

SAVE ENERGY FOR BENEFIT OF SELF AND NATION

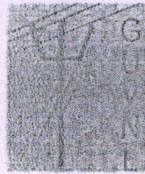
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ગુજરાત ઊર્જા વિકાસ નિગમ લી.,

સરદાર પટેલ વિદ્યુત ભવન, રેસકોર્સ,

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Gujarat Urja Vikas Nigam Ltd.

Sardar Patel Vidyut Bhuvan

Race Course, Vadodara 390 007.

CIN U40109GJ2004SGC045195

Ref : GUVNL/ED (F&A)/141

16th May, 2016.

To

The Managing Director,
Gujarat State Electricity Corporation Ltd.
Sardar Patel Vidyut Bhavan,
Race Course,
VADODARA - 390 007.

The Managing Director,
Gujarat Energy Transmission Corporation Ltd.
Sardar Patel Vidyut Bhavan,
Race Course,
VADODARA - 390 007

Managing Director,
Madhya Gujarat Vij Co. Ltd.,
Sardar Patel Vidyut Bhavan,
Race Course,
VADODARA - 390 007

Managing Director
Paschim Gujarat Vij Co. Ltd.,
1, Laxmi Nagar,
Nana Mava Main Road,
RAJKOT-360 004

Managing Director,
Dakshin Gujarat Vij Co. Ltd.,
Kapodra Char Rasta,
Nana Varachha Road,
SURAT - 395 006

Managing Director,
Uttar Gujarat Vij Co. Ltd.,
Visnagar Road,
MEHSANA-384 001

Sub.: Early release of payment against Cash Discount for expeditious delivery of Materials.

Dear Sir,

Every year DISCOMs are being given target for execution of various Schemes as announced by State Government in the annual budget. Despite putting in best efforts, DISCOMs at times are not in a position to complete the scheme within the given timeline. One of the factors impacting the performance of DISCOMs in timely completion of the scheme is the availability of critical material. While DISCOMs are taking advance action by placing the orders for required material, the manufacturers / suppliers are not honoring delivery schedule or request of the Companies for early delivery. Similar issues are being faced by GSECL and GETCO also.

In order to ensure timely completion of the scheme works, it is necessary that manufacturers / suppliers are encouraged to adhere the delivery schedule or early delivery as requested by Companies. One of the way to encourage timely supplies is to offer early payment against Cash Discount to the manufacturers / suppliers to honor the stipulated delivery schedule or as requested by Companies.

In view of the representation of Federation of Gujarat Industries and to encourage suppliers / manufacturers to adhere to the delivery schedule or pre-pone the delivery schedule as per Company's requirement and thus make the ordered material available to our Companies within the stipulated time limit, the Competent Authority of GUVNL has approved the proposal to introduce the scheme of Cash Discount against early payment of bills of suppliers. This Scheme is applicable to GUVNL and all Subsidiary Companies of GUVNL as per the following details :-

Contd. ..2.

Sr. No.	80% Payment on receipt of material against TRC	Cash Discount to be recovered (%)
1.	Payment on 7 th day	1.50%
2.	Payment on 15 th day	1.00%

The above referred Scheme shall be applicable subject to the following terms and conditions:-

1. This scheme shall be applicable for payment of supply of all type of materials.
2. If 7th day or 15th day is Public Holiday or Weekly Off, then the next working day shall be considered. The period of 7 days or 15 days to be considered is from the "Date of Receipt of Material (DRM)" mentioned in the Truck Receipt Certificate (TRC).
3. The Cash Discount is to be recovered at the above referred percentage only on payment terms of 80% payment against TRC within 30 days.
4. No Cash Discount is to be availed on balance 20% payment against S.R. Note within 45 days.
5. The above referred Scheme of early bill payment against Cash Discount will be at the sole discretion of GUVNL and its Subsidiary Companies subject to availability of fund and the same should not be treated as a right of the supplier.
6. Early payment and recovery of cash discount shall be applicable to only those suppliers who choose this facility.
7. The scheme shall be implemented with immediate effect.

You are requested to ensure that all the suppliers are informed of the above referred Scheme of Early Bill Payment against Cash Discount. It is also requested to take advantage of the above referred Scheme to ensure timely completion of Government Schemes, etc., by availing and making early release of payment against Cash Discount. It is necessary that TRC is issued timely (indicating date of receipt of material) in the e-Urja System within 24 hours from the date of receipt of material. The same needs to be ensured so that the benefit of Cash Discount can be availed by making payment to the Suppliers on 7th day / 15th day against TRC.

Thanking you,

Yours faithfully

(M. B. PARIKH)

EXECUTIVE DIRECTOR (F&A)

Copy to :

- CMD, GUVNL
- Director (Finance), GUVNL
- Director (Admin.), GUVNL

Copy f.w.cs. to :

- PS to Hon'ble Chief Minister,
- PS to Hon'ble Energy Minister, Govt. of Gujarat
- PS to Hon'ble Minister of State, E&P Department, Govt. of Gujarat