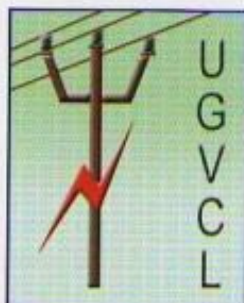




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Annual Report 2010-2011



Uttar Gujarat Vij Company Limited

An ISO 9001-2008 Certified Company
Subsidiary of Gujarat Urja Vikas Nigam Limited



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BOARD OF DIRECTORS

Shri Varun Nath Maira, IAS
Dr. Guruprasad Mohapatra, IAS
Shri L. Chuaungo, IAS
Smt. Shahmeena Husain, IAS
Shri H. P. Desai
Shri K. P. Patel
Prof. Ajay Pandey
Prof. (Dr.) B. A. Prajapati
Shri K. M. Shringarpure
Shri Munindra A. Bhatt
Shri Manish Kumar Verma
Shri Chandravadan J. Macwan
Shri Nityanand Srivastava, IFS
Shri A. K. Verma, IFS

Chairman (wef 15-Oct-2011)
Chairman (up to 15-Oct-2011)
Director (up to 03-Aug-2011)
Director (wef 03-Aug-2011)
Director
Director
Director
Director
Director (up to 10-May-2011)
Director (from 07-Jun-2011 to 30-Sep-2011)
Director (wef 30-Sep-2011)
Managing Director (wef 07-Jul-2011)
Managing Director (up to 07-Jul-2011)

COMPANY SECRETARY

Shri Nitinkumar M Joshi, FCS

SENIOR EXECUTIVES

Shri C. L. Sharma
Shri A. C. Patel
Shri R. B. Kothari
Shri D. C. Parmar
Shri S. R. Patel
Shri S. H. Shahdadpuri
Shri D. S. Doshi

Chief Engineer (Operation)
Chief Engineer (P&P)
General Manager (Finance)
Addl. Chief Engineer (Vigilance)
Addl. Chief Engineer (P&P)
Addl. Chief Engineer (Civil & IT)
Addl. Chief Engineer (Technical)

AUDITORS

For FY 2010-11
M/s. P. Singhvi & Associates
Chartered Accountants
Gandhinagar

For FY 2011-12
M/s. A. Yagnik & Co.
Chartered Accountants
Mehsana

BANKERS

State Bank of India
Bank of Baroda
Dena Bank
Union Bank of India

REGISTERED & CORPORATE OFFICE

Visnagar Road
MEHSANA - 384 001 North Gujarat
Phone: (02762) 222080-81 Fax: 223574
Email: corporate@ugvcl.com
Website: www.ugvcl.com

**NOTICE**

NOTICE is hereby given that the Eighth Annual General Meeting of the Members of Uttar Gujarat Vij Company Limited will be held on Wednesday, the 28th day of December, 2011 at 12-00 noon at the Registered Office of the Company at Visnagar Road, Mehsana 384001 (North Gujarat) to transact the following business:

ORDINARY BUSINESS

- 1 To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2011 and Profit & Loss Account of the Company for the year ended on that date together with the Schedules & Notes attached thereto and the Reports of the Board of Directors and Auditors thereon with comments, if any, of Comptroller & Auditor General of India;
- 2 To decide the remuneration payable to Statutory Auditors appointed by the Comptroller and Auditor General of India (C&AG), New Delhi for the audit of accounts of the Company for the Financial Year 2011-12.

SPECIAL BUSINESS

- 3 To consider and if thought fit, to pass, with or without modification/s, the following resolution as Ordinary Resolution:

"RESOLVED THAT Shri N. Srivastava, IFS, who was appointed as Additional Director of the Company on 7th July, 2011 under Section 260 of the Companies Act, 1956 and who holds such office up to the date of this Annual General Meeting and who is eligible for reappointment, be and is hereby appointed a Director of the Company, and who shall not be subject to retirement until such time he is Managing Director of the Company."

- 4 To consider and if thought fit, to pass, with or without modification/s, the following resolution as an Ordinary Resolution:

"RESOLVED THAT Smt. Shahmeena Husain, IAS, who was appointed as Additional Director of the Company on 3rd August, 2011 under Section 260 of the Companies Act, 1956 and who holds such office up to the date of this Annual General Meeting and who is eligible for reappointment, be and is hereby appointed a Director of the Company."

- 5 To consider and if thought fit, to pass, with or without modification/s, the following resolution as an Ordinary Resolution:

"RESOLVED THAT Shri Chandravadan J. Macwan, who was appointed as Additional Director of the Company on 30th September, 2011 under Section 260 of the Companies Act, 1956 and who holds such office up to the date of this Annual General Meeting and who is eligible for reappointment, be and is hereby appointed a Director of the Company."

- 6 To consider and if thought fit, to pass, with or without modification/s, the following resolution as an Ordinary Resolution:

"RESOLVED THAT Shri Varun Nath Maira, IAS, who was appointed as Additional Director of the Company on 15th October, 2011 under Section 260 of the Companies Act, 1956 and who holds such office up to the date of this Annual General Meeting and who is eligible for reappointment, be and is hereby appointed a Director of the Company."

By Order of the Board

**Date : 13th December, 2011
Place: Ahmedabad**

**Nitinkumar M Joshi, FCS
Company Secretary**

**NOTES:**

- 1 A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL, VOTE INSTEAD OF HIMSELF AND THAT A PROXY NEED NOT BE A MEMBER OF THE COMPANY. Proxies, in order to be effective, must be received by the Company at its Registered Office not later than 48 hours before the time for holding of the meeting.
- 2 The present Statutory Auditors M/s. P. Singhvi & Associates, Chartered Accountants, Gandhinagar appointed by the Office of the Comptroller & Auditor General of India (C&AG) will retire at the conclusion of the Eighth Annual General Meeting. The C&AG has appointed M/s. Ashwin K. Yagnik & Co., Chartered Accountants, Mehsana as Statutory Auditors of the Company to audit the accounts of the Company for the Financial Year ended 31st March, 2012.

**ANNEXURE TO THE NOTICE****Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956****In respect of Item No. 3**

In terms of the provisions of Section 260 of the Companies Act, 1956, the Board of Directors have on 7th July, 2011, appointed Shri N. Srivastava, IFS, as Additional Director representing Gujarat Urja Vikas Nigam Limited pursuant to Article 57 of the Articles of Association of the Company, on the Board of the Company, to hold office up to the date of this Annual General Meeting. He was also appointed as the Managing Director of the Company on the same date. On his appointment as Director at this Annual General Meeting, he will continue to be the Managing Director of the Company.

Shri N. Srivastava, IFS, has rich and varied experience in different areas of finance and administration. Prior to his appointment as Managing Director of the Company, he has held various posts under the Government of Gujarat.

Your Directors, therefore, recommend the appointment of Shri N. Srivastava, IFS to the office of Director. None of Directors except Shri N. Srivastava, being appointee, is concerned or interested in this Resolution.

In respect of Item No. 4

In terms of the provisions of Section 260 of the Companies Act, 1956, the Board of Directors have on 3rd August, 2011, appointed Smt. Shahmeena Husain, IAS as Additional Director representing Gujarat Urja Vikas Nigam Limited pursuant to Article 57 of the Articles of Association of the Company, on the Board of the Company, to hold office up to the date of this Annual General Meeting. She is Director (Administration) of the holding company i.e. GUVNL and has rich and varied experience in administration. She held various posts under the Government of Gujarat.

Your Directors, therefore, recommend the appointment of Smt. Shahmeena Husain, IAS to the office of Director. None of Directors except Smt. Shahmeena Husain, IAS, being appointee, is concerned or interested in this Resolution.

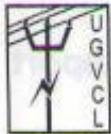
In respect of Item No. 5

In terms of the provisions of Section 260 of the Companies Act, 1956, the Board of Directors have on 30th September, 2011, appointed Shri Chandravadan J. Macwan as Additional Director representing Gujarat Urja Vikas Nigam Limited pursuant to Article 57 of the Articles of Association of the Company, on the Board of the Company, to hold office up to the date of this Annual General Meeting. He has rich and varied experience in finance and accounts and is presently Deputy Secretary (Tax) in Finance Department of Government of Gujarat.

Your Directors, therefore, recommend the appointment of Shri Chandravadan J. Macwan to the office of Director. None of Directors except Shri Chandravadan J. Macwan, being appointee, is concerned or interested in this Resolution.

In respect of Item No. 6

In terms of the provisions of Section 260 of the Companies Act, 1956, the Board of Directors have on 15th October, 2011, appointed Shri Varun Nath Maira, IAS as Additional Director representing Gujarat Urja Vikas Nigam Limited pursuant to Article 57 of the Articles of Association of the Company, on the Board of the Company, to hold office up to the date of this Annual General Meeting. He has also been appointed as Chairman. He has rich and varied experience in the areas of administration and is presently Additional Chief Secretary (Planning) in General Administration Department of Government of Gujarat.



Your Directors, therefore, recommend the appointment of Shri Varun Nath Maira, IAS to the office of Director. None of Directors except Shri Varun Nath Maira, IAS, being appointee, is concerned or interested in this Resolution.

The Company is a Government Company falling within the provisions of Section 617 of the Companies Act, 1956 and therefore, is entitled to various exemptions notified by the Government from time to time, including Section 257 relating to notice to be given to the Company for appointment as Director and hence no such notice for the candidature in respect of the above Directors in Item Nos. 3 to 6 is required.

By Order of the Board

Date : 13th December, 2011
Place: Ahmedabad

Nitinkumar M Joshi, FCS
Company Secretary



DIRECTORS' REPORT

To,

The Members of

UTTAR GUJARAT VIJ COMPANY LIMITED

Your Directors have pleasure in presenting the Eighth Annual Report together with the audited Statement of Accounts for the Financial Year ended 31st March, 2011.

FINANCIAL HIGHLIGHTS:

The summarized financial results of the Company are given below:

(₹ in Lacs)

Particulars	2010-11	2009-10
Total Income	5,52,283	4,55,051
Gross Profit before Depreciation, Interest and Tax	24,074	23,830
Depreciation	12,229	11,256
Interest and Finance Charges	10,140	11,880
Profit before Tax	1,706	694
Provision for Tax (including provision for deferred)	439	129
Profit after Tax	1,267	565
Profit brought forward from previous year	3,119	2,554
Net profit available for appropriation	4,386	3,119

DIVIDEND:

With a view to conserve the resources of the Company and as a part of system improvement, your Directors do not recommend payment of any dividend for the year.

OPERATIONS DURING THE YEAR:

During the year under review, the revenue from the sale of power including subsidies and other income amounted to ₹ 5,52,283 Lacs. (PY ₹ 5,55,051 Lacs). The Company purchased 16,891 MUs (PY 15,647 MUs) of energy from Gujarat Urja Vikas Nigam Limited (GUVNL) and sold 15,248 MUs (PY 12,213 MUs) of energy to all categories of consumers. The Company's overall transmission and distribution losses are reported to the extent of 1,643 MUs (PY 3,434 MUs) at 9.73% (PY 21.95%).

The year under review is the sixth operational year and your Company has always made efforts to achieve its goals. Some of the operational highlights are -

- Total 2,321 (PY 2,225) Nos. of rural feeders have been declared as Agricultural Dominated Feeders.
- Transformer failure rate is reduced to 9.00% from 9.11% of the previous year.
- Vigilance activity with continuous efforts is made for prevention of theft of energy and other misuse of power during the year.
 - Installations checked - 6,97,477 (PY 8,79,780) Nos.
 - Installations detected - 13,287 (PY 13,344) Nos.
 - Amount assessed - ₹ 2,089 (PY 1,679) Lacs



- By vigorous efforts, the debit-arrears remained low to 20.21% (previous year 17.78%) which is the lowest among all Distribution Companies of GUVNL.
- For better system improvement and to give quality power supply of the over-loaded feeders, 158 (PY 171) Nos. of feeders are bifurcated and charged during the year.
- Automated Meter Reading (AMR) is installed on total 1,877 Nos. of HT connections. This has helped in considerable time saving of man-power and reading billing process with perfect billing, thereby assisting in study of consumer consumption data and vigilance observation.
- For reduction in technical losses, 2,890 (PY 2,494) Nos. of Amorphous Transformers are installed in Urban, GIDC and JGY Feeders.
- Under e-urja Project (an end to end ERP solution) Inventory, Payroll, HRMS and HT Billing modules are successfully implemented. E-urja LT Billing is rolled out in company from Nov-2010. This has driven all consumer related activities in LT CRM module. All employee and supplier related transactions are done in system. Other modules are partially utilized.
- Total 1,364 (PY 1,922) Nos. of Special Design Transformers (SDT) have been provided on Agricultural feeders, covering benefit to 93,417 (PY 83,276) Nos. of Farm House connections.
- Work progress - New release of connections:

▪ HT New Connection	-	229 Nos. (PY 183 Nos.)
▪ HT additional load	-	174 Nos. (PY 126 Nos.)
▪ LT Industrial	-	3,592 Nos. (PY 2884 Nos.)
▪ Domestic	-	69,201 Nos. (PY 66389 Nos.)
▪ Water Works	-	501 Nos. (PY 339 Nos.)
▪ Ag. Connection under		
• SPA Well (Normal Scheme)	-	87 Nos. (PY 2021 Nos.)
• TASP Well	-	3,371 Nos. (PY 3258 Nos.)
• Tatkal Scheme	-	0 Nos. (PY 0 Nos.)
▪ Petapara electrified	-	5 Nos. (PY 0 Nos.)
▪ SCSP (Household)	-	5,360 Nos. (PY 4,643 Nos.)
▪ RGGVY (New Connections)	-	59,945 Nos. (PY 47905 Nos.)
▪ Zupad-patties Connections	-	25,091 Nos. (PY 32913 Nos.)
▪ System Network added		
• HT Line	-	2,103 Kms. (PY 2863 Kms.)
• LT Line	-	2,835 Kms. (PY 2308 Kms.)
• Trans. Center	-	3,844 Nos. (PY 4918 Nos.)

UNDER GROUND CABLE WITH RMU:

For ensuring consumer satisfaction by providing the continuous and reliable power supply and consistent with the landscape of the area, the work of underground cable system in Bopal and Ghuma areas is successfully commissioned and in Ambli and Thaltej-Bodakdev near Ahmedabad city and the



religious place at Ambaji are under progress. The Company has planned under-ground cable system in Adalaj, Info City and Science City area near Ahmedabad City.

FEEDER BIFURCATION:

The Scheme for bifurcation of 180 (PY 200) Nos. of over-loaded feeders and having a poor voltage regulation is planned to improve the quality of power supply in agricultural feeders.

GOVT. SCHEMES:

The Company has achieved the targets of all Government-sponsored electrification activity schemes like RGGVY (in six districts), Zupad-patty, Kutir-Jyoti, TASP Wells, TASP-Petapara, Primitive Tribal House Electrification, Primary Schools and Aanganwadis, Micro Irrigation System (MIS) for tribal Agricultural connections, etc.

R-APDRP:

The Government of India has launched a Scheme for implementation of Re-structured Accelerated Power Development & Reforms Programme (R-APDRP) during the XIth Five Year Plan as a Central Sector Scheme. Power Finance Corporation Limited (PFC) is the Nodal Agency to operationalize the programme under the guidance of the Ministry of Power. Under R-APDRP, the Company has been sanctioned loan of ₹ 32.97 Crores for 20 projects under Part-A. Revised DPR with 100% GIS work is submitted to PFC for approval. Asset & Consumer survey work is completed in pilot town Viramgam. Implementing this project will establish reliable and automated system for sustained collection of accurate base line data and adoption of information, infusion of technology in the areas of energy accounting etc. SCADA is approved for Ahmedabad peri. Area covering 314.00 sq. km, 8 Sub Division, 17 Sub Station and 80 feeders. Total ₹ 33.82 Crore has been sanctioned for SCADA project.

Under Part-B of R-APDRP, the Company has been sanctioned loan of ₹ 6.15 Crores (against the total project cost of ₹ 24.62 Crores) by Power Finance Corporation Ltd. for 6 projects which include Bavla, Dehgam, Kalol, Radhanpur, Sanand and Viramgam. For the purpose, the Memorandum of Agreement, Deed of Hypothecation and other documents have already been executed in September 2010 for implementation of the Projects. PFC has disbursed the grant of ₹ 3.69 Crores on 23.09.2010, out of which during the year, ₹ 1.46 Crores have been utilized towards execution of works.

RGVY:

RGVY project launched by GOI in April-2005, in order to access electricity to all rural households, free of charge for BPL house hold, through nodal agency REC Ltd, New Delhi. Under the project, 90% grant is provided by Govt. of India and 10% as loan by REC to the State Governments. The beneficiaries will have to pay the bills for energy utilized regularly as per the Company's norms. RGVY project works has been carried out on turnkey basis, as per mandatory condition of the scheme. Initially, 286475 un-electrified BPL beneficiaries covered with project cost of ₹ 110.08 Crores, but on electrification of BPL households under other ongoing state financed schemes, like Zupadpatti, Kutirjyoti SCSP etc, the project has been revised in the month of July 2010, which has been reduced for coverage of 125500 BPL beneficiaries with project cost of ₹ 72.50 crores, During the year 2010-11, REC has disbursed fund of ₹ 14.99 Crores (cum. ₹ 57.23 Crores). The fund utilized ₹ 19.52 Crores (cum ₹ 41.86) for the execution of the works during the year 2010-11.

ESTABLISHMENT OF ENERGY MANAGEMENT CENTER:

With a view to improving performance by IT enabling power distribution activity, the Company has established Energy Management Center at Gandhinagar. The major activities of Energy Management Center include Feeder Meter Data Acquisition, Automated Remote Meter Reading of HT Consumers,



Energy audit, GIS (Geographic Information System) of distribution network, Network analysis and improvement, Consumer Monitoring & Loss accounting system, etc.

Based on the analysis made by EMC during the year, it was identified that existing AG consumers were using more than their contracted load. An action plan to survey the extra load was started and approximately 4.36 Lac HP load was added to contracted load, which has led to yearly increase in revenue of ₹ 35 Crores.

INTRA-STATE ABT:

The Area Load Dispatch Center (ALDC) strives for successful real-time operations to maintain grid discipline and best possible commercial operations. Load curve is made almost flat by regrouping AG groups from 16 nos. to 59 nos. Initially, the AG groups were of more than 150MW each. After regrouping, these groups are made of 50 MW to 60 MW each. As a result, the difference between maximum and minimum drawl is reduced from 850 MW to 350 MW. As per directive of Gujarat Electricity Regulatory Commission, to maintain grid discipline, Intra-State ABT (Availability Based Tariff) is implemented from 05-Apr-2010. ALDC endeavors to over-draw during higher frequency and under-draw during lower frequency to get maximum benefit from UI pool. Thus, by proper real-time operations, the Company has received ₹ 20.15 Crore as UI charge in first 28 weeks (i.e. up to 9-Oct-2011) in current Financial Year.

T&D LOSS REDUCTION PROJECTS:

The Company has implemented project for reduction of T&D Loss in AG and non-AG feeders having losses of more than 30% at the total project cost of ₹ 180 Crores. The project is vetted by ERDA. Under the Project, the activities are carried out in phase manners. 42 (37 JGY + 5 Urban) numbers of feeders have been selected under first phase for activities like feeder bifurcation, providing of AB conductor in place of open LT line, replacement of service line by Armoured service, providing of static / quality amorphous transformers, giving new lighting connections, installation checking etc. Similarly total 60 (57 JGY + 3 Urban) feeders have been selected for second phase.

The reduction of 1.58 is observed in percentage distribution loss in the year 2010-2011 as compared to the year 2009-2010 in JGY category.

CUSTOMER SERVICES

Centralized Customer Care Centre is approved under RAPDRP Scheme at Mehsana. It will be fully computerized with the state-of-the-art technology. It will be integrated with GIS and ERP. This will help faster redressal of consumer grievances and enhance consumer satisfaction.

CONSUMER REDRESSAL FORUM:

The Company has set up the Consumer Redressal Forum as mandated by the Electricity Act, 2003 and the regulations notified thereunder. During the year, 64 (PY 50) Nos. of cases are attended. It is planned to activate Grievances Redressal Mechanism at Circle and Sub Division Office level.

TARIFF:

Gujarat Electricity Regulatory Commission (GERC) is the authority to regulate the working of the Electricity Utilities in the state and is entrusted with various functions, inter-alia, including the determination of retail tariff rate for the end users of electrical energy.

Under Section 62 of the Electricity Act, 2003 and relevant GERC Regulations, the Company had filed on 23rd December, 2009 Petition No. 992/2009 for Annual Performance Review (APR) of the financial year 2009-10 and determination of tariff for financial year 2010-11 under GERC (MYT Framework) Regulations, 2007 and under Part-VII (Section 61 to 64) of the Electricity Act, 2003 in accordance with



relevant guidelines. Subsequent to the public hearings held on 25th/26th February & 3rd March, 2010, GERC has declared its award on 31st March, 2010 and decided retail tariff rates effective from 1st April, 2010. The Tariff Structure is rationalized by merging few tariff rates.

The Company had filed on 4th May, 2011 Petition No. 1100/2011 for truing up for FY 2009-10, Annual Performance Review (APR) for FY 2010-11, aggregate revenue requirement for FY 2011-12 to FY 2015-16 and tariff for FY 2011-12 under GERC (MYT Framework) Regulations, 2007 and under Part-VII (Section 61 to 64) of the Electricity Act, 2003 in accordance with relevant guidelines. Subsequent to the public hearings held, GERC has declared its award on 6th September, 2011 and decided retail tariff rates effective from 1st September, 2011. GERC has restructured LT tariff structure in-general making it load base instead of purpose base.

AUDITORS:

M/s. P. Singhvi & Associates, Chartered Accountants, Gandhinagar had been appointed as Statutory Auditors of the Company for the Financial Year 2010-11. The Comptroller and Auditor General of India, New Delhi, (C&AG) have appointed M/s. Ashwin K Yagnik & Co. as Statutory Auditors of the Company to carry out the statutory audit of the accounts of the Company for the Financial Year 2011-12. As per the provisions of Section 224 of the Companies Act, 1956, their remuneration is required to be fixed by the Company in General Meeting.

AUDITORS' REPORT:

The Notes to Accounts referred to in the Auditor's Report are self-explanatory and therefore, do not call for any further comments.

The Comments/Report of the Comptroller & Auditor General of India in pursuance of Section 619(4) of the Companies Act, 1956, is attached.

COST AUDITORS:

The Ministry of Corporate Affairs, Government of India, has issued Cost Audit Order under Section 233B of the Companies Act, 1956 to appoint Cost Auditor to audit the Cost Accounting Records and Books of Accounts maintained by the Company in respect of Electricity Industry under the Cost Accounting Records (Electricity Industry) Rules, 2001. Accordingly, the Board of Directors appointed M/s. Ashish S. Bhavsar & Co., Ahmedabad as Cost Auditors for the Financial Year 2011-12, for which the Central Government accorded its approval for auditing the Cost Accounts relating to Electricity Industry product.

The Cost Auditors prepared the Cost Audit Report for the Financial Year 2010-11. The Cost Audit Report which was due for filing within 180 days from close of Financial Year 2010-11 was filed by Cost Auditor with the Central Govt. (MCA Portal) on 03-10-2011.

DIRECTORS:

Since the last (Seventh) Annual General Meeting held on 6th December, 2010, the particulars of changes among the Directors are as under:

- Shri Munindra A. Bhatt has resigned from the Board of Directors with effect from 10th May, 2011;
- Shri Manish Kumar Verma was appointed on 7th June, 2011 and has resigned with effect from 30th September, 2011;
- Shri A. K. Verma, IFS, Managing Director has resigned with effect from 7th July, 2011 pursuant to his transfer;



- Shri Nityanand Srivastava, IFS, has been appointed with effect from 7th July, 2011 as Managing Director pursuant to notification issued by Government of Gujarat;
- Shri L. Chuaungo, IAS, has resigned with effect from 3rd August, 2011 pursuant to his transfer;
- Smt. Shahmeena Husain, IAS, has been appointed with effect from 3rd August, 2011
- Shri C. J. Macwan has been appointed with effect from 30th September, 2011; and
- Dr. Guruprasad Mohapatra, IAS has resigned with effect from 15th October, 2011 pursuant to appointment of Shri Varun Nath Maira, IAS as Chairman with effect from 15-Oct-2011.

The Board placed on record its appreciation for the valuable services rendered by directors who have ceased as Directors during their tenure with the Company.

At the Eleventh Extra Ordinary General Meeting held on 23-Aug-2011, the Articles of Association of the Company were amended and accordingly, none of the Directors is required to retire by rotation.

DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with Section 217 (2AA) of the Companies Act, 1956, the Directors confirm that:

- (i) in the preparation of annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- (ii) accounting policies have been selected and consistently applied and judgments and estimates made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2011 and of profit of the Company for that period;
- (iii) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provision of the Companies Act 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- (iv) the annual accounts have been prepared on a going concern basis.

AUDIT COMMITTEE

Pursuant to Section 292A of the Companies Act, 1956, the Company has constituted the Audit Committee of the Board which at present stands as under:

Prof. Ajay Pandey Chairman

Prof. (Dr.) B. A. Prajapati Member

Shri K. M. Shringarpure Member

Shri C. J. Macwan Member

The Managing Director to be the Special Invitee.

DISCLOSURES

(a) Particulars of Employees:

There was no employee during the year drawing remuneration in excess of the ceilings prescribed under the provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended.

(b) Energy Conservation & Technology Absorption:

As required under Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules,



1988, information regarding Conservation of Energy, Technology Adsorption are given in the Annexure to this Report and form part of this Report.

(c) **Foreign Exchange Earnings & Outgo:**

During the year under review, there was no foreign exchange earning or outgo.

ACKNOWLEDGEMENT

Your Directors gratefully acknowledge the contributions made by the employees at all levels for the understanding and support extended by them. The Directors express their deep sense of appreciation of all the employees, whose outstanding professionalism, commitment and initiative have made the organization's growth and success possible and continue to drive its progress. The Directors place on record their gratitude to the Government of India (including the Ministry of Power), Government of Gujarat (including Energy & Petrochemicals Department), Gujarat Urja Vikas Nigam Limited (the Holding Company), Gujarat State Electricity Regulatory Commission, GEDA, Financial Institutions, Bankers, Consumers, Suppliers and other business associates for their continued assistance, co-operation and patronage. Your Directors are also thankful for the co-operation and assistance received from its customers, vendors, bankers, regulatory and Governmental authorities in India and its shareholders. The Company is also thankful to the Comptroller & Auditor General of India, the Internal, Statutory and Cost Auditors and Consultants/Advisors for their suggestions and co-operation.

For and on behalf of the Board

Varun Nath Maira, IAS
Chairman

Date : 13th December, 2011

Place: Ahmedabad

**ANNEXURE TO DIRECTORS' REPORT****PARTICULARS REQUIRED UNDER THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988****A Conservation of Energy:****(a) Conservation of Energy Measures taken**

- High-loss feeders have been identified, close monitoring is being done up to the Sub-division level to reduce the technical losses and meters are provided on TCs for better control on systems to identify the weak pockets with high losses.
- Regular and periodical maintenance of line and equipments.
- Pamphlets explaining energy saving measures and its efficient use along with energy bills are circulated for public awareness. The seminar on energy conservation was also arranged during the year with participation of all categories of consumers.
- Provided 2890 (PY 2494) Nos. of Amorphous Transformer in Urban, Industrial and Jyotigram feeders for technical losses reduction. More are under process of procurement.

(b) Additional investment and proposal, if any, being implemented for reduction of Consumption of Energy

- Nil
- **Mass awareness amongst consumers for energy conservation.**

The stalls for Energy Conservation tips, Safety measures & micro drip irrigation campaign were provided at Satlasana, Danta & Khedbrahma during Ambaji Bhadarvi Poonam Mela. Under the publicity campaign, printing of pamphlets, posters, banners, telecasting of short films on TV, cable network and on radio, advertisement in print media, depicting hoardings containing Energy saving messages/ slogans etc. have also been carried out during the celebration of "Energy Conservation Week", "Swarnim Gujarat Urja Shakti Mahotsav" etc. organized by the Company as well as the Government from time to time.

(c) Replacement of existing Ag. Pump sets by Energy Efficient Pump Sets:

- A pilot project is implemented for replacement of existing poorly efficient pump sets of farmers by EEPs to reduce the power demand in agriculture sector in participation with the GOG. This project is implemented in Nine Talukas of North Gujrat under jurisdiction of UGVCL during year 2008-09 and continued during 2009-10. The motto of the scheme is to achieve 10% to 15% energy saving. The scheme is implemented on tripartite basis and the project cost to be shared equally by the State Govt., UGVCL and HP based Ag-Consumer, who is willing to take the benefit of the scheme.
- During the year under review, total 12,929 Nos. of EEPs have been installed and total HP saved are 1,03,071 HP, and percentage HP saving comes to 15.69%. Yearly saving of units are 175.20 MUs and amount saved is ₹ 52.56 Crore considering the cost at ₹ 3.00 per unit. Total cost of all EEPs installed is ₹ 110.71 Crore and 2/3rd subsidy is ₹ 75.14 Crore, shared equally by UGVCL and GOG.

(d) Impact of the measures at (a) (b) and (c) above for reduction of energy consumption and consequent impact on the cost of production of Goods.

- Savings in KWH and peak demand. Reduction in T & D losses.

B Technology Absorption:

Efforts made in technology absorption as per Form B.

FORM B
(Disclosure of particulars with respect to Technology Absorption)
I Research and Development (R&D)

The R & D Section has started its functioning during the year under P&P section. Some activity is carried out through R & D & indigenous resources resulted in improvement in the performance.

1. Specific areas in which R&D carried out by the Company:

- AMR MD reset dates of HT consumers are fixed to 00.00 hrs of 21st date of every month.
- Semi automatic meter test benches are commissioned at Palanpur and at Kalol Laboratory.
- Power analyzers for transformer loss measurement are purchased for all four Circles.
- Cable and Conductor measuring instruments are proposed for all four Circles of the Company. Installation at Narol RSO under Sabarmati Circle is completed.
- Concept of single phase transformer of 5 KVA introduced for reduction of technical and commercial losses.

2. Benefits derived as a result of above R&D:

- By providing new meter test benches at Kalol and Palanpur it will possible to test the meters more precisely up to 0.2 class accuracy. This will reduce T & D losses and company shall be able to meet with the CEA regulations.
- No load losses of transformers play vital role in T & D losses. With the help of power analyzer it is now possible to measure No load losses of DTC for quality purchase.
- To prevent the leakages on short supply of conductor and cable by the suppliers against purchase. Measuring instruments are proposed for all four circles.
- **ADVANTAGES OF HVDS BY 5 KVA SINGLE PHASE T/C OVER LVDS**
 - Reduction of line losses at optimum capital investment
 - Reduction in voltage drop.
 - Reduction in failure of DTC.
 - Prevention of Theft of energy.
 - Improvement in Reliability of supply.

3. Future Plan of Action:

- It is planned to upgrade Mehsana Laboratory for 0.2 class accuracy to meet with the CEA Regulations and to obtain IEC 17025-2000 Accreditation.
- To change the design of transformers to 3-Star and 4-Star Ratings by utilizing high grade CRGO materials to reduce No load losses.
- Cable and conductor measuring instruments shall be provided up to D.O. Stores.
- Two projects, one at Ambaji and the other at Ambli, Thaltej and Bodekdev areas of Ahmedabad whose work orders are under process. Three other projects at Adalaj, Infocity-Gandhinagar and Kesarsal-Science City are approved.



4. Expenditure on R & D:

- Expenditure of ₹49 Lacs is being incurred for purchase of measuring instruments.
- Expenditure of ₹176 Lacs is being incurred for purchase of Single phase transformers.

II Technology absorption, adaptation and innovation

1. Efforts, in brief, made towards technology absorption, adaptation and innovation:

- Deployment of AMR System with restructured MD reset dates to all HT consumers.
- WEB based Consumer Monitoring Program has been introduced to ascertain pockets of Commercial losses.
- WEB based computerized complain management facility.
- Installation of 7 Nos. of Any Time Payment machine for bill collection work and revenue collection under e-Gram Yojana in 3285 villages in rural areas of the Company is completed.

2. Benefits derived as a result of the above efforts:

- Reduction in T&D losses by virtue of ascertaining corrective measures of metering, improvement in billing process and load survey with on-line monitoring and immediate access to data.
- Reduction in T&D losses by virtue of ascertaining corrective steps by Vigilance activity.
- One point location for all consumer related problems.
- Increase consumer's facility for payment of bills and hence reduction in consumer arrears.

3. In case of imported technology (imported during the last five years reckoned from the beginning of the financial year) following information is furnished: Not Applicable

For and on behalf of the Board

Varun Nath Maira, IAS
Chairman

Date : 13th December, 2011
Place: Ahmedabad



C&AG's Letter No. CAD/A/cs/UGVCL/2010-11/179 dated 02-Dec-2011

COMMENTS OF COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 619(4) OF THE COMPANIES ACT, 1956 ON THE ACCOUNTS OF UTTAR GUJARAT VIJ COMPANY LIMITED FOR THE YEAR ENDED 31ST MARCH 2011.

The preparation of financial statement of Uttar Gujarat Vij Company Limited for the year ended 31 March 2011 in accordance with the financial reporting framework prescribed under the Companies Act, 1956 is the responsibility of the management of the Company. The Statuary Auditor appointed by the Comptroller and Auditor General of India under Section 619(2) of the Companies Act, 1956 is responsible for expressing opinion on these financial statements under section 227 of the Companies Act, 1956 based on independent audit in accordance with auditing and assurance standards prescribed by their professional body the Institute of Chartered Accountants of India. This is stated to have been done by them vide their Audit Report dated 30th September 2011.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under section 619(3) (b) of the Companies Act, 1956 of the financial statements of Uttar Gujarat Vij Company Limited for the year ended 31 March 2011. This supplementary audit has been carried out independently without access to the working papers of the Statuary Auditors and is limited primarily to inquire of the statuary auditors and company personnel and selective examination of some of the accounting records. On the basis of my audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to Statuary Auditor's report under section 619(4) of the Companies Act, 1956.

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

Sd/-

(Dr. Prasenjit Mukherjee)
Principal Accountant General

Date : 2nd December, 2011

Place: Ahmedabad



P. SINGHVI & ASSOCIATES
Chartered Accountants

210 University Plaza,
Vijay Char Rasta,
Navrangpura, Ahmedabad- 380 009.
Telefax : (O) 27913884, (R) 26859513,
Mob.: 94-261-79643

AUDITOR'S REPORT TO THE MEMBERS

TO THE MEMBERS OF UTTAR GUJARAT VIJ COMPANY LTD.
MEHSANA

1. We have audited the attached Balance Sheet of **UTTAR GUJARAT VIJ COMPANY LIMITED, MEHSANA** as at 31st March, 2011; Profit & Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We have conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis evidence supporting, the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. The Company is governed by the Electricity Act, 2003 read with the Rules and Regulations issued thereunder. Section 616(C) of the Companies Act, 1956 provides that special Acts like Electricity Act shall apply to the extent the provisions of the Companies Act are inconsistent with the provisions of those Acts. Accordingly, the financial statements of the Company for the year 2010-11 are compiled and reported.
4. As required by the Companies (Auditors' Report) Order, 2003 (as amended by Companies (Auditor's Report) (Amdt.) Order, 2004) issued by the Central Government in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraph 4 and 5 of the said order.
5. Further to our comments in the Annexure referred at Paragraph 4 above, we report that:
 - a. We have 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, the Company has kept proper books of accounts as required by law so far as appears from our examination of those books.
 - c. The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account of the Company.
 - d. In our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow Statement comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.



- e. The Company, being a Government Company under Section 617 of the Companies Act, 1956, in view of the Notification No. GSR 829(E) dated 21st October, 2003 issued by the Central Government; the provisions contained in Clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956 are not applicable to a Government Company.

In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:-

- a. in the case of Balance Sheet, of the state of the affairs of the Company as at 31st March, 2011;
b. in the case of the Profit & Loss Account, of the profit for the year ended on that date; and
c. in the case of Cash Flow Statement, of the cash flow for the year ended on that date.

**FOR P.SINGHVI & ASSOCIATES
CHARTERED ACCOUNTANTS
F. R. NO. 113602W**

**Place : Ahmedabad
Date : 30th September, 2011**

**(NIPUN SINGHVI)
PARTNER
M. No. 136393**



ANNEXURE TO THE AUDITOR'S REPORT

(Referred to in our paragraph 4 of our report of even date on the accounts of UTTAR GUJARAT VIJ COMPANY LIMITED, MEHSANA as at 31st March, 2011)

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
(b) All the assets have not been physically verified by the Management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
(c) No substantial part of its fixed assets has been disposed of during the year and going concern status of the Company is not affected.
2. (a) The inventory has been physically verified by the Management once during the year.
(b) In our opinion and according to the information and explanations given to us, the procedure of physical verification of inventory followed by the Management is reasonable and adequate in relation to the size of the Company and the nature of its business.
(c) In our opinion and on the basis of examination of records relating to inventory, the Company is maintaining proper records of inventory.
3. (a) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 301 of the Companies Act, 1956. Accordingly, the Clauses (iii)(b), (iii)(c) and (iii)(d) of the Report are not applicable.
(b) According to the information and explanations given to us, the Company has not taken any loan, secured or unsecured, from companies, firms, or other parties listed in the register maintained under Section 301 of the Companies Act, 1956, Accordingly, the Clauses (iii)(e), (iii)(f) and (iii)(g) of the Report are not applicable.
4. In our opinion and according to information and explanations given to us; there is adequate internal control system commensurate with the size of the Company and the nature of its business, with regard to purchase of inventory and fixed assets, and with regard to the sale of goods and services. During the course of our audit, we have not observed any major weakness in the internal controls.
5. (a) According to information and explanations provided by the management, there are no contracts or arrangements which need to be entered in the Register maintained under Section 301 of the Companies Act, 1956.
(b) In view of above, the Clauses (v)(a) and (v)(b) of the Report are not applicable.
6. According to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 58A, 58AA or other relevant provisions of the Act.
7. The internal audit of Company is entrusted to the firm of Chartered Accountants. The system is commensurate with size and nature of business of the Company.
8. The Central Government has prescribed the maintenance of cost records under the clause (d) of sub-section (1) of Section 209 of the Companies Act, 1956 and the Company has complied with the same.



9. (a) According to the information and explanations given to us, the Company is generally regular in depositing undisputed statutory dues including provident Fund, Investor Education and protection Fund, Employees' State Insurance, income-tax, Sales-tax, wealth tax, service tax, custom duty, excise duty, cess and any other statutory dues with the appropriate authorities.
(b) According to the information and explanations given to us and based on the records of the Company, there are no disputed amounts payable in respect of income-tax, Sales-tax, wealth tax, service tax, custom duty, excise duty, cess as at 31st March, 2011.
10. The Company does not have any accumulated losses as at 31st March, 2011. The Company has not incurred any cash losses during the financial year covered by our audit and in the immediately preceding financial year.
11. According to the information and explanations given to us, the major repayment of dues to financial institutions, banks or bond holders are made by Gujarat Urja Vikas Nigam Limited (GUNVL) on behalf of the Company. The Company has not defaulted in repayment of dues to a financial institution or bank or bond holders.
12. As per information and explanations given to us, the Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other securities.
13. According to the information and explanations given to us, the Company is not a chit fund or a nidhi /mutual benefit fund / society. Therefore, clause (xiii) is not applicable to the Company.
14. According to the information and explanations given to us, the Company is not dealing in or trading in shares, securities, debenture and other investments. Accordingly, the clause (xiv) is not applicable to the Company.
15. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks and financial institutions during the year.
16. The term loans were applied for the purpose for which they were raised.
17. On the basis of an overall examination of the balance sheet of the Company, in our opinion and according to the information and explanations given to us, we report that Company has not utilized any funds raised on short term basis for long term investments.
18. The Company has not made any preferential allotment to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956. Accordingly, the clause (xviii) is not applicable to the Company.
19. The Company has not issued any debentures during the year under audit. Accordingly, the clause (xix) is not applicable to the Company.
20. The Company has not raised any money by public issues during the year under audit. Accordingly, the clause (xx) is not applicable to the Company.
21. According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year under audit.

**FOR P.SINGHVI & ASSOCIATES
CHARTERED ACCOUNTANTS
F. R. NO. 113602W**

**Place : Ahmedabad
Date :30th September, 2011**

**(NIPUN SINGHVI)
PARTNER
M. No. 136393**



BALANCE SHEET AS AT MARCH 31, 2011

Particulars	Schedule Number	[₹ in Lacs]	
		AS AT 31 st MARCH 2011	AS AT 31 st MARCH 2010
SOURCES OF FUNDS			
SHAREHOLDERS FUND			
Share Capital	1	23714.87	20714.87
Share Application Money	2	0.00	3000.00
Reserves & Surplus	3	37655.46	36388.57
Deffered Government Grants,Subsidies & Contributions	3(a)	52062.20	44562.73
LOAN FUNDS			
Secured Loans	4	13634.70	30662.54
Unsecured Loans	5	30089.43	40526.08
Deffered Tax Liability		0.00	0.00
TOTAL		157156.66	175854.79
APPLICATION OF FUNDS			
FIXED ASSETS			
Gross Block	6	270802.25	248216.19
Less : Accumulated Depreciation.		76812.31	64635.86
Net Block (a)		193989.94	183580.33
Add : Assets not in Use	7	42.62	28.85
Capital Works in progress	8	1267.29	1467.23
(b)		1309.91	1496.08
NET FIXED ASSETS (a)+(b)		195299.85	185076.41
INVESTMENTS			
CURRENT ASSETS, LOANS & ADVANCES			
Inventories, Stores & Spares	9	18617.05	19609.98
Sundry Debtors	10	57102.81	53235.94
Cash & bank balances	11	7274.57	6501.67
Loans & Advances	12	4657.14	2227.50
Other current assets.	13	1128.06	14873.26
TOTAL CURRENT ASSETS		88779.63	96448.35
Less:			
Current Liabilities	14	118869.89	98370.38
Provisions	14	10149.24	9239.95
TOTAL		129019.13	107610.33
NET CURRENT ASSETS		-40239.50	-11161.98
Miscellaneous Expenditure	15	2096.31	1940.36
(To the extent not written off or adjusted)	TOTAL	157156.66	175854.79
Significant Accounting Policies	30		
Notes Forming Parts of Accounts	31		

AS PER OUR REPORT OF EVEN DATE ATTACHED
FOR P. SINGHVI & ASSOCIATES
CHARTERED ACCOUNTANTS
F.R.No. 113602W

(NIPUN SINGHVI)
PARTNER
M. NO. 136393

PLACE: AHMEDABAD
DATE: 30TH SEPTEMBER, 2011

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
UTTAR GUJARAT VIJ COMPANY LIMITED

Dr. G. P. MOHAPATRA, IAS
Chairman

R.B.KOTHARI, AICWA
General Manager (Finance)

PLACE: AHMEDABAD
DATE: 30TH SEPTEMBER, 2011

N. SRIVASTAVA, IFS
Managing Director

N. M. JOSHI, FCS
Company Secretary



UTTAR GUJARAT VIJ COMPANY LIMITED

8th
Annual Report
2010-11

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH , 2011

Particulars	Schedule Number	[₹ in Lacs]	
		Year ended 31 st MARCH 2011	Year ended 31 st MARCH 2010
INCOME			
Sale of Power	16	484680.12	387958.69
Revenue Subsidies	17	58422.37	57867.60
Other Income	18	9180.94	9224.57
TOTAL		552283.43	455050.86
EXPENDITURE			
Purchase of Power	19	494784.62	398728.39
Repairs and Maintenance Expenses.	20	4479.90	5127.88
Employees Costs	21	27980.36	27114.85
Administrative and General Expenses	22	3988.93	3712.15
Depreciation	23	12228.86	11256.48
Interest and Finance Charges	24	10139.64	11879.69
Bad debts and Other debits	25	1327.01	844.08
Sub-Total		554929.32	458663.52
Less: Other Expenses Capitalised	26	4616.44	4333.32
Extra-Ordinary items	27	31.06	80.67
Net Prior Period (Credit) / Charges	28	233.95	(53.58)
Total		550577.89	454357.29
PROFIT /(LOSS) BEFORE TAX		1705.54	693.57
Provision for Taxes	29		
Income Tax		437.91	127.87
Wealth Tax		0.74	0.62
Total		438.65	128.49
PROFIT /(LOSS) AFTER TAX		1266.89	565.08
Profit /Loss for the current year		1266.89	565.08
Balance brought forward from previous year		3119.63	2554.55
Balance carried to the Balance Sheet		4386.52	3119.63
Earning Per Share (Basic) ₹		0.55	0.27
Earning Per Share (Diluted) ₹		0.55	0.24
Significant Accounting Policies	30		
Notes on Accounts	31		

AS PER OUR REPORT OF EVEN DATE ATTACHED
FOR P. SINGHVI & ASSOCIATES
CHARTERED ACCOUNTANTS
F.R.No. 113602W

(NIPUN SINGHVI)
PARTNER
M. NO. 136393

PLACE: AHMEDABAD
DATE: 30TH SEPTEMBER, 2011

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
UTTAR GUJARAT VIJ COMPANY LIMITED

Dr. G. P. MOHAPATRA, IAS
Chairman

R.B.KOTHARI, AICWA
General Manager (Finance)

PLACE: AHMEDABAD
DATE: 30TH SEPTEMBER, 2011

N. SRIVASTAVA, IFS
Managing Director

N. M. JOSHI, FCS
Company Secretary



CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2011

Particulars	[₹ in Lacs]	
	Year ended 31 st MARCH 2011	Year ended 31 st MARCH 2010
Cash Flow from Operating Activities		
Net Profit Before Tax , Prior Period Adjustments and Extra Ordinary Items	1970.55	827.82
Adjustments For: Add / (Less) :-		
Depreciation	12176.45	11256.48
Interest & Financial Charges	10139.64	11879.69
Prior Period Adjustment	(233.95)	(53.58)
Gain On Sale Of Fixed assets	(59.58)	0.00
Loss on Sales of Fixed assets	0.70	0.00
Interest Income from Fixed deposit	(135.74)	0.00
Operating Profit Before Working Capital Changes	23858.07	23910.41
Adjustments for Changes in Working Capital :		
(Increase)/Decrease in Miscellaneous Exp	(155.95)	0.00
(Increase)/Decrease in Current Assets	11166.14	19799.60
Increase/(Decrease) in Current Liabilities & Provisions	20970.16	7320.42
CASH GENERATED FROM OPERATIONS	55838.42	51030.43
Less : Direct Taxes Paid	2724.52	10.20
Extra-Ordinary items	31.06	80.67
A. NET CASH FROM OPERATING ACTIVITIES	53082.84	50939.56
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(24421.72)	(22821.20)
(Increase)/Decrease Capital Work in Progress	199.94	(494.98)
Gain On Sale Of Fixed assets	59.58	0.00
Loss on Sales of Fixed assets	(0.70)	0.00
Sales /Adjustments on Fixed Assets	1821.89	1102.26
Interest Income from fixed deposit	135.74	0.00
B. NET CASH USED IN INVESTING ACTIVITIES	(22205.27)	(22213.92)
CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of Borrowings:		
Secured Loan	(19177.96)	(13159.10)
Unsecured Loan	(13591.27)	(8521.06)
Proceeds from Government Grants, Subsidies and Contribution	7499.47	7631.93
Proceeds from Borrowings:		
Unsecured short term Loans from GSFS	1720.10	0.00
Secured Loan from banks	2150.12	0.00
Unsecured Loan from Power Finance Corporation	1383.60	0.00
Unsecured Loan from Rural Electrification Corporation	50.92	0.00
Interest & Financing Charges Paid	(10139.64)	(11879.69)



CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2011

Sr. No.	Particulars	[₹ in Lacs]	
		Year ended 31 st MARCH 2011	Year ended 31 st MARCH 2010
C.	NET CASH USED IN FINANCING ACTIVITIES	(30104.66)	(25927.92)
	(A+B+C)	772.91	2797.72
	CASH AND CASH EQUIVALENT AS AT 1-4-10 (OP.BAL)	6501.67	3703.95
	CASH AND CASH EQUIVALENT AS AT 31-3-11 (CL.BAL)	7274.57	6501.67

- Note :** (i) The above Cash Flow Statement has been prepared under the indirect method as set out in the AS-3 issued by ICAI
(ii) Components of Cash Flow & Cash Equivalents as on 01-04-2010 & 31-03-2011 are as per Schedule-11 to the Balance Sheet.
(iii) Interest paid is exclusive of and purchase of Fixed Assets is inclusive of interest capitalised ₹ 188.14 lacs (Previous Year ₹ 106.78)

AS PER OUR REPORT OF EVEN DATE ATTACHED
FOR P. SINGHVI & ASSOCIATES
CHARTERED ACCOUNTANTS
F.R.No. 113602W

(NIPUN SINGHVI)
PARTNER
M. NO. 136393

PLACE: AHMEDABAD
DATE: 30TH SEPTEMBER, 2011

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
UTTAR GUJARAT VIJ COMPANY LIMITED

Dr. G. P. MOHAPATRA, IAS
Chairman

R.B.KOTHARI, AICWA
General Manager (Finance)

N. SRIVASTAVA, IFS
Managing Director

N. M. JOSHI, FCS
Company Secretary

PLACE: AHMEDABAD
DATE: 30TH SEPTEMBER, 2011

Particulars	As at 31 st MARCH 2011	As at 31 st MARCH 2010
Fixed Assets	1,23,45,67	1,23,45,67
Current Assets	1,23,45,67	1,23,45,67
LIABILITIES	1,23,45,67	1,23,45,67
TOTAL	1,23,45,67	1,23,45,67

Particulars	As at 31 st MARCH 2011	As at 31 st MARCH 2010
Deferred Government Grants & Contributions	1,23,45,67	1,23,45,67
Subsidies received from Government	1,23,45,67	1,23,45,67
Grants for Capital Assets	1,23,45,67	1,23,45,67
Grants for Current Assets	1,23,45,67	1,23,45,67
Grants for Research & Development	1,23,45,67	1,23,45,67
Grants for other purposes	1,23,45,67	1,23,45,67
TOTAL	1,23,45,67	1,23,45,67



SCHEDULES TO BALANCE SHEET AS AT 31ST MARCH, 2011

SCHEDULE: 1 SHARE CAPITAL

Particulars	[₹ in Lacs]	
	As at 31 st MARCH 2011	As at 31 st MARCH 2010
Authorised Share Capital 60,00,00,000 Equity Shares each of ₹ 10 each	60000.00	60000.00
Issued, Subscribed and Paid-up Capital 23,71,48,722 Equity Shares of ₹ 10 each fully paid-up (Previous year 20,71,48,722 Equity Shares) are held by the holding company Gujarat Urja Vikas Nigam Ltd. and its nominees	23714.87	20714.87
TOTAL	23714.87	20714.87

SCHEDULE: 2 SHARE APPLICATION MONEY

Particulars	[₹ in Lacs]	
	As at 31 st MARCH 2011	As at 31 st MARCH 2010
Share Application Money Account	0.00	3000.00
TOTAL	0.00	3000.00

SCHEDULE: 3 RESERVES & SURPLUS

Particulars	[₹ in Lacs]	
	As at 31 st MARCH 2011	As at 31 st MARCH 2010
Reserves : Equity Share Premium Account	33268.94	33268.94
Surplus : Surplus as per Profit & Loss Account	4386.52	3119.63
TOTAL	37655.46	36388.57

SCHEDULE: 3 (a) DEFERRED GOVERNMENT GRANTS, SUBSIDIES & CONTRIBUTIONS

Particulars	[₹ in Lacs]	
	As at 31 st MARCH 2011	As at 31 st MARCH 2010
Deferred Government Grants, Subsidies & Contribution.		
Subsidies towards Cost of Capital Assets	15689.27	13516.07
Grants for Capital Assets	2147.56	2386.17
Consumer Contr. towards Capital Assets	29559.41	24070.88
Capital Grants under FRP	3209.44	3566.05
Energy Conservation grant for Energy Efficient Pump Sets	1456.52	1023.56
TOTAL	52062.20	44562.73

Refer Note No. : 2 of Schedule 30



SCHEDULES TO BALANCE SHEET AS AT 31ST MARCH , 2011

SCHEDULE: 4 SECURED LOANS

Particulars	[₹ in Lacs]	
	As at 31 st MARCH 2011	As at 31 st MARCH 2010
Cash Credit from Banks	0.00	2048.34
Loan from Banks (Due within one year ₹332.00 Lakhs, Previous year ₹ 332.00 lakhs)	580.30	911.90
Loan from Banks (Due within one year ₹ 6897.00 Lakhs, Previous year ₹8525.00 lakhs)	8094.14	15721.84
REC Short Term Loan (Due within one year Rs Nil Lakhs, Previous year ₹35.00 lakhs)	0.00	154.90
Bills Discounting under DPG - UBI (Due within one year ₹ 783.24 Lakhs, Previous year ₹1004.19 lakhs)	1787.44	2570.68
Bills Discounting under DPG - SIDBI (Due within one year ₹ 121.40 Lakhs, Previous year ₹ 80.10 lakhs)	305.66	427.06
Bills Discounting under DPG - GUVNL (Due within one year ₹ Nil Lakhs, Previous year ₹ 1341.00 lakhs)	0.00	1340.75
Loans from REC (Due within one year ₹ 607.56 Lakhs, Previous year ₹ 751.00 lakhs)	2867.16	3618.47
Loans from REC UGVCL (Due within one year ₹ Nil Lakhs, Previous year ₹ 297.00 lakhs)	0.00	2879.50
Loan under RAPDRP (Due within one year ₹ Nil Lakhs, Previous year ₹ Nil lakhs)	0.00	989.10
TOTAL	13634.70	30662.54

- Loans from REC are secured against hypothecation charge on the assets of Amreli TR Circle of GETCO.
- Loans from REC is secured against the 1st hypothecation charge on the assets of Idar & Talod O&M Divisions of UGVCL and Himatnagar Circle/Division/RSO, Modasa Division & Mehsana Circle/Division/RSO & Kalol Division.
- Loans from Indian Overseas Bank is secured against the 1st hypothecation charge on the assets of Dhrangadhra & Surendranagar O&M Divisions of PGVCL.
- Loans from Oriental Bank of Commerce is secured against the 1st hypothecation charge on the assets of Baroda City Circle & Jambuva O&M Divisions of MGVC.
- Loans from State Bank of India (Saurashtra) is secured against the 1st hypothecation charge on Plant & Machinery of Dhrangadhra O&M Divisions of PGVCL.
- Loans from Central Bank of India is secured against the 1st hypothecation charge on the assets of Rajkot (Rural) Division and Rajkot RSO of PGVCL.
- Loans from State Bank of India is secured against the 1st hypothecation charge on the assets of Valsad and Surat O&M Circles. Ankleshwar (Ind) & O&M Division, Bharuch (City) and (O&M) Divisions and Rajpipala (O&M) Division of DGVCL.
- Loans from Bank of India is secured against the 1st hypothecation charge on the assets of Gondal, Jetpur, Rajkot, Jamnagar, Dhoraji and Ranasan TR Divn. of GETCO.



9. Loans from Bank of Baroda is secured against the 1st hypothecation charge on the assets of Rajkot, Amreli, Bhuj O&M Circles and Jamnagar (Rural) Divn. Of PGVCL.
10. Bills Dis. limits availed from ICICI Bank, SIDBI, HDFC, State Bank of India, Allahabad Bank, Bank of Baroda and Union Bank of India are secured under the Deferred payment guarantees issued by the consortium member Banks.
11. Loans from Dena Bank is secured against the 1st hypothecation charge on the assets of Amreli, Dhasa & Vernej TR Division of GETCO.
12. Loans from Indian Overseas Bank is secured against the 1st hypothecation charge on the assets of Vijapur, Mehsana & Chhatral TR Division of GETCO.
13. Loans from Union Bank of India is secured against the 1st hypothecation charge on the assets of Soja, Dhansura & Chhatral TR Division of GETCO.
14. Loans from Bank of Baroda is secured against the 1st hypothecation charge on the assets of Bhavnagar, Junagadh Rural, Botad, Mahuva, Bhavnagar City, Keshod (No., 1), Keshod REC & S'Nagar O&M Division of PGVCL.
15. Loans from Allahabad Bank is secured against the 1st hypothecation charge on the assets of Sabarmati, Gandhinagar & Bavla O&M Division of UGVCL.
16. Cash credit limit is secured against the 1st hypothecation charge in favour of State Bank of India Consortium on the Stocks and Book Debts of all the Companies ranking pari-passu.
17. Loans from Bank of Baroda is secured against the 1st hypothecation charge on the assets of Amreli, Bhuj, Jamnagar Rural Divn. Mahuva O&M Division, Keshod REC Divn & S'Nagar O&M Division of PGVCL.
18. Loans from PFC is secured against the 1st hypothecation charge on the assets of Mehsana circle feeders viz. Kanedia, Ambika & Patol and Himatnagar Circle feeder viz. Mahavirnagar, Manpura, Bavdi, Sabar Dairy, Ashram, Pallachar, Derol, sadani Mavadi, Dantroli.



SCHEDULES TO BALANCE SHEET AS AT 31ST MARCH , 2011

SCHEDULE: 5 **UNSECURED LOANS**

Particulars	[₹ in Lacs]	
	As at 31 st MARCH 2011	As at 31 st MARCH 2010
<u>Borrowings for Working Capital</u>		
Loan from Banks(STL) (Due within one year ₹ 387.00 Lakhs, Previous year ₹ 1862.00 lakhs)	451.52	3327.63
Loan from GSFS (STL) (Due within one year ₹ 1510.00 Lakhs, Previous year ₹ 9605.00 lakhs)	2455.92	10341.32
Payment Due on Capital	41.99	44.89
Public Bonds		
Series-VI option-I ,II & III (Due within one year ₹944.00 lakhs.Previous year ₹944.00 Lacs)	4767.01	5711.11
Series-VII option-I ,II & III (Due within one year ₹ 13.00 Lacs, P.Y. ₹ NIL)	634.35	634.35
Series-VIII (Due within one year ₹ Nil)	5676.72	5676.72
Series-IX (Due within one year ₹ Nil)	1109.19	1109.19
Series-X (Due within one year ₹ Nil)	3327.57	3327.57
S.L.R. Bonds (Due within one year ₹ Nil)	625.81	625.81
S.L.R. Bonds (Due within one year ₹ Nil lakhs.Previous year ₹569.00 Lacs)	0.00	568.90
Loan from Power Finance Corporation (Due within one year ₹ Nil Lakhs, Previous year ₹ Nil lakhs)	2372.70	0.00
Loan from Rural Electrification Corporation (Due within one year ₹ 35.00 Lakhs, Previous year ₹ 35.00 lakhs)	82.94	117.56
Loan from R E C (RGGVY) (Due within one year ₹ Nil Lakhs, Previous year ₹ Nil lakhs)	614.20	563.28
Financial Participation by consumers	5.73	8.43
Sub Total	22165.65	32056.76
<u>State Government Loans(Allocated by G.U.V.N.L)</u>		
Loan under APDP (Due within one year ₹ 253.00 Lakhs, Previous year ₹ 202.00 lakhs)	2635.26	2856.27
ADB Prog. & Proj. Loan (Due within one year ₹ 340.00 Lakhs, Previous year ₹ 340.00 lakhs)	5288.52	5613.05
Sub Total	7923.78	8469.32
TOTAL	30089.43	40526.08

Note:Refer Note No:1 of schedule 31

SCHEDULES TO BALANCE SHEET AS AT 31ST MARCH, 2011

SCHEDULE-6 FIXED ASSETS

[₹ in Lacs]

Particulars	Gross Block				Depreciation				Net Block	
	AS at 01/04/2010	Addition during the year	Deduction/ Adjustment	AS at 31/03/2011	AS at 01/04/2010	During the year	Deduction/ Adjustment	AS at 31/03/2011	AS at 31/03/2011	AS at 31/03/2010
Land & Land rights	1041.23	71.74	0.00	1112.97	0.00	0.00	0.00	0.00	1112.97	1041.23
Buildings	1506.89	858.90	126.42	2239.37	136.23	31.12	0.16	167.19	2072.18	1370.66
Hydraulic works	59.66	0.00	0.00	59.66	25.92	2.83	0.00	28.75	30.91	33.74
Other Civil works	322.22	63.65	6.69	379.18	19.69	5.51	0.00	25.20	353.98	302.53
Plant & Machinery	66121.04	4926.69	300.76	70746.97	17322.54	3226.12	25.70	20522.96	50224.01	48798.50
Lines & Cable Net Works	177076.04	17506.58	761.54	193821.08	48086.71	8667.35	40.18	54713.88	139107.20	130989.33
Vehicles	259.41	57.13	18.45	298.09	170.50	26.99	2.93	194.56	103.53	88.91
Furniture & Fixtures & Electrical Lightings	388.18	123.42	18.67	492.93	115.01	34.59	-25.94	175.54	317.39	273.17
Office Equipments	1441.52	252.59	42.11	1652.00	759.26	234.35	9.38	984.23	667.77	682.26
Total	248216.19	23860.70	1274.64	270802.25	64635.86	12228.86	52.41	76812.31	193989.94	183580.33
Total of Previous year	226736.17	22582.28	1102.26	248216.19	53613.98	11256.48	234.60	64635.86	183580.33	173122.19


SCHEDULES TO BALANCE SHEET AS AT 31ST MARCH , 2011
**SCHEDULE: 7
ASSETS NOT IN USE**

Particulars	[₹ in Lacs]	
	As at 31 st MARCH 2011	As at 31 st MARCH 2010
Plant & Machinery	31.57	19.81
Lines & Cable Net Works	8.26	6.37
Vehicles	2.15	2.18
Furniture & Fixtures	0.06	0.16
Office Equipments	0.58	0.33
TOTAL	42.62	28.85

**SCHEDULE: 8
CAPITAL WORKS IN PROGRESS**

Particulars	[₹ in Lacs]	
	As at 31 st MARCH 2011	As at 31 st MARCH 2010
Capital Works-in-progress.	955.68	1192.46
Provision for work in progress	311.61	274.77
TOTAL	1267.29	1467.23

**SCHEDULE: 9
INVENTORIES, STORES & SPARES**

Particulars	[₹ in Lacs]	
	As at 31 st MARCH 2011	As at 31 st MARCH 2010
Stock of materials at Stores.	7570.64	9071.78
Materials at Site (O&M).	1414.59	1702.13
Materials in Transit.	146.61	234.28
Other Materials Accounts.	9219.02	8359.90
Mat.Stock Excess / Shortage Pending Investigation	266.19	241.89
TOTAL	18617.05	19609.98



SCHEDULES TO BALANCE SHEET AS AT 31ST MARCH , 2011

SCHEDULE: 10 SUNDRY DEBTORS

Particulars	[₹ in Lacs]	
	As at 31 st MARCH 2011	As at 31 st MARCH 2010
Sundry Debtors for Sale of Power	20392.38	19244.36
Provision for Unbilled Revenue.	36859.24	33281.93
Dues from PDC (Net of SD forfeited).	7433.04	7812.95
Sundry Debtors for Misc.Receipts from Cons.	1545.95	1620.17
Sub-Total	66230.61	61959.41
Less : Unposted Receipts.	1.62	2.46
Sub-Total	66228.99	61956.95
Less : Prov. for Doubtful Dues from Consumers.	7433.04	7042.59
Sub-Total	58795.95	54914.36
Less : Deferred ED & TSE from Consumers.	1693.14	1678.42
TOTAL	57102.81	53235.94
Out of the above -		
- Outstanding for a period exceeding six months.	17801.44	20065.10
- Others	48427.55	41891.85
TOTAL	66228.99	61956.95

NOTE:- Debtors are secured and considered good to the extent of security deposit received from the respective consumers.

SCHEDULE: 11 CASH AND BANK BALANCES

Particulars	[₹ in Lacs]	
	As at 31 st MARCH 2011	As at 31 st MARCH 2010
Cash on hand.	457.78	383.76
Postage Stamps & Agreement Stamps on hand	10.58	8.87
Balance with scheduled Banks in current accounts	2806.15	3152.57
Balance with others	0.00	0.00
Remittance in Transit.	17.16	27.47
Fixed deposits with Banks	3982.90	2929.00
TOTAL	7274.57	6501.67



SCHEDULES TO BALANCE SHEET AS AT 31ST MARCH , 2011

SCHEDULE: 12 **LOANS AND ADVANCES**

Particulars	[₹ in Lacs]	
	As at 31 st MARCH 2011	As at 31 st MARCH 2010
Unsecured, considered good.		
Advances to Suppliers / Contractors (Capital).	655.86	401.33
Advances for O&M Supplies / Works.	262.51	504.37
Loans & Advances to staff -Interest Bearing.	578.68	585.36
Loans & Advances to staff -Interest free.	135.38	141.47
Advance Income Tax / Tax deducted at source.	2872.16	348.72
Advance Fringe Benefit Tax	151.18	235.77
Loans & Advances - Others.	1.37	10.48
TOTAL	4657.14	2227.50

SCHEDULE: 13 **OTHER CURRENT ASSETS**

Particulars	[₹ in Lacs]	
	As at 31 st MARCH 2011	As at 31 st MARCH 2010
Income accrued but not due.	603.06	637.51
Amt. recoverable from emp./ ex-employees.	6.83	9.70
Interest Accrued & Due on Staff Loans & Advances	137.24	123.16
Receivables from Government - Primary School	0.00	9.26
Other Misc. Receivable from Govt Dept., Local Bodies	380.93	509.67
Deposits.		
Other receivables from Associate Companies.		
- Gujarat State Electricity Company Limited	0.00	0.00
- Madhya Gujarat Vij Company Limited	0.00	0.00
- Paschim Gujarat Vij Company Limited	0.00	0.00
- Dakshin Gujarat Vij Company Limited	0.00	0.00
- Gujarat Energy Transmission Company Limited	0.00	0.00
- Gujarat Urja Vikas Nigam Limited	0.00	13518.84
- Gujarat Energy Training & Research Institute	0.00	65.12
TOTAL	1128.06	14873.26



SCHEDULES TO BALANCE SHEET AS AT 31ST MARCH , 2011

SCHEDULE: 14

CURRENT LIABILITIES AND PROVISIONS

Particulars	[₹ in Lacs]	
	As at 31 st MARCH 2011	As at 31 st MARCH 2010
CURRENT LIABILITIES		
Liability for Purchases of Power	316.82	0.00
Liability for Capital Supplies / Works.	0.00	59.76
Liability for O & M Supplies / Works.	1520.83	3972.00
Staff related Liabilities.	40.63	66.93
Welfare Schemes	1946.48	1905.31
Deposits & Retentions from Supp. & Contractors.	2567.36	2073.99
Electricity Duty & Insp. Testing Fees Payable to Govt.	0.22	0.02
Compounding offence	37.47	49.50
Outstanding liability for expenses	4174.68	7689.27
Interest Accured but not due	2126.09	1674.68
Other Liabilities and Provisions.	15905.55	12847.85
Security Deposit from Consumers in Cash	65304.01	59685.85
Interest payable on Security Deposit from Consumers	3168.12	2741.16
Deposits for Electrification & Service Conn. etc.	6425.12	5604.06
- Gujarat Urja Vikas Nigam Limited	15302.85	0.00
- Gujarat Energy Training & Research Institute	33.66	0.00
Sub Total	118869.89	98370.38
PROVISIONS		
Provision for Leave encashment	9067.79	8326.75
Provision for Losses pending investigation	266.19	241.89
Provision for Income Tax	0.00	2.11
Provision for Minimum Alternate Tax (MAT)	663.56	443.31
Provision for Fringe Benefit Tax	148.59	222.99
Provision for Wealth Tax	3.11	2.90
Sub- Total	10149.24	9239.95
TOTAL	129019.13	107610.33

SCHEDULE: 15

MISCELLANEOUS EXPENDITURE (TO THE EXTENT NOT WRITTEN OFF OR ADJUSTED)

Particulars	[₹ in Lacs]	
	As at 31 st MARCH 2011	As at 31 st MARCH 2010
Deferred revenue Expenses as per last balance sheet	1940.36	74.70
Addition during the year	807.14	2355.42
Sub Total	2747.50	2430.12
Less: Adjusted during the year	651.19	489.76
Closing Balance	2096.31	1940.36

Note: Refer Note No:7 of schedule 31



SCHEDULES TO PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 ST MARCH , 2011

SCHEDULE: 16 **SALE OF POWER**

Particulars	[₹ in Lacs]	
	Year ended 31 st MARCH 2011	Year ended 31 st MARCH 2010
Revenue from Sale of Power		
Domestic or Residential	44988.24	39000.58
Commercial	25447.96	22471.40
Industrial low & medium voltage	40163.49	36890.93
Industrial high voltage	166397.65	149880.56
Public lighting	1533.11	1540.93
Traction railways	794.41	741.30
Irrigation agricultural	118615.30	114642.59
Public water works and sew.pumps	15728.91	15522.72
Sale of Power to GUVNL	41061.97	0.00
UI Charges receivable	21967.74	0.00
Sub-Total	476698.79	380691.01
Electricity Duty & Tax on Sale of Electricity		
Ele. Duty - assessed	36895.32	31886.15
Sub-Total	36895.32	31886.15
Miscellaneous Revenue from Consumers...		
Meter Rent / Service Line Rental	3628.44	3376.70
Recoveries for Theft of Power / Malpractices Non-Consumers	930.44	843.49
Wheeling charges Recoveries	2.53	7.49
Misc. charges from consumers	3419.92	3040.00
Sub-Total	7981.33	7267.68
Gross revenue from sale of power	521575.44	419844.84
Less:Ele. Duty assessed (contra)	36895.32	31886.15
TOTAL	484680.12	387958.69

SCHEDULE: 17 **SUBSIDIES AND GRANTS**

Particulars	[₹ in Lacs]	
	As at 31 st MARCH 2011	As at 31 st MARCH 2010
Agricultural Subsidy.	58422.37	57867.60
TOTAL	58422.37	57867.60



SCHEDULES TO PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 ST MARCH , 2011

SCHEDULE: 18 OTHER INCOME

Particulars	[₹ in Lacs]	
	Year ended 31 st MARCH 2011	Year ended 31 st MARCH 2010
Interest on Staff Loans and Advances.	69.50	73.46
Interest Income from Others Loans/Advance	135.74	48.88
Interest from Consumers	2.55	0.11
Delayed Payment Charges from Consumers	1907.07	1926.63
Income from sale of scrap	356.29	248.18
Gain on sale of Fixed Assets	59.58	69.20
Income from Staff Welfare Activities.	0.00	0.02
Provision no longer required	84.36	1418.89
Miscellaneous Receipts.	1001.86	697.65
Govt. Grants/Cons. contribution (Deferred amount 10% W.Back)	5563.99	4738.29
Grants for Energy conservation	0.00	3.26
TOTAL	9180.94	9224.57

SCHEDULE: 19 PURCHASES OF POWER

Particulars	[₹ in Lacs]	
	Year ended 31 st MARCH 2011	Year ended 31 st MARCH 2010
Power Purchases from GUVNL	490575.05	397330.57
Power Purchases from wind Farms	1565.95	1397.82
UI Charges Payable	2643.62	0.00
TOTAL	494784.62	398728.39

SCHEDULE: 20 REPAIRS AND MAINTENANCES EXPENSES

Particulars	[₹ in Lacs]	
	Year ended 31 st MARCH 2011	Year ended 31 st MARCH 2010
Repairs and Maintenances Expenses		
Plant and Machinery	1371.98	1337.73
Buildings.	79.12	85.39
Civil Works.	102.93	103.14
Hydraulic Works.	0.18	0.08
Lines, Cable Network etc.	2563.57	3397.43
Vehicles.	20.46	22.21
Furniture, Fixtures.	11.27	17.03
Office Equipments.	330.39	164.87
TOTAL	4479.90	5127.88



SCHEDULES TO PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 ST MARCH , 2011

SCHEDULE: 21 EMPLOYEES' COSTS

Particulars	[₹ in Lacs]	
	Year ended 31 st MARCH 2011	Year ended 31 st MARCH 2010
Salaries.	12114.58	11580.45
Overtime.	12.60	10.77
Dearness allowance & Dearness Pay.	4891.60	3247.68
Other Allowances.	3451.76	3331.71
Bonus.	30.95	50.22
Sub Total	20501.49	18220.83
Medical Expenses Reimbursement.	513.99	325.47
Leave Travel Assistance.	62.63	5.61
Leave Salary Contribution-Deputation Staff.	3.59	0.00
Waiver of o/s HBA Loan & Interest.	2.39	1.06
Death & Accident Compensation.	1.87	18.23
Payment under Workmen's Comp. Act.	1.74	19.53
Board's contribution Bombay Labour welfare Act.	0.62	0.60
EDLI-Board's Contribution.	7.46	7.61
EDLI-Administration Charges.	0.26	0.26
Sub Total	594.55	378.37
Staff Welfare Expenses.	423.17	142.56
Terminal Benefits	6461.15	8373.09
TOTAL	27980.36	27114.85



SCHEDULES TO PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 ST MARCH , 2011

SCHEDULE: 22

ADMINISTRATIVE AND GENERAL EXPENSES

Particulars	[₹ in Lacs]	
	Year ended 31" MARCH 2011	Year ended 31" MARCH 2010
Administration Expenses		
Rent including Lease rentals	176.31	159.59
Rates and Taxes.	56.30	60.80
Insurance Expenses.	9.94	3.80
Testing Charges	3.20	5.81
Annual Inspection & Installation Checking fees to Coll. of ED	118.64	94.28
Telephone, Postage, Telegram, Telex, Mobile Charges.	176.61	169.12
Legal Charges.	27.26	32.80
Audit Fees.	3.64	3.97
Consultancy Charges.	39.49	2.73
Technical Fees.	15.35	8.61
Other Professional fees and expenses.	110.56	51.92
Conveyance & Travel .	1513.80	1424.49
Sub Total	2251.10	2017.92
Other Expenses		
Admn. Charges for Restoration of damages	7.45	0.53
Fees & Subscription.	103.25	202.65
Books & Periodicals.	0.82	1.94
Printing & Stationery.	178.24	160.58
Expenses on Computer Billing & EDP Charges.	213.75	325.24
Advertisements (Other than purchase related).	46.27	48.33
Xerox copy Charges	28.88	31.42
Contributions and charities	0.14	0.00
Electricity Charges.	163.57	158.48
Water Charges.	27.94	24.64
Maintenance to Tree Plantations.	1.23	1.25
Entertainment Expenses.	13.59	6.35
Expenses on Meetings & Conferences Expenses	9.47	7.38
Guest House Expenses.	5.44	8.71
Security Expenses	177.35	122.78
Miscellaneous Expenses.	312.72	210.35
Sub Total	1290.11	1310.63
Freight & Other Purchase related expenses		
Freight.	54.79	32.96
Other Purchase Related Expenses.	274.75	278.37
Fabrication ch. Less:amt. absorbed in cost of fabrication	0.00	3.66
Sub Total	329.54	314.99
Rev.Stamps on Receipts issued.	4.84	4.80
Expenditure on Training to Staff.	113.34	63.81
Sub Total	118.18	68.61
TOTAL	3988.93	3712.15



SCHEDULES TO PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 ST MARCH , 2011

SCHEDULE: 23 **DEPRECIATION**

Particulars	[₹ in Lacs]	
	Year ended 31 st MARCH 2011	Year ended 31 st MARCH 2010
Buildings	31.12	22.42
Hydraulic Works	2.83	2.80
Other Civil Works	5.51	4.84
Plant & Machineries	3226.12	2993.81
Lines & Cable Net Works	8667.35	7964.35
Vehicles	26.99	26.00
Furniture & Fixtures	34.59	22.04
Office Equipments	234.35	220.22
TOTAL	12228.86	11256.48

SCHEDULE: 24 **INTEREST AND FINANCE CHARGES**

Particulars	[₹ in Lacs]	
	Year ended 31 st MARCH 2011	Year ended 31 st MARCH 2010
Int. on State Government Loans	540.17	309.52
Int. on Bonds	1595.73	1847.92
Interest on others	8.47	30.50
Int. on REC Loans	684.97	799.07
Int. on DPG	284.67	500.71
Int. to Consumers on advance Payment	53.46	167.58
Int. on FP by Consumers	3.60	0.80
Int. on Loans from PFC	139.27	0.01
Int. on Loans from ICICI	0.63	18.10
Interest to Consumers.	3404.28	2956.80
Sub Total	6715.25	6631.01
Int. on Borrowing for Working Capital.	2694.19	4542.69
Discount to Cons. for Timely Payment of Bills	17.60	21.61
Interest Charges - Licencees A/c	14.85	13.06
Interest on Deposits	0.00	0.90
Other Interest	133.37	128.19
Cost of raising finance	6.06	0.00
Other Charges		
Other Charges	389.57	346.13
Guarantee Fees	168.75	196.00
Banking Cash Transaction Tax	0.00	0.10
Sub Total	3424.39	5248.68
TOTAL	10139.64	11879.69



SCHEDULES TO PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 ST MARCH , 2011

SCHEDULE: 25

BAD DEBTS AND OTHER DEBITS

Particulars	[₹ in Lacs]	
	Year ended 31 st MARCH 2011	Year ended 31 st MARCH 2010
Small & Low Value Items Written - off.	0.00	0.01
Loss on Sale of Fixed Assets	0.70	1.46
Contribution towards Energy efficient pumps	651.49	489.76
Bad & Doubtful Debts Written off / Provided for.	578.23	191.23
Miscellaneous Losses & Write-offs.	96.59	161.62
TOTAL	1327.01	844.08

SCHEDULE: 26

OTHER EXPENSES CAPITALISED

Particulars	[₹ in Lacs]	
	Year ended 31 st MARCH 2011	Year ended 31 st MARCH 2010
Repairs and Maintenance Capitalised.	0.00	0.15
Employee Costs Capitalised.	3872.78	3730.82
Administrative & General Expenses Capitalised.	555.45	495.57
Depreciation and Related Costs Capitalised.	0.07	0.00
Interest Costs capitalised.	188.14	106.78
TOTAL	4616.44	4333.32

SCHEDULE: 27

EXTRAORDINARY ITEMS

Particulars	[₹ in Lacs]	
	Year ended 31 st MARCH 2011	Year ended 31 st MARCH 2010
Extraordinary Debits		
R & M for restoration of damages due to flood, Cyclone	13.39	38.85
Losses on account of Flood, Cyclone, Fire etc.	17.67	41.82
TOTAL	31.06	80.67



SCHEDULES TO PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 ST MARCH , 2011

SCHEDULE: 28

NET PRIOR PERIOD (CREDITS)/ CHARGES

Particulars	[₹ in Lacs]	
	Year ended 31 st MARCH 2011	Year ended 31 st MARCH 2010
Prior period income/gains		
Receipts from Cons-Prior Periods	2.19	0.00
Interest Income for Prior Period	0.12	0.92
Depreciation for prior period	6.84	0.32
Interest & Other Finance Charges	258.55	87.49
Other Excess Provision.	14.93	65.48
Other income.	85.39	5.39
Sub Total	368.02	159.60
Prior period expenses / losses		
Employee costs.	70.55	13.32
Depreciation under provided.	32.07	11.92
Interest & Other Finance Charges	70.74	13.57
Administration expenses	25.72	26.47
Materials Related cost	36.30	0.00
Other Excess Provision.	0.05	6.59
Other Prior Period Adjustments.	366.54	34.15
Sub Total	601.97	106.02
Net Prior period (Credits) /Charges	233.95	(53.58)

SCHEDULE: 29

PROVISION FOR TAXES

Particulars	[₹ in Lacs]	
	Year ended 31 st MARCH 2011	Year ended 31 st MARCH 2010
Income Tax (MAT)	437.91	127.87
Wealth Tax	0.74	0.62
TOTAL	438.65	128.49

**SCHEDULE 30:
SIGNIFICANT ACCOUNTING POLICIES****(1) Basis of preparation (Accounting Convention):**

The Company is a public limited company registered under the provisions of Companies Act, 1956. The Company's business operations are governed by the Electricity Act, 2003 and the Gujarat Electricity Industry (Reorganization & Regulation) Act, 2003. The provisions of these Acts read with the rules made there under prevail wherever the same are inconsistent with the provisions of the Companies Act, 1956. The Company prepares its Financial Statements under historical cost convention and on accrual basis unless otherwise stated.

(2) Consumer contributions, Capital grants and Subsidy:

Consumer's contribution, Capital Grants and Subsidy towards cost of capital assets are not reduced from cost of assets. All receipts of consumer contributions and capital grants accounted from 1-04-2005 are treated as deferred credit and 10% of the year-end balances are transferred to profit & loss account.

(3) Fixed Assets:

The opening Gross Value of Fixed Assets, accumulated depreciation and net block of Fixed Assets for the year 2005-06 are stated at values notified by Government of Gujarat Notification No. GOVT-2006-91-GW-11-6-590-K dated 3rd October, 2006.

The fixed assets and its depreciation fund balances have been transferred to the company as intimated by notification of Govt. of Gujarat. In such transfer depreciation has been written back up to 70% of the value of assets as per the scheme of transfer which in the opinion of the company has adequate useful life due to continuous renovation and maintenance of distribution network to provide the quality power to the esteemed consumers of the company.

Fixed assets are stated at cost including all attributable charges properly incurred in erecting and bringing the asset into commercial use.

(4) Capital works-in-progress:

(i) Capital works-in-progress includes the cost incurred on fixed assets that are not yet ready for the intended use and is capitalized up to the date these assets are put to use. All expenditures of construction division are allocated to the projects on pro-rata basis to the additions made to respective project. However, common expenditure of Corporate Office and field offices are allocated to Capital works-in-progress at flat rate determined having regard to amount of allocable expenditure incurred during the year.

(ii) Claims for price variation are accounted for on their acceptance.

(5) Impairment of Assets:

Consideration is given at each Balance Sheet date to determine whether there is any indication of impairment of the carrying amount of the company's fixed assets. If any indication of impairment exists, recoverable amount of the assets is estimated. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Profit and Loss Account. If at the Balance Sheet date, there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount so reassessed.

**(6) Inventories:**

Inventories have been valued as under:

- (i) Consumable Stores and Spares, Construction Stores, Mandatory Spares of consumable nature on Weighted Average Method.
- (ii) Scrap on Book value or Net Realizable Value (NRV) whichever is lower.

(7) Provisions and Contingent Liabilities:

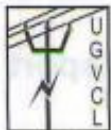
The Company recognizes a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

(8) Revenue Recognition:

- (i) Revenue from sale of power :
Revenue from sale of power is recognized on accrual basis of energy supplied in accordance with the tariff orders awarded by Gujarat Electricity Regulatory Commission (GERC) as applicable to the consumers.
- (ii) Surplus power, sold to GUVNL is accounted on the basis of credit notes received from GUVNL.
- (iii) Misc. Revenue from consumers :
Meter rent, recoveries against theft of power/malpractices, wheeling charges are recognized on accrual basis, except Misc. charges from consumers which are recognized on cash basis.
- (iv) Revenue Subsidies:
Revenue Subsidies are accounted for as allocated by GUVNL (Holding Company) and credited to profit & Loss Account.
- (v) Other Income :
 - (a) Income from Sale of Scrap and Insurance claims are accounted for on the basis of actual realization. Amount in respect of delayed Payment charges (Except for cases where suit is filed in the court) is accounted on the basis of actual realization of late payment against outstanding energy bills.
 - (b) Other income except mentioned above is recognized on accrual basis except when ultimate realization of such income is uncertain.
- (vi) Amount in respect of Unclaimed Security Deposit, Earnest Money Deposit and Misc. Deposit of suppliers and contractors which is pending for more than three years and which are not payable, is considered as income.

(9) Employee Benefits:

- (i) Provident Fund - Contribution to Provident Fund is made to recognized provident fund under the relevant statutes/rules.
- (ii) Gratuity - The liability of gratuity is accounted on the basis of valuation made by LIC. The contribution payable as per actuarial valuation is charged to revenue.
- (iii) Leave Encashment - The benefit of encasement of leave is given to employees of the company on retirement. The Company accounts for Leave Encashment Liability to its employees while in service on the basis of actuarial valuation made by LIC.



- (iv) Leave Travel Concession - Expenditure on Leave Travel Concession to eligible employees is recognized on the basis of actual reimbursement.

(10) Depreciation and Amortization:

- (i) Depreciation is provided on Straight Line Method as per rates prescribed in Schedule XIV to the Companies Act, 1956.
- (ii) Any depreciable assets having original cost up to ₹ 5000/- have been fully charged to revenue in the year in which assets are purchased.
- (iii) Depreciation on Addition/deletion of fixed assets during the year is provided on prorata basis from the date when the asset is put to use.

(11) Taxation:

The provision for taxation is ascertained on the basis of assessable profits computed in accordance with the provisions of the Income-tax Act, 1961.

Deferred tax is recognized, subject to the consideration of prudence, on timing differences, being the differences between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. The deferred tax assets is recognized and carried forward only to the extent that there is a reasonable certainty except for carried forward losses and unabsorbed depreciation which is recognized on virtual certainty that the asset will be realized in future.

(12) Prior Period Credit/ (Charges) and extraordinary Items:

Items of income and expenditure pertaining to prior period as well as extraordinary items, where material, are disclosed separately.

(13) Deferred Revenue expenditure:

Deferred Revenue Expenditure in respect of energy efficient pump set scheme is amortized over a period of 5 years.

(14) Use of Estimates:

The presentation of the financial statements in conformity with the generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities, revenues and expenses and disclosure of contingent liabilities. Such estimates and assumptions are based on management's evaluation of relevant facts and circumstances as on the date of financial statement. The actual outcome may differ from these estimates.

SCHEDULE 31: NOTES ON ACCOUNTS
(1) Secured and Unsecured Loans:

(i) The loans which were raised by Erstwhile GEB from Bonds, Banks, PFC, REC, Financial Institutions and other Lenders against the Security of the assets relating to generation, transmission and distribution activities and were used for common purposes are continued in the books of GEB/ (now GUVNL) on behalf of all transferee companies and the same have been apportioned under FRP Notification dated 3rd October 2006, amongst all transferee companies and the same loans have been accounted by the Company as per information submitted by the holding company i.e. GUVNL. The repayments and interest thereon are reimbursed by the Company to GUVNL.

(ii) Additional Loans raised by GUVNL during 2010-11:

GUVNL has raised loans during the year 2010-11 for common usage of transferee companies. GUVNL has apportioned ₹ 3870.22 Lacs (P.Y. ₹ 9804.56 Lacs) out of these loans to the Company. The repayments and interest thereon are reimbursed by the company to GUVNL.

In light of above note, the said Loans are classified and grouped either as secured loans or Unsecured Loans.

(2) Assets charged for the security by GUVNL:

As per the legal opinion of the counsel, the transferee company (UGVCL), which has acquired the property on which the charge is already created by erstwhile GEB is required to register charges under the provisions of the Companies Act, 1956. Due to the common funds for all the operations of erstwhile GEB funds were raised against the charge over all its assets. However, the amount of secured loans of erstwhile GEB which are secured against the separate properties transferred to each transferee Company has not yet been identified. UGVCL, therefore, could not register the charge on these properties with the Registrar of Companies, Gujarat.

Certain assets of the Company are given as security to REC and Allahabad Bank for following loans raised by Holding Company i.e. GUVNL and such charges are registered with ROC.

(i) Loan from Rural Electrification Corporation Ltd. for ₹ 2867.16 Lacs (P.Y. ₹ 3508.77 Lacs) is secured against the 1st hypothecation charge on the assets of Idar & Talod O&M divisions of UGVCL.

(ii) Loan from Allahabad Bank for ₹ 7000.00 Lacs (P.Y. ₹ 11000.00 Lacs) is secured against the 1st hypothecation charge on the assets of Sabarmati O&M Division, Gandhinagar O&M Division and only Lines and Cables of Bavla O&M Division.

(3) Legal ownership (titles) of immovable assets:

The immovable properties in respect of which the account balances have been transferred are held in the name of the erstwhile GEB. The procedure for the registration and / or transfer in the name of the company is in progress.

(4) As per Para 14 of Accounting Standard – 10 "Accounting for Fixed Assets" an item of fixed asset that has been retired from its active use and is held for disposal is to be stated at the lower of Net Book Value or Net Realizable Value (NRV). However, the company has not determined the NRV for assets retired from active use as the management is of the opinion that the NRV of the same is higher than the Net Book Value due to very old assets and upward trend in scrap rates. As a result of this, Company has not recognized expected loss, if any, in the Profit and Loss Account.

(5) As per assessment made by the management at the Balance Sheet date, there is not any indication that an asset is impaired.

**(6) Subsidy and Grants:**

(₹ in Lacs)

Particulars	Year 2010-2011	Year 2009-2010
Agriculture Subsidy	58422.37	57867.60
Energy Conservation	0.00	3.26

(7) Energy Efficient Pump Set Scheme:

Govt. of Gujarat vide notification no. ECN-1208/115/Ka-1 dated 16th July, 2008 and further notification no. ECN-1208/115 (1)/Ka-1 dated 20th Nov., 2008 introduced Energy Efficient Pump set Scheme for replacement of existing old pump sets with new pumps for Agricultural Consumers. As per the scheme, the 1/3rd cost of the pumps set is boned by the concerned Ag. Consumers, 1/3rd by State Govt. and 1/3rd by respective DISCOMs. The 1/3rd cost of the pumps set boned by the Company is treated as deferred revenue expenditure and amortized over a period of 5 Years. During the year ₹ 651.19 Lacs (P.Y. ₹ 489.76 Lacs) charged to Profit & Loss Account.

(8) Segment Reporting:

Since the Company has one segment, namely, Purchases and Sale of Power, there is no reportable segment, as per Accounting Standards 17, "Segment Reporting".

(9) The balances shown in the books pertaining to Sundry Debtors, loans & advances, Sundry Creditors for materials and expenses are subject to confirmation from the parties concerned.**(10) Related Party Transaction:**

As per Para 9 of AS 18 on "Related Party Disclosure" no disclosure is required in the financial statement as regards related party relationships with other state-controlled enterprises & transaction with such enterprises.

(11) Contingent Liabilities:

- (i) Claims against the Company not acknowledged as debt is ₹ 350.45 Lacs (P.Y. ₹ 824.39 Lacs).
- (ii) Estimated amount of contracts remaining to be executed on capital account and not provided for is ₹ 222.59 Lacs. (P.Y. ₹ 569.71 Lacs).

(12) "Govt vide G R No. GEB-1104-7319-K dtd. 07.11.2008 has resolved to waive the interest on outstanding Govt. loans of ₹ 84177.39 Lacs (as on 31.03.2005) which was earlier deferred till 2010-11 while approving the Financial Restructuring Plan of erstwhile GEB. Further, Govt. vide G R No. GEB-1104-7319-K dtd. 22.02.2011 resolved that out of the total loans of ₹ 84177.39 Lacs, the interest waiver period on loans of ₹ 73677.39 Lacs shall be from 01.10.2004 to 30.09.2010. Accordingly the GUVNL has made a total provision of ₹ 2981.56 Lacs towards Interest Accrued but not Due on these loans for the period from 01.10.2010 to 31.03.2011, out of which ₹ 297.81 Lacs retained in the Company.**(13) As per the details available with the company, Disclosure required by Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006, is as under :**

Principal Amount remaining unpaid to any suppliers as at the year end : **NIL**

Interest due thereon : **NIL**

Amount of interest paid by the company in terms of Section 16 of the MSMED Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during the accounting year : **NIL**



Amount of Interest due and payable for the period of delay in making payment (which have been paid beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006 : **NIL**

Amount of interest Accrued and remaining Unpaid at the end of the accounting year : **NIL**

(14) Value of imports calculated on C.I.F. basis is ₹ **Nil**.

(15) Expenditure in Foreign currency, earning in foreign currency & remittance in foreign currency is ₹ **Nil**.

(16) **UI Charges:**

The Company was not recognizing income and expenditure of UI Charges. Now, Hon'ble GERC through order dated 2nd April 2010 has given directive to SLDC (State Load Dispatch Centre) to take necessary action for commercial operation of Intra State ABT (Availability Based Tariff) w.e.f 05.04.2010. Accordingly, SLDC has started working out the intra State UI for each of the participating units including DISCOMs w.e.f 05.04.2010. In view of these directives, the company has since started the accounting of UI in its books of accounts as the amount payable/receivable under intra State UI. The Company has thus accounted UI Receivable of ₹ 21967.74 Lacs and UI Payable of ₹ 2643.62 Lacs during the year. (P.Y. ₹ Nil)

(17) The interest expense on all borrowings during the year, taken by GUVNL on behalf of its subsidiary companies which are not directly allocable for any specific project of the company are charged to profit & loss account.

During the year interest expenses on loans taken for –RAPDRP Part A & B and RGGVY amounting to ₹ 188.14 Lacs (P.Y. ₹106.78 Lacs) has been capitalized as per AS-16 "Borrowing Cost" issued by ICAI & accordingly charged to WIP.

(18) **Provision for employees' remuneration and benefits:**

(i) **Salaries and wages:**

Employees of erstwhile GEB were transferred under the Scheme with complete benefit of continuation of service without break and on same terms and conditions as was prevailing on the effective date of transfer. The employee costs in respect of the transferred employees have been accordingly accounted.

(ii) **Employee Benefits:**

a) Defined contribution to Provident Fund, Employee Pension Scheme and Employees Death Linked Insurance

The company makes contribution towards Employees' Provident Fund, Employees' Pension Scheme and Employees Death Linked Insurance. In accordance with the provisions of these schemes, the Company is required to contribute a specified percentage of payroll costs. The company has, during the year, recognized the sum of ₹ 2038.60 Lacs (P.Y ₹ 2023.77) as expense towards contribution to these plans.

b) Defined contribution towards gratuity & leave encasement.

The liability on account of Gratuity & leave encasement (retirement benefit in the nature of defined benefit plan) is accounted as per Accounting Standard – 15 issued by the ICAI dealing with Employee Benefits.

The following tables summarize the component of net benefit expenses recognized in the profit and loss accounts and liability recognized in balance sheet etc.



(₹ in Lacs)

The amounts recognized in the Balance Sheet of GUVNL	Gratuity Plan 2010-11	Gratuity Plan 2009-10
Present Value of funded Obligations	6932.55	5270.52
Fair value of plan assets	6932.55	5270.52
Present value of unfunded obligations	8286.39	8184.73
Unrecognized past service cost	Nil	Nil
Net liability	8286.39	8184.73
Amount in the balance sheet :Liabilities	15218.94	13455.25
Assets	6932.55	5270.52
Net liabilities	8286.39	8184.73

(₹ in Lacs)

Expenses recognized in Income Statement	Gratuity Plan 2010-11	Gratuity Plan 2009-10
Current service cost	570.85	491.49
Interest on obligation	1076.42	714.54
Expected return on plan assets	(554.32)	(414.88)
Net actuarial losses / (gains) recognized in the year	1823.41	(153.49)
Past service cost	Nil	4232.85
Losses (gains) on curtailments and settlements	Nil	Nil
Expense recognized in the statement of Profit & Loss	2916.36	4870.50

(₹ in Lacs)

Change in Benefit Obligations	Gratuity Plan 2010-11	Gratuity Plan 2009-10
Opening defined benefit obligation	13455.25	8931.70
Service cost for the year	570.85	491.49
Past Service Cost	Nil	4232.85
Interest on obligation	1076.42	714.53
Actuarial losses / (gains)	1802.18	(146.84)
Benefits paid	(1685.76)	(768.49)
Closing defined benefit obligation	15218.94	13455.25



(₹ in Lacs)

Fair Value of Plan Assets	Gratuity Plan 2010-11	Gratuity Plan 2009-10
Opening fair value of plan Assets	5270.52	3885.30
Expected return on plan Assets	554.32	414.88
Actuarial gains / (losses)	(21.24)	6.66
Contributions by employer	2814.70	1732.17
Assets acquired in an amalgamation in the nature of purchase	Nil	Nil
Exchange differences on foreign plans	Nil	Nil
Benefits paid	(1685.76)	(768.49)
Closing fair value of plan assets	6932.55	5270.52

(₹ in Lacs)

Category of Plan Assets	Gratuity Plan 2010-11	Gratuity Plan 2009-10
Government of India Securities	-	-
High quality Corporate bonds	-	-
Equity shares of listed Companies	-	-
Funds managed by Insurer	100%	100%
Bank Balance	-	-

(₹ in Lacs)

Principal Actuarial Valuation Assumptions	Gratuity Plan 2010-11	Gratuity Plan 2009-10
Discount rate	8.00%	8.00%
Expected return on plan assets	9.50%	9.50%
Annual increase in Salary costs	5.00%	5.00%

(₹ in Lacs)

Surplus/(Deficit)	Gratuity Plan 2010-11	Gratuity Plan 2009-10
Defined Benefit Obligation	15218.94	13455.25
Plan assets	6932.55	5270.52
Surplus / (deficit)	(8286.39)	(8184.73)

The estimate of future salary increases; considered in actuarial valuation, take in to account the effect of inflation, seniority, promotion and other relevant factors, such as supply and demand in employment market.



Leave Encashment:

(₹ in Lacs)

Amounts to be recognized in Balance Sheet	Leave Encashment 2010-11	Leave Encashment 2009-10
Present value of funded obligations	Nil	Nil
Fair value of plan assets	Nil	Nil
Present value of unfunded obligations	9067.79	8326.75
Unrecognized past service cost	Nil	Nil
Net Liability in the balance sheet	9067.79	8326.75
Amount in the balance sheet :Liabilities	9067.79	8326.75
Assets	-	-
Net liabilities	9067.79	8326.75

(₹ in Lacs)

Expenses recognized in Income Statement	Leave Encashment 2010-11	Leave Encashment 2009-10
Current service cost	141.14	111.19
Interest on obligation	666.14	585.78
Expected return on plan assets	-	-
Net actuarial losses / (gains) recognized in the year	672.07	873.75
Past service cost	Nil	Nil
Losses (gains) on curtailments and settlements	Nil	Nil
Expense recognized in Profit & Loss	1479.35	1570.72

(₹ in Lacs)

Change in Benefit Obligations	Leave Encashment 2010-11	Leave Encashment 2009-10
Opening defined benefit obligation	8326.75	7322.29
Service cost for the year	141.14	111.19
Interest cost for the year	666.14	585.78
Actuarial losses (gains)	672.07	873.75
Losses (gains) on curtailments	-	-
Benefits paid	(738.31)	(566.26)
Closing defined benefit obligation	9067.79	8326.75



(₹ in Lacs)

Fair Value of Plan Assets	Leave Encashment 2010-11	Leave Encashment 2009-10
Opening fair value of plan Assets	-	-
Expected return	-	-
Actuarial gains / (losses)	-	-
Assets distributed on settlements	-	-
Contributions by employer	-	-
Assets acquired in an amalgamation in the nature of purchase	-	-
Exchange difference on foreign plans	-	-
Benefits paid	-	-
Closing balance of fund	-	-

(₹ in Lacs)

Category of Plan Assets	Leave Encashment 2010-11	Leave Encashment 2009-10
Government of India Securities	-	-
High quality Corporate bonds	-	-
Equity shares of listed Companies	-	-
Property	-	-
Funds managed by Insurer	-	-
Bank Balance	-	-

(₹ in Lacs)

Principal actuarial Valuation	Leave Encashment 2010-11	Leave Encashment 2009-10
Discount rate as at 31st March 2011	8.00%	8.00%
Expected return on plan assets at 31st March 2011	-	-
Annual increase in Salary Cost	5.00%	5.00%

The estimates of future salary increase, considered in actuarial valuation, take in to account the effect of inflation, seniority, promotion and other relevant factors such as supply and demand in employment market.



(₹ in Lacs)

Surplus/(Deficit)	Leave Encashment 2010-11	Leave Encashment 2009-10
Defined Benefit Obligation	9067.79	8326.75
Plan assets	-	-
Surplus / (deficit)	(9067.79)	(8326.75)

19. Managerial Remuneration:

(₹ in Lacs)

Particulars	Year 2010-2011	Year 2009-2010
Salaries to M.D (including arrears)	11.94	16.19
Other Monetary value of benefits in cash or in kind to M.D	Nil	Nil
Total	11.94	16.19

20. Auditors' Remuneration:

(A) Statutory Auditors:

(₹ in Lacs)

Particulars	Year 2010-2011	Year 2009-2010
Audit Fee	3.30	3.60
Certifications fees	-	-
Other Services	-	-
Others	0.69	0.55
Total (Excluding Service Tax)	3.99	4.15

(B) Cost Auditors:

(₹ in Lacs)

Particulars	Year 2010-2011	Year 2009-2010
Audit Fee	0.48	0.48
Other Services	-	-
Total (Excluding Service Tax)	0.48	0.48

21. EPS: Earning Per Share is calculated as under::

(₹ in Lacs)

Particulars	Year 2010-2011	Year 2009-2010
Net Profit after tax	1266.89	565.08
Weighted average No. of Equity Shares*	232148722	207148722
Face value per share (₹)	10	10
EPS(₹)(Basic)	0.55	0.27
EPS(₹)(diluted)	0.55	0.24

* $(207148722 + 30000000 \times 10/12) = 232148722$



(22) Deferred Tax Asset/Liability:

During the year, the Company has accounted for Deferred Tax in accordance with the Accounting Standard - 22 "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India. The Company has huge amount of carried forward losses and unabsorbed Depreciation under the Income Tax Act and accordingly there is no virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The breakup of deferred tax assets and deferred tax liability into major component is as under:

(₹ in Lacs)

Particulars	As at March 31,2011	As at March 31,2010
Deferred Tax Assets:		
Arising out of timing differences in :		
Leave Encashment	2801.95	148.43
Gratuity	1689.19	805.82
Depreciation	19609.14	102.40
Bonus	9.56	
Provision for Bad and Doubtful dues	2296.81	
TOTAL	26406.65	1056.65
Deferred Tax Liabilities:	-	-
Net Deferred Tax Asset/(Liability)	26406.65	1056.65

23. Provision for Taxation:

Provision for current tax includes following:

(₹ in Lacs)

Particulars	Year 2010-2011	Year 2009-2010
Income Tax	437.91	127.87
Wealth Tax	0.74	0.62

24) Additional information pursuant to provision of paragraph 3, 4C, 4D of the Part-II of Schedule VI to the Companies Act, 1956 is given to the extent applicable in view of nature of business of the company.

Nature of activity: - The Company is a utility industry and is mainly engaged in distribution of electricity and providing services ancillary to the main activity.



UTTAR GUJARAT VIJ COMPANY LIMITED

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2010-11

Purchases/Sale:

(₹ in Lacs)

Surplus/(Deficit)	As at March 31, 2011		As at March 31, 2010	
	Quantity In MUS	Value	Quantity In MUS	Value
Unit Purchased	16891	494784.62	15647	398728.39
Unit Sold	15248	484680.12	12213	387958.69
T&D Losses(MUs)	1643	—	3434	—
T&D Losses %	9.73%	—	21.95%	—

- (25) The previous year's figures have been regrouped and rearranged wherever necessary in conformity to current year's presentation.

SIGNATURES TO SCHEDULES 1 to 31

AS PER OUR REPORT OF EVEN DATE ATTACHED
FOR P. SINGHVI & ASSOCIATES
CHARTERED ACCOUNTANTS
F.R.No. 113602W

(NIPUN SINGHVI)
PARTNER
M. NO. 136393

PLACE: AHMEDABAD
DATE: 30TH SEPTEMBER, 2011

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
UTTAR GUJARAT VIJ COMPANY LIMITED

Dr. G. P. MOHAPATRA, IAS
Chairman

R.B.KOTHARI, AICWA
General Manager (Finance)

PLACE: AHMEDABAD
DATE: 30TH SEPTEMBER, 2011

N. SRIVASTAVA, IFS
Managing Director

N. M. JOSHI, FCS
Company Secretary



BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

Additional information pursuant to provisions of Part IV of Schedule VI to the Companies Act, 1956

I. Registration Details

Registration No. (CIN) **U40102GJ2003SGC042906** State Code **04**
Balance Sheet Date **31-03-2011**

II. Capital Raised during the year (₹ in Thousands)

Public Issue **NIL** Right Issue **NIL**
Bonus Issue **NIL** Private Placement **NIL**

III. Position of Mobilization and Deployment of Funds (₹ in Thousands)

Total Liabilities **15715666** Total Assets **15715666**

SOURCES OF FUNDS

Paid up Capital **2371487** Share Application Money **NIL**
Reserves & Surplus **3765546** Secured Loans **1363470**
Deferred Govt. Grants, **5206220** Deferred Tax Liability **NIL**
Subsidies & Cont.Unsecured Loan **3008943**

APPLICATION OF FUNDS

Net Fixed Assets **19398994** Investments **NIL**
Net Current Assets **-4023950** Miscellaneous Expenses **209631**

IV. Performance of the Company (₹ in Thousands)

Turnover **55228343** Total Expenditure **55057789**
Profit/Loss before tax **170554** Profit/Loss after tax **126689**
Earning per share in ₹ **0.55** Dividend rate % **NIL**

V. Generic Names of Three principal products/services of the Company

(as per monetary terms)

Item code No.(ITC code): **NOT APPLICABLE**

Product Description: **NOT APPLICABLE**

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
UTTAR GUJARAT VIJ COMPANY LIMITED

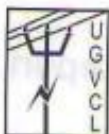
Dr. G. P. MOHAPATRA, IAS
Chairman

R.B.KOTHARI, AICWA
General Manager (Finance)

N. SRIVASTAVA, IFS
Managing Director

N. M. JOSHI, FCS
Company Secretary

PLACE: AHMEDABAD
DATE: 30TH SEPTEMBER, 2011



UTTAR GUJARAT VIJ COMPANY LIMITED

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2010-11

PROXY

UTTAR GUJARAT VIJ COMPANY LIMITED

Regd. Office: Visnagar Road, MEHSANA 384 001 (North Gujarat)

Folio No. No. of shares held:

I/We _____
of _____ being a Member/s of Uttar Gujarat Vij Company Limited, Mehsana hereby
appoint _____ of _____ or failing him
_____ of _____ as my/our proxy to vote for me/us
and on my/our behalf at the **EIGHTH ANNUAL GENERAL MEETING** of the Company to be held on
Wednesday, 28th December, 2011 at Registered Office and any adjournment thereof.

Please affix
Revenue
Stamp

Signed this _____ day of _____ 2011.

Signature(s) of Member(s)
across the Stamp

Note : The Proxy must be deposited at the Registered Office of the Company, not later than 48 hours before the time fixed for the Meeting.

ATTENDANCE SLIP

UTTAR GUJARAT VIJ COMPANY LIMITED

Regd. Office: Visnagar Road, MEHSANA 384 001 (North Gujarat)

(Please complete this attendance slip and hand it over at the entrance of the Meeting Hall.)

I hereby record my presence at Eighth Annual General Meeting of the Company, held on Wednesday, 28th December, 2011 at 12-00 noon at Mehsana.

Folio No. No. of shares held:

Full Name of the Shareholder/Proxy:

Signature of Shareholder/Proxy:

Note : Only Shareholders of the Company or their proxies will be allowed to attend the Meeting.

Uttar Gujarat Vij Company Limited



સર્વોત્તમ સેવા થકી ગ્રાહકને સંતોષ

Customer satisfaction through service excellence



સ્પર્ધાત્મક દરે વિશ્વસનીય તેમજ ગુણવત્તાસભર શ્રેય પુરવઠો પૂરો પાડવો
વિતરણ ખોટ ઘેચિક ધોરણ નુપી ઘટાડવી

To provide reliable and quality power at competitive cost

To reach global standards in reducing distribution losses



ગ્રાહકનો સંતોષ

Customer satisfaction

સહભાગી કાર્ય શૈલી

Participative work culture

સંસ્થા માટે સ્વત્વ અને સન્માન

Pride of belongingness

શ્રેષ્ઠતા

Excellence

નૈતિક અને સામાજિક જવાબદારી પ્રત્યે સંજ્ઞાનતા

Being ethically and socially responsive



Uttar Gujarat Vij Company Limited

Regd. & Corporate Office :
Visnagar Road, Mehsana - 384001 (North Gujarat)
Web site : www.ugvcl.com