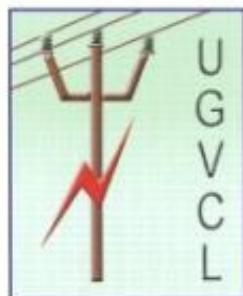


Uttar Gujarat Vij Company Limited



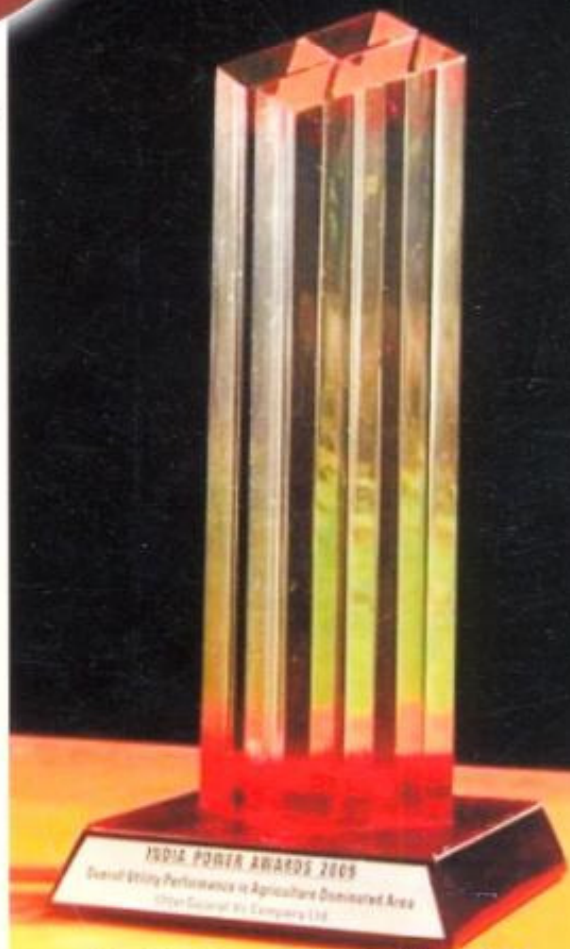
National Award
for Meritorious Performance
in Electricity Distribution
during 2005-06



An ISO 9001-2000 Certified Company
Subsidiary of Gujarat Urja Vikas Nigam Limited



Annual Report 2008-09



India Power Awards 2009
In recognition for overall utility performance
in Agriculture Dominated Area

એસીયા મેપ - ઉત્તર ગુજરાત ની જ કંપની લીમીટેડ



UGVCL AT A GLANCE (DECEMBER 2009)

Total Area in Sq. Kms	49,950
Districts Covered	6+3(Partly)
No. of Towns	43
No of Villages	4,628
Population (Census 2001)	92,63,911
Total Circles	4
Total Divisions	20
Sub Divisions	118+5(REC)
Total Sub-Stations	301
Total Transformer Centers	1,18,505
Total Nos. of Feeders	3,230
Total H. T. Line (Kms)	70,566
Total L. T. Line (Kms)	61,151
Ratio: LT/HT	0.86
Total Employees	7,025

UGVCL's ACHIEVEMENTS

- Recipient of National Award 2005-06 for Meritorious Performance in Electricity Distribution
- Hi-Tech Meter Testing Laboratory at Sabarmati Circle accredited by National Accreditation Board for Testing and Calibration Laboratories (NABL) with ISO/IEC 17025-2005
- National Award for "Excellence in Cost Management 2007" by ICWAI
- Accredited with ISO 9001:2000 Standard for Management and Performance Enhancement of Electricity Distribution Operations
- First Prize winner in the category of "Excellence in Rural Electrification" awarded by IEEMA Power Award 2008
- 2nd India Power Awards 2009 in recognition for overall utility performance in Agriculture Dominated Area
- Completion of Jyoti Gram Yojna
- Pioneer Company of Special Design Transformer



SIXTH ANNUAL REPORT 2008-09

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UTTAR GUJARAT VIJ COMPANY LIMITED

Registered & Corporate Office:

**Visnagar Road
MEHSANA - 384001
(North Gujarat)**



UTTAR GUJARAT VIJ COMPANY LIMITED

6th Annual Report 2008-09

BOARD OF DIRECTORS

Shri Guruprasad Mohapatra, IAS	Chairman
Shri L. Chuaungo, IAS	Director
Shri H. P. Desai	Director
Dr. M. K. Iyer	Director
Shri K. P. Patel	Director
Prof. Ajay Pandey	Director
Prof. (Dr.) B. A. Prajapati	Director
Shri K. M. Shringarpure	Director
Shri Munindra A. Bhatt	Director (wef 06-Oct-2009)
Shri A. K. Verma, IFS	Managing Director

COMPANY SECRETARY

Shri Nitinkumar M Joshi, FCS

SENIOR EXECUTIVES

Shri M. G. Patel	Chief Engineer (Operations)
Shri P. J. Patel	Chief Engineer (Projects & Procurement)
Shri R. B. Kothari, AICWA	General Manager (Finance)

AUDITORS

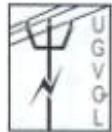
M/s P. Singhvi & Associates
Chartered Accountants
Gandhinagar

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: 222574
Email: corporate@ugvcl.com
Website: www.ugvcl.com



NOTICE

NOTICE is hereby given that the Sixth (Adjourned) Annual General Meeting of the Members of Uttar Gujarat Vij Company Limited will be held on Wednesday, the 13th day of January, 2010 at 4-00 pm at the Registered Office of the Company at Visnagar Road, Mehsana – 384001 (North Gujarat) to transact the following business:

- 1 To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2009 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 of Comptroller & Auditor General of India.

By Order of the Board

Date : 4th January, 2010

Place: Mehsana

Nitinkumar M Joshi, FCS
Company Secretary



UTTAR GUJARAT VIJ COMPANY LIMITED

6th Annual Report 2008-09

NOTICE

NOTICE is hereby given that the Sixth Annual General Meeting of the Members of Uttar Gujarat Vij Company Limited will be held on Wednesday, the 23rd day of December, 2009 at 5-00 pm 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, 2009 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 appoint a Director in place of Prof. Ajay Pandey who retires by rotation and is eligible for reappointment;
- 3 To appoint a Director in place of Prof. (Dr.) B. A. Prajapati, who retires by rotation and is eligible for reappointment;
- 4 To appoint a Director in place of Shri L. Chuaungo, IAS, who retires by rotation and is eligible for reappointment;
- 5 To decide the remuneration payable to Statutory Auditors appointed by the Comptroller and Auditor General of India (CAG), New Delhi for the audit of accounts of the Company for the Financial Year 2009-10.

SPECIAL BUSINESS

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

"RESOLVED THAT Shri Munindra A. Bhatt, who was appointed as Additional Director of the Company on 6th October, 2009 under Section 260 of the Companies Act, 1956 and who holds such office up to the date of this Annual General Meeting be and is hereby appointed a Director of the Company liable to retire by rotation."

By Order of the Board

Date : 18th December, 2009
Place: Mehsana

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 Explanatory Statement pursuant to the provisions of Section 173(2) of the Companies Act, 1956, is annexed hereto as "Annexure to the Notice".
- 3 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 Sixth Annual General Meeting. The C&AG has appointed them as Statutory Auditors of the Company to audit the accounts of the Company for the Financial Year ended 31st March, 2010.

ANNEXURE TO THE NOTICE

Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956**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 6th October, 2009 appointed Shri Munindra A. Bhatt 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.

Shri Munindra A Bhatt is working as Additional Secretary (Tax) with Finance Department of the Government of Gujarat. He has wide experience in the field of finance.

Your Directors, therefore, recommend the appointment of Shri Munindra A. Bhatt to the office of Director. None of Directors except Shri Munindra A. Bhatt, 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 No. 6 is required.

By Order of the Board

Date : 18th December, 2009
Place: Mehsana

Nitinkumar M Joshi, FCS
Company Secretary

**DIRECTORS' REPORT**

To,

The Members of

UTTAR GUJARAT VIJ COMPANY LIMITED

Your Directors have pleasure in presenting the Sixth Annual Report together with the audited Statement of Accounts for the Financial Year ended 31st March, 2009.

FINANCIAL HIGHLIGHTS

The summarized financial results of the Company are given below:

(Rs. in Lacs)

Particulars	2008-09	2007-08
Total Income	4,26,700	3,36,179
Gross Profit before Depreciation, Interest and Tax	22,751	18,084
Depreciation	10,143	8,927
Interest and Finance Charges	11,859	8,972
Profit before Tax	749	185
Provision for Tax (including provision for deferred tax and fringe benefit tax)	154	99
Profit after Tax	595	86
Profit brought forward from previous year	1,959	1,873
Net profit available for appropriation	2,554	1959

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.

ACHIEVEMENTS

As an achievement towards fulfilling customer satisfaction through service excellence, your Company is awarded First Prize in the category of "Excellence in Rural Electrification" in Indian Electrical Manufacturers' Association (IEEMA) Power Award 2008. The Company has also been awarded 2nd "India Power Awards 2009" in recognition for overall utility performance in Agriculture Dominated Area.

The Company has, in recent past, been awarded a Bronze Shield for Meritorious Performance in Electricity Distribution during the year 2005-06, National Award for Excellence in Cost Management - 2007, First Prize in the category 'Excellence in Rural Electrification' in IEEMA Power Awards-2008, a pioneer company for Special Design Transformers, and is accredited with ISO 9001:2000 Standard for 'Management and Enhancement of Electricity Distribution Operations'. The Company has Hi-Tech Meter Testing Laboratory at Sabarmati, Ahmedabad with ISO/IEC 17025:2005 accreditation by NABL.



OPERATIONS DURING THE YEAR

During the year under review, the revenue from the sale of power including subsidies amounted to Rs. 4,26,700 Lacs. (PY Rs. 3,36,179 Lacs). The Company purchased 13525 MUs (PY 13,001 MUs) of energy from Gujarat Urja Vikas Nigam Limited (GUVNL) and sold 10910 MUs (PY 10,240 MUs) of energy to all categories of consumers. The Company's operational area is dominated by agriculture sector and despite sub-optimal monsoon during the year, the overall transmission and distribution losses is reported to the extent of 2615 MUs (PY 2,761 MUs) at 19.33% (PY 21.24%).

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

- » Total 2,183 Nos. of rural feeders have been declared as Agricultural Dominated Feeders.
- » Transformer failure rate is reduced to 10.07% from 12.62% 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 - 6,41,985 (PY 618357) Nos.
 - » Installations detected - 14,701 (PY 12116) Nos.
 - » Amount assessed - Rs. 2,437.45 (PY 984.49) Lacs
- » By vigorous efforts, the debit-arrears remained low to 19.28% (previous year – 20.50%) 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, 208 (PY 142) Nos. of feeders are bifurcated and charged during the year.
- » Automated Meter Reading (AMR) is installed on total 1,221 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, 1,930 (PY 4559) Nos. of Amorphous Transformers are installed in Urban, GIDC and JGY Feeders.
- » Remarkable achievement is made in implementation of e-Urja Project undertaken by GUVNL for itself and all subsidiary companies for end-to-end ERP solution in all modules.
- » Geographical Information System (GIS):

Geographical Information System (GIS) Project is introduced in the Company for works of consumer indexing, GIS mapping and Asset codification with Network analysis. This GIS System is integrated with Network analysis tool Mi-Power for working out theoretical losses and electrical analysis. Web-based access of the GIS in WAN is also enabled so that network can be viewed on internet. Trouble Call Management Module is integrated with GIS and further this system can be integrated SCADA/DAS as well LT/HT billing.

The data of 898 Nos. of feeders of ten major towns have been uploaded in the System under Phase-I, Phase-II and Phase-III projects. Rural areas of Mehsana and Sabarmati Circles covering 2,97,935 consumers are also uploaded in the system.

- » Total 1,558 Nos. of Special Design Transformers (SDT) have been provided on Agricultural feeders, covering benefit to 65,497 Nos. of Farm House connections.



- » Work progress - New release of connections:
 - » HT New Connection - 159 Nos. (PY 290 Nos.)
 - » HT additional load - 150 Nos. (PY 172 Nos.)
 - » LT Industrial - 2966 Nos. (PY 2494 Nos.)
 - » Domestic - 72389 Nos. (PY 77210 Nos.)
 - » Water Works - 540 Nos. (PY 407 Nos.)
- » Ag. Connection under
 - » RE Scheme - 1952 Nos. (PY 385 Nos.)
 - » TASP - 2429 Nos. (PY 1568 Nos.)
 - » Tatkal Scheme - 0 Nos. (PY 1258 Nos.)
 - » Petapara electrified - 10 Nos. (PY 6 Nos.)
 - » SCSP - 5043 Nos. (PY 1164 Nos.)
 - » RGGVY (New Connections) - 2556 Nos. (PY 44900 Nos.)
 - » Zupad-patties Connections - 95982 Nos. (PY 64182 Nos.)
- » System Network added
 - » HT Line - 1765 Kms. (PY 2629 Kms.)
 - » LT Line - 1070 Kms. (PY 2378 Kms.)
 - » Trans. Center - 5935 Nos. (PY 5855 Nos.)

FUTURE PLANS

UNDER GROUND CABLE WITH RMU :

For ensuring consumer satisfaction by providing the continuous and reliable power supply, the work of underground cable system in Bopal, Ghuma, 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 BIFUCATION :

The Scheme for bifurcation of 200 (PY 150) 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 also planned to achieve the targets of all Government-sponsored electrification activity schemes like RGGVY (in six districts), Zupad-patty, Kutir-Jyoti, TASP Wells, TASP-Petapara, BPL-Zupad Patty, NGP under tribal area, Primitive Tribal House Electrification, 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) would be 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 Rs. 32.97 Crores (against the total project cost of Rs. 36.70 Crores) for 20 projects under Part-A which include establishment of reliable and automated systems for sustained collection of accurate base-line data and the adoption of information, infusion of technology in the areas of energy accounting, etc. The loan along with interest thereon shall be converted into grant once the establishment of the required system is achieved and verified by an independent agency appointed by Ministry of Power.

CUSTOMER SERVICES

Fully computerized Customer Care Centers are established at district head-quarters and major towns -

- » For better consumer services;
- » Minimizing the fault detection and rectification time by monitoring the occurrence;
- » Improving performance of service by analyzing outage data and computing reliability of network.

As a part of the compliance with the directives of Gujarat Electricity Regulatory Commission for consumer services, M/s TALEEM Research Foundation conducted the study/survey on 'Measures of energy conservation and Customers' satisfaction from the services provided by UGVCL'. The outcomes of the Survey have been showing enthusiastic results and the areas where improvement is required to be made.

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, 50 Nos. of cases are attended.

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 with GERC on 31st July, 2008 Multi Year Tariff (MYT) Petition No. 945/2008 seeking approval of the Aggregate Revenue Requirement (ARR) and tariff rationalization for the years 2008-09 to 2010-11. GERC has declared its award on 17th January, 2009 and decided retail tariff rates for the financial year 2008-09 effective from 1st February, 2009.

The Company had filed on 25th August, 2009 Petition No. 977/2009 for Annual Performance Review (APR) of the financial year 2008-09 and determination of tariff for financial year 2009-10 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 29th & 30th October, 2009, GERC has declared its award on 14th December, 2009 without any tariff hike.

AUDITORS

M/s. P. Singhvi & Associates, Chartered Accountants, Gandhinagar had been appointed as Statutory Auditors of the Company for the Financial Year 2008-09. The Comptroller and Auditor General of India, New Delhi, (C&AG) have appointed them as Statutory Auditors of the Company to carry out the statutory audit of the accounts of the Company for the Financial Year 2009-10. As per the



UTTAR GUJARAT VIJ COMPANY LIMITED

6th Annual Report 2008-09

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, will be circulated as soon as the same is received.

COST AUDITORS

The Ministry of Finance, 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 2009-10, for which the Central Government accorded its approval for auditing the Cost Accounts relating to Electricity Industry product.

SHARE CAPITAL

The Government of Gujarat (GOG) has notified the opening values of assets and liabilities of the Company in respect of the transferred undertaking of erstwhile Gujarat Electricity Board (GEB) as on 1st April, 2005 vide Notification No. GHU-2006-91-GUV-1106-590-K dated 3rd October, 2006. The Notification No. GHU-(203)-GUV-1106-590-K dated 12th December, 2008 was issued by Energy & Petrochemical Department, Government of Gujarat partially modifying the earlier Notification No. GHU-2006-91-GUV-1106-590-K dated 3rd October, 2006 and thereby bifurcating the earlier notified Equity Share Capital into Equity Share Capital of Rs.110,89,64,800/- (i.e.110896480 Nos. of Fully paid-up Equity shares of Rs.10/- each) and Share Premium, of Rs.332,68,94,430/- effective from 1st April, 2008.

The Government of Gujarat has released the financial assistance by way of Equity Share Capital in Gujarat Urja Vikas Nigam Ltd. (GUVNL), the holding company, for implementation of JGY in non-tribal areas by all distribution subsidiaries of GUVNL. In turn, the Company has allotted 9,62,02,172 Nos. of Equity Shares of Rs. 10/- each (Fully paid-up) aggregating to Rs. 96,20,21,720/- to GUVNL by way of preferential allotment through private placement.

The amount of Rs. 30,00,00,000/- shown as Share Application Money in the Balance Sheet represents the amount received from GUVNL, the holding company, vide their Board Resolution dated 29th June, 2009. The allotment shall be made as per GUVNL's directives.

DIRECTORS

Since the last Annual General Meeting held on 26th December, 2008, the particulars of changes among the Directors are as under:

- » Shri Munindra A. Bhatt, has been appointed as Additional Director of the Company effective from 6th October, 2009.

Shri Munindra A. Bhatt is nominated by Gujarat Urja Vikas Nigam Limited (GUVNL), the holding Company, in terms of Article 57 of the Articles of Association of the Company. He being Additional Director appointed pursuant to the provisions of Section 260 of the Companies Act, 1956 holds his office as such up to the date of ensuing Annual General Meeting.



Prof. Ajay Pandey, Prof. (Dr.) B. A. Prajapati and Shri L. Chuaungo, IAS will retire by rotation at the ensuing Sixth Annual General Meeting and are eligible for re-appointment.

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, 2009 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
Dr. M. K. Iyer	.....	Member
Shri K. M. Shringarpure	.....	Member
Shri Munindra A. Bhatt	.....	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

Sd/-
Guruprasad Mohapatra, IAS
Chairman

Date: 17th December, 2009
Place: Vadodara

**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**

- » 1930 Nos. of Automatic Power Factor Controller (APFC) Panels were procured and installed in the system network for reducing the technical losses. APFCs are capable to switch ON and OFF the capacitors in stages and automatically maintain the designed power factor. This will compassionate the reactive energy drawal from the LT side loading of the distribution transformer. Substantial energy can be saved by installation of APFCs.
- » 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.
- » The Company has procured and installed 3245 Nos. of CFL and 1283 Nos. of electronic ballast for energy saving in its own office premises and residential colonies.
- » Provided 1930 (PY 4559) 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

- » Installation of APFC panel on 11 KV feeders having low power factor has long payback period. Hence, it is proposed alternative remedies for improvement of power factor by providing HT Line Capacitor on the feeders having low power factor and LT fixed Capacitor on the transformer center of the feeder having low PF

The proposed work of Pilot Project is as under:

- » At initial stage it is suggested to provide 50 nos. of 11 KV HT capacitor units on feeder having low voltage problem.
- » LT fixed capacitor units may be provided on Transformer center of 25 nos. of feeders having low PF and high Losses.



Mass awareness of consumers under IEC under action plan of energy conservation.

The stalls for Energy Conservation tips, Safety measure & micro drip irrigation campaign were provided at Satlasana, Danta & Khedbrahma during Ambaji Bhadarvi mela & also at Unjha Mahotsav of Umiya Mataji, stall was provided at Unjha for above said purpose during the period of 28th Nov-2009 to 2nd Dec-2009. Under the publicity campaign printing of pamphlets, posters, banners, telecasting of short films on TV, cable net work & on Radio, advertisement in print media, depicting hoarding containing Energy saving messages/ slogans etc. will be carried out during the celebration of "Energy Conservation Week."

(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 Ag. sector in participation with the GOG. This project is successfully implemented in Nine Talukas of North Gujarat 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 tri party 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.
- » Total of financial target of Rs.9.0 Crores had been allocated to UGVCL for the FY 2008-09. As per the reports of March -09 in the entire scheme 407 EEPs has been replaced since 2008-09. Total 4067 HP saved by installation of EEPs. Yearly energy saving will be 6.91 MUs. Hence as per Ag tariff considering 1700 units / HP /Year energy saving for 4067 HP would arrive at Rs. 2.08 Crores. The pay back period of the entire scheme is 2.0 years.

Future planning of EEPs

- » Total of Rs.24.54 Crores has been allocated to UGVCL for the FY 2009-10. The physical target is 16200 nos. As per the latest reports of Nov-09, total 4987 EEPs has been replaced during FY 2009-10. In the entire scheme 5394 EEPs has been replaced since 2008-09 and 2009-10. Total 51406 HP saved by installation of EEPs. Yearly energy saving will be 87.39 MUs. Hence as per Ag tariff considering 1700 units / HP /Year energy saving for 51406 HP would arrive at Rs.26.22 Crores. The pay-back period of the entire scheme is 2.0 years.

(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 1st date of every month.
- Semi automatic meter test benches are being introduced in Kalol and Palanpur Meter testing Lab.
- Power analyzers for transformer loss measurement are being purchased for all four circles.
- Cable and Conductor measuring instruments are proposed for all four circles of the company.
- Concept of single phase transformer of 5 KVA introduced for remote electrification.

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

- By restructuring MD reset dates of HT consumers (provided with AMR) it is now possible to compute exact AT & C losses of those particular feeders. Hence more concentration shall be penetrated on the feeder whose AT & C losses are on increasing trend. This will help in reduction of AT & C losses of the GIDC / Industrial/ Urban /JGY feeders.
- 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:

- To provide AMR to all remaining & incoming HT consumers with a restructured Programme of MD reset date on 00.00 hrs on 1st of every month.
- Remaining 13 Laboratories required to be upgraded for 0.2 class accuracy to meet with the CEA regulations.
- To change the design of transformers by utilizing high grade CRGO materials to reduce No load losses.
- Cable and conductor measuring instruments shall be provided up to D.O. Stores.



- Conversion of over head to under ground system network in surrounding areas of Ahmedabad and Ambaji. One such project is under progress at Ahmedabad in Bopal and Ghuma areas. Two projects, one at Ambaji and the other at Ambli, Thaltej and Bodekdev areas of Ahmedabad whose work orders will be finalized by the end of December-2009. Three other projects at Adalaj, Infocity-Gandhinagar and Kesarsal-Science city are proposed.

4. **Expenditure on R & D:**

- Expenditure on R & D the extent of Rs.9 Lacs is being incurred for restructuring AMR MD reset dates of HT consumers.
- Expenditure of Rs.20 Lacs is being incurred for semi automatic benches.
- Expenditure of Rs.3 Lacs is being incurred for purchase of power analyzer
- Expenditure of Rs.16 Lacs is being incurred for purchase of measuring instruments.
- Expenditure of Rs.50 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.
- Modern consumer care centre with unique telephone number.
- All circle offices linked through WAN with video, voice and media communication.
- Installation of 7 NOS. of any time payment machine for bill collection work and revenue collection under e-Gram Yojana in 420 villages in rural areas of the company is already Completed & remaining work is under progress.
- In GIS total 898 Nos. of feeders are completed and covered 297935 Nos of consumers of all four circles of UGVCL

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.
- Due to GIS faster consumer services speedy fault detection, etc.

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

Sd/-

Guruprasad Mohapatra, IAS
Chairman

Date: 17th December, 2009
Place: Vadodara



C&AG's Letter No. CAD/A/cs/UGVCL/2008-09/O-W-2408 dated 24/12/2009

Comments of Comptroller & Auditor General of India under Section 619(4) of the Companies Act, 1956 on the accounts of Uttar Gujarat Vij Company Limited, Mehsana for the year ended 31 March, 2009

The preparation of financial statements of Uttar Gujarat Vij Company Limited for the year ended 31 March 2009 in accordance with the financial reporting framework prescribed under the Companies Act, 1956 is the responsibility of the management of the company. The statutory auditors appointed by the Comptroller and Auditor General of India under section 619(2) of the Companies Act, 1956 are responsible for expressing opinion on these financial statements under section 227 of the Companies Act, 1956 based on independent audit in accordance with the 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 25 September 2009.

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 2009. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records. Based on my supplementary audit, I would like to highlight the following significant matters under section 619(4) of the Companies Act, 1956 which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and the related Audit Report.

Comment	Board's Reply
<p>Comments on Financial Position</p> <p>1. Schedule-12</p> <p>Loans & Advances</p> <p>The Company has 21388 sq.mts. land at Bopal valuing Rs.9.77 crore for which the payment has already been made. The State Government had inquired about availability of allotment of any other land to the Company in vicinity and also mooted the proposal for reduction in the area of the said allotted land. Based only on such inquiry, the Company removed the said land from the block of Fixed Assets and transferred the amount of Rs.9.77 crore to Loans and Advances. This has resulted in overstatement of Loans & Advances and understatement of fixed assets by Rs.9.77 Crore.</p>	<p>Necessary J.V. No. 47 passed during the month of October, 2009.</p>

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

For and on behalf of the Board of Directors

Sd/-
Accountant General

Sd/-
(Guruprasad Mohapatra, IAS)
Chairman

Place : Ahmedabad
Date : 23/12/2009

Place : Vadodara
Date : 04/01/2010



UTTAR GUJARAT VIJ COMPANY LIMITED

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PRAVEEN SINGHVI
B.Com., LLB., D.C.L.L., F.C.A.

P. SINGHVI & ASSOCIATES
CHARTED ACCOUNTANTS

210, UNIVERSITY PLAZA, VIJAY CHAR RASTA, NAVRANGPURA, AHMEDABAD – 380 009.
TELEFAX : (O) 27913884, (R) 26859513, Mob. : 94-261-79643

AUDITORS' REPORT

To,

The Members,

UTTAR GUJARAT VIJ COMPANY LIMITED

MEHSANA

1. We have audited the attached Balance Sheet of **UTTAR GUJARAT VIJ COMPANY LIMITED, MEHSANA** as at 31st March 2009, 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 2008-09 are compiled and reported.
4. As required by the Companies (Auditors' Report) Order, 2003 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. **Attention is drawn to the following** (unless stated otherwise, references are to the Notes forming part of accounts as mentioned in Schedule-29).
 - a) **Note No. 2) : Assets Charged for the security by GUVNL.**
 - b) **Note No.4) : Legal Ownership (Titles) of immovable assets.**



- c) **Note No. 6) : Regarding non capitalization of borrowing costs.**
- d) **Note No.7) : Debtors, loans and advances, Creditors for material and Creditors for expenses are subject to confirmation.**
- e) **Note No.19) : Regarding non-disclosure of dues to small scale undertaking.**

6. 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 and Profit & Loss Account dealt with by this report are in agreement with the books of accounts of the Company.
- d. In our opinion, the Balance Sheet and Profit & Loss Account 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 21-Oct-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.

SUBJECT TO THE FOREGOING and read together with the Significant Accounting Policies stated in Schedule-28 and Notes on Accounts stated in Schedule-29, 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, 2009;
- 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

Place : Ahmedabad
Date : 25-09-2009

Praveen Singhvi
Partner
M. No. 071608



ANNEXURE TO THE AUDITORS' REPORT

(Referred to in our Paragraph (4) of our Report of even date on the accounts of UTTAR GUJARAT VIJ COMPANY LIMITED as at 31st March 2009)

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. In our opinion and 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 the activities 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 given to us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues and the Company had no arrears of such outstanding statutory dues as at the year end for a period more than six months from the date they become payable.
(b) According to the information and explanations given to us and based on the records of the Company, there are no disputed dues as at 31st March, 2009.
10. The Company does not have any accumulated losses as at 31st March, 2009. 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.
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. The Company is not a chit fund or a nidhi /mutual benefit fund / society. Therefore, the provisions of Clause (xiii) are not applicable to the Company.
14. In our opinion and 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 provisions of Clause (xiv) are not applicable to the Company.
15. In our opinion and 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. In our opinion, the term loans have been 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.
19. The Company has not issued any debentures during the year under audit.
20. The Company has not raised any money by public issues during the year under audit.
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

Place : Ahmedabad
Date : 25-09-2009

sd/-
Praveen Singhvi
Partner
M. No. 071608



UTTAR GUJARAT VIJ COMPANY LIMITED

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BALANCE SHEET AS AT 31ST MARCH, 2009

PARTICULARS	SCHEDULE NUMBER	[RUPEES IN LACS]	
		AS AT 31 ST MARCH 2009	AS AT 31 ST MARCH 2008
SOURCES OF FUNDS			
SHAREHOLDERS FUND			
Share Capital	1	20714.87	5.01
Share capital Suspense Account	1 (a)	0.00	44358.59
Share Application Money	2	3000.00	0.00
Reserves & Surplus	3	72754.29	26964.23
LOAN FUNDS			
Secured Loans	4	43821.64	45536.25
Unsecured Loans	5	49047.14	44062.75
Deferred Tax Liability		0.00	0.00
TOTAL		189337.94	160926.83
APPLICATION OF FUNDS			
FIXED ASSETS			
Gross Block	6	226736.17	204335.01
Less : Accumulated Depreciation.		53613.98	43634.41
Net Block (a)		173122.19	160700.60
Add : Assets not in Use	7	23.91	100.83
Capital Works in progress.	8	972.25	906.27
(b)		996.16	1007.10
NET FIXED ASSETS (a)+(b)		174118.35	161707.70
INVESTMENTS		0.00	0.00
CURRENT ASSETS, LOANS & ADVANCES			
Inventories, Stores & Spares	9	16762.90	17471.23
Sundry Debtors	10	49138.22	43177.16
Cash & bank balances	11	3703.95	3248.08
Loans & Advances	12	2658.98	1566.83
Other current assets.	13	43126.54	24393.76
TOTAL CURRENT ASSETS		115390.59	89857.06
Less:			
Current Liabilities & Provisions	14	100171.00	90637.93
NET CURRENT ASSETS		15219.59	-780.87
Miscellaneous Expenditure (To the extent not written off or adjusted)		0.00	0.00
TOTAL		189337.94	160926.83
Significant Accounting Policies	28		
Notes Forming Parts of Accounts	29		

As per our attached report of even date

For and on behalf of the Board of Directors

For P. Singhvi & Associates

Chartered Accountants

Praveen Singhvi

Partner

M. No. 071608

Guruprasad Mohapatra, IAS

Chairman

A.K.Verma, IFS

Managing Director

R.B.Kothari, AICWA

General Manager (F&A)

N. M. Joshi, FCS

Company Secretary

Place : Ahmedabad

Date : 25-09-2009

Place : Vadodara

Date : 25-09-2009



PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH , 2009

PARTICULARS	SCHEDULE NUMBER	[RUPEES IN LACS]	
		YEAR ENDED 31 ST MARCH 2009	YEAR ENDED 31 ST MARCH 2008
INCOME			
Sale of Power	15	358937.29	255663.18
Subsidies and Grants	16	57128.82	57658.81
Other Income	17	10633.89	22857.27
Total		426700.00	336179.26
EXPENDITURE			
Purchase of Power		372033.17	293085.87
Repairs and Maintenance	18	5334.87	7586.15
Employees Costs	19	25806.85	18720.32
Administrative and General Expenses	20	3496.11	2930.27
Depreciation	21	10142.60	8926.90
Interest and Finance Charges	22	11858.88	8972.05
Bad debts & Other debits	23	1581.91	137.07
Sub-Total		430254.39	340358.63
Less: Other Expenses Capitalised	24	4722.69	5079.15
Extra-Ordinary items	25	32.88	46.99
Net Prior Period Credit / (Charges)	26	-386.41	-667.39
Total		425950.99	335993.86
PROFIT / (LOSS) BEFORE TAX		749.01	185.40
Provision for Taxes			
Income Tax		85.14	14.75
Fringe Benefit Tax		67.82	83.53
Wealth Tax		0.57	1.18
Total	27	153.53	99.46
PROFIT / (LOSS) AFTER TAX		595.48	85.94
Profit / Loss for the current year		595.48	85.94
Balance brought forward from previous year		1,959.07	1873.13
Balance carried to the Balance Sheet		2554.55	1959.07
Earning Per Share (basic & diluted) Rs.		0.56	0.02
Significant Accounting Policies	28		
Notes on Accounts	29		

As per our attached report of even date

For P. Singhvi & Associates

Chartered Accountants

Praveen Singhvi

Partner

M. No. 071608

Place : Ahmedabad

Date : 25-09-2009

For and on behalf of the Board of Directors

Guruprasad Mohapatra, IAS

Chairman

R.B.Kothari, AICWA

General Manager (F&A)

Place : Vadodara

Date : 25-09-2009

A.K.Verma, IFS

Managing Director

N. M. Joshi, FCS

Company Secretary



UTTAR GUJARAT VIJ COMPANY LIMITED

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CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2009

PARTICULARS	[RUPEES IN LACS]	
	YEAR ENDED 31 ST MARCH 2009	YEAR ENDED 31 ST MARCH 2008
Cash Flow from Operating Activities		
Net Profit Before Tax & Prior Period Adjustments	1135.41	185.40
Adjustments For: Add / (Less) :-		
Depreciation	10142.60	8926.90
Interest & Financial Charges	11858.88	8972.05
Bad & Doubtful Debs	1581.91	(8887.82)
Cap .Grant .Amortized		(2669.23)
Prior Period .Adjustment	386.41	(401.35)
Other. Misc. Exp Debit		183.49
Adjstment of Fixed Assets	(1177.25)	0.56
Gain On Sale Of Fixed assets	(84.85)	98.23
Provision for exp.		
Operating Profit Before Working Capital Changes	23843.11	6211.77
Adjustments for Changes in Working Capital		
(Increase)/Decrease in Current Assets	(26584.87)	5365.07
(Increase)/Decrease in Current Liabilities	9753.70	12965.24
CASH GENERATED FROM OPERATIONS	7011.94	24542.08
Less : Direct Tax (Including FBT) Paid	67.11	(331.08)
A. NET CASH FROM OPERATING ACTIVITIES	6944.83	24211.00
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(23741.44)	(24771.69)
(Increase)/Decrease Assets not in Use	76.91	(89.12)
(Increase)/Decrease Capital Work in Progress	(65.97)	(366.94)
Sale Adjustment on Fixed Assets	84.85	(392.18)
Purchase of Other Investments		
B. NET CASH FROM INVESTING ACTIVITIES	(23645.66)	(24835.57)
CASH FLOW FROM FINANCING ACTIVITIES		
Share Capital	12620.23	
Reserves	13116.60	
Capital Grant		7962.25
Proceed from Borrowings		
Long Term	12370.65	8849.95
Short Terms		22880.44
Cash Credit	3752.40	2189.80
<u>Out Flow</u>		
Repayments Of Borrowings		
Long Terms	(12844.29)	(18653.70)
Short Terms		(10542.22)
Interest & Financing Charges Paid	11858.88	(11361.09)



CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2009

PARTICULARS	[RUPEES IN LACS]	
	For the year 31 st March 2009	For the year 31 st March 2008
C. NET CASH USED IN FINANCING ACTIVITIES	17156.71	1325.43
NET INCREASE IN CASH & CASH EQUIVALENTS (A+B+C)	455.87	700.86
CASH AND CASH EQUIVALENT AS AT 1-4-2008 (OP.BAL.)	3248.08	2547.22
CASH AND CASH EQUIVALENT AS AT 31-3-2009 (CL.BAL.)	3703.95	3248.08

- 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 01-04-2008 & 31-03-2009 are as per Schedule-11 to the Balance Sheet.

As per our attached report of even date

For P. Singhvi & Associates

Chartered Accountants

Praveen Singhvi

Partner

M. No. 071608

Place : Ahmedabad

Date : 25-09-2009

For and on behalf of the Board of Directors

Guruprasad Mohapatra, IAS

Chairman

R.B.Kothari, AICWA

General Manager (F&A)

Place : Vadodara

Date : 25-09-2009

A.K.Verma, IFS

Managing Director

N. M. Joshi, FCS

Company Secretary



UTTAR GUJARAT VIJ COMPANY LIMITED

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SCHEDULES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2009

SCHEDULE: 1 SHARE CAPITAL

PARTICULARS	[RUPEES IN LACS]	
	As at 31 st March, 2009	As at 31 st March, 2007
Authorised Share Capital 60,00,00,000 Equity Shares each of Rs. 10 each	60000.00	60000.00
Issued, Subscribed and Paid-up Capital 20,71,48,722 Equity Shares each of Rs. 10 each fully paid-up (Previous year 50,070 Equity Shares)	20714.87	5.01
TOTAL	20714.87	5.01

SCHEDULE: 1 (a) SHARE CAPITAL SUSPENSE ACCOUNT

PARTICULARS	[RUPEES IN LACS]	
	As at 31 st March, 2009	As at 31 st March, 2008
Share Capital Suspense Account	0.00	44358.59
TOTAL	0.00	44358.59

SCHEDULE: 2 SHARE APPLICATION MONEY

PARTICULARS	[RUPEES IN LACS]	
	As at 31 st March, 2009	As at 31 st March, 2008
Share Application money.	3000.00	0.00
TOTAL	3000.00	0.00

See Note No. : 1(C) OF SCHEDULE : 29

SCHEDULE: 3 RESERVES & SURPLUS

PARTICULARS	[RUPEES IN LACS]	
	As at 31 st March, 2009	As at 31 st March, 2008
Deferred Government Grants, Subsidies & Contribution.		
Subsidies towards Cost of Capital Assets	10900.98	4763.93
Grants for Capital Assets	2651.30	2946.19
Consumer Contri. towards Capital Assets	18609.62	12892.51
Bonds redemption Reserve		
Capital Grants under FRP	3962.27	4402.53
Energy Conservation grant for Energy Efficient Pump Sets	806.63	0.00
Reserves :		
Equity Share Premium	33268.94	0.00
Surplus as per Profit & Loss Account	2554.55	1959.07
TOTAL	72754.29	26964.23



SCHEDULES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2009

SCHEDULE: 4 SECURED LOANS

PARTICULARS	[RUPEES IN LACS]	
	As at 31 st March, 2009	As at 31 st March, 2008
Cash Credit from Banks	5930.34	2177.94
Loan from Banks	1326.40	1575.10
(Due within one year Rs. 332.00 Lakhs, Previous year Rs. 2801.00 lakhs)		
Loan from Banks	19950.97	20781.35
(Due within one year Rs. 4304.00 Lakhs, Previous year Rs. .00 lakhs)		
REC Short Term Loan	675.53	1664.80
(Due within one year Rs. 521.00 Lakhs, Previous year Rs. 989.00 lakhs)		
DPG UGVCL UBI	3574.87	1706.71
(Due within one year Rs. 341.34 Lakhs, Previous year Rs. Nil lakhs)		
Deferred payment credits	4356.69	8543.28
(Due within one year Rs. 3,016.00 Lakhs, Previous year Rs. 3,908.00 lakhs)		
DPG UGVCL SIDBI	497.09	129.53
(Due within one year Rs. 59.56 Lakhs, Previous year Rs. Nil lakhs)		
Loans from REC	4630.25	6365.99
(Due within one year Rs. 1,020.00 Lakhs, Previous year Rs. 1694.00 lakhs)		
Loans from REC UGVCL	2879.50	2591.55
TOTAL	43821.64	45536.25

- 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.
- The Scheme Loan from REC Ltd. Is secured by future movable properties viz. distribution transformers of 25,63,100 KVA procured or to be procured under the Scheme Loan and installed in Mehsana.
- 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 MGVL.
- Loans from State Bank of 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.



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10. 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.
11. 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.
12. Loans from Dena Bank is secured against the 1st hypothecation charge on the assets of Amreli, Dhasa & Vernej TR Division of GETCO.
13. Loans from Indian Overseas Bank is secured against the 1st hypothecation charge on the assets of Vijapur, Mehsana & Chhatral TR Division of GETCO.
14. Loans from Union Bank of India is secured against the 1st hypothecation charge on the assets of Soja, Dhansura & Chhatral TR Division of GETCO.
15. 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.
16. Loans from Allahabad Bank is secured against the 1st hypothecation charge on the assets of Sabarmati, Gandhinagar & Bavla O&M Division of UGVCL.
17. 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.
18. 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.



SCHEDULES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2009

SCHEDULE: 5

UNSECURED LOANS

PARTICULARS	[RUPEES IN LACS]	
	As at 31 st March, 2009	As at 31 st March, 2008
Borrowings for Working Capital		
Loan from Banks(STL) (Due within one year Rs. 1,820.00 Lakhs, Previous year Rs. 1029.00 lakhs)	3492.58	1311.87
Loan from GSFS (STL) (Due within one year Rs. 9,051.00 Lakhs, Previous year Rs. 5,068.00 lakhs)	15187.59	7841.12
Loan from Companies: GIPCL (Due within one year Rs. NIL Lakhs, Previous year Rs. 331.60 lakhs)	0.00	331.60
Loan from GUVNL	6.04	0.00
Payment Due on Capital	90.32	117.01
Public Bonds		
Series-V option-II 11.90% & 12.00% (Due within one year Rs. 618.00 lakhs)	617.60	1080.79
Series-VI option-I, II & III (Due within one year Rs. 1883.00 lakhs)	7594.25	9006.60
Series-VII option-I, II & III (Due within one year Rs. Nil)	634.35	2119.44
Series-VIII (Due within one year Rs. Nil)	5676.72	5676.72
Series-IX (Due within one year Rs. Nil)	1109.19	1109.19
Series-X (Due within one year Rs. Nil)	3327.57	3327.57
S.L.R. Bonds (Due within one year Rs. Nil)	625.81	625.81
S.L.R. Bonds (Due within one year Rs. 729.00 lakhs)	1298.08	1931.76
Loan from Power Finance Corporation (Due within one year Rs. 6.27 Lakhs, Previous year Rs. 6.27 lakhs)	3.13	9.40
Loan from Rural Electrification Corporation (Due within one year Rs. 38.00 Lakhs, Previous year Rs. 52.00 lakhs)	156.06	208.23
Loan from R E C (RGGVY)	304.78	0.00
Financial Participation by consumers	8.49	114.87
Sub Total	40132.56	34811.98
State Government Loans(Allocated by G.U.V.N.L)		
Loan under APDP (Due within one year Rs. 95.00 Lakhs, Previous year Rs. 170.77 lakhs)	3073.34	3233.21
ADB Prog. & Proj. Loan (Due within one year Rs. 308.00 Lakhs, Previous year Rs. 160.21 lakhs)	5841.24	6017.56
Sub Total	8914.58	9250.77
TOTAL	49047.14	44062.75

Note: Refer Note on Account No:3(1) of schedule 29



SCHEDULES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2009

SCHEDULE: 6 FIXED ASSETS

Particulars	GROSS BLOCK					ACCUMULATED DEPRECIATION			NET BLOCK	
	Gross Block as on 01-04-08	Additions during the year	Deduction / Adjustment during the year	Balance at the end of This year 31-03-09	Balance as on 01-04-08	Charge during the year	Deduction / Adjustment during the year	Balance at the end of This year 31-03-09	Net Assets at the end of This year 31-03-09	Net Assets at the beginning of the year 31-03-08
Land & Land rights	1004.66	20.61	977.16	48.11	0.00	0.00	0.00	0.00	48.11	1004.66
Buildings	797.53	329.97	10.49	1117.01	99.28	14.89	0.03	114.14	1002.87	698.25
Hydraulic works	58.98	1.03	0.07	59.94	20.25	2.93	0.03	23.15	36.79	38.73
Other Civil works	119.46	112.12	0.36	231.22	12.37	2.53	0.30	14.60	216.62	107.09
Plant & Machinery	54230.78	7601.94	145.29	61687.43	11804.93	2689.94	79.17	14415.70	47271.73	42425.85
Lines & Cable Net Works	146460.17	15409.88	142.07	161727.98	31169.84	7163.25	59.03	38274.06	123453.92	115290.33
Vehicles	257.07	0.49	7.01	250.55	125.26	27.06	5.71	146.61	103.94	131.81
Furniture & Fixtures & Electrical Lightings	178.81	91.85	2.16	268.50	52.44	35.54	0.10	87.88	180.62	126.37
Office Equipments	1227.55	173.55	55.67	1345.43	350.04	206.46	18.66	537.84	807.59	877.51
Total	204335.01	23741.44	1340.28	226736.17	43634.41	10142.60	163.03	53613.98	173122.19	160700.60
Total of Previous year	179896.31	24763.93	325.23	204335.01	34715.27	8926.90	7.76	43634.41	160700.60	145181.04

[RUPEES IN LACS]



SCHEDULES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2009

SCHEDULE: 7 ASSETS NOT IN USE

PARTICULARS	[RUPEES IN LACS]	
	As at 31 st March, 2009	As at 31 st March, 2008
Plant & Machinery	15.56	88.41
Lines & Cable Net Works	2.76	6.60
Vehicles	5.27	5.54
Office Equipments	0.32	0.28
TOTAL	23.91	100.83

SCHEDULE: 8 CAPITAL WORKS IN PROGRESS

PARTICULARS	[RUPEES IN LACS]	
	As at 31 st March, 2009	As at 31 st March, 2008
Capital Works-in-progress.	751.84	772.26
Provision for work in progress	220.41	134.01
TOTAL	972.25	906.27

SCHEDULE: 9 INVENTORIES, STORES & SPARES

PARTICULARS	[RUPEES IN LACS]	
	As at 31 st March, 2009	As at 31 st March, 2008
Stock of materials at Other Stores.	7439.32	10930.68
Materials at Site (O&M).	1306.68	964.42
Materials in Transit.	156.75	36.07
Other Materials Accounts.	7686.05	5385.12
Mat.Stock Excess / Shortage Pending Investigation	174.10	154.94
TOTAL	16762.90	17471.23



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SCHEDULES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2009

SCHEDULE: 10

SUNDRY DEBTORS

PARTICULARS	[RUPEES IN LACS]	
	As at 31 st March, 2009	As at 31 st March, 2008
Sundry Debtors for Sale of Power	16794.32	14145.07
Provision for Unbilled Revenue.	31429.01	26236.90
Dues from PDC (Net of SD forefeited).	7928.95	9115.69
Sundry Debtors for Misc. Receipts from Cons.	1660.20	1706.73
Sub-Total	57812.48	51204.39
Less : Unposted Receipts.	1.02	1.34
Sub-Total	57811.46	51203.05
Less : Prov. for Doubtful Dues from Consumers.	7042.59	6836.76
Sub-Total	50768.87	44366.29
Less : Deferred ED & TSE from Consumers.	1630.65	1189.13
TOTAL	49138.22	43177.16

Out of the above -

- Outstanding for a period exceeding six months.

22171.79 14349.85

- Others

35640.68 35664.07

Less : Prov. For Doubful Dues from Cosumers.

7042.59 6836.76

NOTE:- All the above debts considered good for which the company holds no security other than the debtors personal security.

SCHEDULE: 11

CASH AND BANK BALANCES

PARTICULARS	[RUPEES IN LACS]	
	As at 31 st March, 2009	As at 31 st March, 2008
Cash on hand.	355.39	264.39
Postage Stamp & Agreement Stamps on hand	7.11	7.49
Balance with Banks.	1572.58	1636.61
Remittance in Transit.	692.59	1336.85
Fixed deposits with Banks	1076.28	2.74
TOTAL	3703.95	3248.08



SCHEDULES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2009

SCHEDULE: 12

LOANS AND ADVANCES

PARTICULARS	[RUPEES IN LACS]	
	As at 31 st March, 2009	As at 31 st March, 2008
Unsecured, considered good.		
Advances to Suppliers / Contractors (Capital).	286.18	114.30
Advances for O&M Supplies / Works.	18.05	498.51
Loans & Advances to staff -Interest Bearing.	651.53	701.82
Loans & Advances to staff -Interest free.	141.38	148.81
Advance Income Tax / Tax deduction at source.	240.09	0.05
Advance Fringe Benefit Tax	224.86	84.67
Loans & Advances - Others.	1022.19	18.67
Other deferred revenue expenditure	74.70	0.00
TOTAL	2658.98	1566.83

SCHEDULE: 13

OTHER CURRENT ASSETS

PARTICULARS	[RUPEES IN LACS]	
	As at 31 st March, 2009	As at 31 st March, 2008
Unsecured, considered good.		
Sundry debtors - Trading Account.	0.00	1.15
Income accrued but not due.	691.01	683.53
Amt. recoverable from emp./ ex-employees.	3.40	6.45
Interest Accrued & Due on Staff Loans & Advances	68.21	72.65
Receivables from Government	11.04	8.40
Other Misc. Receivable from Govt Dept., Local Bodies	46.92	28.30
Deposits.	821.95	2545.10
Other receivables from Associate Companies.		
- Gujarat State Electricity Company Limited	108.38	0.00
- Madhya Gujarat Vij Company Limited	5282.68	5291.10
- Dakshin Gujarat Vij Company Limited	352.26	241.03
- Gujarat Energy Transmission Company Limited	832.13	1497.17
- Gujarat Urja Vikas Nigam Limited	34906.57	13997.87
- Gujarat Energy Training & Research Institute	1.99	21.01
TOTAL	43126.54	24393.76



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SCHEDULES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2009

SCHEDULE: 14

CURRENT LIABILITIES AND PROVISIONS

PARTICULARS	[RUPEES IN LACS]	
	As at 31 st March, 2009	As at 31 st March, 2008
CURRENT LIABILITIES		
Liability for Capital Supplies / Works.	45.44	47.96
Liability for O & M Supplies / Works.	2219.76	3682.48
Staff related Liabilities.	131.45	127.79
Welfare Schemes	1831.27	1739.54
Deposits & Retentions from Supp. & Contractors.	1593.40	4493.43
Electricity Duty & Tax on sale of Ele. Payable to Govt.	24.35	89.78
Compounding offence	40.95	49.48
Accrued / unclaimed amt. relating to Borrowings.	1877.06	1946.76
Other Liabilities and Provisions.	11963.24	8113.79
Security Deposit from Consumers in Cash	51140.57	44460.70
Security Deposit from Consumers other than Cash	0.00	7.58
Interest payable on Security Deposit from Consumers	2211.38	1855.16
Deposits for Electrification & Service Conn. etc.	4876.81	5260.49
Other payables to Associate Companies		
- Gujarat State Electricity Company Limited	0.00	28.55
- Paschim Gujarat Vij Company Limited	400.49	532.31
Sub Total	78356.17	72435.80
PROVISIONS		
Provision for Leave encashment	7429.64	3797.41
Provisions for expenses	13842.37	14306.71
Provision for Income Tax	2.11	2.11
Provision for Minimum Alternate Tax (MAT)	315.44	12.64
Provision for Fringe Benefit Tax	222.99	82.08
Provision for Wealth Tax	2.28	1.18
Sub- Total	21814.83	18202.13
TOTAL	100171.00	90637.93

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SCHEDULES FORMING PART OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2009

SCHEDULE: 15 SALE OF POWER

PARTICULARS	[RUPEES IN LACS]	
	Year Ended 31 st March, 2009	Year Ended 31 st March, 2008
Revenue from Sale of Power		
Domestic or Residential	37275.61	26805.57
Commercial	19758.06	14648.48
Industrial low & medium voltage	34085.95	29012.24
Industrial high voltage	130303.51	100279.93
Public lighting	1548.26	1200.54
Traction railways	726.52	622.19
Irrigation agricultural	113179.09	65758.53
Public water works and sew.pumps	14278.28	10317.02
Sub-Total	351155.28	248644.50
Electricity Duty & Tax on Sale of Electricity		
Ele. Duty - assessed	27230.26	20868.21
Sub-Total	27230.26	20868.21
Miscellaneous Revenue from Consumers...		
Meter Rent / Service Line Rental	3126.88	2864.44
Recoveries for Theft of Power / Malpractices Non-Consumers	950.95	820.29
Wheeling charges Recoveries	10.47	2.43
Misc. charges from consumers	3693.71	3331.52
Sub-Total	7782.01	7018.68
Gross revenue from sale of power	386167.55	276531.39
Less:Ele. Duty assessed (contra)	27230.26	20868.21
TOTAL	358937.29	255663.18

SCHEDULE: 16 SUBSIDIES AND GRANTS

PARTICULARS	[RUPEES IN LACS]	
	Year Ended 31 st March, 2009	Year Ended 31 st March, 2008
Agricultural Subsidy.	57128.82	57658.81
TOTAL	57128.82	57658.81



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SCHEDULES FORMING PART OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2009

SCHEDULE: 17 OTHER INCOME

PARTICULARS	[RUPEES IN LACS]	
	Year Ended 31 st March, 2009	Year Ended 31 st March, 2008
Interest on Staff Loans and Advances.	70.64	84.58
Interest Income from Others Loans/Advance	54.29	0.00
Interest from Consumers	0.30	0.50
Delayed Payment Charges from Consumers	1801.08	2761.09
Income from Trading	67.18	120.26
Gain on sale of Fixed Assets	84.85	98.23
Income from Staff Welfare Activities.	0.00	0.05
APDRP Grant	0.00	8486.20
Miscellaneous Receipts.	573.77	751.37
Govt. Grants/Cons. contribution (Deferred amount 10% W.Back)	3564.61	2669.23
Other Excess prvision written back	3997.17	0.00
Grant for Energy Conservation.	420.00	125.00
Bad & Doubtful debts written off / provided for	0.00	7760.76
TOTAL	10633.89	22857.27

SCHEDULE: 18 REPAIRS & MAINTENANCE

PARTICULARS	[RUPEES IN LACS]	
	Year Ended 31 st March, 2009	Year Ended 31 st March, 2008
Repairs and Maintenance		
Plant and Machinery.	997.58	1213.95
Buildings.	63.18	95.61
Civil Works.	50.29	155.02
Hydraulic Works.	0.22	0.05
Lines, Cable Network etc.	4145.98	5936.60
Vehicles.	17.56	22.95
Furniture, Fixtures.	21.28	39.52
Office Equipments.	38.78	122.45
TOTAL	5334.87	7586.15



SCHEDULES FORMING PART OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2009

SCHEDULE: 19 EMPLOYEES' COSTS

PARTICULARS	[RUPEES IN LACS]	
	Year Ended 31 st March, 2009	Year Ended 31 st March, 2008
Salaries.	10389.13	9062.54
Overtime.	10.44	6.54
Dearness allowance & Dearness Pay.	5841.07	4919.90
Other allowances.	1972.86	2067.59
Bonus.	121.75	206.29
Sub Total	18335.25	16262.86
Medical Expenses Reimbursement.	334.61	283.67
Leave Travel Assistance.	10.80	2.80
Leave Salary Contribution - Deputation Staff	0.08	0.00
Waival of O/s.HBA Loan & interest.	2.88	1.12
Death & accident compensation.	11.54	5.15
Payment under Workmen's Comp. Act.	5.75	17.66
Board's contri.Bombay Labour welfare Act.	0.85	0.61
EDLI-Board's Contribution.	4.84	4.69
EDLI - Administration charges.	0.25	0.25
Sub Total	371.60	315.95
Staff Welfare Expenses.	142.22	280.03
Terminal Benefits.	6957.78	1861.48
TOTAL	25806.85	18720.32



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SCHEDULES FORMING PART OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2009

SCHEDULE: 20

ADMINISTRATIVE & GENERAL EXPENSES

PARTICULARS	[RUPEES IN LACS]	
	Year Ended 31 st March, 2009	Year Ended 31 st March, 2008
Administration Expenses		
Rent including Lease rentals	182.65	41.34
Rates and Taxes.	33.36	22.36
Penalties on Statutory Levies	0.02	0.00
Insurance.	6.37	4.12
Testing Charges	2.05	2.58
Annual Inspection & Installation Checking fees to Coll. of ED	115.41	56.19
Telephone, Postage, Telegram, Telex, Mobile Charges.	170.34	150.26
Legal Charges.	52.20	38.27
Audit Fees.	3.31	7.55
Consultancy Charges.	16.23	14.01
Technical Fees.	0.07	0.70
Other Professional fees and expenses.	67.69	49.31
Conveyance & Travel .	1401.41	1328.67
Sub Total	2051.11	1715.36
Other Expenses		
Admn. Charges for Restoration of damages	0.22	2.78
Fees & Subscription.	197.36	73.88
Books & Periodicals.	1.54	2.94
Printing & Stationery.	163.69	135.74
Expenses on Computer Billing & EDP Charges.	212.34	165.38
Advertisements (Other than purchase related).	27.68	23.25
Xerox copy Charges	30.09	24.99
Contributions and charities	0.00	50.00
Electricity Charges.	127.27	97.36
Water Charges.	19.64	10.01
Maintenance to Tree Plantations.	0.85	0.77
Entertainment Expenses.	4.63	3.12
Expenses on Meetings & Conferences Expenses	3.75	2.82
Guest House Expenses.	20.65	5.92
Security Expenses	124.41	97.89
Miscellaneous Expenses.	175.43	157.52
Sub Total	1109.55	854.37
Freight & Other Purchase related expenses		
Freight.	35.64	55.88
Other Purchase Related Expenses.	234.59	220.01
Fabrication ch. Less:amt. absorbed in cost of fabrication	15.17	24.98
Sub Total	285.40	300.87
Rev.Stamps on Receipts issued by the Board.	4.48	4.36
Expenditure on Training to Staff.	45.57	55.31
Sub Total	50.05	59.67
TOTAL	3496.11	2930.27



SCHEDULES FORMING PART OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2009

SCHEDULE: 21 DEPRECIATION

PARTICULARS	[RUPEES IN LACS]	
	Year Ended 31 st March, 2009	Year Ended 31 st March, 2008
Buildings	14.89	11.86
Hydraulic Works	2.93	2.80
Other Civil Works	2.53	1.73
Plant & Machineries	2689.94	2352.95
Lines & Cable Net Works	7163.25	6348.13
Vehicles	27.07	25.67
Furniture & Fixtures	35.54	9.96
Office Equipments	206.45	173.80
TOTAL	10142.60	8926.90

SCHEDULE: 22 INTEREST AND FINANCE CHARGES

PARTICULARS	[RUPEES IN LACS]	
	Year Ended 31 st March, 2009	Year Ended 31 st March, 2008
Int. on State Government Loans	253.84	(1301.01)
Int. on Bonds	2182.86	2782.92
Interest on others	52.34	402.38
Int. on REC Loans	899.92	896.05
Int. on DPG	412.26	151.99
Int. to Consumers on advance Payment	363.36	116.70
Int. on FP by Consumers	0.40	12.22
Int. on Loans from PFC	0.71	1.01
Int. on Loans from ICICI	86.29	195.38
Int. on Deposit/Loan from cons. In dark Zone.	0.00	0.99
Interest to Consumers.	2446.30	2067.19
Sub Total	6698.28	5325.82
Int. on Borrowing for Working Capital.	4278.13	2836.80
Discount to Cons. for Timely Payment of Bills	35.46	41.67
Interest Charges - Licencees A/c	13.41	0.00
Interest on Deposits	1.11	0.67
Other Interest	121.77	121.47
Cost of raising finance	4.95	3.00
Other charges		
Other Charges	467.97	341.10
Guarantee Fees	231.77	295.90
Banking Cash Transaction Tax	6.03	5.62
Sub Total	5160.60	3646.23
TOTAL	11858.88	8972.05



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SCHEDULES FORMING PART OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2009

SCHEDULE: 23

BAD DEBTS & OTHER DEBITS

PARTICULARS	[RUPEES IN LACS]	
	Year Ended 31 st March, 2009	Year Ended 31 st March, 2008
Small & Low Value Items Written - off.	1.12	0.35
Written down value of assets scrapped.	0.01	0.00
Loss on Sale of Fixed Assets	0.00	0.57
Misc. Expenses for Energy conservation	92.84	0.00
Bad & Doubtful Debts Written off / Provided for.	768.83	0.00
Miscellaneous Losses & Write-offs.	700.44	136.15
Deferred Revenue Expenses W.off Expenses.	18.67	0.00
TOTAL	1581.91	137.07

SCHEDULE: 24

OTHER EXPENSES CAPITALISED

PARTICULARS	[RUPEES IN LACS]	
	Year Ended 31 st March, 2009	Year Ended 31 st March, 2008
Repairs and Maintenance Capitalised.	0.33	1.06
Employee Costs Capitalised.	4062.73	4401.00
Administrative & General Expenses Capitalised.	659.26	676.56
Depreciation and Related Costs Capitalised.	0.37	0.53
TOTAL	4722.69	5079.15

SCHEDULE: 25

EXTRAORDINARY ITEMS

PARTICULARS	[RUPEES IN LACS]	
	Year Ended 31 st March, 2009	Year Ended 31 st March, 2008
Extraordinary Debits		
R & M for restoration of damages due to flood, Cyclone	9.00	17.35
Losses on account of Flood, Cyclone, Fire etc.	23.88	29.64
TOTAL	32.88	46.99

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SCHEDULES FORMING PART OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2009

SCHEDULE: 26

NET PRIOR PERIOD CREDITS/ (CHARGES)

PARTICULARS	[RUPEES IN LACS]	
	Year Ended 31 st March, 2009	Year Ended 31 st March, 2008
Prior period income/ gains		
Receipts from Cons-Prior Periods	0.02	0.00
Excess provision for depreciation.	17.80	0.01
Excess Prov. Of Interest & Other Finance Charges	136.87	483.19
Other excess provision.	335.40	0.00
Other income.	2.50	354.59
Sub Total	492.59	837.79
Prior period expenses / losses		
Other Gen Costs Relating to prior period.	3.29	0.00
Employee costs.	18.47	8.90
Depreciation under provided.	0.09	81.23
Interest & Other Finance Charges	471.67	17.77
Administration expenses	307.60	0.93
Materials Related cost	0.16	0.48
Other excess provision.	4.97	0.62
Other Prior Period Adjustments.	72.75	1395.25
Sub Total	879.00	1505.18
Net Prior period Credits / (Charges)	(386.41)	(667.39)

SCHEDULE: 27

PROVISION FOR TAXES

PARTICULARS	[RUPEES IN LACS]	
	Year Ended 31 st March, 2009	Year Ended 31 st March, 2008
Provision for Income Tax Current year	0.00	2.11
Income Tax (MAT)	85.14	12.64
Fringe Benefit Tax	67.82	83.53
Wealth Tax	0.57	1.18
TOTAL	153.53	99.46



SCHEDULES FORMING PART OF BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

SCHEDULE: 28

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.

Government of Gujarat issued Notification No.GHU-2006-91-GUV-1106-590-K dated 3rd October, 2006 notifying the Final Opening Balance Sheet of the Company as on 1st April, 2005 containing the values of the assets and liabilities of the Distribution activities which stand transferred from erstwhile Gujarat Electricity Board to the Company as specified in Schedule "C" appended to the said Notification. Accordingly, the said values of the assets and liabilities have been taken into consideration as opening balances while preparing the final Annual Accounts.

Energy & Petrochemical Department, Government of Gujarat issued a notification No.GHU-(203)-GUV-11006-590K dated 12th December,2008 modifying the earlier notification No.GHU-2006-91GUV-1106-590K dated 3rd October,2006, thereby bifurcating the earlier notified entry share capital into equity share capital of Rs. 1108964800/- (i.e. 110896480 fully paid up equity shares of Rs. 10/- each) and share premium of Rs. 3326894430/- w.e.f. 1st April,2008. Consent upon the same share capital suspense Account of Rs. 44358=59 lacs stand transferred to equity share capital A/c. for Rs. 11089.65 lacs and share premium A/c. for Rs. 33268.94 lacs. Total Rs. 110896480 equity shares of Rs. 10/- each (fully paid) issued to 'GUVNL' for consideration other than cash.

(2) Revenue Recognition:

Revenue from sale of power is accounted for on the basis of energy bills raised as per the cycle-wise billing schedule to the consumers.

(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) Misc. Revenue from consumers :

Meter rent, recoveries from theft of power/malpractices, wheeling charges recoveries are recognized on accrual basis, except Misc. charges from consumers which are recognized on cash basis.

(iii) Revenue Subsidies:

Revenue Subsidies are accounted for as allocated by GUVNL (Holding Company) and credited to profit & Loss Account.



(iv) Other Income :

- (a) Income from Sale of Scrap, Insurance claims are accounted for on the Basis of actual realization and income received in respect of delayed Payment charges is accounted for in the subsequent bill, upon realization of the delayed payment made by the consumer.
- (b) Other income except mentioned above is recognized on accrued basis except when ultimate realization of such income is uncertain.

(3) Capital Grants, Subsidies and Consumer contributions:

All receipts of consumer contributions, capital grants and subsidies received during the year are treated as deferred revenue (shown in reserve & surplus) and 10% of the year-end balances are transferred to Revenue.

(4) 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.

(5) 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.

(6) Depreciation and Amortization:

- (i) Depreciation is provided on Straight Line Method as per rates prescribed in Schedule XIV to the Companies Act, 1956.
- (ii) Plant and Machinery, Loose Tools and items of scientific appliances included under different heads of assets costing Rs. 5,000/- or less are charged to revenue.
- (iii) Depreciation is provided on pro-rata basis in the year in which the asset is put to use. In case of new assets capitalized, depreciation is provided on pro-rata basis from the quarter, next following the quarter in which Asset is put to use.



(7) 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.

(8) 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 for 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 encashment 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.

(9) 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.

(10) 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.

(11) 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.

**(12) 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 diverge from these estimates.

(13) 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.

SCHEDULE 29: NOTES ON ACCOUNTS**(1) Share Capital:**

- (a)** The Government of Gujarat (GOG) has notified the opening values of assets and liabilities of the Company in respect of the transferred undertaking of erstwhile Gujarat Electricity Board (GEB) as on 1st April, 2005 vide Notification No. GHU-2006-91-GUV-1106-590-K dated 3rd October, 2006. The Notification No. GHU-(203)-GUV-1106-590-K dated 12th December, 2008 issued by Energy & Petrochemical Department, Government of Gujarat partially modifying the earlier Notification No. GHU-2006-91-GUV-1106-590-K dated 3rd October, 2006 and thereby bifurcating the earlier notified equity Share Capital into Equity Shares Capital of Rs. 1108964800/- (i.e. 110896480 Fully paid Equity shares of Rs. 10/- each) and Share Premium of Rs. 3326894430/- effective from 1st April, 2008.
- (b)** The Government of Gujarat has released the financial assistance by way of Equity Share Capital in Gujarat Urja Vikas Nigam Ltd. (GUVNL), the holding company, for implementation of JGY in non-tribal areas by all distribution subsidiaries of GUVNL. In turn, the company has allotted 96202172 shares of Rs. 10/- each (fully paid up) aggregating to Rs. 962021720/- to GUVNL by way of preferential allotment through private placement.
- (c)** Share application money for Rs. 30,00,00,000/- shown in the balance sheet represents the amount received from GUVNL, the holding company, vide their Board Resolution dated 29th June, 2009.

(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 which are given as security for the loans raised by Holding Company i.e. GUVNL were charged with ROC.

- (i) Loan from Rural Electrification Corporation Ltd. for Rs. 7719.29 Lacs (previous year Rs.11930.00 Lacs) is secured against the 1st hypothecation charge on the assets of Idar & Talod O&M divisions of UGVCL.
- (ii) Loan from Rural Electrification Corporation Ltd. for Rs.4545.45 Lacs (previous year Rs. 15455.00 Lacs) is secured against the 1st hypothecation charge on the assets of Himatnagar Circle, Division & RSO, Modasa Division and Mehsana Circle, Division & RSO Kalol Division.
- (iii) Loan from Allahabad Bank for Rs.16000.00 Lacs (previous year Rs. 19000.00Lacs) is secured against 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) Secured and Unsecured Loans:

- (1) The loans which were raised by Erstwhile GEB from Bonds, Banks, PFC, REC, LIC, 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.

- (2) Additional Loans raised by GUVNL during 2008-09:

GUVNL has raised several loans during the year 2008-09 for common usage of transferee companies. GUVNL has apportioned Rs. 25,817.78 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 reclassified and regrouped either as secured loans or Unsecured Loans.

(4) 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.

(5) Segment Reporting:

- (i) **Business Segments:** The Company has only one activity namely 'Distribution of Electricity'. Accordingly, the Accounting Standard 17 – Segment Reporting issued by the Institute of Chartered Accountants of India has been considered as not applicable.
- (ii) **Geographical Segments:** The Company's operations are mainly confined within the State of Gujarat. The Company does not have material earnings outside Gujarat or outside India. As such there are no reportable geographical segments.



- (6) All borrowings during the year are taken by GUVNL on behalf of its subsidiary companies which are not directly allocable for any specific project of the company. Hence no borrowing cost is capitalized during the year.
- (7) The balance shown in the books pertaining to debtors, loans & advances, creditors for materials and creditors for expenses are subject to confirmation from the parties concerned.
- (8) 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, as per policy of management, is not payable is considered as income.

(9) 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.
- » As per the last settlement the increase in wages is effective from 1.1.2006. The company has made provision of Rs. 10343.07 Lacs from January-06 to March-08. The actual wages payable from January,06 to March,08 is Rs.6345.90 Lacs. The difference of Rs.3997.17 Lacs (Rs. 10343.09 lacs Less Rs. 6345.90 lacs) is written back during the year 2008-09. Provision for the year 2008-09 is Rs. 3045.01 lacs.
- » An amount of Rs. 193.33 Lacs has been accounted for the employees cost arising out of the payment towards arrears of D.A. difference and related benefits of employees as consequence of the decision of Govt. of Gujarat and applied to UGVCL employees.

(ii) Employee Benefits:

- » 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 Rs.1282.23 Lacs (P.Y Rs. 1192.94) as expense towards contribution to these plans.

- » Defined contribution towards gratuity

The liability on account of Gratuity (retirement benefit in the nature of defined benefit plan) is accounted as per Accounting Standard – 15 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.



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(Rs. in Lacs)

Particulars	2008-09	2007-08
The amounts recognized in the Balance Sheet of GUVNL		
Present Value of Obligations	8931.70	7539.27
Fair value of plan assets	3882.39	3004.57
Unrecognized past service cost	Nil	Nil
Net liability in the Balance Sheet	5049.31	4534.70
Cost for the period		
Current service cost	148.94	196.46
Interest on obligation	603.14	606.77
Expected return on plan assets	(314.19)	(219.07)
Net actuarial losses (gains) recognized in year	1282.50	(157.30)
Past service cost	Nil	Nil
Losses (gains) on curtailments and settlements	Nil	Nil
Expense recognized in the statement of Profit & Loss	1720.39	426.86
Change in Benefit Obligations		
Opening defined benefit obligation	7539.27	7584.60
Prior period adjustment		
Service cost	148.94	196.46
Interest cost	603.14	606.77
Actuarial losses (gains)	1240.75	(158.80)
Benefits paid	(600.40)	(689.75)
Closing defined benefit obligation	8931.70	7539.27
Change in Plan Assets (not applicable as liability is currently not funded)		
Opening fair value of plan assets	3004.57	2081.13
Expected return	314.19	219.07
Actuarial gains and (losses)	(41.75)	(1.49)
Contributions by employer	1205.79	1395.62
Assets acquired in an amalgamation in the nature of purchase	Nil	Nil
Exchange differences on foreign plans	Nil	Nil
Benefits paid	(600.41)	(689.77)
Closing fair value of plan assets	3882.39	3004.57
Investment Details (not applicable as liability is currently not funded)		
Government of India Securities	-	-
Corporate bonds	-	-
Special Deposit Scheme	-	-
Insurer Managed Funds	100%	100%
Others	-	-
Principal actuarial assumptions		
Discount rate per annum as at 31st March 2009	8.00%	8.00%
Salary Escalation per annum	5.00%	5.00%
Expected return on plan assets at 31st March 2009	9.50%	9.00%
Retirement Age	58/60 years	58/60 years
Attrition rate		3% to 1%

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



- (10) 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 any expected loss, if any, in the Profit and Loss Account.

(11) Compliance to GERC

The Gujarat Electricity Regulatory Commission, hereinafter referred to as the GERC or the Commission, is a body constituted under the provisions of the erstwhile Electricity Regulatory Commission Act, 1998 and is vested with the authority to regulate the working of the electrical utilities in the State and is entrusted with various functions, inter alia, including the determination of retails Tariff Rates for the end users of electrical energy.

Under Section 62 of the Electricity Act, 2003 and under the Regulation 5 – Application for determination of Tariff as per GERC (Terms and Conditions of Tariff) Regulations, 2005, the Company is required to get its Multi Year Tariff (MYT) approved by the Commission.

The Company had filed its petition No.945/2008 with the Commission on 31st July, 2008 for approval of MYT proposal. Subsequent to the public hearing held by the GERC for the purpose of approval of Multi Year Tariff proposal for the financial years 2008-09, 2009-10 & 2010-11, the Hon'ble Commission has declared its award on 17th January, 2009 and decided retail tariff for the Distribution Company for the first year of Control period i.e. 2008-09, effective from 1st February, 2009. Consequently, the company has implemented the same w.e.f. 1st February, 2009.

Apart from the above, various directives of the Commission has been followed by the Company including various monthly / quarterly / half yearly / yearly returns filed regularly.

The Company has also filed petition under Section 62 of the Electricity Act, 2003 for Annual Performance Review of F.Y. 2008-09 and determination of tariff for F.Y. 2009-10 under BGERC (MYT framework) Regulations, 2007 and under Part-VII (Section 61 to 64) of the Electricity Act, 2003 in accordance with relevant guidelines.

- (12) The Government of Gujarat vide Government Resolution No.GEB-1104-7319K dated 07-11-2008 has resolved to waive the interest on outstanding loans of Rs. 84177.39 lacs sanctioned and released to GUVNL(as on 31-03-2005) which was earlier deferred till 2010-11 while approving the Financial Restructuring Plan of erstwhile GEB. Accordingly, the interest provided for 2005-06 and 2006-07 on the loans retained in the company has been withdrawn whereas no provision is required to be made on this loan for 2008-09 till 2010-11.
- (13) Steering Committee constituted by the Ministry of Power, Government of India has approved the loan amount of Rs. 32.97 Crores under R-APDRP Projects in Gujarat to be released through Power Finance Corporation. PFC has sanctioned loan for Rs. 32.97 Crores vide its letter No.02:10:R-APDRP(P-A):2009:UGVCL dated 30th June,2009. Further PFC vide its letter No.02:10:R-APDRP (P-A):2009: UGVCL dated 10th July,2009 extended the time limit for completion of projects by the end of June,2012 (instead of February,2012).



(14) Contingent Liabilities:

- (i) Contingent liabilities in respect of claim against the Company other than revenue not acknowledged as debt is Rs. 149.20 Lacs (P.Y. Rs. 91.98 Lacs).
- (ii) Estimated amount of contracts remaining to be executed on capital account and not provided for is Rs165.54 Lacs. (P.Y. Rs. 238.43 Lacs).

(15) In view of their large number of accounts and in absence of segregated information, total outstanding dues to Small Scale Industrial Undertaking as defined under Micro, Small & Medium Enterprises Development Board, 2006 have not been disclosed separately, as required under Part – 1 of Schedule VI to the Companies Act, 1956.

(16) Value of imports calculated on C.I.F. basis is Rs. Nil (P.Y. Rs. Nil).

(17) Managerial Remuneration :

[Rs.in lacs]

Particulars	For the period ended 31 st March	
	2009	2008
Salaries to M.D	4.87	4.22
Other Monetary value of benefits in cash or in kind to M.D	0.10	0.09
Total	4.97	4.31

(18) Auditors' Remuneration :

(A) Statutory Auditors:

[Rs.in lacs]

Particulars	2008-09	2007-08
Audit	3.00	3.00
Certifications fees	-	-
Other Services	-	-
Others	0.89	0.67
Total (Excluding Service Tax)	3.89	3.67

(B) Cost Auditors:

[Rs.in lacs]

Particulars	2008-09	2007-08
Audit	0.48	0.48
Other Services	-	-
Total (Excluding Service Tax)	0.48	0.48



(19) Subsidy and Grants:

[Rs.in lacs]

Particulars	2008-09	2007-08
Agriculture Subsidy	57128.82	57,658.81
Energy Conservation	420.00	125.00

(20) EPS: Earning Per Share is calculated as under:

[Rs.in lacs]

Particulars	2008-09	2007-08
Net Profit/(Loss) after tax before E.O.items	628.36	85.94
Weighted average No. of Equity Shares as on 31-03-2009 (Rs. 10 each)	207148722	50070
EPS(Rs.)—On Share Capital A/c Basic& diluted	0.56	171.63
No of Equity Share as per Share Capital A/c PLUS \ Share Capital Suspense A/c	—	44,36,35,993
EPS (Rs.) – On Share capital PLUS Share Capital Suspense A/c	—	0.02

Weighted Average no. of shares= {(110946550*365/365)+(96202172*1/365)}

(21) Related Party Transactions:

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 and transactions with such enterprises. The balances in the accounts of holding company and other associates are as follows:

[Rs.in lacs]

Name of Associates	Relationship	Balance as on 31/03/09	Balance as on 31/03/08	Reconciled up to
Gujarat Urja Vikas Nigam Ltd	Holding Co.	34906.57	13997.87	31.03.09
Gujarat State Electricity Corporation Ltd	Associate	108.38	(28.55)	31.3.09
Gujarat Electricity Transmission Corporation Ltd	Associate	832.13	1497.17	31.3.08
Madhya Gujarat Vij Company Ltd	Associate	5282.68	5291.10	31.3.09
Paschim Gujarat Vij Company Ltd	Associate	(400.49)	(532.31)	31.3.09
Dakshin Gujarat Vij Company Ltd	Associate	352.26	241.03	31.3.09
Gujarat Energy Training & Research Institute	Associate	1.99	21.01	31.3.09



(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. However, as the Company does not envisage the major profit in near future and based on the prudence, the deferred tax assets shown as under have not been provided due to carried forward losses and unabsorbed depreciation of erstwhile GEB allotted to the Company.

PARTICULARS	[RUPEES IN LACS]	
	As at 31 st March, 2009	As at 31 st March, 2008
Deferred Tax Assets:		
Arising out of timing differences in :		
Leave Encashment	1234.59	-
Gratuity	583.77	-
Unabsorbed Depreciation	-	9737.25
TOTAL	1818.36	9737.25
Deferred Tax Liabilities:		
Arising out of differences in :		
Depreciation	62.34	352.19
Leave Encashment	-	30.25
TOTAL	62.34	382.44
Net Deferred Tax Asset/(Liability)	1756.02	9354.81

(23) Provision for Taxation:

Provision for current tax includes following:

[Rs.in lacs]

Particulars	For the period ended 31 st March	
	2009	2008
Income Tax	85.14	14.75
Fringe Benefit Tax	67.82	83.53
Wealth Tax	0.57	1.18

- (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.



Purchase/Sale:

[Rs.in lacs]

Particulars	As at March 31,2009		As at March 31,2008	
	Quantity In MUS	Value	Quantity In MUS	Value
Units purchased	13525	372033.17	13,001	2,93,085.87
Units sold	10910	358937.29	10240	2,55,663.18
Loss	2615	—	2761	—
T & D Losses %	19.33%	—	21.24%	—

(25) Statement of Management

- i. The current assets, Loans and advances are good and recoverable and are approximately of the values, if realized in the ordinary courses of business unless and to the extent stated otherwise in the accounts. Subject to the notes regarding depreciation, other notes and method of accounting followed by the company, provision for all known liabilities is adequate and not in excess of amount reasonably necessary. There are no contingent liabilities except those stated in the notes.
- ii. Balance Sheet, Profit & Loss Account and Cash Flow Statement read together with the schedules to the accounts and notes thereon, are drawn up so as to disclose the information required under the Companies Act, 1956 as well as give a true and fair view of the statement of affairs of the company as at the end of the year end results of the company for the year under review.

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

SIGNATURES TO SCHEDULES 1 TO 29

As per our attached report of even date

For P. Singhvi & Associates

Chartered Accountants

Praveen Singhvi

Partner

M. No. 071608

Place : Ahmedabad

Date : 25-09-2009

For and on behalf of the Board of Directors

Guruprasad Mohapatra, IAS

Chairman

R.B.Kothari, AICWA

General Manager (F&A)

Place : Vadodara

Date : 25-09-2009

A.K.Verma, IFS

Managing Director

N. M. Joshi, FCS

Company Secretary



UTTAR GUJARAT VIJ COMPANY LIMITED

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BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

Additional information pursuant to the 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	31-03-2009		

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

Public Issue	NIL	Right Issue	NIL
Bonus Issue	NIL	Private Placement	2070987

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

Total Liabilities	18933794	Total Assets	18933794
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SOURCES OF FUNDS

Paid up Capital	2071487	Share Application Money	300000
Reserves & Surplus	7275429	Secured Loans	4382164
Unsecured Loan	4904714	Deferred Tax Liability	NIL

APPLICATION OF FUNDS

Net Fixed Assets	17411835	Investments	NIL
Net Current Assets	1521959	Miscellaneous Exps.	NIL

IV. Performance of the Company (Rs. in Thousands)

Turnover	42670000	Total Expenditure	42595100
Profit/Loss before tax	74900	Profit/Loss after tax	59547
* Earning per share in Rs.	0.56	Dividend rate %	NIL

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

(as per monetary terms)

Item code No. (ITC code)	NA
Product Description:	Distribution of Energy

For and on behalf of the Board of Directors
Uttar Gujarat Vij Company Limited

Guruprasad Mohapatra, IAS
Chairman

R.B.Kothari, AICWA
General Manager (F&A)

Place : Vadodara
Date : 25-09-2009

A.K.Verma, IFS
Managing Director

N. M. Joshi, FCS
Company Secretary



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 **SIXTH ANNUAL GENERAL MEETING** of the Company to be held on Wednesday, 23rd
December, 2009 at 5.00 p.m. at Registered Office and any adjournment thereof.

Signed this _____ day of _____ 2009.

Please affix
Revenue
Stamp

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 the Sixth Annual General Meeting of the Company, held on Wednesday, 23rd
December, 2009 at 5.00 p.m. 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.

U
G
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C
V



Uttar Gujarat Vij Company Limited



- સર્વોત્તમ સેવા થકી ગ્રાહકને સંતોષ

Customer satisfaction through service excellence



- સ્પર્ધાત્મક દરે વિશ્વસનીય તેમજ ગુણવત્તાસભર વીજ પુરવઠો પૂરો પાડવો
વિતરણ ખોટ વૈશ્વિક ધોરણ સુધી ઘટાડવી

To provide reliable and quality power at competitive cost

To reach global-standards in reducing distribution losses



- ગ્રાહકનો સંતોષ
 - ગ્રાહકની કાર્ય સંસ્કૃતિ
 - સંસ્થા માટે સ્વત્વ અને સન્માન
 - શ્રેયતા
 - નૈતિક અને સામાજિક જવાબદારી પ્રત્યે સંભાવના
- Customer satisfaction Participative work culture
Pride of belongingness Excellence
Being ethically and socially responsive



Uttar Gujarat Vij Company Limited

Regd. & Corporate Office :

Visnagar Road, Mehsana - 384001 (North Gujarat)

Web site : www.ugvcl.com