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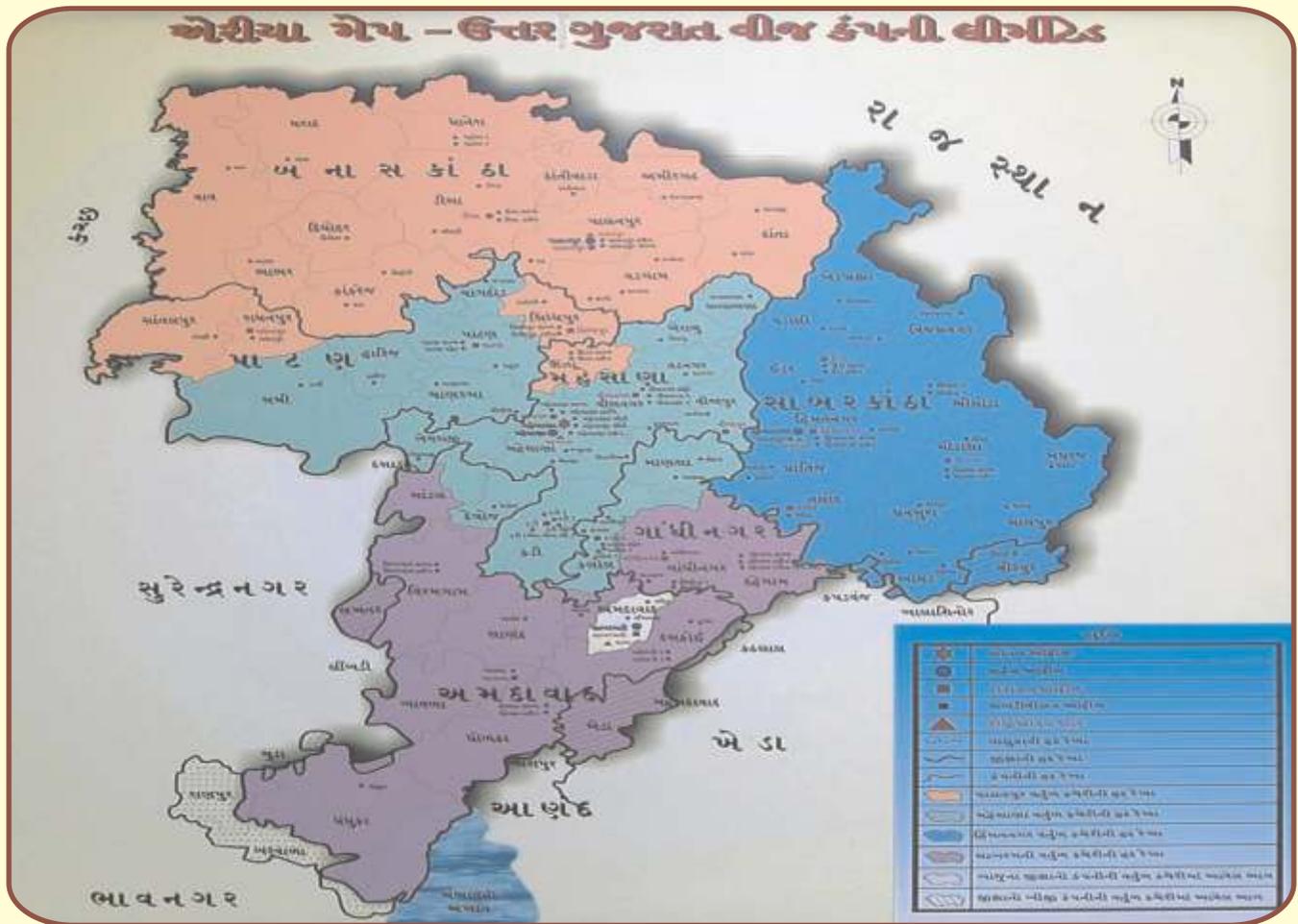
Annual Report

2009-10



Uttar Gujarat Vij Company Limited

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



**UGVCL at a Glance
(November 2010)**

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	21
Sub Divisions	118+5(REC)
Total Sub-Stations	332
Total Transformer Centers	1,22,143
Total Nos. of Feeders	3,398
Total H. T. Line (Kms)	72,404
Total L. T. Line (Kms)	62,850
Ratio: LT/HT	0.86
Total Employees	7,248

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
- ⦿ 'Good Performance Award' Under Category of Public-Service Sector- Large for excellence in cost management 2009, by the ICWAI
- ⦿ 3rd India Power Awards 2010 in recognition for Energy efficiency, Conservation & DSM by the Council of Power Utilities



SEVENTH ANNUAL REPORT 2009-10

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UTTAR GUJARAT VIJ COMPANY LIMITED

Registered & Corporate Office:

Visnagar Road,

MEHSANA - 384001

URL : www.ugvcl.com



BOARD OF DIRECTORS

Shri Guruprasad Mohapatra, IAS	Chairman
Shri L. Chuaungo, IAS	Director
Shri H. P. Desai	Director
Dr. M. K. Iyer	Director (up to 04-Aug-2010)
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
Shri A. K. Verma, IFS	Managing Director

COMPANY SECRETARY

Shri Nitinkumar M Joshi, FCS

SENIOR EXECUTIVES

Shri P. J. Patel	Chief Engineer (Operation)
Shri R. G. Engineer	Chief Engineer (P&P)
Shri R. B. Kothari	General Manager (Finance)
Shri C. L. Sharma	Addl. Chief Engineer (Vigilance)
Shri A. C. Patel	Addl. Chief Engineer (P&P)
Shri S. H. Shahdadpuri	Addl. Chief Engineer (Civil & IT)
Shri D. S. Doshi	Addl. Chief Engineer (T&C)
Shri D. M. Tiwari	I/c. Addl. General Manager (HR)

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
Website: www.ugvcl.com



NOTICE

NOTICE is hereby given that the Seventh Annual General Meeting of the Members of Uttar Gujarat Vij Company Limited will be held on Monday, the 6th day of December, 2010 at 12-00 noon at the Registered Office of the Company at Visnagar Road, Mehsana 384001 (North Gujarat) to transact the following business:

ORDINARY BUSINESS

- 1 To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2010 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;
- 2 To appoint a Director in place of Shri H. P. Desai who retires by rotation and is eligible for reappointment;
- 3 To appoint a Director in place of Shri K. P. Patel, who retires by rotation and is eligible for reappointment;
- 4 To appoint a Director in place of Shri K. M. Shringarpure, 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 (C&AG), New Delhi for the audit of accounts of the Company for the Financial Year 2010-11.

By Order of the Board

Date : 22nd November, 2010
Place: Mehsana

Sd/-
Nitinkumar M Joshi, FCS
Company Secretary

NOTES:

- 1 A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL, VOTE INSTEAD OF HIMSELF AND THAT A PROXY NEED NOT BE A MEMBER OF THE COMPANY. Proxies, in order to be effective, must be received by the Company at its Registered Office not later than 48 hours before the time for holding of the meeting.
- 2 The present Statutory Auditors M/s. P. Singhvi & Associates, Chartered Accountants, Gandhinagar appointed by the Office of the Comptroller & Auditor General of India (C&AG) will retire at the conclusion of the Seventh 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, 2011.

**DIRECTORS' REPORT**

To,

The Members of

UTTAR GUJARAT VIJ COMPANY LIMITED

Your Directors have pleasure in presenting the Seventh Annual Report together with the audited Statement of Accounts for the Financial Year ended 31st March, 2010.

FINANCIAL HIGHLIGHTS

The summarized financial results of the Company are given below:

(₹ in Lacs)

Particulars	2009-10	2008-09
Total Income	4,55,051	4,26,700
Gross Profit before Depreciation, Interest and Tax	23,830	22,751
Depreciation	11,256	10,143
Interest and Finance Charges	11,880	11,859
Profit before Tax	694	749
Provision for Tax (including provision for deferred)	129	154
Profit after Tax	565	595
Profit brought forward from previous year	2,554	1,959
Net profit available for appropriation	3,119	2,554

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

During the year, your Company has been awarded 'Good Performance Award' under the category of Public - Service Sector Large for EXCELLENCE IN COST MANAGEMENT-2009 by the Institute of Cost & Works Accountants of India (ICWAI), Kolkata. The Company has also been awarded 3rd "India Power Awards 2010" in recognition for Energy Efficiency, Conservation and DSM, by Council of Power Utilities, New Delhi.

OPERATIONS DURING THE YEAR

During the year under review, the revenue from the sale of power including subsidies and other income amounted to ₹ 4,55,051 Lacs. (PY ₹ 4,26,700 Lacs). The Company purchased 15,647 MUs (PY 13,525 MUs) of energy from Gujarat Urja Vikas Nigam Limited (GUVNL) and sold 12,213 MUs (PY 10,910 MUs) of energy to all categories of consumers. The Company's overall transmission and distribution losses are reported to the extent of 3,434 MUs (PY 2,615 MUs) at 21.95% (PY 19.33%). Due to weak monsoon and long dry spell, more than eight hours of power supply was



provided to AG consumers during the months of July, August and September, 2009 to save their crop. As there is no mechanism to account for extra hours of power supply in case of AG-consumers with HP based tariff, this resulted into slight increase in distribution loss, which works out to be 13.69% on pro-rata basis of eight hour supply.

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

- ▶▶ Total 2,225 (PY 2,183) Nos. of rural feeders have been declared as Agricultural Dominated Feeders.
- ▶▶ Transformer failure rate is reduced to 9.11% from 10.07% 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 - 8,79,780 (PY 6,41,985) Nos.
 - ▶▶ Installations detected - 13,344 (PY 14,701) Nos.
 - ▶▶ Amount assessed - ₹ 1,679 (PY 2,437.45) Lacs
- ▶▶ By vigorous efforts, the debit-arrears remained low to 17.78% (previous year 19.28%) 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, 171 (PY 208) Nos. of feeders are bifurcated and charged during the year.
- ▶▶ Automated Meter Reading (AMR) is installed on total 1,877 Nos. of HT connections. This has helped in considerable time saving of man-power and reading billing process with perfect billing, thereby assisting in study of consumer consumption data and vigilance observation.
- ▶▶ For reduction in technical losses, 2,494 (PY 1,930) Nos. of Amorphous Transformers are installed in Urban, GIDC and JGY Feeders.
- ▶▶ Implementation of e-Urja Project (an end-to-end ERP solution) by 100% utilization of Inventory, Payroll and HRMS Modules, while CRM module has reached more than 90% utilization. LT Billing has been rolled out in Sabarmati and Himatnagar Circles in September 2010.
- ▶▶ **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. Trouble Call Management Module is integrated with GIS and further this system can be integrated to SCADA/DAS as well LT/HT billing.

The data of 1052 Nos. of feeders covering 7,68,755 consumers are also uploaded in the system. Extensive training sessions have been organized for end-users. However it is still to be made fully operational. Further, under R-APDRP Part-A, GIS software would be integrated with ERP. GIS survey has been done in Viramgam and is in progress at Idar, Modasa and Radhanpur.
- ▶▶ Total 1,922 (PY 1,558) Nos. of Special Design Transformers (SDT) have been provided on Agricultural feeders, covering benefit to 83,276 (PY 65,497) Nos. of Farm House connections.



- » Work progress - New release of connections:
- » HT New Connection - 183 Nos. (PY 159 Nos.)
 - » HT additional load - 126 Nos. (PY 150 Nos.)
 - » LT Industrial - 2,884 Nos. (PY 2,966 Nos.)
 - » Domestic - 66,389 Nos. (PY 72,389 Nos.)
 - » Water Works - 339 Nos. (PY 540 Nos.)
 - » Ag. Connection under
 - » SPA Well (Normal Scheme) - 2,021 Nos. (PY 1,952 Nos.)
 - » TASP Well - 3,258 Nos. (PY 2,429 Nos.)
 - » Tatkal Scheme - 0 Nos. (PY 0 Nos.)
 - » Petapara electrified - 0 Nos. (PY 10 Nos.)
 - » SCSP (Household) - 4,643 Nos. (PY 5,043 Nos.)
 - » RGGVY (New Connections) - 47,905 Nos. (PY 2,556 Nos.)
 - » Zupad-patties Connections - 32,913 Nos. (PY 95,982 Nos.)
 - » System Network added
 - » HT Line - 2,863 Kms. (PY 1,765 Kms.)
 - » LT Line - 2,308 Kms. (PY 1,070 Kms.)
 - » Trans. Center - 4,918 Nos. (PY 5,935 Nos.)

UNDER GROUND CABLE WITH RMU

For ensuring consumer satisfaction by providing the continuous and reliable power supply and consistent with the landscape of the area, the work of underground cable system in Bopal and Ghuma areas is successfully commissioned and in Ambli and Thaltej-Bodakdev near Ahmedabad city and the religious place at Ambaji are under progress. The Company has planned under-ground cable system in Adalaj, Info City and Science City area near Ahmedabad City.

FEEDER BIFUCATION

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

GOVT. SCHEMES

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

R-APDRP

The Government of India has launched a Scheme for implementation of Re-structured Accelerated Power Development & Reforms Programme (R-APDRP) during the XIth Five Year Plan as a Central Sector Scheme. Power Finance Corporation Limited (PFC) is the Nodal Agency to operationalize the programme under the guidance of the Ministry of Power. Under R-APDRP, the Company has been sanctioned loan of ₹ 32.97 Crores (against the total project cost of ₹ 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. In October 2010, the Company has also submitted SCADA DPR under R-APDRP Part-A for ₹ 33.83 Crore for areas surrounding Ahmedabad with a view to improving system reliability.

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

ESTABLISHMENT OF ENERGY MANAGEMENT CENTER

With a view to improving performance by IT enabling power distribution activity, the Company has established Energy Management Center at Gandhinagar. The major activities of Energy Management Center include Feeder Meter Data Acquisition, Automated Remote Meter Reading of HT Consumers, Energy audit, GIS (Geographic Information System) of distribution network, Network analysis and improvement, Consumer Monitoring & Loss accounting system, etc.

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

INTRA-STATE ABT

The Area Load Dispatch Center (ALDC) strives for successful real-time operations to maintain grid discipline and best possible commercial operations. Load curve is made almost flat by regrouping AG groups from 16 nos. to 59 nos. Initially, the AG groups were of more than 150MW each. After regrouping, these groups are made of 50MW to 60MW each. As a result, the difference between maximum and minimum drawl is reduced from 850MW to 350MW. As per directive of Gujarat Electricity Regulatory Commission, to maintain grid discipline, Intra-State ABT (Availability Based Tariff) is implemented from 05-Apr-2010. ALDC endeavors to over-draw during higher frequency and under-draw during lower frequency to get maximum benefit from UI pool. Thus, by proper real-time operations, the Company has received ₹ 118.28 Crore as UI charge in first 19 weeks (i.e. up to 15-Aug-2010) of commencement of IABT.

T&D LOSS REDUCTION PROJECTS

The Company has implemented project for reduction of T&D Loss in AG and non-AG feeders having losses of more than 30% at the total project cost of ₹ 180 Crores. The project is vetted by ERDA.

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.



The centralized complaint booking system is planned to be made operational under R-APDRP by integration with ERP and GIS. Various other activities such as display of information as to redressal mechanism, SOP, RTI, CGRF at all offices are being implemented as a part of providing better services to the consumers.

With a view to providing better facility of payment of energy bills by the rural sector consumers, the Company has awarded 3,285 e-Gram Collection Centers in small villages falling under the operational area. During the year under review, ₹ 14 Crore (Approx.) has been collected and during the current financial year (till October, 2010), ₹ 74 Crore (Approx.) has been collected.

CONSUMER REDRESSAL FORUM

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

TARIFF

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

Under Section 62 of the Electricity Act, 2003 and relevant GERC Regulations, the Company had filed 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.

The Company had filed on 23rd December, 2009 Petition No. 992/2009 for Annual Performance Review (APR) of the financial year 2009-10 and determination of tariff for financial year 2010-11 under GERC (MYT Framework) Regulations, 2007 and under Part-VII (Section 61 to 64) of the Electricity Act, 2003 in accordance with relevant guidelines. Subsequent to the public hearings held on 25th/26th February & 3rd March, 2010, GERC has declared its award on 31st March, 2010 and decided retail tariff rates effective from 1st April, 2010. The Tariff Structure is rationalized by merging few tariff rates.

AUDITORS

M/s. P. Singhvi & Associates, Chartered Accountants, Gandhinagar had been appointed as Statutory Auditors of the Company for the Financial Year 2009-10. 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 2010-11. As per the provisions of Section 224 of the Companies Act, 1956, their remuneration is required to be fixed by the Company in General Meeting.

AUDITORS' REPORT

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



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

COST AUDITORS

The Ministry of Corporate Affairs, Government of India, has issued Cost Audit Order under Section 233B of the Companies Act, 1956 to appoint Cost Auditor to audit the Cost Accounting Records and Books of Accounts maintained by the Company in respect of Electricity Industry under the Cost Accounting Records (Electricity Industry) Rules, 2001. Accordingly, the Board of Directors appointed M/s. Ashish S. Bhavsar & Co., Ahmedabad as Cost Auditors for the Financial Year 2010-11, for which the Central Government accorded its approval for auditing the Cost Accounts relating to Electricity Industry product.

SHARE CAPITAL

The Company has made allotment of 30000000 Equity Shares of ₹ 10/- each aggregating to ₹ 3000.00 Lacs received from Gujarat Urja Vikas Nigam limited towards equity share capital (shown as Share Application Money in the Balance Sheet) to GUVNL at par on rights basis. The Company's Share Capital now stands raised to ₹ 2,37,14,87,220/- after such allotment.

DIRECTORS

Since the last (Sixth) Annual General Meeting held on 23rd December, 2009, the particulars of changes among the Directors are as under:

- ▶ Dr. M. K. Iyer has resigned from the Board of Directors with effect from 4th August, 2010 pursuant to his appointment as Member of Gujarat Electricity Regulatory Commission vide Notification No. GHU/2010/113/GRC/13-2009/614920-K dated 02-Aug-2010 issued by the Government of Gujarat.

The Board placed on record its appreciation for the valuable services rendered by Dr. Iyer during his tenure as Director of the Company.

Shri H. P. Desai, Shri K. P. Patel and Shri K. M. Shringarpure will retire by rotation at the ensuing Seventh 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, 2010 and of profit of the Company for that period;
- (iii) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provision of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- (iv) the annual accounts have been prepared on a going concern basis.

**AUDIT COMMITTEE**

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

Prof. Ajay Pandey	Chairman
Prof. (Dr.) B. A. Prajapati	Member
Shri K. M. Shringarpure	Member
Shri 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

Date : 18th November, 2010
Place: Gandhinagar

Sd/-
Guruprasad Mohapatra, IAS
Chairman



ANNEXURE TO DIRECTORS' REPORT

PARTICULARS REQUIRED UNDER THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988

A. Conservation of Energy:

(a) Conservation of Energy Measures taken:

- ▶▶ High-loss feeders have been identified, close monitoring is being done up to the Sub-division level to reduce the technical losses and meters are provided on TCs for better control on systems to identify the weak pockets with high losses.
- ▶▶ Regular and periodical maintenance of line and equipments.
- ▶▶ Pamphlets explaining energy saving measures and its efficient use along with energy bills are circulated for public awareness. The seminar on energy conservation was also arranged during the year with participation of all categories of consumers.
- ▶▶ Provided 2,494 (PY 1,930) Nos. of Amorphous Transformer in Urban, Industrial and Jyotigram feeders for technical losses reduction. More are under process of procurement.

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

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

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

Under the "Swarnim Gujarat Mahotsav", the month of August-2010 was celebrated as "Urja Shakti Month Aug-2010", under which various programs were organized by the Company for creating awareness of energy conservation with active involvement of the employees and public at large.

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

- ▶▶ A pilot project is implemented for replacement of existing poorly efficient pump sets of farmers by EEPs to reduce the power demand in agriculture sector in participation with the GOG. This project is implemented in Nine Talukas of North Gujrat under



jurisdiction of UGVCL during year 2008-09 and continued during 2009-10. The motto of the scheme is to achieve 10% to 15% energy saving. The scheme is implemented on tripartite basis and the project cost to be shared equally by the State Govt., UGVCL and HP based Ag-Consumer, who is willing to take the benefit of the scheme.

- ▶▶ During the year under review, total 12,929 Nos. of EEPS have been installed and total HP saved are 1,03,071 HP, and percentage HP saving comes to 15.69%. Yearly saving of units are 175.20 MUs and amount saved is ₹ 52.56 Crore considering the cost at ₹ 3.00 per unit. Total cost of all EEPS installed is ₹ 110.71 Crore and 2/3rd subsidy is ₹ 75.14 Crore, shared equally by UGVCL and GOG.

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

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

B. Technology Absorption:

Efforts made in technology absorption as per Form B.

**FORM –B**

(Disclosure of particulars with respect to Technology Absorption)

I Research and Development (R&D)

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

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

- ▶▶ AMR MD reset dates of HT consumers are fixed to 00.00 hrs of 1st date of every month.
- ▶▶ Semi automatic meter test benches are commissioned at Palanpur and are under installation at Kalol Laboratory.
- ▶▶ Power analyzers for transformer loss measurement are purchased for all four Circles.
- ▶▶ Cable and Conductor measuring instruments are proposed for all four Circles of the Company. Installation at Narol RSO under Sabarmati Circle is completed.
- ▶▶ Concept of single phase transformer of 5 KVA introduced for reduction of technical and commercial losses.

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

- ▶▶ By 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:

- ▶▶ It is planned to upgrade Mehsana Laboratory for 0.2 class accuracy to meet with the CEA Regulations and to obtain IEC 17025-2000 Accreditation.



- ▶▶ To change the design of transformers to 3-Star and 4-Star Ratings by utilizing high grade CRGO materials to reduce No load losses.
- ▶▶ Cable and conductor measuring instruments shall be provided up to D.O. Stores.
- ▶▶ Two projects, one at Ambaji and the other at Ambli ,Thaltej and Bodekdev areas of Ahmedabad whose work orders are under process. Three other projects at Adalaj, Infocity-Gandhinagar and Kesarsal-Science City are approved.

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

- ▶▶ Expenditure on R & D the extent of ₹ 9 Lacs is being incurred for restructuring AMR MD reset dates of HT consumers.
- ▶▶ Expenditure of ₹ 20 Lacs is being incurred for semi automatic benches.
- ▶▶ Expenditure of ₹ 3 Lacs is being incurred for purchase of power analyzer
- ▶▶ Expenditure of ₹ 16 Lacs is being incurred for purchase of measuring instruments.
- ▶▶ Expenditure of ₹ 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.
- ▶▶ Installation of 7 Nos. of Any Time Payment machine for bill collection work and revenue collection under e-Gram Yojana in 3,285 villages in rural areas of the Company is completed.

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

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

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

For and on behalf of the Board

Date : 18th November, 2010
Place: Gandhinagar

Sd/-
Guruprasad Mohapatra, IAS
Chairman

**C&AG's Letter No. CAD/A/cs/UGVCL/2009-10/1766 dated 21-Oct-2010**

COMMENTS OF COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION OF THE COMPANIES ACT, 1956 ON THE ACCOUNTS OF UTTAR GUJARAT VIJ COMPANY LIMITED FOR THE YEAR ENDED 31ST MARCH 2010.

The preparation of financial statement of Uttar Gujarat Vij Company Limited for the year ended 31st March, 2010 in accordance with the financial reporting framework prescribed under the Companies Act, 1956 is the responsibility of the management of the Company. The Statuary Auditor appointed by the Comptroller and Auditor General of India under Section 619(2) of the Companies Act, 1956 is responsible for expressing opinion on these financial statements under section 227 of the Companies Act, 1956 based on independent audit in accordance with auditing and assurance standards prescribed by their professional body the Institute of Chartered Accountants of India. This is stated to have been done by them vide their Audit Report dated 08 September 2010.

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 31st March, 2010. This supplementary audit has been carried out independently without access to the working papers of the Statuary Auditors and is limited primarily to inquire of the statuary auditors and company personnel and selective examination of some of the accounting records. On the basis of my audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to Statuary Auditor's report under section 619(4) of the Companies Act, 1956.

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

Place : Ahmedabad
Date : 21st October, 2010

Sd/-
Dr. Prasenjit Mukherjee
Principal Accountant General

**PRAVEEN SINGHVI**
B.Com., LLB., D.C.L.L., F.C.A.**P. SINGHVI & ASSOCIATES**
CHARTED ACCOUNTANTS210, 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, 2010; 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 2009-10 are compiled and reported.
4. As required by the Companies (Auditors' Report) Order, 2003 (as amended by Companies (Auditor's Report) (Amdt.) Order, 2004) issued by the Central Government in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraph 4 and 5 of the said order.
5. Attention is drawn to the following (unless stated otherwise, references are to the Notes forming part of accounts as mentioned in Schedule-30).
 - a) Note No. 2) : Assets Charged for the security by GUVNL
 - b) Note No.4) : Legal Ownership (Titles) of immovable assets.



- c) Note No.8): Debtors, Creditors for material and Creditors for expenses are subject to confirmation.
- d) Note No.14): Regarding non-disclosure of dues to Micro, Small & Medium Enterprises.
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 21ST October, 2003 issued by the Central Government; the provisions contained in Clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956 are not applicable to a Government Company.

SUBJECT TO THE FOREGOING and read together with the Significant Accounting Policies stated in Schedule-29 and Notes on Accounts stated in Schedule-30, 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, 2010;
- 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
Firm No. 113602W

Praveen Singhvi
Partner
M. No. 071608

Place : Ahmedabad
Date : 8th September, 2010

**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 2010)**

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



regular in depositing undisputed statutory dues including provident Fund, Investor Education and protection Fund, Employees' State Insurance, income-tax, Sales-tax, wealth tax, service tax, custom duty, excise duty, cess and any other statutory dues with the appropriate authorities.

- (b) According to the information and explanations given to us and based on the records of the Company, there are no disputed amounts payable in respect of income-tax, Sales-tax, wealth tax, service tax, custom duty, excise duty, cess as at 31st March, 2010.
10. The Company does not have any accumulated losses as at 31st March, 2010. 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 (GUVNL) on behalf of the Company. The Company has not defaulted in repayment of dues to a financial institution or bank or bond holders.
12. As per information and explanations given to us, the Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other securities.
13. According to the information and explanations given to us, the Company is not a chit fund or a nidhi /mutual benefit fund / society. Therefore, clause (xiii) is not applicable to the Company.
14. According to the information and explanations given to us, the Company is not dealing in or trading in shares, securities, debenture and other investments. Accordingly, the clause (xiv) is not applicable to the Company.
15. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks and financial institutions during the year.
16. The term loans were applied for the purpose for which they were raised.
17. On the basis of an overall examination of the balance sheet of the Company, in our opinion and according to the information and explanations given to us, we report that Company has not utilized any funds raised on short term basis for long term investments.
18. The Company has not made any preferential allotment to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956. Accordingly, the clause (xviii) is not applicable to the Company.
19. The Company has not issued any debentures during the year under audit. Accordingly, the clause (xix) is not applicable to the Company.
20. The Company has not raised any money by public issues during the year under audit. Accordingly, the clause (xx) is not applicable to the Company.

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
Furm No. 113602W

Praveen Singhvi
Partner
M. No. 071608

Place : Ahmedabad
Date : 8th September, 2010

**BALANCE SHEET AS AT 31ST MARCH , 2010**

PARTICULARS	SCHEDULE NUMBER	[₹ IN LACS]	
		AS AT 31 ST MARCH 2010	AS AT 31 ST MARCH 2009
SOURCES OF FUNDS			
SHAREHOLDERS FUND			
Share Capital	1	20714.87	20714.87
Share Application Money	2	3000.00	3000.00
Reserves & Surplus	3	36388.57	35823.49
Deferred Government Grants, Subsidies & Contributions	3 (a)	44562.73	36930.80
LOAN FUNDS			
Secured Loans	4	30662.54	43821.64
Unsecured Loans	5	40526.08	49047.14
Deferred Tax Liability		0.00	0.00
TOTAL		175854.79	189337.94
APPLICATION OF FUNDS			
FIXED ASSETS			
Gross Block	6	248216.19	226736.17
Less : Accumulated Depreciation.		64635.86	53613.98
Net Block (a)		183580.33	173122.19
Add : Assets not in Use	7	28.85	23.91
Capital Works in progress.	8	1467.23	972.25
NET FIXED ASSETS (a)+(b)		1496.08	996.16
		185076.41	174118.35
INVESTMENTS			
CURRENT ASSETS, LOANS & ADVANCES			
Inventories, Stores & Spares	9	19609.98	16762.90
Sundry Debtors	10	53235.94	49138.22
Cash & bank balances	11	6501.67	3703.95
Loans & Advances	12	2227.50	2584.28
Other current assets.	13	14873.26	43126.54
TOTAL CURRENT ASSETS		96448.35	115315.89
Less:			
Current Liabilities	14	98370.38	92024.44
Provisions	14	9239.95	8146.56
TOTAL		107610.33	100171.00
NET CURRENT ASSETS		-11161.98	15144.89
Miscellaneous Expenditure	15	1940.36	74.70
(To the extent not written off or adjusted)			
TOTAL		175854.79	189337.94
Significant Accounting Policies	29		
Notes Forming Parts of Accounts	30		

As per our report of even date attached

For P. Singhvi & Associates

Chartered Accountants

F.R.No. 113602W

Praveen Singhvi

Partner

M. No. 071608

For and on behalf of the Board of Directors

Uttar Gujarat Vij Company Limited

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 : 08-09-2010

Place : Ahmedabad

Date : 07-09-2010

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH , 2010**

PARTICULARS	SCHEDULE NUMBER	[₹ IN LACS]	
		YEAR ENDED 31 ST MARCH 2010	YEAR ENDED 31 ST MARCH 2009
INCOME			
Sale of Power	16	387958.69	358937.29
Revenue Subsidies	17	57867.60	57128.82
Other Income	18	9224.57	10633.89
Total		455050.86	426700.00
EXPENDITURE			
Purchase of Power		398728.39	372033.17
Repairs and Maintenance	19	5127.88	5334.87
Employees Costs	20	27114.85	25806.85
Administrative and General Expenses	21	3712.15	3496.11
Depreciation	22	11256.48	10142.60
Interest and Finance Charges	23	11879.69	11858.88
Bad debts & Other debits	24	844.08	1581.91
Sub-Total		458663.52	430254.39
Less: Other Expenses Capitalised	25	4333.52	4722.69
Extra-Ordinary items	26	80.67	32.88
Net Prior Period Credit / (Charges)	27	53.58	-386.41
Total		454357.29	425950.99
PROFIT /(LOSS) BEFORE TAX		693.57	749.01
Provision for Taxes			
Income Tax		127.87	85.14
Fringe Benefit Tax		0.00	67.82
Wealth Tax		0.62	0.57
Total	28	128.49	153.53
PROFIT /(LOSS) AFTER TAX		565.08	595.48
Profit /Loss for the current year		565.08	595.48
Balance brought forward from previous year		2554.55	1,959.07
Balance carried to the Balance Sheet		3119.63	2554.55
Earing Per Share (basic) ₹		0.27	0.53
Earing Per Share (Diluted) ₹		0.24	-
Significant Accounting Policies	29		
Notes on Accounts	30		

As per our report of even date attached

For P. Singhvi & Associates

Chartered Accountants

F.R.No. 113602W

Praveen Singhvi

Partner

M. No. 071608

Place : Ahmedabad

Date : 08-09-2010

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 : Ahmedabad

Date : 07-09-2010

A.K.Verma, IFS

Managing Director

N. M. Joshi, FCS

Company Secretary

**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2010**

PARTICULARS	[₹ IN LACS]	
	YEAR ENDED 31 ST MARCH 2010	YEAR ENDED 31 ST MARCH 2009
Cash Flow from Operating Activities		
Net Profit Before Tax & Prior Period Adjustments	747.15	1135.41
Adjustments For: Add / (Less) :-		
Depreciation	11256.48	10142.60
Interest & Financial Charges	11879.69	11858.88
Bad & Doubtful Debs	844.08	1581.91
Cap .Grant .Amortized		
Prior Period .Adjustment	(53.58)	386.41
Other. Misc. Exp Debit		
Adjstment of Fixed Assets		(1177.25)
Gain On Sale Of Fixed assets		(84.85)
Provision for exp.	(0.62)	
Operating Profit Before Working Capital Changes	24673.20	23843.11
Adjustments for Changes in Working Capital		
(Increase)/Decrease in Current Assets	18955.52	(26584.87)
(Increase)/Decrease in Current Liabilities	7321.04	9753.70
CASH GENERATED FROM OPERATIONS	50949.76	7011.94
Less : Direct Tax (Including FBT) Paid	10.20	67.11
A. NET CASH FROM OPERATING ACTIVITIES	50939.56	6944.83
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(21714.00)	(23741.44)
(Increase)/Decrease Assets not in Use	(4.94)	76.91
(Increase)/Decrease Capital Work in Progress	(494.98)	(65.97)
Sale Adjustment on Fixed Assets		84.85
Purchase of Other Investments		
B. NET CASH FROM INVESTING ACTIVITIES	(22213.92)	(23645.66)
CASH FLOW FROM FINANCING ACTIVITIES		
Share Capital	0.00	12620.23
Reserves		13116.60
Capital Grant	7631.93	
Proceed from Borrowings		
Long Term		12370.65
Short Terms		
Cash Credit		3752.40
<u>Out Flow</u>		
Repayments Of Borrowings		
Long Terms	13159.10	(12844.29)
Short Terms	8521.06	
Interest & Financing Charges Paid	11879.69	11858.88



CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2010

PARTICULARS	[₹ IN LACS]	
	For the year 31 st March 2010	For the year 31 st March 2009
C. NET CASH USED IN FINANCING ACTIVITIES	(25927.92)	17156.71
NET INCREASE IN CASH & CASH EQUIVALENTS (A+B+C)	2797.72	455.87
CASH AND CASH EQUIVALENT AS AT 1-4-2009 (OP.BAL)	3703.95	3248.08
CASH AND CASH EQUIVALENT AS AT 31-3-2010 (CL.BAL)	6501.67	3703.95

- 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 01-04-2009 & 31-03-2010 are as per Schedule-11 to the Balance Sheet.

As per our report of even date attached

For P. Singhvi & Associates

Chartered Accountants
F.R.No. 113602W

Praveen Singhvi

Partner
M. No. 071608

Place : Ahmedabad
Date : 08-09-2010

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 : Ahmedabad
Date : 07-09-2010

A.K.Verma, IFS

Managing Director

N. M. Joshi, FCS

Company Secretary



SCHEDULES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2010

**SCHEDULE: 1
SHARE CAPITAL**

PARTICULARS	[₹ IN LACS]	
	As at 31 st March, 2010	As at 31 st March, 2009
Authorised Share Capital 60,00,00,000 Equity Shares each of ₹ 10 each	60000.00	60000.00
Issued, Subscribed and Paid-up Capital 20,71,48,722 Equity Shares each of ₹ 10 each fully paid-up (Previous year 20,71,48,722 Equity Shares) are held by the holding company Gujarat Urja Vikas Nigam Limited and its nominees	20714.87	20714.87
TOTAL	20714.87	20714.87

**SCHEDULE: 2
SHARE APPLICATION MONEY**

PARTICULARS	[₹ IN LACS]	
	As at 31 st March, 2010	As at 31 st March, 2009
Share Application money Account	3000.00	3000.00
TOTAL	3000.00	3000.00

See Note No. : 1(C) OF SCHEDULE : 30

**SCHEDULE: 3
RESERVES & SURPLUS**

PARTICULARS	[₹ IN LACS]	
	As at 31 st March, 2010	As at 31 st March, 2009
Reserves : Equity Share Premium	33268.94	33268.94
Surplus : Surplus as per Profit & Loss Account	3119.63	2554.55
TOTAL	36388.57	35823.49

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

PARTICULARS	[₹ IN LACS]	
	As at 31 st March, 2010	As at 31 st March, 2009
Deferred Government Grants,Subsidies & Contribution.		
Subsidies towards Cost of Capital Assets	13516.07	10900.98
Grants for Capital Assets	2386.17	2651.30
Consumer Contri. towards Capital Assets	24070.88	18609.62
Capital Grants under FRP	3566.05	3962.27
Energy Conservation grant for Energy Efficient Pump Sets	1023.56	806.63
TOTAL	44562.73	36930.80



SCHEDULES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2010

SCHEDULE: 4 SECURED LOANS

PARTICULARS	[₹ IN LACS]	
	As at 31 st March, 2010	As at 31 st March, 2009
Cash Credit from Banks	2048.34	5930.34
Loan from Banks (Due within one year ₹ 332.00 Lakhs, Previous year ₹ 332.00 lakhs)	911.90	1326.40
Loan from Banks (Due within one year ₹ 8525.00 Lakhs, Previous year ₹ 4304.00 lakhs)	15721.84	19950.97
REC Short Term Loan (Due within one year ₹ 35.00 Lakhs, Previous year ₹ 521.00 lakhs)	154.90	675.53
Bills Discounting under DPG - UBI (Due within one year ₹ 1004.19 Lakhs, Previous year ₹ 341.34 lakhs)	2570.68	3574.87
Bills Discounting under DPG - SIDBI (Due within one year ₹ 80.10 Lakhs, Previous year ₹ 59.56 lakhs)	427.06	497.09
Bills Discounting under DPG - GUVNL (Due within one year ₹ 1341.00 Lakhs, Previous year ₹ 3016.00 lakhs)	1340.75	4356.69
Loans from REC (Due within one year ₹ 751.00 Lakhs, Previous year ₹ 1020.00 lakhs)	3618.47	4630.25
Loans from REC UGVCL (Due within one year ₹ 297.00 Lakhs, Previous year ₹ Nil lakhs)	2879.50	2879.50
Loan under RAPDRP (Due within one year ₹ Nil Lakhs, Previous year ₹ Nil lakhs)	989.10	0.00
TOTAL	30662.54	43821.64

- 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, Ahmedabad, Gandhinagar, Patan, Banaskantha Districts.
- 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 MGVCL.
- Loans from State Bank of India (Saurashtra) is secured against the 1st hypothecation charge on Plant & Machinery of Dhrangadhra O&M Divisions of PGVCL.
- Loans from Central Bank of India is secured against the 1st hypothecation charge on the assets of Rajkot (Rural) Division and Rajkot RSO of PGVCL.



- 8.** 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.
- 9.** Loans from Bank of India is secured against the 1st hypothecation charge on the assets of Gondal, Jetpur, Rajkot, Jamnagar, Dhoraji and Ranasan TR Division of GETCO.
- 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) Division 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 & Vertej 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 Division Mahuva O&M Division, Keshod REC Divn & S'Nagar O&M Division of PGVCL.
- 19.** Loans from PFC is secured against the 1st hypothecation charge on the assets of Mehsana circle feeders viz. Kanedia, Ambika & Patol and Himatnagar Circle feeder viz. Mahavirnagar, Manpura, Bavdi, Sabar Dairy, Ashram, Pallachar, Derol, Sadani Mavadi, Dantoli.

**SCHEDULES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2010****SCHEDULE: 5
UNSECURED LOANS**

PARTICULARS	[₹ IN LACS]	
	As at 31 st March, 2010	As at 31 st March, 2009
Borrowings for Working Capital		
Loan from Banks(STL) (Due within one year ₹ 1,862.00 Lakhs, Previous year ₹ 1820.00 lakhs)	3327.63	3492.58
Loan from GSFS (STL) (Due within one year ₹ 9,605.00 Lakhs, Previous year ₹ 9051.00 lakhs)	10341.32	15187.59
Loan from GUVNL (Due within one year ₹ Nil Lakhs, Previous year ₹ 0.04 lakhs)	0.00	6.04
Payment Due on Capital	44.89	90.32
Public Bonds		
Series-V option-II 11.90% & 12.00% (Due within one year ₹ Nil lakhs.Previous year ₹ 618.00 Lacs)	0.00	617.60
Series-VI option-I ,II & III (Due within one year ₹ 944.00 lakhs.Previous year ₹ 1883.00 Lacs)	5711.11	7594.25
Series-VII option-I ,II & III (Due within one year ₹ Nil)	634.35	634.35
Series-VIII (Due within one year ₹ Nil)	5676.72	5676.72
Series-IX (Due within one year ₹ Nil)	1109.19	1109.19
Series-X (Due within one year ₹ Nil)	3327.57	3327.57
S.L.R. Bonds (Due within one year ₹ Nil)	625.81	625.81
S.L.R. Bonds (Due within one year ₹ 569.00 lakhs.Previous year ₹ 729.00 Lacs))	568.90	1298.08
Loan from Power Finance Corporation (Due within one year ₹ Nil Lakhs, Previous year ₹ 6.27 lakhs)	0.00	3.13
Loan from Rural Electrification Corporation (Due within one year ₹ 35.00 Lakhs, Previous year ₹ 38.00 lakhs)	117.56	156.06
Loan from R E C (RGGVY) (Due within one year ₹ Nil Lakhs, Previous year ₹ Nil lakhs)	563.28	304.78
Financial Participation by consumers	8.43	8.49
Sub Total	32056.76	40132.56
State Government Loans (Allocated by G.U.V.N.L)		
Loan under APDP (Due within one year ₹ 202.00 Lakhs, Previous year ₹ 95.00 lakhs)	2856.27	3073.34
ADB Prog. & Proj. Loan (Due within one year ₹ 340.00 Lakhs, Previous year ₹ 308.00 lakhs)	5613.05	5841.24
Sub Total	8469.32	8914.58
TOTAL	40526.08	49047.14

Note:Refer Note No:3 of schedule 30



SCHEDULES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2010

**SCHEDULE: 6
FIXED ASSETS**

[₹ IN LACS]

Particulars	GROSS BLOCK				ACCUMULATED DEPRECIATION				NET BLOCK	
	Gross Block as on 01-04-09	Additions during the year	Deduction / Adjustment during the year	Balance at the end of This year 31-03-10	Balance as on 01-04-09	Charge during the year	Deduction / Adjustment during the year	Balance at the end of This year 31-03-10	Net Assets at the end of This year 31-03-10	Net Assets at the beginning of the year 31-03-09
Land & Land rights	48.11	995.41	2.29	1041.23	0.00	0.00	0.00	0.00	1041.23	48.11
Buildings	1117.01	535.61	145.73	1506.89	114.14	22.42	0.33	136.23	1370.66	1002.87
Hydraulic works	59.94	0.75	1.03	59.66	23.15	2.80	0.03	25.92	33.74	36.79
Other Civil works	231.22	134.87	43.87	322.22	14.60	4.84	-0.25	19.69	302.53	216.62
Plant & Machinery	61687.43	4703.69	270.08	66121.04	14415.70	2993.81	86.97	17322.54	48798.50	47271.73
Lines & Cable Net Works	161727.98	15937.32	589.26	177076.04	38274.06	7964.35	151.70	46086.71	130989.33	123453.92
Vehicles	250.55	26.41	17.55	259.41	146.61	26.00	2.11	170.50	88.91	103.94
Furniture & Fixtures & Electrical Lightings	268.50	123.28	3.60	388.18	87.88	22.04	-5.09	115.01	273.17	180.62
Office Equipments	1345.43	124.94	28.85	1441.52	537.84	220.22	-1.20	759.26	682.26	807.59
Total	226736.17	22582.28	1102.26	248216.19	53613.98	11256.48	234.60	64635.86	183580.33	173122.19
Total of Previous year	204335.01	23741.44	1340.28	226736.17	43634.41	10142.60	163.03	53613.98	173122.19	160700.60



SCHEDULES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2010

SCHEDULE: 7
ASSETS NOT IN USE

PARTICULARS	[₹ IN LACS]	
	As at 31 st March, 2010	As at 31 st March, 2009
Plant & Machinery	19.81	15.56
Lines & Cable Net Works	6.37	2.76
Vehicles	2.18	5.27
Furniture & Fixtures	0.16	0.00
Office Equipments	0.33	0.32
TOTAL	28.85	23.91

SCHEDULE: 8
CAPITAL WORKS IN PROGRESS

PARTICULARS	[₹ IN LACS]	
	As at 31 st March, 2010	As at 31 st March, 2009
Capital Works-in-progress.	1192.46	751.84
Provision for work in progress	274.77	220.41
TOTAL	1467.23	972.25

SCHEDULE: 9
INVENTORIES, STORES & SPARES

PARTICULARS	[₹ IN LACS]	
	As at 31 st March, 2010	As at 31 st March, 2009
Stock of materials at Other Stores.	9071.78	7439.32
Materials at Site (O&M).	1702.13	1306.68
Materials in Transit.	234.28	156.75
Other Materials Accounts.	8359.90	7686.05
Mat.Stock Excess / Shortage Pending Investigation	241.89	174.10
TOTAL	19609.98	16762.90



SCHEDULES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2010

**SCHEDULE: 10
SUNDRY DEBTORS**

PARTICULARS	[₹ IN LACS]	
	As at 31 st March, 2010	As at 31 st March, 2009
Sundry Debtors for Sale of Power	19244.36	16794.32
Provision for Unbilled Revenue.	33281.93	31429.01
Dues from PDC (Net of SD forfeited).	7812.95	7928.95
Sundry Debtors for Misc.Receipts from Cons.	1620.17	1660.20
Sub-Total	61959.41	57812.48
Less : Unposted Receipts.	2.46	1.02
Sub-Total	61956.95	57811.46
Less : Prov. for Doubtful Dues from Consumers.	7042.59	7042.59
Sub-Total	54914.36	50768.87
Less : Deferred ED & TSE from Consumers.	1678.42	1630.65
TOTAL	53235.94	49138.22

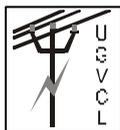
Out of the above -

- Outstanding for a period exceeding six months.	20065.10	22171.79
- Others	41891.85	35640.68
Less : Prov. For Doubful Dues from Cosumers.	7042.59	7042.59

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	[₹ IN LACS]	
	As at 31 st March, 2010	As at 31 st March, 2009
Cash on hand.	383.76	355.39
Postage Stamps & Agreement Stamps on hand	8.87	7.11
Balance with scheduled Banks in current accounts	3152.57	1572.58
Balance with others	0.00	0.00
Remittance in Transit.	27.47	692.59
Fixed deposits with Banks	2929.00	1076.28
TOTAL	6501.67	3703.95



SCHEDULES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2010

SCHEDULE: 12
LOANS AND ADVANCES

PARTICULARS	[₹ IN LACS]	
	As at 31 st March, 2010	As at 31 st March, 2009
<u>Unsecured, considered good.</u>		
Advances to Suppliers / Contractors (Capital).	401.33	286.18
Advances for O&M Supplies / Works.	504.37	18.05
Loans & Advances to staff -Interest Bearing.	585.36	651.53
Loans & Advances to staff -Interest free.	141.47	141.38
Advance Income Tax / Tax deduction at source.	348.72	240.09
Advance Fringe Benefit Tax	235.77	224.86
Loans & Advances - Others.	10.48	1022.19
TOTAL	2227.50	2584.28

SCHEDULE: 13
OTHER CURRENT ASSETS

PARTICULARS	[₹ IN LACS]	
	As at 31 st March, 2010	As at 31 st March, 2009
Income accrued but not due.	637.51	691.01
Amt. recoverable from emp./ ex-employees.	9.70	3.40
Interest Accrued & Due on Staff Loans & Advances	123.16	68.21
Receivables from Government - Primary School	9.26	11.04
Other Misc. Receivable from Govt Dept., Local Bodies	154.06	46.92
Deposits.	355.61	821.95
<u>Other receivables from Associate Companies.</u>		
- Gujarat State Electricity Company Limited	0.00	108.38
- Madhya Gujarat Vij Company Limited	0.00	5282.68
- Dakshin Gujarat Vij Company Limited	0.00	352.26
- Gujarat Energy Transmission Company Limited	0.00	832.13
- Gujarat Urja Vikas Nigam Limited	13518.84	34906.57
- Gujarat Energy Training & Research Institute	65.12	1.99
TOTAL	14873.26	43126.54

**SCHEDULES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2010****SCHEDULE: 14
CURRENT LIABILITIES AND PROVISIONS**

PARTICULARS	[₹ IN LACS]	
	As at 31 st March, 2010	As at 31 st March, 2009
CURRENT LIABILITIES		
Liability for Capital Supplies / Works.	59.76	45.44
Liability for O & M Supplies / Works.	3972.00	2219.76
Staff related Liabilities.	66.93	131.45
Welfare Schemes	1905.31	1831.27
Deposits & Retentions from Supp. & Contractors.	2073.99	1593.40
Electricity Duty & Insp. Testing Fees Payable to Govt.	0.02	24.35
Compounding offence	49.50	40.95
Outstanding liability for expenses	7689.27	13842.37
Accrued / unclaimed amt. relating to Borrowings.	1674.68	1877.06
Other Liabilities and Provisions.	12847.85	11789.14
Security Deposit from Consumers in Cash	59685.85	51140.57
Interest payable on Security Deposit from Consumers	2741.16	2211.38
Deposits for Electrification & Service Conn. etc.	5604.06	4876.81
Other payables to Associate Companies		
- Paschim Gujarat Vij Company Limited	0.00	400.49
Sub Total	98370.38	92024.44
PROVISIONS		
Provision for Leave encashment	8326.75	7429.64
Provisions for Losses pending investigation	241.89	174.10
Provision for Income Tax	2.11	2.11
Provision for Minimum Alternate Tax (MAT)	443.31	315.44
Provision for Fringe Benefit Tax	222.99	222.99
Provision for Wealth Tax	2.90	2.28
Sub- Total	9239.95	8146.56
TOTAL	107610.33	100171.00

**SCHEDULE: 15
MISCELLANEOUS EXPENDITURE (TO THE EXTENT NOT WRITTEN OFF OR ADJUSTED)**

PARTICULARS	[₹ IN LACS]	
	As at 31 st March, 2010	As at 31 st March, 2009
Deferred revenue Expenses as per last balance sheet	74.70	0.00
Addition during the year	2355.42	93.37
Sub Total	2430.12	93.37
Less: Adjusted during the year	489.76	18.67
Closing Balance	1940.36	74.70



SCHEDULES FORMING PART OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2010

**SCHEDULE: 16
SALE OF POWER**

PARTICULARS	[₹ IN LACS]	
	Year Ended 31 st March, 2010	Year Ended 31 st March, 2009
Revenue from Sale of Power		
Domestic or Residential	39000.58	37275.61
Commercial	22471.40	19758.06
Industrial low & medium voltage	36890.93	34085.95
Industrial high voltage	149880.56	130303.51
Public lighting	1540.93	1548.26
Traction railways	741.30	726.52
Irrigation agricultural	114642.59	113179.09
Public water works and sew.pumps	15522.72	14278.28
Sub-Total	380691.01	351155.28
Electricity Duty & Tax on Sale of Electricity		
Ele. Duty - assessed	31886.15	27230.26
Sub-Total	31886.15	27230.26
Miscellaneous Revenue from Consumers...		
Meter Rent / Service Line Rental	3376.70	3126.88
Recoveries for Theft of Power / Malpractices Non-Consumers	843.49	950.95
Wheeling charges Recoveries	7.49	10.47
Misc. charges from consumers	3040.00	3693.71
Sub-Total	7267.68	7782.01
Gross revenue from sale of power	419844.84	386167.55
Less:Ele. Duty assessed (contra)	31886.15	27230.26
TOTAL	387958.69	358937.29

**SCHEDULE: 17
SUBSIDIES AND GRANTS**

PARTICULARS	[₹ IN LACS]	
	Year Ended 31 st March, 2010	Year Ended 31 st March, 2009
Agricultural Subsidy.	57867.60	57128.82
TOTAL	57867.60	57128.82

**SCHEDULES FORMING PART OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2010****SCHEDULE: 18
OTHER INCOME**

PARTICULARS	[₹ IN LACS]	
	Year Ended 31 st March, 2010	Year Ended 31 st March, 2009
Interest on Staff Loans and Advances.	73.46	70.64
Interest Income from Others Loans/Advance	48.88	54.29
Interest from Consumers	0.11	0.30
Delayed Payment Charges from Consumers	1926.63	1801.08
Income from sale of scrap	248.18	67.18
Gain on sale of Fixed Assets	69.20	84.85
Income from Staff Welfare Activities.	0.02	0.00
Miscellaneous Receipts.	697.65	573.77
Govt. Grants/Cons. contribution (Deferred amount 10% W.Back)	4738.29	3564.61
Other Excess provision written back	1418.89	3997.17
Grant for Energy Conservation.	3.26	420.00
TOTAL	9224.57	10633.89

**SCHEDULE: 19
REPAIRS & MAINTENANCE**

PARTICULARS	[₹ IN LACS]	
	Year Ended 31 st March, 2010	Year Ended 31 st March, 2009
Repairs and Maintenance		
Plant and Machinery.	1337.73	997.58
Buildings.	85.39	63.18
Civil Works.	103.14	50.29
Hydraulic Works.	0.08	0.22
Lines, Cable Network etc.	3397.43	4145.98
Vehicles.	22.21	17.56
Furniture, Fixtures.	17.03	21.28
Office Equipments.	164.87	38.78
TOTAL	5127.88	5334.87



SCHEDULES FORMING PART OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2010

**SCHEDULE: 20
EMPLOYEES' COSTS**

PARTICULARS	[₹ IN LACS]	
	Year Ended 31 st March, 2010	Year Ended 31 st March, 2009
Salaries.	11580.45	10389.13
Overtime.	10.77	10.44
Dearness allowance & Dearness Pay.	3247.68	5841.07
Other allowances.	3331.71	1972.86
Bonus.	50.22	121.75
Sub Total	18220.83	18335.25
Medical Expenses Reimbursement.	325.47	334.61
Leave Travel Assistance.	5.61	10.80
Leave Salary Contribution - Deputation Staff	0.00	0.08
Waival of O/s.HBA Loan & interest.	1.06	2.88
Death & accident compensation.	18.23	11.54
Payment under Workmen's Comp. Act.	19.53	5.75
Board's contri.Bombay Labour welfare Act.	0.60	0.85
EDLI-Board's Contribution.	7.61	4.84
EDLI - Administration charges.	0.26	0.25
Sub Total	378.37	371.60
Staff Welfare Expenses.	142.56	142.22
Terminal Benefits.	8373.09	6957.78
TOTAL	27114.85	25806.85

**SCHEDULES FORMING PART OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2010****SCHEDULE: 21****ADMINISTRATIVE & GENERAL EXPENSES**

PARTICULARS	[₹ IN LACS]	
	Year Ended 31 st March, 2010	Year Ended 31 st March, 2009
Administration Expenses		
Rent including Lease rentals	159.59	182.65
Rates and Taxes.	60.80	33.36
Penalties on Statutory Levies	0.00	0.02
Insurance.	3.80	6.37
Testing Charges	5.81	2.05
Annual Inspection & Installation Checking fees to Coll. of ED	94.28	115.41
Telephone, Postage, Telegram, Telex, Mobile Charges.	169.12	170.34
Legal Charges.	32.80	52.20
Audit Fees.	3.97	3.31
Consultancy Charges.	2.73	16.23
Technical Fees.	8.61	0.07
Other Professional fees and expenses.	51.92	67.69
Conveyance & Travel .	1424.49	1401.41
Sub Total	2017.92	2051.11
Other Expenses		
Admn. Charges for Restoration of damages	0.53	0.22
Fees & Subscription.	202.65	197.36
Books & Periodicals.	1.94	1.54
Printing & Stationery.	160.58	163.69
Expenses on Computer Billing & EDP Charges.	325.24	212.34
Advertisements (Other than purchase related).	48.33	27.68
Xerox copy Charges	31.42	30.09
Electricity Charges.	158.48	127.27
Water Charges.	24.64	19.64
Maintenance to Tree Plantations.	1.25	0.85
Entertainment Expenses.	6.35	4.63
Expenses on Meetings & Conferences Expenses	7.38	3.75
Guest House Expenses.	8.71	20.65
Security Expenses	122.78	124.41
Miscellaneous Expenses.	210.35	175.43
Sub Total	1310.63	1109.55
Freight & Other Purchase related expenses		
Freight.	32.96	35.64
Other Purchase Related Expenses.	278.37	234.59
Fabrication ch. Less:amt. absorbed in cost of fabrication	3.66	15.17
Sub Total	314.99	285.40
Rev.Stamps on Receipts issued.	4.80	4.48
Expenditure on Training to Staff.	63.81	45.57
Sub Total	68.61	50.05
TOTAL	3712.15	3496.11



SCHEDULES FORMING PART OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2010

**SCHEDULE: 22
DEPRECIATION**

PARTICULARS	[₹ IN LACS]	
	Year Ended 31 st March, 2010	Year Ended 31 st March, 2009
Buildings	22.42	14.89
Hydraulic Works	2.80	2.93
Other Civil Works	4.84	2.53
Plant & Machineries	2993.81	2689.94
Lines & Cable Net Works	7964.35	7163.25
Vehicles	26.00	27.07
Furniture & Fixtures	22.04	35.54
Office Equipments	220.22	206.45
TOTAL	11256.48	10142.60

**SCHEDULE: 23
INTEREST AND FINANCE CHARGES**

PARTICULARS	[₹ IN LACS]	
	Year Ended 31 st March, 2010	Year Ended 31 st March, 2009
Int. on State Government Loans	309.52	253.84
Int. on Bonds	1847.92	2182.86
Interest on others	30.50	52.34
Int. on REC Loans	799.07	899.92
Int. on DPG	500.71	412.26
Int. to Consumers on advance Payment	167.58	363.36
Int. on FP by Consumers	0.80	0.40
Int. on Loans from PFC	0.01	0.71
Int. on Loans from ICICI	18.10	86.29
Interest to Consumers.	2956.80	2446.30
Sub Total	6631.01	6698.28
Int. on Borrowing for Working Capital.	4542.69	4278.13
Discount to Cons. for Timely Payment of Bills	21.61	35.46
Interest Charges - Licencees A/c	13.06	13.41
Interest on Deposits	0.90	1.11
Other Interest	128.19	121.77
Cost of raising finance	0.00	4.95
Other charges		
Other Charges	346.13	467.97
Guarantee Fees	196.00	231.77
Banking Cash Transaction Tax	0.10	6.03
Sub Total	5248.68	5160.60
TOTAL	11879.69	11858.88

**SCHEDULES FORMING PART OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2010****SCHEDULE: 24****BAD DEBTS & OTHER DEBITS**

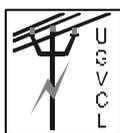
PARTICULARS	[₹ IN LACS]	
	Year Ended 31 st March, 2010	Year Ended 31 st March, 2009
Small & Low Value Items Written - off.	0.01	1.12
Written down value of assets scrapped.	0.00	0.01
Loss on Sale of Fixed Assets	1.46	0.00
Contribution towards Energy efficient pumps	489.76	92.84
Bad & Doubtful Debts Written off / Provided for.	191.23	768.83
Miscellaneous Losses & Write-offs.	161.62	700.44
Deferred Revenue Expenses W.off.	0.00	18.67
TOTAL	844.08	1581.91

SCHEDULE: 25**OTHER EXPENSES CAPITALISED**

PARTICULARS	[₹ IN LACS]	
	Year Ended 31 st March, 2010	Year Ended 31 st March, 2009
Repairs and Maintenance Capitalised.	0.15	0.33
Employee Costs Capitalised.	3730.82	4062.73
Administrative & General Expenses Capitalised.	495.57	659.26
Depreciation and Related Costs Capitalised.	0.00	0.37
Interest Costs capitalised.	106.78	0.00
TOTAL	4333.32	4722.69

SCHEDULE: 26**EXTRAORDINARY ITEMS**

PARTICULARS	[₹ IN LACS]	
	Year Ended 31 st March, 2010	Year Ended 31 st March, 2009
Extraordinary Debits		
R & M for restoration of damages due to flood,Cyclone	38.85	9.00
Losses on account of Flood, Cyclone, Fire etc.	41.82	23.88
TOTAL	80.67	32.88

**SCHEDULES FORMING PART OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2010****SCHEDULE: 27**
NET PRIOR PERIOD CREDITS/ (CHARGES)

PARTICULARS	[₹ IN LACS]	
	Year Ended 31 st March, 2010	Year Ended 31 st March, 2009
Prior period income/gains		
Receipts from Cons-Prior Periods	0.00	0.02
Interest Income for Prior Period	0.92	0.00
Excess provision for depreciation.	0.32	17.80
Excess Prov. Of Interest & Other Finance Charges	87.49	136.87
Other excess provision.	65.48	335.40
Other income.	5.39	2.50
Sub Total	159.60	492.59
Prior period expenses / losses		
Other Gen Costs Relating to prior period.	0.00	3.29
Employee costs.	13.32	18.47
Depreciation under provided.	11.92	0.09
Interest & Other Finance Charges	13.57	471.67
Administration expenses	26.47	307.60
Materials Related cost	0.00	0.16
Other excess provision.	6.59	4.97
Other Prior Period Adjustments.	34.15	72.75
Sub Total	106.02	879.00
Net Prior period Credits / (Charges)	53.58	(386.41)

SCHEDULE: 28
PROVISION FOR TAXES

PARTICULARS	[₹ IN LACS]	
	Year Ended 31 st March, 2010	Year Ended 31 st March, 2009
Income Tax (MAT)	127.87	85.14
Fringe Benefit Tax	0.00	67.82
Wealth Tax	0.62	0.57
TOTAL	128.49	153.53

**SCHEDULES FORMING PART OF BALANCE SHEET AND PROFIT AND LOSS ACCOUNT****SCHEDULE: 29****SIGNIFICANT ACCOUNTING POLICIES.****(1) Basis of preparation (Accounting Convention):**

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

(2) Revenue Recognition:**(i) Revenue from sale of power :**

Revenue from sale of power is recognized on accrual basis of energy supplied in accordance with the tariff orders awarded by Gujarat Electricity Regulatory Commission (GERC) as applicable to the consumers.

(ii) Misc. Revenue from consumers :

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

(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 and Insurance claims are accounted for on the Basis of actual realization. Amount in respect of delayed Payment charges (Except for cases where suit is filed in the court) is accounted on the basis of actual realization of late payment against outstanding energy bills.

(b) Other income except mentioned above is recognized on accrued basis except when ultimate realization of such income is uncertain.

(3) Consumer contributions, Capital grants and Subsidy:

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

(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) Any depreciable assets having original cost up to ₹ 5000/- have been fully charged to revenue in the year in which assets are purchased.
- (iii) Depreciation on Addition/deletion of fixed assets during the year is provided on prorata basis from the date when the asset is put to use.

(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 30: NOTES ON ACCOUNTS****(1) Share Application Money:**

A sum of ₹ 3000.00 Lacs received from Gujarat Urja Vikas Nigam limited towards equity share capital has been classified as share application money, pending approval for allotment as on 31-03-2010. However, the same has been approved by the allotment committee of the Board of Directors of the company on 01-06-2010 and 300 Lacs equity shares of ₹ 10/- each have been issued at par to GUVNL on right basis.

(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 ₹ 3508.77 Lacs (previous year ₹ 7719.29 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 ` Nil Lacs (previous year ₹ 4545.45 Lacs) is secured against the 1st hypothecation charge on the assets of Himatnagar Circle, Division & RSO, Modasa Division and Mehsana Circle, Division & RSO and Kalol Division.
- (iii) Loan from Allahabad Bank for ₹ 11000.00 Lacs (previous year ₹ 16000.00Lacs) is secured against the 1st hypothecation charge on the assets of Sabarmati O&M Division, Gandhinagar O&M Division and only Lines and Cables of Bavla O&M Division.

(3) Secured and Unsecured Loans:

(1) The loans which were raised by Erstwhile GEB from Bonds, Banks, PFC, REC, Financial Institutions and other Lenders against the Security of the assets relating to generation, transmission and distribution activities and were used for common purposes are continued in the books of GEB/ (now GUVNL) on behalf of all transferee companies and the same have been apportioned under FRP Notification dated 3^d 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 2009-10:

GUVNL has raised several loans during the year 2009-10 for common usage of transferee



companies. GUVNL has apportioned ₹ 9804.56 Lacs out of these loans to the Company. The repayments and interest thereon are reimbursed by the company to GUVNL.

In light of above note, the said Loans are 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) Change in policy of providing Depreciation:

The company has changed the policy of providing Depreciation from charging depreciation from next quarter to the date of commissioning of assets w.e.f. 1-04-2009. Due to change in accounting policy, profit for the year is impacted by ₹ 44.81 Lacs.

(6) 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.

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

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

(8) The balance shown in the books pertaining to debtors, loans & advances, other assets, creditors for materials and creditors for expenses are subject to confirmation from the parties concerned.

(9) 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.

(10) Provision for employees' remuneration and benefits:

(i) Salaries and wages:

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



(ii) Employee Benefits:

- ▶ 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 ₹ 2023.77 Lacs (P.Y ₹ 1282.23) 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.

The amounts recognized in the Balance Sheet of GUVNL	₹ in Lacs	
	Gratuity Plan 2009-10	Gratuity Plan 2008-09
Present Value of funded Obligations	5270.52	3885.30
Fair value of plan assets	5270.52	3885.30
Present value of unfunded obligations	8184.73	5046.40
Unrecognized past service cost	Nil	Nil
Net liability	8184.73	5046.40
Amount in the balance sheet : Liabilities	13455.25	8931.70
Assets	5270.52	3885.30
Net liabilities	8184.73	5046.40

Expenses recognized in Income Statement	₹ in Lacs	
	Gratuity Plan 2009-10	Gratuity Plan 2008-09
Current service cost	491.49	148.94
Interest on obligation	714.54	603.14
Expected return on plan assets	(414.88)	(314.33)
Net actuarial losses / (gains) recognized in the year	(153.49)	1279.72
Past service cost	4232.85	Nil
Losses (gains) on curtailments and settlements	Nil	Nil
Expense recognized in the statement of Profit & Loss	4870.50	1717.48



Change in Benefit Obligations	(₹ in Lacs)	
	Gratuity Plan 2009-10	Gratuity Plan 2008-09
Opening defined benefit obligation	8931.70	7539.27
Service cost for the year	491.49	148.94
Past Service Cost	4232.85	-
Interest on obligation	714.53	603.14
Actuarial losses / (gains)	(146.84)	1237.84
Benefits paid	(768.49)	(597.49)
Closing defined benefit obligation	13455.25	8931.70

Fair Value of Plan Assets	(₹ in Lacs)	
	Gratuity Plan 2009-10	Gratuity Plan 2008-09
Opening fair value of plan Assets	3885.30	3004.57
Expected return on plan Assets	414.88	314.33
Actuarial gains / (losses)	6.66	(41.89)
Contributions by employer	1732.17	1205.78
Assets acquired in an amalgamation in the nature of purchase	Nil	Nil
Exchange differences on foreign plans	Nil	Nil
Benefits paid	(768.49)	(597.49)
Closing fair value of plan assets	5270.52	3885.30

Category of Plan Assets	(₹ in Lacs)	
	Gratuity Plan 2009-10	Gratuity Plan 2008-09
Government of India Securities	-	-
High quality Corporate bonds	-	-
Equity shares of listed Companies	-	-
Funds managed by Insurer	100%	100%
Bank Balance	-	-



Principal Actuarial Valuation	₹ in Lacs	
	Gratuity Plan 2009-10	Gratuity Plan 2008-09
Discount rate as at 31 st March 2010	8.00%	8.00%
Expected return on plan assets at 31 st March 2010	9.50%	9.50%
Annual increase in Salary costs	5.00%	5.00%

Surplus / (Deficit)	₹ in Lacs	
	Gratuity Plan 2009-10	Gratuity Plan 2008-09
Defined Benefit Obligation	13455.25	8931.70
Plan assets	5270.52	3885.30
Surplus / (deficit)	(8184.73)	(5046.40)

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

- ▶ Governments of India vide notification No.1007 dtd.24.05.2010 Published in Govt. Gazette amended the Payment of Gratuity Act,1972 with revision in the gratuity limit from existing ₹ 3.50 lakhs to ₹ 10 Lakhs w.e.f. 24.05.2010. Consequent upon such amendment, the Company has recognized the gratuity liability with a ceiling of ₹ 10 Lacs based on actuarial valuation as carried out by LIC. On account of such amendment to the Act, the Company has provided incremental liability to the tune of ₹ 4232.85 Lacs and charged to P&L Account for the year.

Privilege Leave Benefits :

Amounts to be recognized in Balance Sheet	₹ in Lacs	
	Leave Benefit 2009-10	Leave Benefit 2008-09
Present value of funded obligations	Nil	Nil
Fair value of plan assets	Nil	Nil
Present value of unfunded obligations	8326.75	7322.29
Unrecognized past service cost	Nil	Nil
Net Liability in the balance sheet	8326.75	7322.29
Amount in the balance sheet :		
Liabilities	8326.75	7322.29
Assets	-	-
Net liabilities	8326.75	7322.29



Expenses recognized in Income Statement	(` in Lacs)	
	Leave Benefit 2009-10	Leave Benefit 2008-09
Current service cost	111.19	102.46
Interest on obligation	585.78	425.43
Expected return on plan assets	-	-
Net actuarial losses / (gains) recognized in the year	873.75	1788.60
Past service cost	Nil	Nil
Losses (gains) on curtailments and settlements	Nil	Nil
Expense recognized in Profit & Loss	1570.72	2316.49

Change in Benefit Obligations	(` in Lacs)	
	Leave Benefit 2009-10	Leave Benefit 2008-09
Opening defined benefit obligation	7322.29	5317.94
Service cost for the year	111.19	102.46
Interest cost for the year	585.78	425.43
Actuarial losses (gains)	873.75	1788.60
Losses (gains) on curtailments	-	-
Benefits paid	(566.26)	(312.14)
Closing defined benefit obligation	8326.75	7322.29

Fair Value of Plan Assets	(` in Lacs)	
	Leave Benefit 2009-10	Leave Benefit 2008-09
Opening fair value of plan Assets	-	-
Expected return	-	-
Actuarial gains / (losses)	-	-
Assets distributed on settlements	-	-
Contributions by employer	-	-
Assets acquired in an amalgamation in the nature of purchase	-	-
Exchange difference on foreign plans	-	-
Benefits paid	-	-
Closing balance of fund	-	-



Category of Plan Assets	₹ in Lacs	
	Leave Benefit 2009-10	Leave Benefit 2008-09
Government of India Securities	-	-
High quality Corporate bonds	-	-
Equity shares of listed Companies	-	-
Property	-	-
Funds managed by Insurer	-	-
Bank Balance	-	-

Principal Actuarial Valuation	₹ in Lacs	
	Leave Benefit 2009-10	Leave Benefit 2008-09
Discount rate as at 31st March 2010	8.00%	8.00%
Expected return on plan assets at 31st March 2010	-	-
Annual increase in Salary Cost	5.00%	5.00%

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

Surplus / (Deficit)	₹ in Lacs	
	Leave Benefit 2009-10	Leave Benefit 2008-09
Defined Benefit Obligation	8326.75	7322.29
Plan assets	-	-
Surplus / (deficit)	(8326.75)	(7322.29)

- (11) 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.
- (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 ₹ 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 these loans for 2008-09 till 2010-11.

**(13) Contingent Liabilities:**

- (i) Contingent liabilities in respect of claim against the Company other than revenue not acknowledged as debt is ₹ 824.39 Lacs (P.Y. ₹ 149.20 Lacs).
- (ii) Estimated amount of contracts remaining to be executed on capital account and not provided for is ₹ 569.71 Lacs. (P.Y. ₹ 165.54 Lacs).

(14) 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 Act, 2006 have not been disclosed separately, as required under Part – 1 of Schedule VI to the Companies Act, 1956. The company has not received any claim for interest from any supplier under the "interest on delayed payments to Micro, small & medium Enterprises as defined under Micro, Small & Medium Enterprises Development Act, 2006."

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

(16) Managerial Remuneration:

[₹ in lacs]

Particulars	For the period ended 31 st March	
	Year 2009-10	Year 2008-09
Salaries to M.D (including arrears)	16.19	4.87
Other Monetary value of benefits in cash or in kind to M.D	Nil	0.10
Total	16.19	4.97

(17) Auditors' Remuneration :**(A) Statutory Auditors:**

[₹ in lacs]

Particulars	Year 2009-10	Year 2008-09
Audit fee	3.60	3.00
Certifications fees	-	-
Other Services	-	-
Others	0.55	0.89
Total (Excluding Service Tax)	4.15	3.89

(B) Cost Auditors:

[₹ in lacs]

Particulars	Year 2009-10	Year 2008-09
Audit	0.48	0.48
Other Services	-	-
Total (Excluding Service Tax)	0.48	0.48



(18) Subsidy and Grants:

[₹ in lacs]

Particulars	Year 2009-10	Year 2008-09
Agriculture Subsidy	57867.60	57128.82
Energy Conservation	3.26	420.00

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

[₹ in lacs]

Particulars	Year 2009-10	Year 2008-09
Net Profit after tax	565.08	595.48
Weighted average No. of Equity Shares	207148722	111210118
Face value per share (₹)	10	10
EPS(₹)-(Basic)	0.27	0.53
EPS(₹)-(Diluted)	0.24	-

(20) 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.

(21) 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 taxable income 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	[₹ IN LACS]	
	As at 31 st March, 2010	As at 31 st March, 2009
Deferred Tax Assets:		
Arising out of timing differences in :		
Leave Encashment	148.43	1234.59
Gratuity	805.82	583.77
Depreciation	102.40	-
TOTAL	1056.65	1818.36
Deferred Tax Liabilities:		
Arising out of differences in :		
Depreciation	-	62.34
TOTAL	-	62.34
Net Deferred Tax Asset/(Liability)	1056.65	1756.02

**(22) Provision for Taxation:**

Provision for current tax includes following:

[₹ in lacs]

Particulars	For the period ended 31 st March	
	2010	2009
Income Tax	127.87	85.14
Fringe Benefit Tax	Nil	67.82
Wealth Tax	0.62	0.57

- (23)** 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:

[₹ in lacs]

Particulars	As at March 31,2010		As at March 31,2009	
	Quantity In MUS	Value	Quantity In MUS	Value
Units purchased	15647	398728.39	13525	372033.17
Units sold	12213	387958.69	10910	358937.29
Loss	3434	—	2615	—
T & D Losses %	21.95%	—	19.33%	—

(24) 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 course 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 note no.13.



- 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 fare 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.

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

SIGNATURES TO SCHEDULES 1 TO 30

As per our report of even date attached

For P. Singhvi & Associates

Chartered Accountants
F.R.No. 113602W

Praveen Singhvi

Partner
M. No. 071608

Place : Ahmedabad

Date : 08-09-2010

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 : Ahmedabad

Date : 07-09-2010

A.K.Verma, IFS

Managing Director

N. M. Joshi, FCS

Company Secretary

**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	31-03-2010		

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

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

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

Total Liabilities	17585479	Total Assets	17585479
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SOURCES OF FUNDS

Paid up Capital	2071487	Share Application Money	300000
Reserves & Surplus	3638857	Secured Loans	3066254
Deferred Govt. Grants, Subsidies & Cont.	4456273	Deferred Tax Liability	NIL
Unsecured Loan	4052608		

APPLICATION OF FUNDS

Net Fixed Assets	18507641	Investments	NIL
Net Current Assets	-1116198	Miscellaneous Exps.	194036

IV. Performance of the Company (₹ in Thousands)

Turnover	45505086	Total Expenditure	45435729
Profit/Loss before tax	69357	Profit/Loss after tax	56508
Earning per share in ₹	0.27	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:	NA

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

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 : 07-09-2010



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 **SEVENTH ANNUAL GENERAL MEETING** of the Company to be held on Monday, 6th
December, 2010 at 12.00 noon at Registered Office and any adjournment thereof.

Signed this _____ day of _____ 2010.

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 Seventh Annual General Meeting of the Company, held on Monday, 6th December,
2010 at 12.00 noon at Mehsana.

Folio No. No. of shares held :

Full Name of the Shareholder / Proxy :

Signature of Shareholder / Proxy :

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

Uttar Gujarat Vij Company Limited

દ્રષ્ટિ Vision

- સર્વોત્તમ સેવા થકી ગ્રાહકને સંતોષ

Customer satisfaction through service excellence

લક્ષ્ય Mission

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

To provide reliable and quality power at competitive cost
To reach global standards in reducing distribution losses

નિયમિતતા Core values

- ગ્રાહકની સંતોષ
 - સહભાગી કાર્ય સંસ્કૃતિ
 - સંસ્થા ખોટ સ્વસ્ત્ર અને સન્માન
 - શ્રેષ્ઠતા
 - નૈતિક અને સામાજિક જવાબદારી પ્રત્યે સન્માનતા
 - Being ethically and socially responsive
- Customer satisfaction Participative work culture
Pride of belongingness Excellence



Uttar Gujarat Vij Company Limited

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Web site : www.ugvcl.com