lacs, which has significantly improved the transparency in procurement of goods and services.

xi. MEASURE TAKEN TO REDUCE T&D LOSSES:-

The corporation has started the re-strengthening of electrical network. The old electrical network is being replaced. The DNHPDCL has also commissioned 3 Nos of 66/11KV sub-station in previous years. The losses are being continuously monitored. The Low Income Group (LIG) (i.e. unmetered connection) are being provided with meter to evaluate the total energy consumed. The new Distribution Transformer also installed to reduce the length of LT line to reduce HT & LT ratio and to reduce the T & D losses.

10. SHARE CAPITAL

The authorized share capital of the Corporation is Rs. 100,00,00,000/- (Rupees One Hundred crore only) divided in to 1,00,00,000 (One crore) equity shares of Rs. 100/- each (Rupees Hundred only). At present, the paid-up share capital of the Corporation is Rs. 80,00,00,000/- (Rupees Eighty crore only) divided into 80,00,000 (Eighty lakhs) equity shares of Rs. 100/- each.

11. FIXED DEPOSIT

Your Corporation has not accepted any fixed deposit within the provisions of Chapter V of the Companies Act, 2013. However, during the current financial year, it has accepted security deposits from its consumers in terms of the guidelines issued by the Joint Electricity Regulatory Commission (JERC) for Union Territories and State of Goa.

12. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Following changes took place in Board of Directors and key Managerial Personnel of your Company during FY 2017-18.

Shri. Kannan Gopinathan, IAS has been appointed as Managing Director w.e.f. 21.09.2017. Shri. S. S. Yadav, has been appointed as Managing Director of DNHPDCL w.e.f. 09/04/2017 and ceased as Managing Director w.e.f. 21.09.2017 and continued as Director of DNHPDCL

Shri. J. B. Singh, IAS appointed as Director in DNHPDCL w.e.f. 13.07.2017 and ceased to be Director w.e.f. 10.08.2017. Shri. Deepak Kumar S B, IAS appointed as Director, DNHPDCL w.e.f. 30.08.2017 and ceased to be Director w.e.f. 12.07.2018.

Your directors place on record their appreciation of the valuable service rendered to the Company by directors who ceased to be directors during the year.

Shri. Ashok Mishra, Joint Secretary (Fin), DNH has been given additional charge of General Manager (Fin & HR) w.e.f. 06.01.2017 in place of Shri. Kishore Bamania. The Board of Director at its 22nd meeting held on 13.07.2017 designated Shri. Ashok Mishra as Chief Financial Officer of the Company. He ceased to be CFO of DNHPDCL w.e.f. 30.10.2017.



The Independent Directors have submitted their declaration to the Board that they fulfill all the requirements as to qualify for their appointment as an Independent Director under the provisions of the Companies Act, 2013.

13. BOARD MEETINGS

During the year, four (4) meetings of the Board were held on 13.07.2017, 26.09.2017, 12.12.2017 and 21.12.2017. The number of meetings attended by the Directors is as under :

Name of Director		Tenure of Director	Number of Meetings attended / total (FY 2017-18)
Shri Praful Patel ,	Chairman		4 / 4
Shri S. S. Yadav, IAS	Director	(w.e.f. 16.03.2017)	3 / 4
Shri J. B. Singh, IAS	Director	(From 13.07.2017 to 10.08.2017)	1 / 1
Shri Deepak Kumar S. B., IAS	Director	(w.e.f.30.08.2017)	3 / 3
Shri Kannan Gopinathan, IAS	Managing Director	(w.e.f. 21.09.2017)	3 / 3
Shri Guarav Singh Rajawat, IAS	Director	(till 11.12.2017)	2 / 2
Smt Priyanka Kumari	Director		4 / 4
Shri Hemanshu Kapadia	Independent Director		4 / 4
Shri P. Pentayya	Independent Director		4 / 4

The details of meetings attended by Committee members is enclosed as **Annexure-1**

14. INTERNAL FINANCIAL CONTROL SYSTEM :

The Company has adequate internal control system commensurate with the nature and size of business which meets the objectives of efficient use and safeguarding of resources, compliance with statutes, policies and procedures and maintaining accuracy of recording of transaction and reporting the same promptly. The scope of internal audit involves examination and evaluation of the adequacy and effectiveness of the system of internal accounting, system and procedures and other operational areas. Independent firms of Chartered Accountants are appointed to carry out the internal audit. The observations raised out of the audit are subject to periodic review and compliance monitoring by Audit Committee.

15. AUDITORS :

i) STATUTORY AUDITORS AND AUDITORS' REPORT :

M/s. Agarwal & Dhandhanania, Chartered Accountants, Surat was appointed, by the Comptroller & Auditor General of India, as Statutory Auditors for the financial year 2017-18. The Board has duly reviewed the Statutory Auditors' Report on the accounts. The observations and comments appearing in the Auditors' Report are self explanatory and do not call for any further explanation/ clarification by the Board under the Companies Act, 2013.

ii) COST AUDIT :



Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the cost accounts are maintained by the Corporation for FY 2017-18. The Board of Directors appointed M/s B. F. Modi & Co., Vapi as Cost Auditors for the financial year 2017-18 subject to approval from the Central Government. The Central Government approved said appointment. The observations and comments appearing in the Cost Auditors' Report are self-explanatory and do not call for any further explanation/ clarification by the Board under the Companies Act, 2013. The Cost Audit Report for the financial year ended 31st March, 2018 has been filed with the Central Government within the prescribed time limit. The Board of Directors has appointed M/s B. F. Modi & Co., Vapi as a Cost Auditor for the F.Y. 2018-19. Your Directors recommended the remuneration of the Cost Auditors appointed by the Board of Directors for the financial year 2018-19 for your ratification as per provisions of the Companies Act, 2013.

iii) SECRETARIAL AUDIT :

Your Corporation has engaged M/s Gaytri Bhide & Associates, Practising Company Secretary, Vapi for conducting annual Secretarial Audit for the year 2017-18 pursuant to Section 204 of the Companies Act, 2013. M/s Gaytri Bhide & Associates, Practising Company Secretary, Vapi has issued Secretarial Audit Report (Form MR-3) for the year 2017-18 which forms part of this Report and is furnished as **Annexure-2**.

16. VARIOUS COMMITTEES CONSTITUTED BY THE BOARD :

a) Audit Committee

The Audit Committee was constituted on the terms of reference as prescribed under Section 177 of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of the Board and its powers) Rules, 2014. The Composition of the Audit Committee as on 31st March 2018 was as under

1.	Shri. Deepak Kumar S B, IAS, Director	–	Chairman
2.	Shri. Hemanshu Kapadia, Independent Director	–	Member
3.	Shri. P. Pentayya, Independent Director	–	Member

During the year under review, the Audit Committee held 2 meetings on 07.09.2017 and 21.12.2017.

b) Corporate Social Responsibility(CSR) Committee

Your Corporation's Corporate Social Responsibility (CSR) initiatives focus on the programs that benefit the communities in the UT of Dadra & Nagar Haveli and enhancing the quality of life and economic wellbeing of the local populace. The CSR projects adopted are accordance with Schedule VII of the Companies Act, 2013. The Board has constituted the CSR Committee with following composition.

1.	Collector, DNH/ Director, DNHPDCL	–	Chairman
2.	Shri. Hemanshu Kapadia, Independent Director	–	Member
3.	Shri. P. Pentayya, Independent Director	–	Member

The CSR policy of the Corporation is available on website www.dnhpdcl.in.

Pursuant to Rule 9 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Annual Report on CSR activities is annexed herewith as **Annexure-3**



c) Nomination & Remuneration Committee

The composition of the Nomination and Remuneration Committee of the Corporation as on 31.03.2018.

1.	Shri. Deepak Kumar, IAS, Finance Secretary/ Director, DNHPDCL	–	Chairman
2.	Shri. Kannan Gopinathan, IAS, Collector, DNH/ Director, DNHPDCL	–	Member
3.	Shri. Hemanshu Kapadia, Independent Director	–	Member
4.	Shri. P. Pentayya, Independent Director	–	Member

DNHPDCL being a Government Company, the provisions of section 134(3)(e) of the Companies Act, 2013 shall not apply in view of the Gazette notification dated 05.06.15 issued by Government of India, Ministry of Corporate Affairs. Your Company is Government Company in which all members of the Board are appointed by the Administrator, Dadra & Nagar Haveli in pursuance of the Articles of Association. The appointment and remuneration of other employees are done as per Recruitment Rules/policies approved by the Board.

17. ANNUAL GENERAL MEETING :

The 5th Annual General Meeting of the Corporation was held on 21st December 2017.

18. DIRECTORS' RESPONSIBILITY STATEMENT :

To the best of knowledge and belief and according to the information and explanations received, Directors make the following statement in terms of Section 134(3) (c) of the Companies Act, 2013.

The Board of Directors state as under for the financial year 2017-18:

- In the preparation of the Annual Accounts, the applicable Accounting Standards had been followed along with proper explanation relating to material departures;
- The Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of the affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- The Directors had taken proper and sufficient care for the maintenance of the adequate accounting records for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- The Directors had prepared the annual accounts on a going concern basis;
- The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

19. CORPORATE GOVERNANCE :

Your Corporation is committed to best practises in Corporate Governance by adhering to high standards of transparency and accountability in the interest of all the stakeholder. To begin with your Corporation has



appointed Independent Professional Directors from diverse fields and constituted Audit Committee, CSR Committee and Nomination and Remuneration Committee.

20. ABSTRACT OF THE ANNUAL RETURN :

Extract of Annual Return as provided under Sub-Section (3) of Section 92 of Companies Act, 2013 as prescribed in Form MGT-9 is enclosed as **Annexure-4** to this report.

21. PARTICULARS OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES COMPANY :

The Corporation do not have subsidiaries, joint ventures and associate companies.

22. PARTICULARS OF CONTRACTS AND ARRANGEMENT WITH RELATED PARTIES :

DNHPDCL being a government company with 100% share holding by the President of India and under the administrative control of UT Administration of Dadra & Nagar Haveli is subject matter of strict rules and norms for every transaction entered into during the normal course of business. There were no materially significant related party transactions having potential conflict with the interests of the Company at large during FY 2017-18. Nevertheless, Related Party Disclosures are included in the notes forming part of the Financial Statements.

23. PARTICULARS OF EMPLOYEES :

There were no employees of the Company who received remuneration in excess of the limits prescribed under Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

24. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND :

Since there was no unpaid/unclaimed Dividend declared and paid, the provisions of Section 125 of the Companies Act, 2013 do not apply to the Company.

25. CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO :

Presently, the Company has not deployed / mobilized any long term resources (i.e. long term borrowings) business requirements. There is no transaction undertaken by the Company during the FY 2017-18, which involved the payment / earning in the foreign exchange. Further, there is no scope on incurring of any expenditure on R&D / TD keeping in view the nature of business undertaken.

Information required to be disclosed pursuant to Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014 with respect to conservation of energy, technology absorption and foreign exchange earnings & outgo are furnished in **Annexure-5** which forms part of this Report.

26. RISK MANAGEMENT POLICY :

The Corporation has developed and implemented a Risk Management Policy which identifies major risks which may threaten the existence of the Company. The same has also been adopted by your Board and is also subject to its review from time to time. The Board constituted Risk Management Committee under Chairmanship of Managing Director and comprising Independent Director, General Manager (Fin & HR) and Superintending Engineer. Risk Management Committee held its meeting on 04.10.2017.



27. WHISTLE BLOWER POLICY FOR DIRECTORS AND EMPLOYEES :

The Corporation has adopted a Vigil Mechanism/ Whistle Blower Policy (Policy) as per the requirements of Section 177 of the Companies Act, 2013. All employees of the Corporation and Directors on the Board of the Company are covered under the mechanism. This mechanism has been established for employees to report concerns about unethical behaviour, actual or suspected fraud or violation of Code of Conduct. It also provides for adequate safeguards against the victimization of employees who avail of the Mechanism and allows direct access to the Chairman of the Audit Committee in exceptional cases.

The Vigil Mechanism/Whistle Blower Policy may be accessed on the Company's website at the link www.dnhpdcl.in.

28. EVALUATION OF THE PERFORMANCE OF THE DIRECTORS :

In pursuance of the provisions the Companies Act, 2013, your Corporation has devised a policy for performance evaluation of Independent Directors, the Board, and the Committees. Evaluation of performance of Independent Directors is carried out by entire Board of Directors excluding the Director being evaluated. While evaluating the performance of the Independent Directors, the following parameters are considered.

- Attendance at Board meetings and Committees thereof
- Participation in Board meetings or Committee meetings
- Contribution to strategic decision making
- Review of risk assessment and risk mitigation
- Review of financial statements and business performance
- Contribution to development of brand image of the corporation.

Ministry of Corporate Affairs vide its GSR 463 (E) dated 5th June 2015 exempted the provisions of Section 134(3)(p) to Government Companies in case the directors are evaluated by the Ministry or Department of the Central Government which is administratively in charge of the company or as the case may be, the State Government per its own evaluation methodology. Schedule IV of the Companies Act, 2013 deals with Code of Conduct for Independent Directors inter-alia provided that Independent Directors in their separate meeting shall review the performance of non-independent directors, the Board as whole and the Chairman. Thus, the Independent Directors in their separate meeting reviewed the performance of the Non-Independent Directors, Board as whole, Committees and the Chairman. The Board of Directors reviews the performance of the Independent Directors.

29. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL), ACT, 2013 :

In line with provisions of "Sexual Harassment of Women (Prevention, Prohibition & Redressal) Act, 2013, an "Internal Complaints Committee" has been constituted in the Corporation for Redressal of complaint(s) against sexual harassment of women employees.

During the financial year 2017-18, the Company did not receive any complaint of sexual harassment.

30. GENERAL :

Your directors state that no disclosure or reporting is required in respect of the following item as there were no transactions on these items during the year under review:



- Issue of equity shares with differential rights as to dividend, voting or otherwise.
- Sweat equity shares to employees of the Company under any scheme.
- Stock Options to the Directors or any employee of the Company.
- Buy back of securities and Bonus shares
- Neither the Managing Director nor the whole-time Directors of the Company receive any remuneration or commission from any its subsidiaries.
- No significant or material orders were passed by the regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
- There is no occurrence of material change and commitment made between the end of Financial Year and date of this report which has affected financial position of the Company.
- There was no change in the nature of business of the Company during the Financial Year 2017-18.
- Pursuant to Section 186 (11) of the Companies Act, 2013, Loans made, guarantees given or securities provided by a company engaged in the business of financing of companies or of providing infrastructural facilities in the ordinary course of business are not applicable to the Company, hence no disclosure is required to be made. Further company has not made any investments.

31. ACKNOWLEDGMENT :

Your Directors take this opportunity to thank the Ministry of Home Affairs, Ministry of Power, the UT Administration of Dadra and Nagar Haveli, Central Electricity Regulatory Commission (CERC), Joint Electricity Regulatory Commission (JERC), Appellate Tribunal for Electricity (APTEL), Banks and all its consumers, suppliers for their co-operation and support. The Directors would also like to place on record their sincere appreciation to all its employees at all levels of the Corporation for their commitment to the growth of the Corporation's business.

For and on behalf of the Board of Directors

Sd/-
(Saloni Rai, IAS)
(DIN – 08265944)
Director

Sd/-
(Kannan Gopinathan, IAS)
(DIN – 07945772)
Managing Director

Date: 30.10.2018
Place: Silvassa



Annexure – A Financial Analysis and Ration at a Glance

	(₹ in Lakhs)	
Particulars	FY 2017–18	FY 2016–17
For the year		
Revenue from Operations	228,773	192,210
Other Income	9,105	4,683
Total Income	237,878	196,893
Purchase of Power	233,322	199,075
Operation and Maintenance	1,317	720
Employee Benefit Expenses	1,144	1,202
Administration and Other Expenses	828	389
Finance Costs (i.e. Interest)	327	929
Depreciation	1,529	1,391
Total Expenses	238,467	203,706
Profit before Tax	(589)	(6,813)
Tax Expenses	657	312
Net Profit after Tax (Total Comprehensive Income)	(1,246)	(7,125)
Dividend for the year	–	–
At the end of year		
Gross Block of PPE and Intangible Assets	46,171	42,737
Less: Accumulated Depreciation / Amortisation	27,118	25,589
Net Block of PPE and Intangible Assets	19,053	17,148
Capital Work-in-Progress (CWIP)	166	1,910
Total Fixed Assets including CWIP	19,219	19,058
Non Current Financial & Other Assets	3,076	1,621
Total Non Current Assets (a)	22,295	20,679
Inventories	566	821
Trade Receivables	23,843	19,931
Cash & Bank Balances	33,824	52,606
Other Financial and Other Assets	349	751
Total Current Assets (b)	58,582	74,109
Total Assets (a+b)	80,877	94,788
Share Capital	8,000	8,000
Revenue Reserves	43,673	44,919



Annexure – A
Financial Analysis and Ration at a Glance

Particulars	(₹ in Lakhs)	
	FY 2017–18	FY 2016–17
Net Worth (c)	51,673	52,919
Non Current Financial & Other Liabilities (d)	5,754	4,479
Current Financial & Other Liabilities (e)	23,450	37,390
Total Liabilities (c+d+e)	80,877	94,788
Total No. of Shares (Weighted average)	8,000,000	8,000,000
Net Power Purchased (MUs) - Outside (f)	5,936.88	3,966.17
Own Solar Generation (MUs) (g)	5.23	0.88
Net Power Purchased (MUs) - Total (h)	5,942.11	3,967.05
Net Power Sold (MUs) (i)	5,676.29	3,752.91
KEY RATIOS AND PERFORMANCE*		
For the Financial Year		
Distribution Losses (MUs) (j = h-i)	265.82	214.14
Distribution Losses (%) (j / h * 100)	4.47	5.40
AT&C Losses (%)	6.24	5.20
Collection Efficiency (%)	98.16	100.20
Billing Efficiency (%) (h / i*100)	95.53	94.60
Liquidity		
Current Ratio	2.50	1.98
Quick Ratio	2.47	1.96
Profitability		
Expenditure Coverage Ratio	99.8%	96.7%
EBIDTA Margin / Total Revenue	0.5%	-2.3%
Return on Total Income	-0.52%	-3.62%
Return on Net Worth (i.e. Equity)	-2.41%	-13.46%
Return on Total Assets	-1.54%	-7.52%
Gross Margin (Sale of Power)	-1.99%	-3.57%
Efficiency		
Fixed Asset Turnover (Total Income)	1238%	1033%
Total Asset Turnover (Total Income)	294%	208%
Trade Receivables Turnover Ratio (SOP)	9.59	9.64
Average Collection Period (days)	38	38
Earnings per share (Rs.) - Weighted Average Shares	-15.58	-89.06
Book Value per share (Rs.) - Closing Shares	646	661
Dividend per share (Rs.) - Weighted Average Shares	-	-



Annexure – 1
**Attendance of Committee Meetings of
Independent Directors**

Name of Director	During 2017-18 Total Two (2) Meeting of Audit Committee		During 2017-18 Total One (4) Meeting of Board of Director	
	Meeting were held :		Meeting was held :	
	Meeting held during Tenure of the Director of the Meeting	Meeting Attended	Meeting held during Tenure of the Director of the Meeting	Meeting attended
	07.09.2017 21.12.2017	–	13.07.2017 26.09.2017 12.12.2017 21.12.2017	–
Shri Deepak Kumar, IAS (Chairman, Audit Committee)	2	2	NA	NA
Shri Hemanshu Kapadia (Independent Director)	2	2	4	4
Shri P. Pentayya (Independent Director)	2	2	4	4



Form No. MR - 3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2018

**[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies
(Appointment and Remuneration Personnel) Rules, 2014]**

To,
The Members,
DNH Power Distribution Corporation Limited
CIN: U40100DN2012GOI000405
Vidyut Bhawan, 66 KV Road, Near Secreteriat,
Amlī, Silvassa - 396 230.
Dadar Nagar Haveli.

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **DNH POWER DISTRIBUTION CORPORATION LIMITED, Silvassa** (hereinafter called the "**Company**"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2018, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2018, according to the provisions of:

- 1** The Companies Act, 2013 (the Act) and the rules made there-under;
- 2** The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there-under; **(This clause is not applicable to the company)**
- 3** The Depositories Act, 1996 and the Regulations and Bye-laws framed there-under; **(This clause is not applicable to the company)**
- 4** Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(This clause is not applicable to the company)**
- 5** The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') **(This clause is not applicable to the company)**
- 6** Other laws specifically applicable to the Company namely :
 - a) Secretarial Standards issued by Institute of Company Secretaries of India made effective from 1st July, 2015



Secretarial Audit Report

- b) The Electricity Act, 2003;
- c) Indian Electricity Rules, 1956;
- d) Central Electricity Authority (Measures relating to Safety and Electric Supply) Regulations, 2010;
- e) Factories Act, 1948;
- f) Provident Fund Act 1952;
- g) Labour Laws and other incidental laws related to labour and employees appointed by the Company either on its payroll or on contractual basis as related to wages, gratuity, provident fund, professional tax, ESIC, compensation etc.;
- h) Labour Welfare Act of respective State;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above ;

I further report that -

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review are carried out in compliance with the provisions of the Act .

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda are sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the Minutes of the meetings of the Board of Directors & the committee thereof duly recorded and signed by the Chairman the decision of the Board or Committee was unanimous and no dissenting views have been recorded.

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

I further report that during the audit period, there are no instances of:

- a) Public / Rights / Preferential issue of shares / debentures / sweat equity.
- b) Redemption / buy-back of securities.
- c) Major decisions taken by the Members in pursuance to Section 180 of the Companies Act, 2013.
- d) Merger / amalgamation / reconstruction etc.
- e) Foreign technical collaborations.

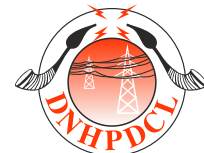
For G. S. Bhide & Associates

Company Secretaries

Sd/-

Gayatri V. Phatak
Proprietor
C.P.No. 11816

Place : Vapi
Date : 01 . 08 . 2018



"Annexure – A"
Form No. MR - 3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2018

To,
The Members,
DNH Power Distribution Corporation Limited
CIN: U40100DN2012GOI000405
Vidyut Bhawan, 66 KV Road, Near Secreteriat,
Aml, Silvassa - 396 230.
Dadar Nagar Haveli.

Our Report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes as are appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test check basis to ensure that correct facts are reflected in Secretarial records. I believe that the processes and practices followed by me, provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, I have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test check basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **G. S. Bhide & Associates**

Company Secretaries

Sd/-

Gayatri V. Phatak
Proprietor
C.P.No. 11816

Place : Vapi
Date :01.08 . 2018



ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR)
ACTIVITIES FOR F. Y. 2017-18

(Pursuant to clause (o) of sub-section(3) of Section 134 of the Companies Act, 2013 and Rule 8(I) of the Companies (Corporate Social Responsibility) Rules, 2014.

1. A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

Your Company's Corporate Social Responsibility (CSR) initiatives focus on the programs that benefit the communities in the UT of Dadra & Nagar Haveli and enhancing the quality of life and economic well being of the local populace.

The Corporation has framed Corporate Social Responsibility (CSR) Policy is in line with the provisions of the Companies Act, 2013 read with Company (Corporate Social Responsibility Policy) Rules, 2014. The Corporate Social Responsibility (CSR) policy of the Corporation is available at www.dnhpdcl.in

During the year, in terms of CSR programs, the Corporation has spent funds, of Rs. 1.5 crore for development of infrastructure facilities of Mid-day Meal for students in Dadra & Nagar Haveli and the said fund were transferred to **"DNH CSR Society"** established by the Administration of Dadra & Nagra Haveli for carrying out the CSR activities.

2. The Composition of the CSR Committee.

The Composition of the Corporate Social Responsibility (CSR) Committee as on 31.03.2018:

Sr. No.	Members of CSR Committee	Category
1	Shri Kannan Gopinathan, IAS, Collector, DNH/Director, DNHPDCL	Chairman
2	Shri Hemanshu Kapadia, Independent Director	Member
3	Shri P. Pentayya, Independent Director	Member

3. Average net profit of the Company for last three financial years

(₹ in lakhs)

Net Profit before Tax	
Profit before tax: FY 2014-15	6,685.73
Profit before tax: FY 2015-16	7,783.53
Profit before tax: FY 2016-17	– 6,812.53
Total	7,656.73
Average	2,552.24
CSR Budget for FY 2017-18	51.04



4. Prescribed CSR expenditure (2% of average net profits preceding three years): ₹ 51.04 lakhs

5. Details of CSR spent during the financial year 2017-18:

a) Total amount to be spent for financial year 2017-18 ₹ 51.04.

b) Amount unspent, if any: ₹ NIL

c) Manner in which the amount spent during the financial year as per **Annexure-A**.

6. In case the company has failed to spend the two per cent of the average net profits of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board report.

Not Applicable

7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company.

"The implementation and monitoring of CSR policy is in compliance with the CSR objectives and Policy of the Company"

Sd/-

(Kannan Gopinathan, IAS)

**Managing Director/
Chairman, CSR Committee**



Annexure-A	1	2	3	4	5	6	7	8
	Sr. No	CSR Project/ activity identified	Sector in which the project is covered	Projects/Programs 1. Local area / others 2. Specify the state district where the program was undertaken	Amount Outlay (budget) project/ program wise (₹ in lakhs)	Amount spent on the project / program subheads: 1. Direct expenditure on project 2. Overheads (₹ lakhs)	Cumulative expenditure up to the reporting period (₹ lakhs)	Amount spent : Direct / through implementing agency (₹ lakhs)
1	Development of infrastructure facilities of Mid-day Meal for students in Dadra & Nagar Haveli	Promotion of Education	1. Local area 2. Dadra & Nagar Haveli	51.04	150	150	150	150
	Total	-	-	-	51.04	150	150	150



Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION AND OTHER DETAILS:

- i) **CIN** : U40100 DN 2012 GOI 000405
- ii) **Registration Date** : 13.07.2012
- iii) **Name of the Company** : DNH POWER DISTRIBUTION CORPORATION LIMITED
- iv) **Category/Sub Category of the Company** :
1. Government Company ☐
- v) **ADDRESS OF REGISTERED OFFICE AND CONTACT DETAILS:**
Address : VIDYUT BHAVAN 66KV ROAD
NEAR SECRETARIAT, SILVASSA,
AMLI, DNH 396 230
Tele / Fax : 260 240 6500
E-mail : support@dnhpdcl.in
Website : www.dnhpdcl.in
- vi) **Whether listed Company -Yes/No** No
- vii) **Name, Address & Contact Details of Registrar & Transfer Agents, if any** N/A

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Sub-transmission and Distribution of Electricity	35109	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES :

S. No.	Name and Address of the Company	CIN/GLN	Holding/Subsidiary /Associate	% of shares held	Applicable Section
		NOT APPLICABLE			



IV. SHARE HOLDING PATTERN

(Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			% change during the year
	Demat	Physical	Total	Demat	Physical	Total	
A. Promoters (1) Indian							
a) Individual/ HUF	0	0	0	0	0	0	0
b) Central Govt. or State Govt(s)		80,00,000	80,00,000	0	80,00,000	80,00,000	0
c) Bodies Corp.	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0
e) Any other	0	0	0	0	0	0	0
Sub Total (A) (1)	0	80,00,000	80,00,000	0	80,00,000	80,00,000	100
(2) Foreign							
a) NRIs-Individuals	0	0	0	0	0	0	0
b) Other-Individuals	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0
d) Banks/ FI	0	0	0	0	0	0	0
e) Any other	0	0	0	0	0	0	0
Sub Total (A) (2)	0	0	0	0	0	0	0
Total Shareholding of promoter	0	80,00,000	80,00,000	0	80,00,000	80,00,000	100
(A) = (A)(1) + (A)(2)	0	80,00,000	80,00,000	0	80,00,000	80,00,000	100



	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	% of change during the year
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):-	0	0	0	0	0	0	0	0	0
2. Non-Institutions									
a Bodies Corp.									
i) Indian	0	0	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b Individuals									
i) Individual share holders holding nominal share capital upto ₹ 1 lakh	0	0	0	0	0	0	0	0	0
ii) Individual share holders holding nominal share capital in excess of ₹ 1 lakh	0	0	0	0	0	0	0	0	0
c Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(2):-	0	0	0	0	0	0	0	0	0
Total Public Shareholding									
(B)=(B)(1)+ (B)(2)	0	0	0	0	0	0	0	0	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	0	80,00,000	80,00,000	100	0	80,00,000	80,00,000	100	0



ii) Shareholding of Promoters									
Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year	
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares		
1.	President of India and his Nominees	80,00,000	100.00	NIL	80,00,000	100.00	NIL	0	0
	Total	80,00,000	100.00	NIL	80,00,000	100.00	NIL	0	0
iii) Change in Promoters' Shareholding (please specify, if there is no change)									
Sr. No.	Name of Shareholder	Shareholding at the beginning of the year		Date	Cumulative Shareholding during the year (01-04-15 to 31-03-16)		% of total shares of the Company		
		No. of shares	% of total shares of the company		Increase/ Decrease in Shareholding	No. of shares			
1.	President of India and His Nominees								
	At the beginning of the year	80,00,000	100.00	01.04.2017		80,00,000	80,00,000	80,00,000	80,00,000
	There is no change in Shareholding of Promoters								
	At the end of the year	80,00,000	100.00	31.03.2018		80,00,000	80,00,000	80,00,000	80,00,000



iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GRDs & ADRs)
(Financial Year 2017-18)

Sr. No.	Name of Shareholder	Shareholding at the end of the year			Cumulative Shareholding during the year (01-04-17 to 31-03-18)			
		No. of shares	% of total shares of the company	Date	Increase/ Decrease in Shareholding	Reason	No. of shares	% of total shares of the Company
For Each of the Directors & KMP								
At the beginning of the year								
Date wise increase/decrease in Share holding during the year specifying the reasons for increase /decrease (e.g. allotment/transfer/bonus/sweat equity etc)								
At the end of the year (or on the date of separation, if separated during the year)								
Not Applicable								

v) Shareholding of Directors & Key Managerial Personnel (Financial Year 2017-18)

Sr. No.	Name of Shareholder	Shareholding at the end of the year			Cumulative Shareholding during the year (01-04-17 to 31-03-18)			
For Each of the Directors and KMP		No. of shares	% of total shares of the company	Date	Increase/ Decrease in Shareholding	Reason	No. of shares	% of total shares of the Company
1. Shri Praful Patel, Administrator as a nominee of President of India								
At the beginning of the year		5,000	0.06	01.04.2017				
		0	0.00				0	0
At the end of the year		5,000	0.06	31.03.2018			5,000	0.06
2. Shri S. S. Yadav, IAS as a nominee of President of India								
At the beginning of the year		2	0.00	01.04.2017			2	0.00
		0	0.00	26.09.2017	Transfer		1	0
At the end of the year		1	0.00	31.03.2018			1	0.00
3. Shri Deepak Kumar S. B., IAS as a nominee of President of India								
At the beginning of the year		0	0.00	01.04.2017			0	0.00
Transfer		1	0	0	Transfer		1	0.00
At the end of the year		1	0.00	31.03.2017			1	0.00



v) Shareholding of Directors & Key Managerial Personnel (Financial Year 2017-18)

Sr. No.	Name of Shareholder	Shareholding at the end of the year			Cumulative Shareholding during the year (01-04-17 to 31-03-18)			
		No. of shares	% of total shares of the company	Date	Increase/ Decrease in Shareholding	Reason	No. of shares	% of total shares of the Company
For Each of the Directors and KMP								
4.	Shri Kannan Gopinathan, IAS	as a nominee of President of India						
		At the beginning of the year	0	0.00	01.04.2017		0	0
		Transfer	1	0.00	12.12.2017	Transfer	1	0.00
	At the end of the year	1	0.00	31.03.2018		1	0.00	
5.	Smt. Priyanka Kumari	as a nominee of President of India						
		At the beginning of the year	1	0.00	01.04.2017		0	0.00
			0	0.00	0		0	0
	At the end of the year	1	0.00	31.03.2018		1	0.00	
6.	Shri Hemanshu Kapadia							
		At the beginning of the year	0	0.00	01.04.2017	Nil	0	0.00
		At the end of the year	0	0.00	31.03.2018		0	0.00
7.	Shri P. Pentayya							
		At the beginning of the year	0	0.00	01.04.2017	Nil	0	0.00
		At the end of the year	0	0.00	31.03.2018		0	0.00
Key Managerial Personnel								
1.	Shri Ashok Mishra, CFO/GM (Fin. & HR)							
		At the beginning of the year	0	0.00	01.04.2017	Nil	0	0.00
		At the end of the year	0	0.00	31.03.2018		0	0.00
2.	Vithal Maruti Chavan, (Company Secretary)							
		At the beginning of the year	0	0.00	01.04.2017	Nil	0	0.00
		At the end of the year	0	0.00	31.03.2018		0	0.00

V. INDEBTEDNESS



Indebtedness of the Company including interest outstanding/accrued but not due for payment					Rs. in Lakhs
Particulars		Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year					
i) Principal Amount		0	0	0	0
ii) Interest due but not paid		0	0	0	0
iii) Interest accrued but not due		0	0	0	0
Total (i+ii+iii)		0	0	0	0
Change in Indebtedness during the financial year					
* Addition		0	0	0	0
* Reduction		0	0	0	0
Net Change		0	0	0	0
Indebtedness at the end of the financial year					
i) Principal Amount		0	0	0	0
ii) Interest due but not paid		0	0	0	0
iii) Interest accrued but not due		0	0	0	0
Total (i+ii+iii)		0	0	0	0

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:(Financial Year 2017-18)

Sr. No.	Particulars of Remuneration	Name of the MD	Total Amount
1	Gross salary	Shri S. S. Yadav, IAS	Shri Kannan Gopinathan, IAS
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-
(b)	Value of perquisites u/s 17(2) of the Income-tax Act, 1961	-	-
(c)	Profits in lieu of salary under section17(3)	-	-



VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager: (Financial Year 2017-18)

Sr. No.	Particulars of Remuneration	Name of the MD	Total Amount
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commissions	-	-
-	as % of profit	-	-
-	others, specify?	-	-
5	Others, please specify	-	-
Total (A)		-	-
Ceiling as per the Act			
Not Applicable being a Govt. Company (Section 197 of the Company Act, 2013)			

B. Remuneration to other Directors: (Financial Year 2017-18)

Sr. No.	Particulars of Remuneration	Name of the Directors		Total Amount Rs.
1	Independent Directors	Hemanshu Kapadia	P. Pentayya	660,000.00
(a)	Fee for attending board committee meetings	210,000.00	450,000.00	
(b)	Commission	Nil	Nil	
(c)	Others, please specify	Nil	Nil	
Total (1)		210,000.00	450,000.00	660,000.00
2	Other Non-Executive Directors			
(a)	Fee for attending board, committee meetings	Nil	Nil	
(b)	Commission	Nil	Nil	
(c)	Others, please specify	Nil	Nil	
Total (2)		Nil	Nil	
Total (B)=(1+2)		210,000.00	450,000.00	660,000.00
Total Managerial				
Overall Ceiling as per the Act				NA



C. Remuneration to Key Managerial Personnel other than MD/MANAGER/WTD. (Financial Year 2017-18)					
Sr. no.	Particulars of Remuneration	Key Managerial Personnel			Total
1	Gross salary	CEO	Company Secretary	CFO	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	N/A	720,000	N/A	720,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission- as % of profit – others, specify?	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	-	720,000	-	720,000
VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES: (Financial Year 2017-18)					
Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment /Compounding fees imposed	Authority [RD/NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty Punishment Compounding	-	-	NIL	-	-
B. DIRECTORS					
Penalty Punishment Compounding	-	-	NIL	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty Punishment Compounding	-	-	NIL	-	-
For and on behalf of Board of Directors, DNH Power Distribution Corporation Limited Kannan Gopinathan Managing Director (DIN-07945772)					
		Date: 30.10.2018 Place: Silvassa			



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

(Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the
Companies (Accounts) Rules, 2014)

(A) CONSERVATION OF ENERGY :

i) Steps taken or impact on conservation of energy :

The Corporation firmly believes that any energy saved is energy generated. The distribution loss of the Corporation is one of the lowest in distribution industry. During the year the distribution loss of the Corporation was decreased to 4.47 %.

On an average, 0.98 power factor is maintained in the territory. The Corporation's constant effort was to sensitize its consumers for the efficient use of energy. To achieve this goal, the Corporation has printed calendars with different slogans on each page citing the needs to conserve the precious and scarce energy. This was done with the active participation of Dadra & Nagar Haveli Industries Association, whose members represent a considerable number of our consumers.

Slogans on energy conservation is also embossed in energy bills to sensitize our consumers on regular basis.

The Corporation is distributing 2 Nos. of **LED** bulbs to Low Income Group (LIG) consumers under CSR activities. The Corporation is also implementing **Ujala Scheme** of Government of India for distribution of **LED** bulbs at affordable rates.

ii) Steps taken for utilizing the alternate sources of energy :

The installed capacity of solar generation by the Corporation is 4.785 MW. Further, the Board of Directors at their meeting held on 31.07.2018 has approved for signing of PPA for availing 50 MW wind power from SECI on long term basis. Additionally, the Corporation is exploring for tie up with SECI/NTPC for procurement of solar power.

iii) Capital investment on energy conservation equipment :

All the efforts and investment for conservation of energy are made within the normal developmental activities of the Corporation.

iv) Impact of measures for reduction of energy consumption :

- Maintained distribution losses at very low level.
- Saving in KWh.

(B) TECHNOLOGY ABSORPTION :

(i) The efforts made towards technology absorption :

The Corporation has adopted various advanced technology like:-



- i) Introduction of Automatic Meter Reading System (AMR) and its monitoring from the central station.
- ii) Introduction of on-line payment facility, mobile payment facility, e-billing.
- iii) Introduction of photo readings and online spot billing.
- iv) Planned to implement ERP software in the Corporation.
- v) Use of online software for stores management.
- vi) Distribution of LED bulbs through EESL.
- vii) Underground cabling in SMC area with GIS sub-station at Zanda Chowk, Silvassa
- viii) Initiated for installation of smart meters.
- ix) Renewable Power Policy for promotion of solar energy has been notified by UT Administration of DNH.
- x) Initiated online facility for making of applications for release of power, change of name, reduction of load etc. for industrial consumers.

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution :

- i) Improved billing and collection efficiency.
- ii) Improved the monitoring system on the functioning of metering equipments of major consumers.
- iii) Improved the periodical billing efficiency of the consumers.
- iv) Improved consumers satisfaction.
- v) Reduced the complaints on errors in manual reading.
- vi) Enable effective monitoring of stores.

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) :

- | | |
|---|------|
| a) Details of technology imported- | NIL |
| b) Year of import- | N.A. |
| c) Whether technology been fully absorbed- | N.A. |
| d) If not fully absorbed, areas where this has not taken place, reasons therefore.- | N.A. |

(iv) Expenditure incurred on Research and Development – NIL

(C) FOREIGN EXCHANGE EARNINGS & OUTGO – NIL



Management Replies to the Comments of C&AG under Section 143 (6) of the Companies Act, 2013 for the year ended 31st March, 2018

Sr. No.	Comment of the C&AG	Reply by the Management
1. Balance Sheet		
	Current Liabilities – Provisions (Note-17)	
	This does not include Rs.5.34 crore being the interest amount payable due to non-payment of claim of Rs. 8.90 crore made by NTPC-SAIL Power Company Pvt Limited (NSPCL).	The non-provision of interest on the unpaid provision amount remains unprovided from the FY 2014-15 till date on account of following;
	Based on supplementary Power Purchase Agreement (PPA) dated 18.12.2012, NSPCL allocated power to the Company and claimed (March 2014) an amount of Rs. 8.90 crore, which was provided for in the accounts. As per the clause no. 6.1.6 of PPA dated 26/10/2007, even under dispute, bulk power beneficiary should pay 100% amount failing which interest at 15% per annum was payable. Therefore, non-payment of NSPCL's claim of Rs. 8.90 crore resulted in liability to pay interest of Rs. 5.34 crore (Rs. 8.90 crore x15%x 4 years).	As the Corporation was not able to draw the additional allocated power due to non-availability of Medium Term Open Access (MTOA) and further the availability of said access was beyond the control of the Corporation. Hence, an effort had been initiated to get the said liability waived off through the required regulatory process treating the said event as force-majeure.
	Thus, non-provision of interest as per terms of PPA entered with NSPCL resulted in understatement of current liabilities - provisions by Rs. 5.34 crore and understatement of Loss by the same amount.	The payment of delayed payment charge is subject matter of reaching a mutual consensus and it happens many times that the said charge is waived off or got reduced though the process of mutual discussion.
		Further, the provision of delayed payment charge is not made in the books of accounts on account of practical reason also as the creation of said provision would be subject matter of tax deduction at source under Income Tax Act. If the waiver of delayed payment charge is agreed upon, then this normally would result into extra payment from the perspective of the Corporation.
		However, the matter of waiver of late payment surcharge from NSPCL will be perused and settled in FY 2018-19.



Sr. No.	Comment of the C&AG	Reply by the Management
2.	Cash Flow Statements for the year ended 31st March 2018 The company has included Finance cost paid on Borrowings of Rs. 3.56 crore under Cash Flow from Financing Activities. Out of this, the Company has paid Rs. 1.17 crore as penal interest to Power supplying companies. As per the Educational Material on Ind Accounting Standard – 7 issued by the Institute of Chartered Accountants of India in February 2016, penal interest paid to suppliers is to be classified under Cash Flow under Operating Activities instead of Financing Activities. Thus, the amount of Rs. 1.17 crore needs to be included under the Operating Activities instead of Financing Activities.	The interest payment to power supplying companies is not in the nature of penal interest. The penal interest by its nature is charged on the amount, which is overdue due to default from the payee to make the payment on the agreed due date. Under the applicable CERC norms, the power Companies are entitled to recover the interest, when there is case of under recovery on account of the provisional basis, which is finalized later on. This is termed as carrying cost of the amount, which remains under-recovered for the certain period. However, the suggestion is duly noted and presentation as suggested by CAG Audit team will be followed from FY 2018-19.



INDEPENDENT AUDITOR'S REPORT

Report on the Standalone Ind AS Financial Statements

To the Members of DNH Power Distribution Corporation Limited

We have audited the accompanying standalone Ind AS financial statements of **M/S DNH POWER DISTRIBUTION CORPORATION LIMITED ("the Company")** which comprises the Balance Sheet as at March 31, 2018, the Statement of Profit & Loss (including Other Comprehensive Income), the Statement of Change in Equity and Cash Flow Statement for the year ended and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the state of affairs (financial position), profit & loss (financial performance including other comprehensive income), change in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS 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 standalone Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation and fair presentation of the standalone Ind AS 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 standalone Ind AS financial statements.

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



OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS of the state of affairs (financial position) of the Company as at March 31, 2018, and its loss (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. The Company is also governed by the provision of the Electricity Act 2003 read with rules and the regulations issued there under. The provisions of said Act have prevailed wherever they have been inconsistent with the provisions of the Companies Act, 2013.
2. As required under the directions and sub-directions issued by Comptroller and Auditor General of India in terms of sub-section (5) of Section 143 of Companies Act, 2013 and on the basis of such checks of the books and records of the Company as we considered appropriate and according to information and explanation given to us, we are enclosing our report in the **"Annexure-A"**.
3. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") as amended, issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the **"Annexure B"** a statement on the matters specified in paragraphs 3 and 4 of the Order.
4. As required by section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, the Statement of Change in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of accounts.
 - d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.
 - e) Being Government Company pursuant to Notification No. GSR 463 (E) dated 05/06/2015 issued by Ministry of Corporate Affairs, the provisions of Section – 164 (2) of the Act are not applicable to the Company.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure C"**.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS standalone financial statements – Refer Note 26 to the financial statements.



- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For, Agarwal & Dhandhanias
Chartered Accountants
FRN. 0125756W

Place: Silvassa
Date: 31.07.2018

CA Sanjay Agarwal
(Partner)
M. No. 078579



TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE IND-AS FINANCIAL STATEMENTS OF DNH POWER DISTRIBUTION CORPORATION LIMITED

Report on directions and sub-directions issued by Comptroller and Auditor General of India under Section 143(5) of the Companies Act, 2013.

- 1. Whether the Company has clear title/lease deeds for freehold and leasehold land respectively? If not please state the area of freehold and leasehold land for which title/lease deeds are not available:**

Legal Ownership (titles) of Immovable Properties transferred from Electricity Department of Dadra & Nagar Haveli (ED of DNH) are still in the name of said ED of DNH. However, the procedure for registration and/or transfer in the name of the Corporation is in progress. Details of such free hold properties are mentioned as below:

Sr. No.	Circle No.	Name of Premises	Area of Land (in Hecter)	Nature (Freehold/Leasehold)
1.	Silvassa City	Head Office Land	0.25	Freehold
2.	Silvassa City	Amlu Sub-Station Land	6.53	Freehold
3.	Dadra	Dadra Sub-Station Land	2.32	Freehold
4.	Sili	Sili Sub-Station Land	1.80	Freehold
5.	Masat	Masat Sub-Station Land	1.28	Freehold
6.	Rakholi	Rakholi Sub-Station Land	1.44	Freehold
7.	Khadoli	Khadoli Sub-Station Land	8.45	Freehold
8.	Khanvel	Khanvel Sub-Station Land	0.22	Freehold
9.	Kala	Kala Sub-Station Land	2.42	Freehold
10.	Velugam	Velugam Sub-Station Land	5.00	Freehold
11.	Silvassa City	Piparia Sub-Station Land	1.26	Freehold
12.	Athal	Athal Sub-Station Land	0.80	Freehold
13.	Kharadpada	Kharadpada Sub-Station Land	9.58	Freehold
14.	Waghdhara	Waghdhara Sub-Station Land	0.85	Freehold

- 2. Please report whether there are any cases of waiver/write off of debts/loans/interest etc., if yes, the reasons there for and the amount involved.**

To the best of our knowledge and belief and according to the information and explanations given to us, no cases of waiver / write off of debts /loans /interest etc. were observed during the financial year 2017-18.

- 3. Whether proper records are maintained for inventories lying with third parties & assets received as gift from Govt. or other authorities.**

Based on records examined and explanations given to us, during the year, there are no inventories are lying with third parties and the Company has not received any assets/gifts from Government or other authorities.

For, Agarwal & Dhandhanias
Chartered Accountants
FRN. 0125756W

Sd/-

CA Sanjay Agarwal
(Partner)
M. No. 078579

Place: Silvassa
Date: 31.07.2018



TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE IND-AS FINANCIAL STATEMENTS OF DNH POWER DISTRIBUTION CORPORATION LIMITED

Report on the Order issued under Section 143(11) of the Companies Act, 2013

- i) In respect to Fixed Assets:**

- a)** The Company has generally maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b)** The fixed assets have been physically verified by the third party (i.e. by appointing a Professional Firm CA firms i.e. M/s GSV & Co., Vapi), which in our opinion is reasonable, having regard to the size of the Corporation and nature of its assets. As informed to us, no material discrepancy was noticed on such physical verification.
- c)** Legal Ownership (titles) of Immovable Properties transferred from Electricity Department of Dadra & Nagar Haveli are still in the name of said ED of DNH. However, the procedure for registration and/or transfer in the name of the Corporation is in progress. Details of such free hold properties are mentioned as below:

Sr. No.	Circle No.	Name of Premises	Area of Land (in Hecter)	Nature (Freehold/Leasehold)
1.	Silvassa City	Head Office Land	0.25	Freehold
2.	Silvassa City	Amlu Sub-Station Land	6.53	Freehold
3.	Dadra	Dadra Sub-Station Land	2.32	Freehold
4.	Sili	Sili Sub-Station Land	1.80	Freehold
5.	Masat	Masat Sub-Station Land	1.28	Freehold
6.	Rakholi	Rakholi Sub-Station Land	1.44	Freehold
7.	Khadoli	Khadoli Sub-Station Land	8.45	Freehold
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9.	Kala	Kala Sub-Station Land	2.42	Freehold
10.	Velugam	Velugam Sub-Station Land	5.00	Freehold
11.	Silvassa City	Piparia Sub-Station Land	1.26	Freehold
12.	Athal	Athal Sub-Station Land	0.80	Freehold
13.	Kharadpada	Kharadpada Sub-Station Land	9.58	Freehold
14.	Waghdhara	Waghdhara Sub-Station Land	0.85	Freehold

- ii)** As explained to us, the physical verification of inventory (i.e. stores and spares) has been conducted at reasonable intervals by the management. The procedures of physical verification of inventory followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business. As informed to us, no material discrepancy was noticed on such physical verification.



Annexure 'B' to the independent Auditor's Report

CIN: U40100DN2012GOI000405

- iii)** According to the information and explanation given to us, the Company has not granted any loans secured or un-secured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act 2013. Accordingly the clauses (iii) (a), (b) and (c) of the order are not applicable.
- iv)** According to the information and explanations given to us, the Company has not granted any loans, investments, guarantees and security covered under the provisions of section – 185 and 186 of the Companies Act, 2013.
- v)** The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- vi)** We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148 (1) of the Act, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.
- vii) (a)** According to the records of the Company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Goods and Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other statutory dues have been generally regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2018 for a period of more than six months from the date of becoming payable.
- (b)** According to records of Company, the dues of income tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax or cess which have not been deposited on account of any dispute is nil except the following dues of service tax

Name of the Statute	Nature of Dues	Amount	Forum where the dispute is pending
Service Tax	Demand of Service Tax of Rs. 144.42 Lakh for Consulting Engineering services rendered by DNHPDCL which has been paid by the Company. However the interest on the same has not been provided for as the appeal has been filed for the same.	Demand of Rs. 144.42 Lakh*	Appeal pending in Appellate Tribunal, Service Tax of WZB, Ahmedabad against the order dated 12th March, 2015 of the Commissioner Central Excise, Customs and Service tax, Silvassa Commissionerate for payment of service tax, penalty, interest.
	Penalty u/s 77 of the Finance Act, 1994 for non filing / delay in filing ST – 3 returns	Rs. 1.00 Lakh	
	Penalty u/s 78 of the Finance Act, 1994	Rs. 144.42 Lakh	



CIN: U40100DN2012GOI000405

Annexure 'B' to the independent Auditor's Report

- *Rs. 144.42 Lakh has been recovered from consumers and then the amount has been paid to Service Tax Department. Therefore it has not been disclosed as either liability to consumers or as asset as recoverable from Department back. In case in the decision of appeal, this amount of service tax is refunded back to DNHPDCL, the Company will return it back to the consumers.
- viii)** In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.
- ix)** Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- x)** Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- xi)** Being Government Corporation pursuant to Notification No. – GSR 463 (E) dated 05/06/2015 issued by Ministry of Corporate Affairs, the provisions of Section – 197 of the Act are not applicable to the Company.
- xii)** The Company is not a nidhi Company and accordingly provisions of clause (xii) of Para 3 of the order are not applicable to the Company.
- xiii)** In our opinion, all transactions with the related parties are in compliance with Section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements in Note No. 27 as required by the applicable accounting standards
- xiv)** Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company.
- xv)** Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company.
- xvi)** In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company.

For, Agarwal & Dhandhanja
Chartered Accountants
FRN. 0125756W

Sd/-
CA Sanjay Agarwal
(Partner)
M. No. 078579

Place: Silvassa
Date: 31.07.2018



**TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE IND-AS FINANCIAL
STATEMENTS OF DNH POWER DISTRIBUTION CORPORATION LIMITED**

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

We have audited the internal financial controls over financial reporting of DNH Power Distribution Corporation Limited as of March 31, 2018 in conjunction with our audit of the financial statements of the Company for the year ended March 31, 2018.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that



- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For, Agarwal & Dhandhanias
Chartered Accountants
FRN. 0125756W**

Sd/-

**CA Sanjay Agarwal
(Partner)
M. No. 078579**

**Place: Silvassa
Date: 31.07.2018**



COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF DNH POWER DISTRIBUTION CORPORATION LIMITED, SILVASSA FOR THE YEAR ENDED 31 MARCH 2018.

The preparation of financial statements of **DNH Power Distribution Corporation Limited** for the year ended 31st March 2018 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the Company. The Statutory Auditor appointed by the Comptroller and Auditor General of India under Section 139(5) of the Act is responsible for expressing opinion on the financial statements under Section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated **31st July 2018**.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of **DNH Power Distribution Corporation Limited** for the year ended 31st March 2018 under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and selective examination of some of the accounting records.

Based on my supplementary audit. I would like to highlight the following significant matters under section 143(6)(b) of the Act which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and the related audit report :

**A. Comments on Financial Position
Balance Sheet**

Current liabilities – Provisions – ₹ 131.05 crores (Note 17)

This does not includes ₹ 5.34 crore being the interest amount payable due to non-payment of claim of ₹ 8.90 crore made by NTPC–SAIL Power Company Private Limited (NSPCL).

Based on supplementary Power Purchase Agreement (PPA) dated 18 December 2012, NSPCL allocated power to the Company and claimed (March 2014) an amount of ₹ 8.90 crore which was provided for in the accounts. As per the clause No. 6.1.6 of PPA dated 26 October 2007, even under dispute, bulk power beneficiary should pay 100 % amount failing which interest at 15 % per annum was payable. Therefore, non-payment of NSPCL's claim of ₹ 8.90 crore resulted in liability to pay interest of ₹ 5.34 crore (₹ 8.90 crore x 15 % x 4 years).

Thus, non-provision of interest as per terms of PPA entered with NSPCL resulted in understatement of current liabilities-provisions by ₹ 5.34 crore and understatement of Loss by the same amount.



B. Comments on Cash Flow

Cash Flow Statement for the year ended 31st March 2018

The Company has included Finance cost paid on Borrowing of ₹ 3.56 crore under Cash Flow from Financing Activities. Out of this, the Company has paid ₹ 1.17 crore as penal interest to Power supplying companies. As per the Educational Material on Ind Accounting Standard – 7 issued by Institute of Chartered Accountant of India in February 2016, penal interest paid to suppliers is to be classified under Cash Flow from Operating Activities instead of Financing Activities.

Thus, the amount of ₹ 1.17 crore needs to be included under Operating Activities instead of Financing Activities.

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

**Sd/-
(Manish Kumar)
Principal Director of Commercial Audit &
Ex-Officio Member, Audit Board - IV**

**Place : New Delhi
Date : 28.09.2018.**



Balance Sheet
As at 31st March, 2018

Particulars	Note No.	As at 31 March, 2018 (₹ in Lakh)	As at 31 March, 2017 (₹ in Lakh)
ASSETS			
1 Non-current Assets			
(a) Property, Plant and Equipment (PPE)	1	18,859.38	17,137.70
(b) Capital Work-in-Progress	2	165.92	1910.32
(c) Investment Property		—	—
(d) Goodwill		—	—
(e) Intangible Assets	3	193.98	9.81
(f) Intangible Assets under development		—	—
(g) Financial Assets			
i) Investments		—	—
ii) Trade Receivables		—	—
iii) Loans	4	50.59	59.47
iv) Others		—	—
(h) Deferred Tax Assets (Net)		—	—
(i) Other Non-Current Assets	5	3,025.11	1,561.40
Total Non-Current Assets		22,294.98	20,678.70
2 Current assets			
(a) Inventories	6	566.04	820.98
(b) Financial Assets			
i) Investments		—	—
ii) Trade Receivables	7	23,842.64	19,931.08
iii) Cash and Cash Equivalents	8	3,603.38	19,638.95
iv) Bank Balance other than iii) above	8	30,221.16	32,967.45
v) Loans		—	—
vi) Others	9	325.42	742.45
(c) Current Tax Assets (Net)		—	—
(d) Other Current Assets	10	23.52	8.34
Total Current Assets		58,582.16	74,109.25
Total Assets		80,877.14	94,787.95
EQUITY AND LIABILITIES			
1 Equity			
(a) Equity Share Capital	11	8,000.00	8,000.00
(b) Other Equity	12	43,673.23	44,919.55
Total Equity		51,673.23	52,919.55



Balance Sheet
As at 31st March, 2018

Particulars	Note No.	As at 31 March, 2018 (₹ in Lakh)	As at 31 March, 2017 (₹ in Lakh)
LIABILITIES			
2 Non-current Liabilities			
(a) Financial Liabilities			
i) Borrowings		—	—
ii) Trade and Other Payables		—	—
iii) Other Financial Liabilities	13	3,869.12	3,250.64
(b) Provisions		—	—
(c) Deferred Tax Liabilities (Net)	14	1,885.01	1,227.59
(d) Other Non-Current Liabilities		—	—
Total Non-Current Liabilities		5,754.13	4,478.23
3 Current Liabilities			
(a) Financial Liabilities			
i) Borrowings		—	—
ii) Trade and Other Payables	15	8,599.70	23,396.89
iii) Others Financial Liabilities	16	583.13	280.90
(b) Provisions	17	13,104.88	13,211.42
(c) Current Tax Liabilities (Net)		—	—
(d) Other Current Liabilities	18	1,162.07	500.96
Total Current Liabilities		23,449.78	37,390.17
Total Liabilities		29,203.91	41,868.40
TOTAL EQUITY AND LIABILITIES		80,877.14	94,787.95

The Significant Accounting Policies (I) and Notes (II) are integral part of these Financial Statements.

For and On behalf of
For, **DNH Power Distribution Corporation Ltd.**

In term of our Audit Report of even date attached
For **Agarwal & Dhandhanja**
Chartered Accountants

Sd/-
(**CA Sanjay Agarwal**)
Partner
Firm Registration No. 0125756W
M. N. 078579

Sd/-
(**Vitthal Chavan**)
Company Secretary

Sd/-
(**Kannan Gopinathan**)
Managing Director
(DIN-07945772)

Sd/-
(**Pawan Kumar Mishra**)
Chief Financial Officer

Sd/-
(**Praful Patel**)
Chairman
(DIN-07652308)

Place : Silvassa
Date : 31.07.2018



Statement of Profit and Loss for the Year ended 31st March, 2018

(₹ in Lakh)

Particulars	Note No.	For the year ended 31 March, 2018	For the year ended 31 March, 2017
INCOME / REVENUE			
I Revenue from Operations	19	2,28,772.85	1,92,210.23
II Other Income	20	9,105.03	4,683.13
III Total Income (I+II)		2,37,877.88	1,96,893.36
IV EXPENSES			
Purchases of Power	21	2,33,321.82	1,99,074.55
Operation and Maintenance Expenses	22	1,316.99	720.20
Employee Benefits Expenses	23	1,143.92	1,201.74
Finance Costs	24	327.29	928.88
Depreciation and Amortization Expenses	1&3	1,528.77	1,391.08
Administration and Other Expenses	25	827.99	389.44
TOTAL EXPENSES (IV)		2,38,466.78	2,03,705.89
V Profit/ (Loss) before Exceptional Items and Tax (III-IV)		(588.90)	(6,812.53)
VI Exceptional items		-	-
VII Profit before Tax (V-VI)		(588.90)	(6,812.53)
VIII Tax Expense :			
Current Tax		-	-
Deferred Tax		657.42	312.55
Total Tax Expense		657.42	312.55
IX Profit/(Loss) for the year from continuing operations (VII-VIII)		(1,246.32)	(7,125.08)
X Profit /(Loss) from discontinuing operations		-	-
XI Tax Expense of Discontinuing Operations		-	-
XII Profit/(Loss) from Discontinuing Operations (IX-X)		-	-
XIII Profit(Loss) for the year (IX+XII)		(1,246.32)	(7,125.08)
XIV Other Comprehensive Income			
A – Items that will not be classified subsequently to profit or loss		-	-
B – Items that will be reclassified subsequently to profit or loss		-	-
Other Comprehensive Income for the year (net of Tax)		-	-
XV Total Comprehensive Income for the year (XII+XIV)		(1,246.32)	(7,125.08)



Statement of Profit and Loss for the Year ended 31st March, 2018

(₹ in Lakh)

Particulars	Note No.	For the year ended 31 March, 2018	For the year ended 31 March, 2017
XVI Earning per Equity Share (Face Value of Rs. 100/- each)		-	-
For Continuing Operations before Rate Regulated Activities			
i) Basic (in Rs.)		(15.58)	(89.06)
ii) Diluted (in Rs.)		-	-
For Continuing Operations			
i) Basic (in Rs.)		(15.58)	(89.06)
ii) Diluted (in Rs.)		-	-
For Discontinuing Operations			
i) Basic (in Rs.)		-	-
ii) Diluted (in Rs.)		-	-
For Continuing Operations and Discontinuing Operations			
i) Basic (in Rs.)		(15.58)	(89.06)
ii) Diluted (in Rs.)		-	-

The Significant Accounting Policies (I) & Notes (II) are integral part of these Financial Statements

For and On behalf of
For, **DNH Power Distribution Corporation Ltd.**

In terms of our Audit Report of even date attached

Sd/-
For **Agarwal & Dhandhan**
Chartered Accountants

Sd/-
(CA Sanjay Agarwal)
Partner
Firm Registration No. 0125756W
M. N. 078579

Sd/-
(Vitthal Chavan)
Company Secretary

Sd/-
(Pawan Kumar Mishra)
Chief Financial Officer

Sd/-
(Kannan Gopinathan)
Managing Director
(DIN-07945772)

Sd/-
(Praful Patel)
Chairman
(DIN-07652308)

Place : Silvassa
Date : 31.07.2018



**Statement of Change in Equity
for the Year ended 31st March, 2018**

A Equity Share Capital :

(₹ in Lakh)

Particulars	Amount
Balance as at 1st April 2016	8,000.00
Changes in Equity Share Capital during the Year	—
Balance as at 31st March 2017	8,000.00
Changes in Equity Share Capital during the Year	—
Balance as at 31st March 2018	8,000.00

B. Other Equity :

Particulars	DNHPDCL CAPEX, Replacement & Development Fund	General Reserve	Corporate Social Responsibility Fund	Retained Earning/ Surplus	Total
Balance at 1st April 2016	35,160.45	1,171.53	279.25	15,632.56	52,243.79
Proceed from Share Application	—	—	—	—	—
Issue of Equity Share capital	—	—	—	—	—
Profit for the FY 2016-17	—	—	—	(7,125.08)	(7,125.08)
Other Comprehensive Income for the FY 2016-17	—	—	—	—	—
Total Comprehensive Income for the FY 2016-17	—	—	—	(7,125.08)	(7,125.08)
Dividend paid	—	—	—	—	—
Tax on Dividend paid	—	—	—	—	—
Balance as at 31st March 2017	35,160.45	1,171.53	279.25	8,308.32	44,919.55
Issue of Equity Share capital	—	—	—	—	—
Proceed from Share Application	—	—	—	—	—
Issue of Equity Share capital	—	—	—	—	—
Profit for the FY 2017-18	—	—	—	(1,246.32)	(1,246.32)
Grant received	—	—	—	—	—



**Statement of Change in Equity
for the Year ended 31st March, 2018**

Particulars	DNHPDCL CAPEX, Replacement & Development Fund	General Reserve	Corporate Social Responsibility Fund	Retained Earning/ Surplus	Total
Other Comprehensive Income for the FY 2017-18	—	—	—	—	—
Total Comprehensive Income for the FY 2017-18	—	—	—	(1,246.32)	(1,246.32)
Transfer to Retained Earnings/Surplus	(4,186.00)	—	(279.25)	4,465.25	—
Transfer to Other Current Liabilities	—	—	—	—	—
Dividend paid	—	—	—	—	—
Tax on Dividend paid	—	—	—	—	—
Balance as at 31st March 2018	30,974.45	1,171.53	—	11,527.25	43,673.23

For Significant Accounting Policies (I) & Notes (II) are integral part of these Financial Statements

For and On behalf of
For, **DNH Power Distribution Corporation Ltd.**

In terms of our Audit Report of even date attached

Sd/-
For **Agarwal & Dhandhania**
Chartered Accountants

Sd/-
(CA Sanjay Agarwal)
Partner
Firm Registration No. 0125756W
M. N. 078579

Sd/-
(Pawan Kumar Mishra)
Chief Financial Officer

Sd/-
(Kannan Gopinathan)
Managing Director
(DIN-07945772)

Sd/-
(Praful Patel)
Chairman
(DIN-07652308)

Place : Silvassa
Date : 31.07.2018



**Cash Flow Statements
for the year ending 31st March, 2018**

Particulars	For the year ended 31 March, 2018 (₹ in Lakh)	For the year ended 31 March, 2017 (₹ in Lakh)
A CASH FLOW FROM OPERATING ACTIVITIES:-		
Profit before tax from continuing operations	(588.89)	(6,812.53)
Adjustments for :		
Add: (a) Depreciation and Amortization	1,528.77	1,391.09
(b) Provision for Trade Receivables	308.97	-
(c) Created Provisions	3,758.13	-
(d) Provision for Leave Salary, Pension & Gratuity	81.62	49.83
(e) Finance cost recognised in Statement of Profit & Loss	327.28	6,004.77
	5,415.88	2,369.79
Less : (a) Gain on sale / disposal of Property Plant and Equipments	-	-
(b) Interest income recognised in Statement of Profit & Loss	2,114.21	3,369.60
(c) Provisions Write-Off	3,946.29	6,060.50
	198.57	3,568.17
Operating Profit before working capital changes	(644.62)	(8,010.91)
Adjustments for Decrease/(Increase) in :		
Trade Receivables	(4,220.53)	395.27
Inventories	254.94	27.62
Loans and advances (at amortised cost)	8.89	(0.13)
Other financial assets	(50.00)	2,212.80
Other Assets	(15.17)	73.71
Trade and other payables	(14,768.08)	2,964.47
Provision	-	(2,782.87)
Other financial liabilities	920.71	(207.63)
Other Current liabilities	661.11	(17,208.13)
	614.49	3,297.74
CASH GENERATED / (USED) IN OPERATION	(17,852.75)	(4,713.17)
less : Taxes Paid (Net of Refund)	112.75	281.36
NET CASH GENERATED BY OPERATING ACTIVITIES	(17,965.50)	(4,994.53)
B CASH FLOW FROM INVESTING ACTIVITIES		
Addition to Property Plant & Equipments and Capital Work in Progress	(1,488.24)	(1,644.87)
Sale of Property Plant and Equipments	-	-



**Cash Flow Statements
for the year ending 31st March, 2018**

Particulars	For the year ended 31 March, 2018 (₹ in Lakh)	For the year ended 31 March, 2017 (₹ in Lakh)
Addition to Intangible Assets	(201.98)	(4.50)
Investment	2,746.29	(32,967.45)
Interest received on Investments and Loans	2,581.24	6,495.54
Capital Advances	(1,350.97)	-
NET CASH (USED IN) / FROM INVESTING ACTIVITIES	2,286.33	(31,121.27)
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of Equity Share Capital / Share Application	-	-
Finance Costs paid on Borrowings	(356.40)	(1,010.25)
Proceeds from Banks	-	-
Interim Dividend for Current Year (including tax thereon)	-	-
Final Dividend for Previous Year (including tax thereon)	-	-
NET CASH (USED IN) / FROM FINANCING ACTIVITIES	(356.40)	(1,010.26)
Net (Decrease)/Increase in Cash and Cash Equivalents (A+B+C)	(16,035.57)	(37,126.06)
Cash & Cash Equivalents as at the Commencement of the Year	19,638.95	56,765.01
Cash & Cash Equivalents as at the Close of the Year	3,603.38	19,638.95

For and On behalf of
For, **DNH Power Distribution Corporation Ltd.**

In terms of our Audit Report of even date attached
For **Agarwal & Dhandhanania**
Chartered Accountants

Sd/-
(Vitthal Chavan)
Company Secretary

Sd/-
(Pawan Kumar Mishra)
Chief Financial Officer

Sd/-
(CA Sanjay Agarwal)
Partner
Firm Registration No. 0125756W
M. N. 078579

Sd/-
(Kannan Gopinathan)
Managing Director
(DIN-07945772)

Sd/-
(Praful Patel)
Chairman
(DIN-07652308)

Place : Silvassa
Date : 31.07.2018



01. Corporate Information

DNH Power Distribution Corporation Limited (DNHPDCL or 'the Corporation') is a Public Limited Company incorporated in India with its registered office at Vidyut Bhavan, 66 KV Road, Near Secretariat, Amli, Silvassa - 396230. The Corporation is a company with 100% shareholding by the President of India and nominees under administrative control of Ministry of Home Affairs ('MoHA'), the ultimate parent being the Government of India ('GOI'). The equity shares of the Corporation are not listed on any stock exchange. It was incorporated in July 2012 with the objective to carry out the business of electricity sub-transmission, distribution and retail supply. The Corporation is presently engaged in the business of distribution of power in the area of Dadra & Nagar Haveli (Union Territory) and there is no major change in the business activity during the current financial year. The Corporation is also involved in the generation of electricity with the use of renewable resources (i.e. Solar).

Pursuant to 'The Dadra & Nagar Haveli (DNH) Electricity Reforms Transfer Scheme, 2013 notified vide notification no.1-1(594)/ELE/2013/697 dated 07/03/2013, the functions of distribution and its associated division (i.e. meter testing and laboratory division) of Electricity Department of DNH has been corporatized and stand transferred to the Corporation. The said scheme also includes the transfer of the entire assets, liabilities, rights, obligations and proceedings etc. of distribution and its associated division of Electricity Department of DNH to the Corporation from the effective date. Further, the effective date has been notified as 01/04/2013 vide notification no. 1-1(656)/ELE/2013/700 dated 08/03/2013. The initial assets and liabilities transferred to the Corporation in pursuant to above scheme had been transferred at the value as notified by Administrator vide notification no. DNH/Elc/Trans/2014/108/278 dated 04/06/2014.

02. Basis for Preparation of Accounts:

These Financial Statements are prepared on accrual basis of accounting and all principal accounting policies applied in the preparation of these Financial Statements are set out below. These policies have been consistently applied to all the financial years presented, unless otherwise stated.

i) Statement of Compliance

In accordance with the notification dated 16th February, 2015, issued by the Ministry of Corporate Affairs, the Corporation has adopted Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 with effect from 1st April, 2016. The Financial Statements for the year ended 31st March, 2017 was the first Financial Statements of the Corporation which had been prepared in accordance with Ind AS. Accordingly, the date of transition to Ind AS was 1st April, 2015.

The Standalone Financial Statements have been prepared in accordance with Ind AS as prescribed under Section 133 of the Companies Act, 2013 ('the Act'), the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act. The Corporation has adopted all the applicable Indian Accounting Standards ('Ind AS') in the preparation of Financial Statements.

ii) Basis of measurement

The Financial Statements have been prepared on historical cost basis considering the applicable provisions of Companies Act 2013 and Electricity Act 2003 except the following material items that have been measured at fair value as required by relevant Ind AS. Nevertheless, historical cost is generally based at the fair value of the consideration given in exchange for goods and services.



Certain financial assets/liabilities measured at fair value (refer accounting policy regarding financial instruments) and

Any other item as specifically stated in accounting policy.

The Financial Statement are presented in Indian Rupee ('INR') and all values are rounded to the Rupee in lakhs (up to two decimals), unless otherwise stated.

iii) Use of Estimate and judgment

In the application of significant accounting policy which are described in note (3) below, the management are required to make judgment, estimates and assumptions about the carrying amount of assets and liabilities, income and expenses and contingent liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from those estimates. The estimates and underlying assumptions are reviewed on ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future period.

The few critical estimations and judgments made in applying accounting policies are useful life of Property, Plant & Equipments (PPE), evaluation of indicators of impairments of PPE, classification of security deposits, impairments of trade receivables and other financial assets and contingent liabilities. Similarly, the management provides for inventory obsolescence, surplus inventory and inventory with carrying values in excess of net realizable value based on assessment of the future uses.

The income or expenditure relating to previous period prior to current financial year of immaterial value is recognised in current Financial Statements.

03. Summary of Significant Accounting Policies

i) Property, Plant & Equipment

For transition to Ind AS, the Corporation has elected to continue with the carrying value of Property, Plant and Equipment ('PPE') recognised as of 1st April, 2015 (transition date) measured as per the Previous GAAP and use that carrying value as its deemed cost of the PPE as on the transition date.

PPE are stated at cost less accumulated depreciation and accumulated impairment losses except for freehold land which is not depreciated. Cost includes purchase price (after deducting trade discount / rebate) or construction cost, non-refundable duties and taxes, borrowing costs and other directly attributable cost to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

An item of PPE acquired on the basis of contribution made by consumers, which requires an obligation to provide electricity connectivity to the consumers is recognised at nominal value of Rs.1.00. If the Corporation is also liable to make payment, then such an item of PPE is stated at cost attributable to the Corporation.

Subsequent costs are included in the carrying amount PPE or recognised as a separate item of PPE, as



appropriate, only if the recognition criteria are satisfied. Subsequent costs relating to day to day servicing of an item of PPE are not recognised in the carrying amount of PPE, rather, these costs are recognised in the Statement of Profit & Loss. Likewise, when a major inspection / repair occurs, its cost is recognised in the carrying amount of PPE as a replacement, if the recognition criteria are satisfied.

An item of PPE is derecognised on disposal or when no future economic benefits are expected from use. Any profit or loss arising on the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized in Statement of Profit & Loss.

ii) Intangible Assets

For transition to Ind AS, the Corporation has elected to continue with the carrying value of intangible assets recognised as of 1st April, 2015 (transition date) measured as per the Previous GAAP and use that carrying value as its deemed cost as on the transition date.

Intangible assets acquired separately are measured on initial recognition at cost. After initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Software (not being an integral part of the related hardware) acquired for internal use are treated as intangible assets.

An item of Intangible asset is derecognised on disposal or when no future economic benefits are expected from its use or disposal. Any profit or loss arising from derecognition of an intangible asset is determined as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognised in the Statement of Profit & Loss.

iii) Impairment of tangible and intangible assets other than goodwill

At the end of each reporting period, the Corporation reviews the carrying amounts of its PPE and other intangible assets to determine whether there is any indication that these assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Corporation estimates the recoverable amount of the cash-generating unit ('CGU') to which the asset belongs. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The resulting impairment loss is recognised in the Statement of Profit & Loss.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less cost to sell, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

Where an impairment loss subsequently reverses, the carrying amount of the asset or CGU is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset or CGU in prior years. A reversal of an impairment loss is recognised in the Statement of Profit & Loss.



iv) Capital Work in Progress

For transition to Ind AS, the Corporation has elected to continue with the carrying value of Capital Work in Progress ('CWIP') recognised as of 1st April, 2015 (transition date) measured as per the Previous GAAP and use that carrying value as its deemed cost as on the transition date.

Expenditure incurred on tangible assets under construction, which are not yet ready for its intended use, are carried at cost under Capital work in Progress ('CWIP'). Such costs comprises purchase price (after deducting trade discount/ rebate) including non-refundable duties and taxes and other costs that are directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

CWIP also includes inventories / construction supplies consumed as well as lying in stock for the purpose of construction. Payment against material pending acceptance or stage payment made to supplier or fabricator for supply of capital goods, if any are also grouped as part of CWIP. Major Renovation, Modernization and Up-gradation of an item of PPE resulting in increased life and / or efficiency are considered as CWIP and capitalized on its completion.

v) Investment properties

Investment properties held to earn rentals or for capital appreciation or both are initially stated at cost. Subsequent to initial recognition, investment properties are carried out at cost less accumulated depreciation and accumulated impairment loss, if any. Any gain or loss on disposal of investment property is determined as the difference between net disposal proceeds and the carrying amount of the property and is recognised in the Statement of Profit & Loss. Transfer to or from investment property is made when and only when there is change in use and carried out at the carrying amount of investment property.

vi) Foreign Currency Transactions

The Financial Statements of Corporation are presented in Indian Rupee (INR), which is also its functional currency. In preparing the Financial Statements, transactions in currencies other than the entity's functional currency are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary items denominated in foreign currency are reported at the exchange rate ruling on the date of transaction. Exchange differences on monetary items are recognised in the Statement of Profit & Loss in the period in which they arise

vii) Inventories

Inventory mainly consists of Operations & Maintenance ('O&M') stores & spares, which includes maintenance supplies, consumables and loose tools to be consumed in the operations & maintenance of PPE and those do not qualify as PPE. Inventories are valued at cost on weighted average and net realizable value ('NRV') whichever is lower. Cost of inventories include cost of purchase (after deducting trade discount / rebate) including non-refundable duties and taxes, cost of conversion and other related costs including incidentals like freight etc. incurred in bringing the inventories to their present location and condition. NRV is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.



The amount of any write-down of inventories to NRV and all abnormal losses of inventories are recognized as expense in the Statement of Profit & Loss in the period in which such write-down or loss occurs. The amount of any reversal of the write-down of inventories arising from increase in the NRV is recognized as a reduction from the amount of inventories recognized as an expense in the period in which reversal occurs.

viii) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Corporation takes into account the characteristics of asset and liability if market participants would take those into consideration. Fair value for measurement and / or disclosure purposes in these Financial Statements is determined in such basis except for transactions in the scope of Ind AS 2, 17 and 36. Normally at initial recognition, the transaction price is the best evidence of fair value.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Corporation uses valuation techniques those are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All financial assets and financial liabilities for which fair value is measured or disclosed in the Financial Statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1** – Quoted (unadjusted) market prices in active markets for identical assets or liabilities that the entity can access at the measurement rate.
- Level 2** – Valuation techniques for which the lowest level input (other than quoted prices included within level 1) that is significant to the fair value measurement is directly or indirectly observable.
- Level 3** – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

Financial assets and financial liabilities that are recognized at fair value on a recurring basis, the Corporation determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period.

ix) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. The Corporation recognizes a financial asset or financial



liability in its balance sheet only when the entity becomes party to the contractual provisions of the instrument.

a) Financial Assets

A financial asset inter-alia includes any asset that is cash, equity instrument of another entity or contractual obligation to receive cash or another financial asset or to exchange financial asset or financial liability under condition that are potentially favorable to the Corporation.

Financial assets of the Corporation comprise trade receivables, cash and cash equivalents, Bank balances, investment other than equity shares, loans to employee / related parties / others, security deposits, claims recoverable etc.

Initial recognition and measurement

All financial assets except trade receivable are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are charged in the Statement of Profit & Loss. Where transaction price is not the measure of fair value and fair value is determined using a valuation method that uses data from observable market, the difference between transaction price and fair value is recognized in the Statement of Profit & Loss and in othercases spread over life of the financial instrument using effective interest. The Corporation measures the trade receivables at their transaction price, if the trade receivables do not contain a significant financing component.

Subsequent measurement

For purposes of subsequent measurement financial assets are classified in three categories:

Financial assets measured at amortized cost

Financial assets at fair value through OCI

Financial assets at fair value through profit or loss

Financial assets measured at amortized cost

Financial assets are measured at amortized cost if the financials asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. These financials assets are amortized using the effective interest rate ('EIR') method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the Statement of Profit & Loss. The losses arising from impairment are recognized in the Statement of Profit & Loss.

Financial assets at fair value through OCI ('FVTOCI')

Financial assets are measured at fair value through other comprehensive income if the financial



asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. At initial recognition, an irrevocable election is made (on an instrument-by-instrument basis) to designate investments in equity instruments other than held for trading purpose at FVTOCI. Fair value changes are recognized in the other comprehensive income ('OCI'). However, the Corporation recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the Statement of Profit & Loss. On derecognition of the financial asset other than equity instruments designated as FVTOCI, cumulative gain or loss previously recognised in OCI is reclassified to the Statement of Profit & Loss.

Financial assets at fair value through profit or loss ('FVTPL')

Any financial asset that does not meet the criteria for classification as at amortized cost or as financial assets at fair value through other comprehensive income is classified as financial assets at fair value through profit or loss. Further, financial assets at fair value through profit or loss also include financial assets held for trading and financial assets designated upon initial recognition at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Financial assets at fair value through profit or loss are fair valued at each reporting date with all the changes recognized in the Statement of Profit & Loss.

Derecognition

The Corporation derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Corporation neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the financial asset, the Corporation recognizes its retained interest in the asset and an associated liability for amounts it may have to pay.

Impairment of financial assets

The Corporation assesses impairment based on expected credit loss ('ECL') model on the following:

Financial assets that are measured at amortised cost; and

Financial assets measured at FVTOCI.

ECL is measured through a loss allowance on a following basis:-

The 12 month expected credit losses (expected credit losses that result from those default events on the financial instruments that are possible within 12 months after the reporting date)

Full life time expected credit losses (expected credit losses that result from all possible default events over the life of financial instruments)



The Corporation follows 'simplified approach' for recognition of impairment on trade receivables or contract assets resulting from normal business transactions. The application of simplified approach does not require the Corporation to track changes in credit risk. However, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, from the date of initial recognition. The measurement of life time expected credit loss allowance for trade receivables / contract assets by using a practical expedient as permitted under Ind AS 109 i.e. expected credit loss as experienced on the historical periodicity.

For recognition of impairment loss on other financial assets, the Corporation determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has increased significantly, lifetime ECL is provided. For assessing increase in credit risk and impairment loss, the Corporation assesses the credit risk characteristics on instrument-by-instrument basis.

ECL is the difference between all contractual cash flows that are due to the Corporation in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all cash shortfalls) discounted at the original EIR.

Impairment loss allowance (or reversal) recognized during the period is recognized as expense/income in the Statement of Profit & Loss.

b) Financial Liabilities

The Corporation's financial liabilities include loans & borrowings including bank overdrafts (if any), trade payables, security deposits, accrued expenses and other payables etc.

Initial recognition and measurement

All financial liabilities at initial recognition are classified as financial liabilities at amortized cost or financial liabilities at fair value through profit or loss, as appropriate. All financial liabilities classified at amortized cost are recognized initially at fair value net of directly attributable transaction costs. Any difference between the proceeds (net of transaction costs) and the fair value at initial recognition is recognised in the Statement of Profit & Loss or in the CWIP, if another standard permits inclusion of such cost in the carrying amount of an asset over the period of the borrowings using the Effective interest rate ('EIR') method.

Subsequent measurement

The subsequent measurement of financial liabilities depends upon the classification as described below:-

Financial Liabilities classified as Amortised Cost

Financial Liabilities that are not held for trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. Interest expense that is not capitalized as part of costs of assets is included as Finance costs in the Statement of Profit & Loss.



Financial Liabilities classified as Fair value through profit & loss (FVTPL)

Financial liabilities classified as FVTPL includes financial liabilities held for trading and financial liabilities designated upon initial recognition as FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Financial liabilities designated upon initial recognition at FVTPL only if the criteria in Ind AS 109 is satisfied.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged / cancelled / expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit & Loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

x) Share capital and share premium

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction net of tax from the proceeds. Par value of the equity share is recorded as share capital and the amount received in excess of the par value, if any is classified as share premium.

xi) Dividend Distribution to equity shareholders

The Corporation recognizes a liability to make cash distributions to equity holders when the distribution is authorized and the distribution is no longer at the discretion of the Corporation. As per the corporate laws in India, a distribution is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in other equity along with any tax thereon.

xii) Government Grants

Government grants (including subsidies) are recognized when there is reasonable assurance that the Corporation will comply with the conditions attached to them and that the grants will be received.

Grants that compensate the Corporation for the cost of an item of PPE (i.e. non-monetary assets) are initially set up as deferred income at fair value and recognised in the Statements of Profit & Loss on a systematic basis over the period and in proportions of depreciation expenses of the asset.

Other government grants (grants related to income) are recognized as income over the periods necessary to match them with the costs for which they are intended to compensate on a systematic



basis. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of providing immediate financial support with no future related costs are recognized in the Statement of Profit & Loss in the period in which they become receivable. Grants related to income are presented under other income in the Statement of Profit & Loss except for grants received in the form of rebate or exemption which are deducted in reporting the related expense.

xiii) Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is (or contains) a lease, if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Finance leases that transfer substantially all the risks and benefits incidental to ownership of the leased item (i.e. PPE), are generally capitalized at the inception of the lease at the fair value of the leased property or, if lower, at the present value of minimum lease payments. Lease payments are apportioned between finance charges and a reduction in lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized in finance costs in the Statement of Profit & Loss.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Corporation as lessee are classified as operating leases. Payments made under operating leases are charged to the Statement of Profit & Loss over the period of lease on straight line basis other than those cases where the escalations are linked to expected general inflation in which case they are charged on contractual terms.

xiv) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when there is a present legal or constructive obligation as a result of a past event and it is probable (i.e. more likely than not) that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Such provisions are determined based on management estimate of the amount required to settle the obligation at the balance sheet date. When the Corporation expects some or all of a provision to be reimbursed, the reimbursement is recognised as a standalone asset only when the reimbursement is virtually certain. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance costs.

Contingent liabilities are disclosed on the basis of judgment of management/independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

Contingent Assets are not recognized, however, disclosed in financial statement when inflow of economic benefits is probable.



xv) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable on accrual basis and when its collection or receipt is reasonably certain.

Revenue from Sale of Power

Revenue from Sale of Power including deviation settlement mechanism or unscheduled interchange is recognized on accrual basis for energy supplied in accordance with the tariff order awarded by Joint Electricity Regulatory Commission (JERC) as applicable to consumers. Revenue is reduced for estimated rebates and similar allowances, if any.

Other Miscellaneous Charges / Revenue from Consumers:

Other miscellaneous charges / revenue from consumers are recognised on cash basis being immaterial value.

Interest Income

Interest on financial assets is recognised when it is probable that the economic benefits will flow to the Corporation and the amount can be measured reliably.

Other Income

Income in respect of delayed payment charges (DPC) on dues by consumers for sale of power are accounted for in the subsequent bill.

Sale of scrap is accounted for as and when the sale is completed and its collection is reasonably certain.

Claims lodged with insurance companies and others are accounted for as and when these are settled by the concerned agencies.

Other incomes excluding specifically stated above are recognised on accrual basis except when the ultimate realization of such income is uncertain.

xvi) Depreciation & Amortization:

The Corporation, being engaged in the electricity business, is covered under the Electricity Act 2003 and the provisions of said Electricity Act supersede the provisions of Companies Act 2013. Accordingly, the depreciation of tangible assets and amortization of Intangible assets is provided on straight line method over the useful life of assets as per the rates specified / notified in respective Central Electricity Regulatory (Terms and Conditions of Tariff) Regulation (CERC). The residual value of the asset is considered as 10% and accordingly, the depreciation / amortization is provided up to the extent of 90% of original cost of asset.

PPE or Intangible assets which are added / disposed-off during the year, depreciation / amortization is provided on pro rata basis from / up to the date on which the asset is available for use / disposal. The depreciation rates of tangible assets are as under;



CERC Assets Category	Rate (%)
Plant & Machinery -	
Lines & Networks	5.28%
Transformer Centres	5.28%
Laboratory & Other Equipments	5.28%
Buildings	3.34%
Vehicles	9.50%
Furniture & Fixtures	6.33%
Office Equipments	6.33%
Computers including Software	15.00%

xvii) Borrowing costs

Borrowing cost includes interest, commitment charges, brokerage, underwriting costs, discounts / premiums, financing charges, exchange difference to the extent they are regarded as interest costs and all ancillary / incidental costs incurred in connection with the arrangement of borrowing.

Borrowing costs which are directly attributable to acquisition/construction on qualifying assets that necessarily takes a substantial period of time to get ready for its intended use are capitalized as a part of cost pertaining to those assets. All other borrowing costs are recognised as expense to the Statement of Profit & Loss in the period in which they are incurred.

xviii) Employee Benefits

a) Short-term Employees Benefits

All short term employees' benefits such as salaries, wages, allowances, performance incentive and employee welfare costs are recognised during the period in which the employee render services and are measured at undiscounted amount expected to be paid when the liabilities are settled.

UT / GOI Employees (Employees on Deputation)

Leave Salary, Pension contribution and Provident Fund contributions in respect of employees on deputation from UT/GOI are paid to UT/GOI in accordance with the norms / rules prescribed by UT/GOI.

b) Post-employment benefits

The Corporation provides the post-employment benefits (i.e. Defined Contribution Plan) such as Provident Fund and Gratuity to the eligible employees.

Provident Fund

Eligible employees of the Corporation received benefits from Employees Provident Fund Organization (EPFO) constituted under the Employees Provident Fund and Miscellaneous Provisions Act, 1925. Both, the eligible employees and the Corporation makes monthly contributions to the EPFO equal to a specified percentage / fixed amount of employees' salary.



Contribution to Provident Fund as per the said Act are charged to the Statement of Profit & Loss of the year when the contribution to the fund are due.

Gratuity

Liability towards Gratuity payable to eligible employees of the Corporation made by making provision as per Central Government Gratuity Rules under the Payment of Gratuity Act, 1972. The Corporation has taken the "Group Gratuity Scheme" covering all eligible employees from Life Insurance Corporation of India (LIC). In accordance with Central Government Gratuity Rules and Payment of Gratuity Act, 1972, the Group Gratuity Scheme provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. Annual Contribution with regard to the Group Gratuity Scheme is determined by LIC on the basis of their actuarial valuations methodology and are charged to the Statement of Profit & Loss of the respective year.

xix) Income Taxes

Income tax expense represents the sum of tax currently payable and deferred tax. Tax is recognised in the Statement of Profit & Loss, except to the extent that it relates to items recognised directly in equity or other comprehensive income. In this case the tax is also recognised directly in equity or in other comprehensive income.

Current tax

Current tax includes provision for Income Tax computed under Special provision (i.e. Minimum alternate tax) or normal provision of applicable Income Tax Act. The tax currently payable is determined on the basis of taxable profit for the year computed in accordance with the provision of relevant Income Tax Act by using tax rates that have been enacted or by any amendment thereof for the reporting period. Further, Taxable profit differs from profit as reported in the Statement of Profit & Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible.

Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the balance sheet and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences, unabsorbed losses and unabsorbed depreciation to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, unabsorbed losses and unabsorbed depreciation can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period



in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Corporation expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Corporation intends to settle its current tax assets and liabilities on a net basis.

xx) Statement of Cash Flows and Cash and Cash Equivalents

Statement of cash flows is prepared in accordance with the indirect method prescribed in the relevant Accounting Standard. For the purpose of presentation in the Statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. However, Bank overdrafts are shown within borrowings in current liabilities in the balance sheet for the purpose of presentation.

xxi) Current versus non-current classification

The Corporation presents assets and liabilities in the Balance Sheet based on current/non-current classification.

a) An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in the normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

b) A liability is current when:

- It is expected to be settled in the normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

c) Deferred tax assets and liabilities are classified as non-current assets and liabilities.

d) The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Corporation has identified twelve months as its operating cycle.



01 Property, Plant and Equipment

i) Details of Property, Plant and Equipment (PPE) are as under :

Particulars	Land (Freehold)	Buildings (Freehold)	Lines & Networks	Transformer Centres
Year ended 31st March 2017				
Gross Carrying amount				
Opening Gross Carrying Amount	1,364.66	1,190.80	22,102.06	9,148.75
Additions during the year	—	1,802.32	282.87	114.08
Deduction / Adjustments during the year	—	—	—	—
Closing Gross Carrying Amount	1,364.66	2,993.12	22,384.93	9,262.83
Accumulated Depreciation				
Opening Accumulated Depreciation	—	387.18	14,459.47	6,043.13
Depreciation charge during the year	—	72.21	769.78	337.28
Deduction / Adjustments during the year	—	—	—	—
Closing Accumulated Depreciation	—	459.39	15,229.25	6,380.41
Net Carrying Amount	1,364.66	2,533.73	7,155.68	2,882.42
Year ended 31st March 2018				
Gross carrying amount				
Opening Gross Carrying Amount	1,364.66	2,993.12	22,384.93	9,262.83
Additions during the year	—	3.15	109.62	913.17
Deduction / Adjustments during the year	—	—	—	—
Closing Gross Carrying Amount	1,364.66	2,996.27	22,494.55	10,176.00
Accumulated Depreciation				
Opening Accumulated Depreciation	—	459.39	15,229.25	6,380.41
Depreciation charge during the year	—	92.67	734.74	335.81
Deduction / Adjustments during the year	—	—	—	—
Closing Accumulated Depreciation	—	552.06	15,963.99	6,716.22
Net Carrying Amount	1,364.66	2,444.21	6,530.56	3,459.78

ii) Depreciation for the year is reconciled as under :

Particulars	Total
Depreciation charged to Statement of Profit & Loss	
Add: Depreciation included under expenditure during construction pending allocation.	
Less: Deduction / Adjustments	
	Total

iii) The title deeds of Land (Freehold) remains mainly in the name of Electricity Department,



(₹ in Lakh)

Furniture and Fixture	Vehicles	Office Equipment	IT Equipments	Other Equipments	Total
2.51	57.88	15.30	67.04	5,382.51	39,331.51
154.03	65.04	8.43	102.59	855.39	3,384.75
—	—	—	—	—	—
156.54	122.92	23.73	169.63	6,237.90	42,716.36
0.56	28.99	4.37	25.71	3,240.86	24,190.27
6.46	3.19	1.23	11.96	186.18	1,388.29
—	—	—	—	—	—
7.02	32.18	5.60	37.67	3,427.04	25,578.56
149.52	90.74	18.13	131.96	2,810.86	17,137.70
156.54	122.92	23.73	169.63	6,237.90	42,716.26
—	76.60	0.14	39.69	2,090.27	3,232.64
—	—	—	—	—	—
156.54	199.52	23.87	209.32	8,328.17	45,948.90
7.02	32.18	5.60	37.67	3,427.04	25,578.56
9.91	11.75	1.44	26.30	298.34	1,510.96
—	—	—	—	—	—
16.93	43.93	7.04	63.97	3,725.38	27,089.52
139.61	155.59	16.83	145.35	4,602.79	18,859.38

(₹ in Lakh)

2017-18	2016-17	
1,510.96	1,388.29	
—	—	
—	—	
1,510.96	1,388.29	

UT Administration of Dadra & Nagar Haveli.



02 Capital Work in Progress

i) Details of Capital Work in Progress are as under: ₹ in Lakh

Particulars	As at 31st March 2018	As at 31st March 2017
Capital Work in Progress See description Note (ii)	165.92	1,910.32
Total Capital WIP	165.92	1,910.32

ii) Capital Work in Progress includes the amount being incurred on assets under construction (Solar Power Plant).

03 Intangible Assets

₹ in Lakh

Particulars	Amount	Total
Year ended 31st March 2017		
Gross Carrying amount	—	—
Opening Gross Carrying Amount	16.07	16.07
Additions during the year	4.50	4.50
Deduction / Adjustments during the year	—	—
Closing Gross Carrying Amount	20.57	20.57
Accumulated Amortisation		
Opening Accumulated Amortisation	7.97	7.97
Amortisation charge during the year	2.79	2.79
Deduction / Adjustments during the year	—	—
Closing Accumulated Amortisation	10.76	10.76
Net Carrying Amount	9.81	9.81

Year ended 31st March 2018

Gross carrying amount	—	—
Opening Gross Carrying Amount	20.57	20.57
Additions during the year	201.98	201.98
Deduction / Adjustments during the year	—	—
Closing Gross Carrying Amount	222.55	222.55

Accumulated Amortisation

Opening Accumulated Amortisation	10.76	10.76
Amortisation charge during the year	17.81	17.81
Deduction / Adjustments during the year	—	—

Closing Accumulated Amortisation **28.57** **28.57**

Net Carrying Amount **193.98** **193.98**

ii) Amortisation for the year is reconciled as under :

Particulars	2017-18	2016-17
Amortisation charged to Statement of Profit & Loss	17.81	2.79
Add: Amortisation included under expenditure during construction pending allocation.	—	—
Less : Deduction / Adjustments	—	—
Total	17.81	2.79



04 Non Current Financial Assets-Loans

i) Details of Non Current Financial Assets-Loans (at amortised cost) are as under: ₹ in Lakh

Particulars	As at 31st March 2018	As at 31st March 2017
Security Deposits		
Secured, Considered Good	—	—
Unsecured, Considered Good	50.59	59.47
Doubtful	—	—
	50.59	59.47
Less: Provision for Doubtful Debt	—	—
Total	50.59	59.57

ii) Security Deposits includes the amount deposited with different bodies / authorities for availing facilities during regular business operation. These deposits are generally without any fixed period of maturity.

05 Other Non Current Assets

i) Details of Other Non Current Assets are as under: ₹ in Lakh

Particulars	As at 31st March 2018	As at 31st March 2017
a) Capital Advances See description Note (ii)	1,350.97	—
b) Other than Capital Advance		
i) Other Advances		
Advance Income Tax / Tax Recoverable (Net of Provision) See description Note (iii)	1,674.14	1,561.40
Total	3,025.11	1,561.40

ii) Capital Advance includes amount paid to M/s Larsen & Toubro Limited for carrying out works of Underground Cabling of Overhead lines in Silvassa Municipal Council Area.

iii) Details of Advance Income Tax/Tax Recoverables (Net of provision): ₹ in Lakh

Particulars	As at 31st March 2018	As at 31st March 2017
Gross Amount of Advance Income Tax / Tax Recoverable	1,674.15	1,561.40
Including TDS Recoverable of ₹ 215.79 lakh for the FY 2017-18 (Previous Year ₹ 341.92 lakh)	—	—
Less : Provision for Taxation	—	—
Including Provision for Tax of ₹ NIL for the FY 2017-18 (Previous Year ₹ NIL)	—	—
Total	1,674.15	1,561.40



06 Inventories

i) Details of Inventories are as under:

₹ in Lakh

Particulars	As at 31st March 2018	As at 31st March 2017
Stores and Spares (O & M)	566.04	820.98
Less: Provision for obsolescence	—	—
— See description Note (ii)	—	—
Total	566.04	820.98

* For valuation method refer Accounting Policy No. 3 (vii).

ii) Inventory stated above includes Goods in Transit amounting to ₹ NIL (Previous Year ₹ NIL).

07 Current Financial Assets -Trade Receivables

i) Details of Current Financial Assets -Trade Receivables are as under :

₹ in Lakh

Particulars	As at 31st March 2018	As at 31st March 2017
Trade Receivables		
— Secured & Considered Good		
Outstanding Exceeding Six Months from due date of payment	678.12	193.31
Others	22,291.29	19,496.55
	22,969.41	19,689.86
— Un-Secured & Considered Good		
Outstanding Exceeding Six Months from due date of payment	61.46	54.71
Others	811.77	186.51
	873.23	241.22
— Doubtful		
Outstanding Exceeding Six Months from due date of payment	918.96	610.00
Others	—	—
	918.96	610.00
Less : Provision for Doubtful Receivables	(918.96)	(610.00)
See description Note (ii) & (iii)		
Total	23,842.64	19,931.08

ii) The Corporation has used a practical expedient for computing expected credit loss allowance for trade receivables taking into account credit loss based on historical periodicity. As per management assessment, provision was made wherever necessary.



iii) The movement in provision for doubtful trade receivables is as under:

₹ in Lakh

Particulars	2017-18	2016-17
Balance at beginning of the year	610.00	808.56
Movement in expected credit loss allowance on trade receivables	308.96	(198.57)
Balance at end of the year	918.96	610.00

08 Cash & Cash Equivalents and Bank Balances other than Cash & Cash Equivalents

i) Details of Cash & Cash Equivalents are as under :

₹ in Lakh

Particulars	As at 31st March 2018	As at 31st March 2017
Balances with Bank		
Current Accounts' Balance	265.63	82.70
Deposit Accounts' Balance	3,337.75	19,556.25
Cash on hand	—	—
Others - including Imprest Balance	—	—
Total	3,603.38	19,638.95

ii) Details of Bank Balances other than Cash and Cash Equivalents are as under:

₹ in Lakh

Particulars	As at 31st March 2018	As at 31st March 2017
Bank Deposits - with maturity more than 3 to 12 months	30,221.16	32,967.45
See description Note (iii)		
Total	30,221.16	32,967.45

iii) Bank Deposits with maturity more than 3 months and more includes fixed deposits amounting to ₹ 1,014.18 lakh (Previous Year ₹ 993.37 lakh) held as the margin money for opening of letter of credit. These deposits are not available for use in the normal course of business operation.

09 Current Financial Assets- Others

i) Details of Current Financial Assets- Others as under :

₹ in Lakh

Particulars	As at 31st March 2018	As at 31st March 2017
Interest receivable on Deposit/Advances	123.96	590.99
Deviation Settlement Mechanism Charges Receivable	34.83	83.69
Receivable against Deposit Works	—	67.77
Others Receivable	166.63	—
See description Note (ii)		
Total	325.42	742.45

ii) The Others Receivable amounting to ₹ 166.63 lakh(Previous Year ₹ NIL) represents the amount recoverable from Rural Electrification Corporation (REC) under the Deen Dayal Upadhyaya Gram Jyoti Yojana Scheme.



10 Other Current Assets

i) Details of Other Current Assets as under :

₹ in Lakh

Particulars	As at 31st March 2018	As at 31st March 2017
Other advances		
Prepaid Expenses	23.52	7.62
Other Receivable	–	0.72
Total	23.52	8.34

11 Equity Share Capital

i) Details of Authorised Share Capital as under :

₹ in Lakh

Particulars	As at 31st March 2018	As at 31st March 2017
1,00,00,000 (As at 31st March 2018: 1,00,00,000) Equity Shares of Rs. 100/- each	10,000.00	10,000.00
Total	10,000.00	10,000.00

ii) Details of Issued, Subscribed and Paid-up Share Capital are as under :

₹ in Lakh

Particulars	As at 31st March 2018	As at 31st March 2017
80,00,000 (As at 31st March 2018: 80,00,000) Equity Shares of Rs. 100/- each fully paid up	8,000.00	8,000.00
Total	8,000.00	8,000.00

iii) Reconciliation of number of Equity Share is as under :

₹ in Lakh

Particulars	As at 31st March 2018	As at 31st March 2017
Equity Shares at the beginning of the year	80,00,000,000	80,00,000,000
Add : Equity Shares allotted during the year	–	–
Equity Shares at the end of the year	80,00,000,000	80,00,000,000

iv) The Corporation is a Government Company with 100% shareholding by the President of India and nominees, through administrative control of Ministry of Home Affairs. The Corporation has only one class of shares having par value of Rs. 100/- each with equal rights for Dividend and Vote.



12 Other Equity

i) Details of Other Equity are as under :

₹ in Lakh

Particulars	As at 31st March 2018	As at 31st March 2017
DNHPDCL CAPEX, Replacement & Development Fund		
See description Note (ii) & (iii)	30,974.45	35,160.45
General Reserve See description Note (ii) & (iv)	1,171.53	1,171.53
Corporate Social Responsibility Fund		
See description Note (ii) & (v)	–	279.25
Retained Earnings / Surplus		
See description Note (ii) & (vi)	11,527.25	8,308.32
Total	43,673.23	44,919.55

ii) Movement in Other Equity are as under :

₹ in Lakh

Particulars	2017-18	2016-17
DNHPDCL CAPEX, Replacement & Development Fund		
Opening Balance	35,160.45	35,160.45
(+) Addition during the year	–	–
(-) Transfer to Surplus Account	4,186.00	–
Closing Balance	30,974.45	35,160.45
General Reserve		
Opening Balance	1,171.53	1,171.53
(+) Addition during the year	–	–
(-) Transfer during the year	–	–
Closing Balance	1,171.53	1,171.53
Corporate Social Responsibility (CSR)		
Opening Balance	279.25	80.10
(+) Addition during the year	–	199.15
(-) Transfer to Surplus Account	279.25	–
Closing Balance	–	279.25
Retained Earnings / Surplus		
Opening Balance	8,308.32	15,632.56
(+) Net profit/(Net loss) for the Current Year	(1,246.32)	(7,324.24)
Add: Transferred from CSR	279.25	–
Add: Transferred from DNHPDCL CAPEX, Repalcement & Development Fund	4,186.00	–
Closing Balance	11,527.25	8,308.32
Total	43,673.23	44,919.55



Notes Forming Part of Financial Statements as at 31st March, 2018

- iii) The DNHPDCL CAPEX, Replacement & Development Fund represents the contribution from the Government (i.e. net assets value) attributable to the Corporatisation of distribution and associated division of Electricity Department. Further, there was a contingent liability of Rs. 4,186 Lakh at the time of Corporatisation excess recovery from consumers for Fuel Power Purchase Cost Adjustment. The Appellate Tribunal vide its order dated 26/03/2015 directed to refund the said amount to the consumers. Accordingly, an amount of Rs. 4,082 lakh has been refunded to the customers and balance amount Rs. 104 lakh is provided in the books as Current Liabilities. Hence, the said amount of Rs. 4,186 Lakh has been adjusted during the Current Financial Year 2017-18 by way of transfer to Surplus Account.
- iv) The General Reserve is created by transfer of profit from time to time. As the General Reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income. Hence, the General Reserve will not be reclassified subsequently to the Statement of Profit & Loss.
- v) The Corporate Social Responsibility represents the amount required to be incurred on the Corporate Social Activities permitted under the Companies Act, 2013. The said Companies Act requires the incurrence of actual expenditure on these activities instead of earmarking of fund by way of creation of reserve. Hence, the Corporation has decided to transfer the amount remains with Corporate Social Responsibility to surplus account during the Current Financial Year 2017-18.
- vi) The Retained Earnings / Surplus represents amount remaining with the Corporation after considering appropriations.

13 Non-Current Financial Liabilities - Others

- i) Details of Non-Current Financial Liabilities - Others are as under : ₹ in Lakh

Particulars	As at 31st March 2018	As at 31st March 2017
Security Deposits (Consumers & Others)	3,869.12	3,250.64
Total	3,869.12	3,250.64

- ii) Security Deposits represents mainly amount collected from consumers against power connections. These deposits are generally without any fixed period of maturity. Accordingly, the Corporation has classified these Security Deposits as Non-Current.

14 Deferred Tax Liabilities (Net)

- i) Details of Deferred Tax Liabilities (Net) are as under : ₹ in Lakh

Particulars	As at 31st March 2018	As at 31st March 2017
Deferred Tax Liabilities	1,885.01	1,227.59
Less: Deferred Tax Recoverable (Assets)	—	—
Net Deferred Tax (Assets)/Liabilities	1,885.01	1,227.59



Notes Forming Part of Financial Statements as at 31st March, 2018

- ii) The item wise details of deferred tax liability (net) in accordance with Ind AS 12 : "Income Taxes" are given below : ₹ in Lakh

Particulars	As at 31st March 2018	As at 31st March 2017
Deferred Income Tax Liabilities		
Depreciation and Amortization	1,973.93	1,292.52
Deferred Income Tax Assets		
Provisions not currently deductible for tax purposes	88.92	64.93
Total	1,885.01	1,227.59

15 Current Financial Liabilities - Trade and Other Payables

- i) Details of Current Financial Liabilities - Trade and Other Payables are as under: ₹ in Lakh

Particulars	As at 31st March 2018	As at 31st March 2017
Trade Payables		
— Amount due to Micro & Small Enterprise, See description Note (ii) & (iii)	417.39	104.71
— Payable to Others See description Note (iii)	7,629.30	22,584.03
Other Payables		
— Accrued Expenses See description Note (ii) & (iii)	488.08	635.65
— Accrued Payroll See description Note (iii)	64.93	72.50
Total	8,599.70	23,396.89

- ii) The Details of liabilities to Micro & Small Enterprises, to the extent information available with the Corporation are given under. These liabilities are not due for payment as per the contractual term of payment.

Due to MSME Enterprise	As at 31st March 2018	As at 31st March 2017
1. The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of the accounting year (No amount is due for more than 45 days & Interest due ₹ Nil).	417.39	104.71
2. The amount of interest paid by the buyer in terms of Section 16 of the Micro Small and Medium Enterprise Development Act, 2006, along with the amounts of the payment made to the supplier beyond appointed day during the accounting year.	—	—



₹ in Lakh

Due to MSME Enterprise	As at 31st March 2018	As at 31st March 2017
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 Micro Small and Medium Enterprise Development Act, 2006	—	—
4. The amount of interest accrued and remaining unpaid at the end of the accounting year	—	—
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 Micro Small and Medium Enterprise Development Act, 2006	—	—
Total	417.39	104.71

iii) Terms and conditions of above Financial Liabilities:

- Trade Payables are non interest bearing and generally settled after submission of all relevant documents for payment as per the terms of the contract."
- Other Payables - Accrued expenses are non interest bearing liabilities that have not been settled or invoiced and generally settled in normal course of business.
- Other Payables - Accrued payroll are non-interest bearing dues to employees and generally settled in normal course of business.

16 Current Financial Liability- Others

i) Details of Current Financial Liability- Others are as under :

₹ in Lakh

Particulars	As at 31st March 2018	As at 31st March 2017
Payable towards Deposit Works		
See description Note (ii)	581.30	279.07
Compensation Payable	1.83	1.83
Total	583.13	280.90

- ii)** Payable towards Deposit Works represents amount collected from various Government Department /Authorities on account of electrical works to be executed on their behalf.



17 Current Liabilities- Provision

i) Details of Current Liabilities - Provisions are as under :

₹ in Lakh

Particulars	As at 31st March 2018	As at 31st March 2017
Provision for Excess Recovery of FPPCA	103.84	103.84
Provision for Non Solar Power (RPO)	3,049.16	666.91
Provision for Solar Power (RPO)	8,879.26	7,513.55
Provision for RGPPL Power Purchase	—	3,946.29
Provision for NSPCL Power Purchase	890.00	890.00
Provision - others	13.04	2.87
Leave salary	68.46	35.52
Pension	101.12	52.44
Total	13,104.88	13,211.42

18 Other Current Liabilities

i) Details of Other Current Liabilities are as under :

₹ in Lakh

Particulars	As at 31st March 2018	As at 31st March 2017
Payable to Statutory Authorities	127.23	86.16
Payable to EPF & GPF Trust	4.48	9.77
State Energy Conservation Fund		
See description Note (ii)	200.00	—
Other Liabilities	830.36	405.03
See description Note (iii)		
Total	1,162.07	500.96

- ii)** The Corporation has been appointed as State Designated Agency vide Notification No. 01/17/ED-DNH/2017-18/141 dated 19-04-2018 issued by Union Territory Administration of Dadra & Nagar Haveli. As per the said notification, the State Energy Conservation Fund shall be utilized for the purpose of promotion and efficient use of energy and its conservation in the Union Territory.

- iii)** Other Liability represents an amount of ₹ 830.36 Lakh (Previous Year ₹ 405.03 Lakh) received as grants for creation of capital assets. If the grants is not utilised for the specified purpose with in specified period, then the said grant is required to be refunded back to the sanctioning authority. The specified period may also be extendable in future with the approval of the sanctioning authority. Till the Previous Financial Year 2016-17, the capital grant was shown as capital reserve in the financial statements, however, the said item is regrouped or reclassified during the Current Financial Year 2017-18 to achieved the better presentation.



19 Revenue from Operations

i) Details of Revenue from Operations are as under: ₹ in Lakh

Particulars	For Year ended on 31st March, 2018	For Year ended on 31st March, 2017
(I) Revenue from Sale of Power		
a) Sale to High Tension Consumers	2,10,473.21	1,74,691.94
Total HT Supply	2,10,473.21	1,74,691.94
b) Sale to Low Tension Consumers		
Domestic	2,282.93	2,071.55
Commercial	1,114.47	1,154.44
Low Tension (Industries)	7,997.57	9,083.23
Public Lighting	255.63	282.31
Public Water Works	211.38	203.80
Agriculture & Others		
See description Note (ii)	233.56	283.66
Total LT Supply	12,095.54	13,078.99
c) Sale of Power through Exchange	5,229.75	–
d) Deviation Settlement Mechanism Receipts	333.73	1,723.07
Total (a+b+c+d)	2,28,132.23	1,89,494.00
Less: Rebate Allowed to Consumers	88.52	74.53
Revenue from Sale of Power	2,28,043.71	1,89,419.47
(II) Other Operating Income		
Reactive Income	13.57	32.16
STOA Application Fees	345.22	2,574.75
Supervision Charges	296.48	127.70
Other charges from consumers		
See description Note (iii)	73.87	56.15
Other Operating Income	729.14	2,790.76
Total Revenue from Operation (I+II)	2,28,772.85	1,92,210.23
ii) The Details of Sales to LT Consumers- Agriculture & Others are as under:-		
Particulars	For Year ended on 31st March, 2018	For Year ended on 31st March, 2017
Agriculture & Others		
Agriculture	51.74	49.55
LIG Power Sale	36.09	99.08
Temporary Connections	145.73	135.03
Total	233.56	283.66



iii) The Details of Other charges from consumers are as under:- ₹ in Lakh

Particulars	For Year ended on 31st March, 2018	For Year ended on 31st March, 2017
Other charges from consumers		
Meter Testing Charges	5.98	3.66
Reconnection Charges & Name Change	0.95	0.61
Registration Fees	41.51	22.66
Service Connection Charges	25.43	29.22
Total	73.87	56.15

20 Other Income

i) Details of Other Income are as under : ₹ in Lakh

Particulars	For Year ended on 31st March, 2018	For Year ended on 31st March, 2017
Interest Income	2,114.21	3,369.61
Delayed Payment Charges from consumers	1,708.59	912.61
Tender Fees	3.35	2.33
Provision Written Back	3,936.16	225.03
Sale of Scrap	74.77	–
Miscellaneous Income	1,267.95	173.55
Total	9,105.03	4,683.13

ii) The Corporation earns interest income on investment made from DNHPDCL CAPEX, Replacement & Development Fund and Surplus Fund available with the Corporation. The details of interest income earned pertaining to these investment are as under -

Particulars	For Year ended on 31st March, 2018	For Year ended on 31st March, 2017
DNHPDCL CAPEX, Replacement & Development Fund's earned Interest	1,951.39	1,987.14
Surplus Fund's earned Interest	162.82	1,382.47
Total Interest Earned	2,114.21	3,369.61

iii) Provision written back includes an amount of ₹ 3,933.56 Lakh during the Current Financial Year 2017-18. The said provision was previously made towards Power Purchase (i.e. Capacity & other charges) from M/s Ratnagiri Gas & Power Private Limited (RGPPPL). The RGPPPL had stopped the generation & supply of power since October-2013 on account of technical minimum requirement load as the principle beneficiary (95% beneficiary of installed capacity) of the power plant i.e. Maharashtra was not scheduling the power. Accordingly, the non-supply of the power as per the terms of Purchase Power Agreement is solely on account of reason attributable to RGPPPL, hence, the Corporation is not liable to make any payment to RGPPPL.



iv) The Details of Miscellaneous Income are as under : ₹ in Lakh

Particulars	For Year ended on 31st March, 2018	For Year ended on 31st March, 2017
Miscellaneous Income		
Miscellaneous Income See description Note (v)	1,267.85	173.45
Licence Fees	0.10	0.10
Total	1,267.85	173.55

v) Miscellaneous Income for the Current Financial Year 2017-18 includes an amount of ₹ 880.75 Lakh levied on M/s GMR Warora Energy Limited for the period of 2013-14 on account of non-compliance of the terms of Power Purchase Agreement.

21 Purchase of Power

i) Details of Purchase of Power are as under : ₹ in Lakh

Particulars	For Year ended on 31st March, 2018	For Year ended on 31st March, 2017
Power Purchase	2,16,123.61	1,86,630.61
Point of Connection Charges (Transmission & Wheeling Charges)	16,828.04	16,105.39
Deviation Settlement Mechanism Charges	4,903.32	83.99
Reactive Charges	8.42	17.52
Total Purchase of Power	2,37,863.39	2,02,837.51
Less: Rebate on Power Purchase	4,541.57	3,762.96
Total	2,33,321.82	1,99,074.55

22 Operation & Maintenance Expenses

i) Details of Operation & Maintenance Expenses are as under : ₹ in Lakh

Particulars	For Year ended on 31st March, 2018	For Year ended on 1st March, 2017
Stores & Spares Consumed	312.05	366.71
Repairs & Maintenance		
(i) Plant & Machinery	405.48	156.79
(ii) Repair & Maintenance Office	16.68	9.79
(iii) Other Operational Expenses	582.78	186.91
Total	1,316.99	720.20



23 Employee Benefit Expenses

i) Details of Employee Benefit Expenses are as under : ₹ in Lakh

Particulars	For Year ended on 31st March, 2018	For Year ended on 31st March, 2017
Salary & Wages	980.50	1,014.48
Provident Fund Contribution	54.51	54.74
Bonus	22.50	38.57
Leave Salary, Pension and Gratuity	82.59	91.63
Staff Welfare Expenses	3.82	2.32
Total	1,143.92	1,201.74

24 Finance Costs

i) Details of Finance Costs are as under : ₹ in Lakh

Particulars	For Year ended on 31st March, 2018	For Year ended on 31st March, 2017
Interest Expenses		
Interest Expenses (Power)	116.57	693.43
Interest on Security Deposit	210.72	235.45
Total	327.29	928.88

25 Administrative & Other Expenses

i) Details of Administrative & Other Expenses are as under : ₹ in Lakh

Particulars	For Year ended on 31st March, 2018	For Year ended on 31st March, 2017
Fees to Auditors See description Note (ii)	9.03	11.76
Printing and Stationery Expenses	6.42	13.46
Travelling and Accommodation Expenses	1.02	2.06
Advertisement Expenses	22.17	24.08
Corporate Social Responsibility Expenses See description Note (iii)	150.00	—
Telephone Expenses	34.43	24.89
Legal and Professional Charges	76.03	101.12
Bank Charges	0.13	0.01
Fees and Subscription Expenses	78.82	56.19
Other Expenses	140.97	155.87
Provision for Bad & Doubtful Debts	308.97	—
Total	827.99	389.44

ii) Audit Fees to Auditors includes the amount paid to Statutory Auditors: ₹ in Lakh

Particulars	For Year ended on 31st March, 2018	For Year ended on 31st March, 2017
Fees paid for Statutory Audit	6.00	6.50
Fees paid for Tax Audit	0.44	0.44
Out of pocket expenses	—	—
Total	6.44	6.94



- iii) In terms of stipulation of Section – 135 of the Companies Act 2013, the Corporation is required to spend ₹ 51.04 Lakh during FY 2017-18 on Corporate Social Responsibility (i.e. CSR) activities (Previous Year ₹ 199.15 Lakh). During the said FY, the Corporation has incurred an amount of ₹ 150.00 Lakh (Previous Year ₹ NIL) on the following CSR activities;

(₹ in Lakh)

Particulars	For Year ended on 31st March, 2018			For Year ended on 31st March, 2017		
	Amount Paid	Yet to be Paid	Total	Amount Paid	Yet to be Paid	Total
i) construction / acquisition of any asset in the name of Corporation	—	—	—	—	—	—
ii) On purposes other than (i) above						
– Health and Sanitation	—	—	—	—	—	—
– Education	—	—	—	—	—	—
– Infrastructure Facilities / Projects	—	—	—	—	—	—
– Environmental Sustainability	—	—	—	—	—	—
– National Heritage	—	—	—	—	—	—
– Armed force Supports	—	—	—	—	—	—
– Sport Supports	—	—	—	—	—	—
– Eligible Contribution	150.00	—	150.00	—	—	—
Total	150.00	—	150.00	—	—	—

26 Contingent Liabilities & Commitments :

i) Contingent Liabilities not provided for includes :

₹ in Lakh

Particulars	As at	
	31st March 2018	31st March 2017
a) Claims against the Corporation not acknowledged as debts	16,374.01	11,851.38
b) Service Tax demands including interest and penalty for the period of April-2008 to March-2013 on Supervision Charges. The said demand is contested in Appeal. Amount paid under protest ₹ 144.42 Lakh (Previous Year ₹ 144.42 Lakh)	145.42	145.42
c) Letter of Credit issued by Dena Bank to Power Generating Companies. (LC are secured by creation of charge on book-debts and movable assets of the Corporation)	18,980.50	16,762.00
d) Interest on Security Deposits	45.97	26.33



ii) Claims under point (i) (a) above includes :

- a) " Claim of ₹ NIL (Previous Year ₹ 5,552.00 Lakh) made by M/s GMR Warora Energy Limited for the period November-2013 to February - 2014. The said claim was made on account of Capacity Charges inspite of the fact that, there was no increase in Capacity Charges due to non availability of long term open access. M/s GMR Warora Energy Limited has filed petition before Appellate Tribunal for Electricity against the order of Central Electricity Regulatory Commission. Appellate Tribunal for Electricity has dismissed the case in favour of the Corporation."
- b) Claim of ₹ 3,933.56 Lakh (Previous Year ₹ 3,946.29 Lakh) made by M/s Ratnagiri Gas & Power Private Limited (RGPPL) for the period October-2013, November 2013 and January 2014 to March-2018. The RGPPL had stopped the generation & supply of power for the period as stated above on account of technical minimum requirement load as the principle beneficiary (95% beneficiary of installed capacity) of the power plant i.e. Maharashtra was not scheduling the power. Accordingly, the non-supply of the power as per the terms of Purchase Power Agreement is solely on account of reason attributable to RGPPL, hence, the Corporation is not liable to make any payment to RGPPL. In this regard, it is also worth to mention that encashment of Letter of Credit given by the Corporation against the dues by RGPPL amounting to Rs. 1,853 lakh was stayed by the District Court, Silvassa as the case matter is prima-facie against RGPPL and directed to the parties to resolve the issue through appropriate authority, however, the RGPPL had not accepted the proposal of the Corporation for appointment of Arbitrator.
- c) Claim of ₹ 2,035.24 Lakh (Previous Year ₹ 1,484.21 Lakh) made by M/s Maharashtra State Electricity Transmission Corporation Limited (MSETCL) for the period January-2014 to March-2018. Corporation entered into an Agreement for Bulk Power Transmission with MSETCL for transmission of allocated power to be generated by Ratnagiri Gas & Power Private Limited (RGPPL) to the Corporation. However, the RGPPL was unable to generate the agreed power as explained in the (ii) (b) above. Accordingly, there was no power transmitted by MSETCL. Hence, the said claim has not been provided for.
- d) Claim of ₹ 10,405.21 Lakh (Previous Year ₹ 4,815.17 Lakh) made by M/s GMR Warora Energy Limited for the period March-2014 to March-2018. The said claim was raised on account of increase in operating expenses due to Change in Law. However, the Corporation has filed petition before Appellate Tribunal for Electricity.

iii) Claims under point (i) (d) above includes :

- a) Security Deposits amounting to ₹ 302.23 Lakh (Previous Year ₹ 339.70 Lakh) which were transferred from erstwhile Electricity Department to the Corporation through approved transfer scheme. Service Connection Number of these Consumers were unidentified and untraceable. Therefore, the provision for interest on such Security Deposit remains unprovided being un identification of consumers.

27 i) Related Parties— Key Management Personnel who exercise control :

Name	Designation
a) Shri Praful Patel	Chairman
b) Shri Kannan Gopinathan	Managing Director



ii) Transaction with related parties mentioned in (i) above;

Remuneration for the FY 2017-18 Rs. NIL (Previous Year Rs. NIL)

Dues outstanding to the Corporation as at 31st March 2018 Rs. NIL (As at 31st March 2017: Rs. NIL)

iii) The Corporation is ultimately controlled by the Central Government of India (GOI) and various entities which are controlled, jointly controlled or significantly influenced by the GOI are considered to be government related entities. The Corporation enters into various transactions in normal course of business with government related entities which are at its arms length and are entered on the basis of tendering procedures wherein other entities also participate. Further, the Corporation also enters into certain other transactions which are not subject matter of tendering procedures, however, these transactions are not outside normal day to day business operation and are not carried out on non market terms.

28 Details of Earnings per Share :

i) Earnings per Share (EPS) Basic and Diluted (after tax) is calculated as under:

Year	Numerator - Profit (after tax) as per the Statement of Profit & Loss	Denominator - Weighted Average number of equity shares outstanding (Face Value of Rs 100/- each)	Earnings Per Share
Basic EPS for continuing operation before Rate Regulated Activities :			
2017-18	(124631765)	80,00,000	(15.58)
2016-17	(712508462)	80,00,000	(89.06)
Diluted EPS for continuing operation before Rate Regulated Activities :			
2017-18	(124631765)	80,00,000	(15.58)
2016-17	(712508462)	80,00,000	(89.06)
Basic EPS for continuing and discontinuing operation :			
2017-18	(124631765)	80,00,000	(15.58)
2016-17	(712508462)	80,00,000	(89.06)
Diluted EPS for continuing and discontinuing operation :			
2017-18	(124631765)	80,00,000	(15.58)
2016-17	(712508462)	80,00,000	(89.06)



ii) Weighted average no. of Equity Share used for calculation of Earnings per Share (Basic and Diluted) are as under:

Particulars	As at 31st March 2018	As at 31st March 2017
Weighted average no. of Equity Share used for calculation of Basic Earnings per Share	8,000,000	8,000,000
Adjustments for calculating Diluted Earnings per Share:		
Share Application Money	—	—
Weighted average no. of Equity Share used for calculation of Diluted Earnings per Share	8,000,000	8,000,000

29 As stipulated in Ind AS-36 Impairment of Assets, the Corporation assessed potential Purchase of economic benefits from its business units and is of the view that assets employed in continuing businesses are capable of generating adequate returns over their useful lives in the usual course of business, there is no indication to the contrary and accordingly the management is of the view that no impairment provision is called for in these accounts.

30 Expenditure in foreign currency (on Payment Basis) are as under :

Particulars	2017-18	2016-17
i) Project related payments including KKNPP (Net of Tax)	NIL	NIL
ii) Other matters (travelling, subscription to books, periodicals, membership fee, etc.)	NIL	NIL

31 Receipts in foreign currency are as under :

Particulars	2017-18	2016-17
—	NIL	NIL

32 Foreign Currency Exposures not hedged are as under :

Particulars	Currencies	As at 31st March 2018	As at 31st March 2017
Sundry Creditors / Deposits /	USD	NIL	NIL
Loans / Retention Money	EURO	NIL	NIL
	GBP	NIL	NIL
	EURO	NIL	NIL

33 Value of imports :

Particulars	2017-18	2016-17
Value of imports calculated on CIF basis	NIL	NIL



34 Disclosure in respect of Operating Segments :

i) Operating Segments :- In accordance with Ind AS 108 – Operating Segment used to present the segment information are identified on the basis of internal report used by the Corporation management to allocate resources to the segment and assess their performances. The Board of the directors of the Corporation is collectively Chief Operating Decision Maker (CODM). The Corporation activities i.e. purchase and sale of electricity are in one single reportable segment and also are in one geographical segment (within UT of Dadra & Nagar Haveli). Therefore, there is no other significant classes of operating segment or geographical segment.

ii) With regard to information about major products, refer the disclosure made in Note 35.

iii) Details of customers having sales value more than Rs. 100 crore or more either in current year or previous year : (₹ in Lakh)

Particulars	2017-18	2016-17
Consumer- A	23,773.00	16,151.61
Consumer- B	17,945.28	9,199.34
Total	41,718.28	25,350.95

35(a) Details of Units Purchased, Sold, and Distribution Losses are as under : Units in Mus

Particulars	2017-18	2016-17
1. Net Power Purchased*	5,942.11	3,967.05
2. Unit Sold*	5,676.29	3,752.91
3. Unit Loss 3=1-2	265.82	214.14
4. Distribution Losses (%) 4=(3/1)*100	4.47%	5.40%

* Includes own generation and distribution of Solar Energy as detailed below.

35(b) Quantitative information in respect of generation and distribution of Solar Energy:

Electricity		Solar Energy
Generation (In Millions Kwh)	2017-18	5.23
	2016-17	0.88
Sales (In Millions Kwh)	2017-18	5.23
	2016-17	0.88



36 Income and deferred taxes

i) Movement in deferred tax assets/liabilities (₹ in Lakh)

Particulars	Depreciation and Amortization	Provisions	Total
As at 1st April 2016	(938.67)	23.64	(915.03)
(Charged)/ Credited: To profit or loss	(353.85)	41.30	(312.55)
To other comprehensive income	—	—	—
Recognised directly in Equity	—	—	—
Reclassified from equity to profit and loss	—	—	—
Deferred Tax on basis adjustment	—	—	—
As at 31st March 2017	(1,292.52)	64.93	(1,227.59)
(Charged)/ Credited: To profit or loss	(681.41)	23.99	(657.42)
To other comprehensive income	—	—	—
Recognised directly in Equity	—	—	—
Reclassified from equity to profit and loss	—	—	—
Deferred Tax on basis adjustment	—	—	—
As at 31st March 2018	(1,973.92)	88.92	(1,885.01)

ii) Reconciliation of tax expenses and accounting profit multiplied by country's tax rate: (₹ in Lakh)

Particulars	As at 31st March 2018	As at 31st March 2017
Profit from continuing operations before income tax expenses	(588.90)	(6,812.53)
Profit from discontinuing operations before income tax expenses	—	—
Tax at the Indian tax rate of 34.608% (Previous Year 34.608%)	—	—
Tax effect of amounts which are not deductible (taxble) in calculating taxable income:	—	—
Tax paid at lower rate due to MAT	—	—
Difference in overseas tax rates	—	—
Adjustment for current tax of prior periods	—	—
Substantially enacted tax rate change	—	—
Tax losses for which no deferred income tax was recognised	—	—
Previously unrecognised tax losses now recouped to reduce current tax expenses	—	—
Previously unrecognised tax losses used to reduce deferred tax expenses	—	—
Income Tax Expense	—	—



37 Financial Instruments- Fair values and risk management

The following table shows the carrying amount and fair value of financial assets and financial

As at 31st March 2018	Note No.	Other financial assets- Amortised cost	Other financial liabilities
Financial Assets measured at Fair value		—	—
Financial Assets not measured at Fair value		—	—
Receivables & Others*	4,7,8,9	58,043.19	—
Total		58,043.19	—
Financial Liabilities not measured at fair value		—	—
Payables & Others*	13,16,17	—	17,557.12
Total		—	17,557.12

As at 31st March 2017	Note No.	Other financial assets- Amortised cost	Other financial liabilities
Financial Assets measured at Fair value		—	—
Financial Assets not measured at Fair value		—	—
Receivables & Others*	4,7,8,9	73,339.40	—
Total		73,339.40	—
Financial Liabilities not measured at fair value		—	—
Payables & Others*	13,16,17	—	16,742.95
Total		—	16,742.95

* The Corporation has not disclosed the fair values for financial instruments as their carrying amounts are a



liabilities including their levels in the fair value hierarchy

(₹ in Lakh)

	Fair Value				Valuation technique and key input
Total Carrying Amount	Level 1 (Quoted Prices)	Level 2 (Significant observable inputs)	Level 3 (Significant unobservable inputs)	Total	
—	—	—	—	—	—
—	—	—	—	—	—
58,043.19	—	—	—	—	—
58,043.19	—	—	—	—	—
—	—	—	—	—	—
17,557.12	—	—	—	—	—
17,557.12	—	—	—	—	—

	Fair Value				Valuation technique and key input
Total Carrying Amount	Level 1 (Quoted Prices)	Level 2 (Significant observable inputs)	Level 3 (Significant unobservable inputs)	Total	
—	—	—	—	—	—
—	—	—	—	—	—
73,339.40	—	—	—	—	—
73,339.40	—	—	—	—	—
—	—	—	—	—	—
16,742.95	—	—	—	—	—
16,742.95	—	—	—	—	—

reasonable approximation of fair value.



38 Capital Management:

The Corporation objective when managing capital is to safeguard their ability to continue as a going concern, so that they can continue to provide returns to shareholders and benefits for other stakeholders of capital.

Financial risk management:

The Corporation has assessed followed risks arising from financial instruments:-

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash & Cash equivalents, Bank Balance, Trade Receivables and financial assets measured at amortised cost.	Ageing analysis and credit ratings	Regular follow ups to ensure timely recovery and closely monitoring all receivables
Liquidity risk	Borrowings and other liabilities	Cash flow forecasts	Availability of regular cash flows through operations.

Credit risk management :

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Corporation. Credit risk arises from Cash and Cash equivalents, investments carried at amortised cost, deposits with banks and financial institutions as well as credit exposures to customers including outstanding receivables. The carrying amounts of financial assets represent maximum credit exposure.

Trade receivables & Trade payables :

The Corporation limits its exposure to credit risk from trade receivables by establishing a maximum payment period of 15 days for all customers and by offering prompt settlement discounts if payment done within 7 days. The Corporation's main consumers are HT consumers contributing more than 90% and have been transacting with the Corporation for over significant period of time, and none of these customers balances are credit-impaired at the reporting date. The Corporation's exposure to credit risk for trade receivables by type of counter party is given in Note. 7.

Balances with Banks and other financial assets :

For banks and financial institutions, only high rated banks/institutions are accepted. The Corporation holds cash and cash equivalents with bank and financial institution counterparties, which are having highest safety ratings based on ratings published by various credit rating agencies. The Corporation considers that its cash and cash equivalents have low credit risk based on external credit ratings of the counterparties.

For other financial assets, the Corporation assesses and manages credit risk based on reasonable and supportive forward looking information. The Corporation does not have significant credit risk exposure for these items.



Liquidity risk management :

Liquidity risk is the risk that the Corporation will not be able to settle or meet its obligations on time or at a reasonable price. The Corporation's Finance Department is responsible for liquidity, funding as well settlement management. The Corporation manages liquidity risk by maintaining adequate surplus and banking facilities by continuously monitoring forecast.

39 Previous Year (Financial Year 2016-17) figures have been regrouped/reclassified to achieve the better presentation, requirement wherever found necessary

40 Certain Significant Accounting Policies of the Corporation as mentioned in Note No. 3 has been rewarded/redrafted to align with the Indian Accounting Standard (Ind AS) during the Current Financial Year 2017-18. The Corporation has adopted the Ind AS in Previous Financial Year 2016-17. However, there is no change in the Accounting Policies during the Current Financial Year 2017-18 as compared to Previous Financial Year 2016-17.

41 The Company is evaluating the requirements of the application of the Ind AS 115 "Revenue from contracts with customers" and the effect on the financial statements is not likely to be material.

42 Critical Accounting judgement and sources of estimation uncertainties

The preparation of the financial statements requires the management to make judgements, estimates and assumptions that effect the reported amounts of revenue, expenses, assets and liabilities and the accompanying disclosures including the disclosures of contingent liabilities. The estimates and underlying assumptions are reviewed on the ongoing basis. They are based on historical experience and other factors, including expectations of future events that may have a financial impact the Corporation and that are believed to be reasonable under the circumstances. Actual result may differs from these estimates. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

Detailed information about each of these estimates, assumptions and judgements, if required, is included in relevant notes together with information about the basis of calculation for each affected line item of financial statements. However, the following are the key assumptions and other key sources of estimation uncertainty concerning the future, at the end of the reporting year that may have significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial years.

i) Useful lives of property, plant and equipment (PPE) :

The estimated useful life of PPE is based on a number of factors including the effects of obsolescence, competition and other economic factors (such as the stability of the industry and known technological advances). Useful life of PPE of engaged in the distribution of electricity is determined by the CERC / JERC Tariff Regulations. However, The Corporation reviews the estimated useful lives of PPE at the end of each reporting year. The financial effects of this reassessment, assuming the assets are useful until the end of their estimated useful lives, is an increase / decrease the depreciation expense in the current financial year and future year.

ii) Impairment of non-financial assets :

The Corporation assesses of each reporting date whether there is an indication that an asset may be



impaired. If any indication exists, or when annual impairment testing for an asset is required, the Corporation estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash flows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

iii) Classification of Security Deposits :

Considering the historical experience and Practical expediary, the Corporation has exercised its judgement on timing of settlement of security deposit collected from the customers and has accordingly classified the said security deposit as current and non-current liability in the Financial Statements.

iv) Impairment of trade receivables and financial assets :

The Corporation estimates the credit allowance as per practical expedient based on historical credit loss experience based on periodicity. Further, the Corporation reviews the carrying amounts of financial assets and where there is indication for impairment. The impairment provisions for such financial assets are based on assumptions about risk of default and expected loss rates, The Corporation used judgement in making these assumptions and selecting the inputs to the impairment calculation based on Corporation's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

v) Contingent Liabilities :

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Corporation. Potential liabilities that are possible but not probable .of crystallising or are very difficult to quantify reliably are treated as contingent-liabilities. Such liabilities are disclosed in the notes but are not recognised. Potential liabilities, that are remote, are neither recognized nor disclosed as contingent liability. The management decides whether the matters need to be classified as remote, possible or probable based on expert advice, past judgements-or experiences.

	For and On behalf of	
	For, DNH Power Distribution Corporation Ltd.	
In terms of our Audit Report of even date attached	Sd/-	Sd/-
For Agarwal & Dhandhanja	(Vitthal Chavan)	(Pawan Kumar Mishra)
Chartered Accountants	Company Secretary	Chief Financial Officer
Sd/-	Sd/-	Sd/-
(CA Sanjay Agarwal)	(Kannan Gopinathan)	(Praful Patel)
Partner	Managing Director	Chairman
Firm Registration No. 0125756W	(DIN-07945772)	(DIN-07652308)
M. N. 078579		

Place : Silvassa
Date : 31.07.2018



Proxy Form

Proxy Form
(Form No. MGT-11)

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management & Administration) Rules, 2015]

CIN: U40100DN2012GOI000405

Name of the Company: **DNH Power Distribution Corporation Ltd**

Registered Office: 1st Floor, VidyutBhavan, Opp. Secretariat, Silvassa-396230

Name of the member(s) : _____

Registered Address : _____

E-mail ID : _____ Folio No/Client ID: _____ DP ID: _____

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

1. Name : _____
Address : _____
Email-id : _____ Signature : _____ , or failing him
2. Name : _____
Address : _____
Email-id : _____ Signature : _____ , or failing him
3. Name : _____
Address : _____
Email-id : _____ Signature : _____ , or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **6th Annual General Meeting** to be held on the **Tuesday of October at 4:45 p.m. at Conference Hall, Secretariat, Silvassa** and at any adjournment thereof in respect of such resolutions as are indicated below :

Sr. No.	Resolution	For	Against
1.	To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2018, together with the Board's Report and Auditors Report thereon along with Comments of the Comptroller & Auditor General of India, in terms of Section 143(6) of the Companies Act, 2013 (Ordinary Resolution).		
2.	To fix remuneration of Statutory Auditors to be appointed by Comptroller & Auditor General of India for the financial year 2018-19 (Ordinary Resolution)		
3.	To ratify the remuneration of the Cost Auditors for the Financial year ending March 2019 (Ordinary Resolution)		
4.	To apooint Shri Vijay Kulkarni (DIN: 0263239) as an Independent Director (Ordinary Resolution)		
5.	To consider alteration in the Article of Association (Special Resolution)		



Signed this _____ day of _____ 2018.

Signature of shareholder

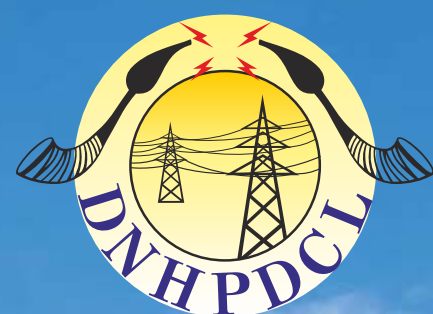
Signature of Proxy holder(s)

Affix
Revenue
Stamp

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

Road Map to 6th Annual General Meeting





Solar Panel, Dadra & Nagar Haveli



Donation of Mobile Blood Donation Van under CSR initiatives to Indian Red Cross Society, Silvassa



दादरा नगर हवेली ऊर्जा वितरण निगम लिमिटेड
(सरकार का उपक्रम)

DNH Power Distribution Corporation Limited
(A Govt. Undertaking)

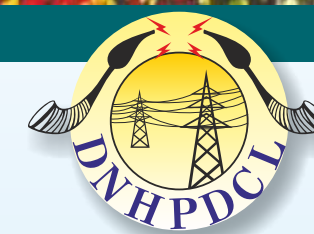
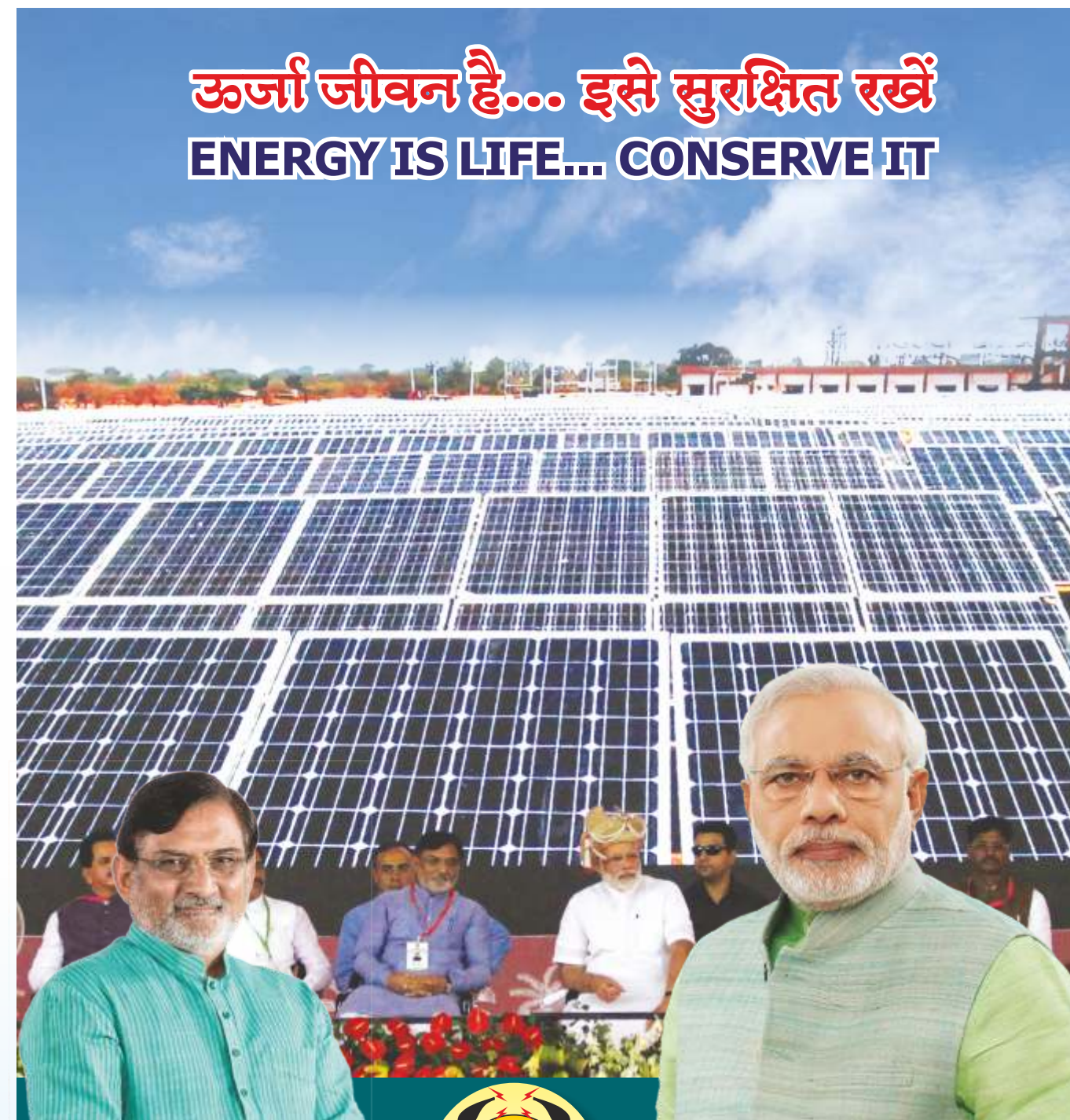
पंजीकृत कार्यालय:
विद्युत भवन, सचिवालय के पास, 66 के.व्ही. रोड,
सिलवासा 396 230 दादरा एवं नगर हवेली

Registered Office:
Vidyut Bhavan, Near Secretariat, 66 KV Road, Aml
Silvassa 396 230 Dadra & Nagar Haveli

DNHPDCL 5th Annual Report 2016-2017

2m Impression, Vapi

ऊर्जा जीवन है... इसे सुरक्षित रखें
ENERGY IS LIFE... CONSERVE IT



दादरा नगर हवेली ऊर्जा वितरण निगम लिमिटेड
(सरकार का उपक्रम)

DNH Power Distribution Corporation Limited
(A Govt. Undertaking)

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