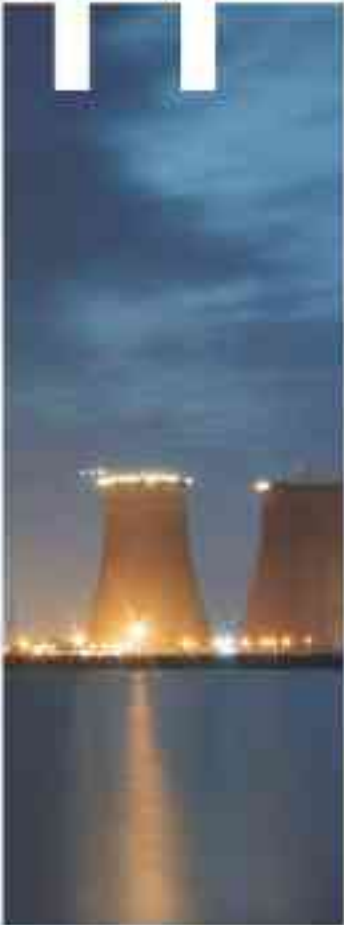




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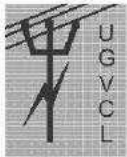


Uttar Gujarat Vij Company Limited
Subsidiary of Gujarat Urja Vikas Nigam Limited

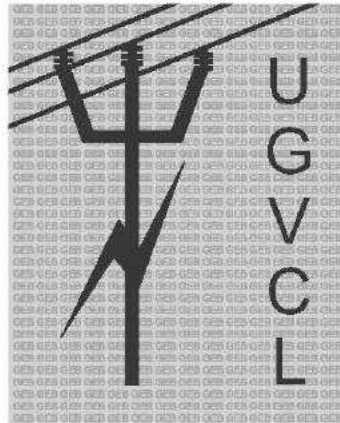
UGVCL AT A GLANCE

(December - 2014)

Total Area (in sq. Kms.)	49,950
Districts covered	7 + 3 (partly)
Towns	43
Villages	4,628
Consumers	30,35,546
Circles	4
Divisions	21
Sub Divisions	125 + 5 (REC)
Sub Stations	421
Transformers Centers	1,90,219
Feeders	3,993
HT Lines (Kms.)	87,567
LT Lines (Kms.)	68,371
Ratio LT/HT	0.78
Employees	7,463



Uttar Gujarat Vij Company Limited
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Subsidiary of Gujarat Urja Vikas Nigam Limited



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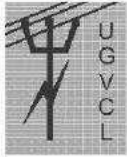
UGVCL'S MILESTONES

AWARDS

- Winner of India Power Award-2014 under the Category : Best Overall Performance in Private Sector & PSU by Council of Power Utilities.
- Winner of India Utility Knowledge and Networking Forum - Best Utility Practice Award under the Category : Innovations and Others in Power Distribution, by IUKAN (Feb.-2014)
- Runners Up of IPPAI Power Award-2013 in Greenest Discom Category
- Winner of India Power Award - 2012 under the Category : Overall Utility Performance (Distribution) Rural by Council of Power Utilities
- Runner Up of Power Line Award-2012 in the Category : Best Performing State Discom
- Recipient of National Award **GOLD SHIELD** by Ministry of Power for Meritorious Performance among Distribution Companies in Power Sector for the Year 2010-11
- India Power Award-2010 in recognition for Energy Efficiency, Conservation and DSM by Council of Power Utilities
- 'Good Performance Award' under the Category of Public Service Sector-Large for Excellence in Cost Management 2009 by the ICWAI
- India Power Award-2009 in recognition for Overall Utility Performance in Agriculture Dominated Area by Council of Power Utilities
- First Prize Winner in the Category of 'Excellence in Rural Electrification' awarded by IEEMA Power Award - 2008
- National Award for Excellence in Cost Management - 2007 by the ICWAI
- Recipient of National Award - Bronze Shield by Ministry of Power for Meritorious Performance in Electricity Distribution for the year 2005-06

ACHIEVEMENTS / RECOGNITIONS

- Accorded A+ rating in 2013 by Ministry of Power Govt. of India
- Inventor of Pilot Advanced Transformer (Patent registered)
- Accredited with ISO 9001 : 2008 Standard for 'Management and Performance Enhancement of Electricity Distribution Operations'
- HI-Tech Meter Testing Laboratory at Sabarmati Circle accredited by National Accreditation Board for Testing and Calibration Laboratories (NABL) with ISO/IEC/17025-2005
- First to Complete 'Jyoti Gram Yojana'



Uttar Gujarat Vij Company Limited

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BOARD OF DIRECTORS

Shri Varun Nath Maira, IAS(Retd.)	Chairman
Smt. Shahmeena Husain, IAS	Director
Shri H. P. Desai	Director
Shri K. P. Patel	Director
Prof. Ajay Pandey	Director
Prof. (Dr.) B. A. Prajapati	Director
Shri K. M. Shringarpure	Director
Shri Chandravadan J. Macwan	Director (Up to 07-May-2014)
Shri K.P. Jangid	Director
Dr. R. G. Joshi	Director (From 07-May-2014 to 31-Jul-2014)
Shri K. D. Suthar	Director (From 24-Sep-2014)
Shri Nityanand Srivastava, IFS	Managing Director

COMPANY SECRETARY

Shri Nitinkumar M. Joshi, FCS

SENIOR EXECUTIVES

Smt. C. R. Desai	Chief Engineer (Operation)
Shri S. R. Patel	Chief Engineer (P&P)
Shri R. B. Kothari	General Manager (Finance)
Shri M. K. Rathod	Addl. Chief Engineer (Technical)
Shri J. M. Mochi	Addl. Chief Engineer (P)

AUDITORS

For FY 2012-13

M/s. S. C. Ajmera & Co.
Chartered Accountants
Udaipur

For FY 2013-14

M/s. Kochar & Associates
Chartered Accountants
Ahmedabad

BANKERS

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

REGISTERED & CORPORATE OFFICE

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



Uttar Gujarat Vij Company Limited

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NOTICE

NOTICE is hereby given that the Eleventh (Adjourned) Annual General Meeting of the Members of Uttar Gujarat Vij Company Limited will be held on Friday, the 16th day of January, 2015 at 12-30 pm at the Registered Office of the Company at Visnagar Road, Mehsana - 384001 (North Gujarat) to transact the following business:

ORDINARY BUSINESS

- 1 To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2014 and Profit & Loss Account of the Company for the year ended on that date together with the Notes attached thereto and the Reports of the Board of Directors and Auditors thereon with comments of Comptroller & Auditor General of India (C&AG).

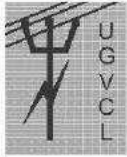
By Order of the Board
For Uttar Gujarat Vij Company Limited

Date : 8-Jan-2015
Place: Ahmedabad

N. M. Joshi, FCS
Company Secretary

NOTES:

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.



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NOTICE

NOTICE is hereby given that the Eleventh Annual General Meeting of the Members of Uttar Gujarat Vij Company Limited will be held on Monday, the 22nd day of December, 2014 at 12-30 pm at the Registered Office of the Company at Visnagar Road, Mehsana – 384001 (North Gujarat) to transact the following business:

ORDINARY BUSINESS

- 1 To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2014 and Profit & Loss Account of the Company for the year ended on that date together with the 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 (DIN-00034128) who retires by rotation and is eligible for reappointment;
- 3 To appoint a Director in place of Prof. Ajay Pandey (DIN-01292877) who retires by rotation and is eligible for reappointment;
- 4 To appoint a Director in place of Prof. (Dr.) B. A. Prajapati (DIN-01431661) 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 2014-15.

SPECIAL BUSINESS

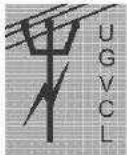
- 6 To consider and if thought fit, to pass, with or without modification/s, the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to Section 152 and other applicable provisions, if any, of the Companies Act, 2013, and Rules made thereunder (including any statutory modifications or reenactment thereof for the time being in force), Shri Kanubhai D Suthar (DIN-06971235) who was appointed as Additional Director by the Board with effect from 24-Sep-2014 to hold office up to the date of this Annual General Meeting in terms of Section 161 of the Companies Act, 2013, and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, signifying his intention to propose Shri K. D. Suthar as a candidate for the office of a Director of the Company, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

By Order of the Board
For Uttar Gujarat Vij Company Limited

Date : 18-Dec-2014
Place: Ahmedabad

N. M. Joshi, FCS
Company Secretary



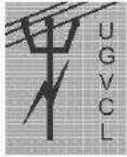
Uttar Gujarat Vij Company Limited

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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 A Statement pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
- 3 Pursuant to Section 139(5) of the Companies Act, 2013, the auditors of the Government Company are appointed by the Comptroller & Auditor General (C&AG) and in terms of Section 142 of the Companies Act, 2013, the remuneration shall be fixed by the Company in the Annual General Meeting or in such manner as the Company in General Meeting may determine. M/s Kochar & Associates, have been appointed by the C&AG as Statutory Auditors of the Company to audit the accounts of the Company for the Financial Year ended 31st March, 2015.



Uttar Gujarat Vij Company Limited

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ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 6:

Pursuant to the Office Order No. JNV-10-2014/720764 (Part File 2)A dated 21-Aug-2014 of the Finance Department, Government of Gujarat, Gujarat Urja Vikas Nigam Limited (GUVNL) has vide its Letter No. GUVNL/CS/576 dated 12-Sep-2014, nominated under Article-57 of the Articles of Association of the Company, Shri K. D. Suthar (DIN-06971235), Dy. Secretary (P&T), Finance Department, Government of Gujarat as Director.

Pursuant to Section 152(5) of the Companies Act, 2013 and Rule-8 of the Companies (Appointment and Qualification of Directors) Rules, 2014, Shri K. D. Suthar has provided his consent (DIR-2) to act as Director of the Company.

Under the provisions of Section 161 of the Companies Act, 2013, the Board has at its 74th Meeting held on 24-Sep-2014 appointed Shri K. D. Suthar as an additional director to hold office up to the date of the next annual general meeting.

Shri K. D. Suthar has also been appointed as Member of the Audit Committee, CSR Committee, Purchase Committee and the Personnel Committee constituted by the Board.

The Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, signifying his intention to propose the appointment of Shri K. D. Suthar as a Director of the Company.

The above appointment of Shri K. D. Suthar as a Director on the Board of the Company requires approval of the members in the General Meeting.

Shri K. D. Suthar is presently working as Joint Secretary (Treasury & Pension) in Finance Department, Govt. of Gujarat and holds NIL shares in the Company.

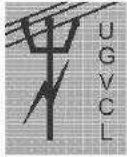
None of the Directors and Key Managerial Personnel of the Company and their relatives except Shri K. D. Suthar is, in any way, concerned or interested, financially or otherwise, in this Resolution.

The Board recommends the Resolution for approval of the Members as an Ordinary Resolution.

By Order of the Board
For Uttar Gujarat Vij Company Limited

Date : 18-Dec-2014
Place: Ahmedabad

N. M. Joshi, FCS
Company Secretary



Uttar Gujarat Vij Company Limited

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DIRECTORS' REPORT

To,
The Members of
UTTAR GUJARAT VIJ COMPANY LIMITED

Your Directors have pleasure in presenting the Eleventh Annual Report together with the audited Statement of Accounts for the Financial Year ended 31st March, 2014.

FINANCIAL HIGHLIGHTS:

The summarized financial results of the Company are given below:

Particulars	(Rs. in Lacs)	
	2013-14	2012-13
Total Income	7,67,298.56	7,59,417
Gross Profit before Depreciation, Interest and Tax	35,831	32,074
Depreciation	17,947	14,972
Interest and Finance Charges	16,188	15,130
Profit before Tax	1,697	1,972
Provision for Tax (including provision for deferred)	345	609
Profit after Tax	1,351	1,364
Profit brought forward from previous year	4,899	3,535
Net profit available for appropriation	6,250	4,899

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:

On 03-Aug-2013, your Company received Runners-Up Award for Greenest DISCOM Category of IPPAI Power Awards-2013 by Independent Power Producers Association of India (IPPAI) at Goa.

On 13-Feb-2014, your Company won India Utility Knowledge and Networking Forum (IUKAN) - Best Utility Practice Award in Category: Innovations and Others in Power Distribution during the 2nd Annual IUKAN Conference 2014 organized at New Delhi.

On 19-Nov-2014, your Company received India Power Award – 2014 under the Category: Best Overall Performance in Private Sector & PSU by Council of Power Utilities (CPU) at New Delhi.



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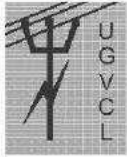


OPERATIONS DURING THE YEAR:

During the year under review, the revenue from the sale of power including subsidies and other income amounted to Rs. 7,67,298 Lacs. (P.Y. Rs. 7,59,417 Lacs). The Company purchased 19,458 MUs (P.Y. 20,765 MUs) of energy from Gujarat Urja Vikas Nigam Limited (GUVNL), Solar and Wind farm and sold 17,484 MUs (P.Y. 17,550 MUs) of energy to all categories of consumers. The Company's overall transmission and distribution losses are reported to the extent of 1,974 MUs (P.Y. 3,216 MUs) at 11.99% (P.Y. 17.83%).

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

- Total 2,491 (P.Y. 2,459) Nos. of rural feeders have been declared as Agricultural Dominated Feeders.
- Transformer failure rate is reduced to 6.76% from 6.85% 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 - 8,12,981 (P.Y. 6,31,237) Nos.
- Installations detected - 12,952 (P.Y. 11,450) Nos.
- Amount assessed - Rs. 2,315.22 (P.Y. 1,881) Lacs
- For better system improvement and to give quality power supply of the over-loaded feeders, 126 (P.Y. 127) Nos. of feeders are bifurcated and charged during the year.
- Automated Meter Reading (AMR) is installed on total 2,800 (P.Y. 2,585) 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, 2,543 (P.Y. 2,345) Nos. of Amorphous/4 Star Transformers are installed in Urban, GIDC and JGY Feeders.
- Total 2,432 (P.Y. 2,398) Nos. of Special Design Transformers (SDT) have been provided on Agricultural feeders, covering benefit to 1,08,406 (P.Y. 1,00,723) Nos. of Farm House connections.



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- Work progress - New release of connections:

• HT New Connection	-	297 Nos. (P.Y. 275 Nos.)
• HT additional load	-	219 Nos. (P.Y. 194 Nos.)
• NRGPI	-	2443 (P.Y. 2,560)
• NRGPC	-	13,145 (P.Y. 9,492)
• LTMDI	-	298 (P.Y. 286)
• LTMDc	-	85 (P.Y. 61)
• RGP	-	56,620 (P.Y. 51,353 Nos.)
• Water Works	-	816 Nos. (P.Y. 601 Nos.)
• Ag. Connection under		
› SPA Well (Normal Scheme)	-	6193 Nos. (P.Y. 5810 Nos.)
› TASP Well	-	3355 Nos. (P.Y. 3618 Nos.)
› Tatkal Scheme	-	241 Nos. (P.Y. 62 Nos.)
› Dark Zone Well	-	12,489 Nos. (P.Y. 7382 Nos.)
• Petapara electrified	-	0 Nos. (P.Y. 0 Nos.)
• SCSP (Household)	-	3947 Nos. (P.Y. 5596 Nos.)
• RGGVY (New Connections)	-	2543 Nos. (P.Y. 2107 Nos.)
• Zupad-patties Connections	-	16,428 Nos. (P.Y. 12184 Nos.)
• Kutirjyoti connections	-	1397 Nos. (P.Y. 1989 Nos.)
• System Network added		
› HT Line	-	5,168 Kms. (P.Y. 3,854 Kms.)
› LT Line	-	1,188 Kms. (P.Y. 1,120 Kms.)
› Trans. Center	-	19,548 Nos. (P.Y. 16,796 Nos.)

FEEDER BIFURCATION:

The Scheme for bifurcation of 186 (P.Y. 210) 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, SCSP TASP Wells, AG Normal (SPA) Wells, Dark Zone Wells, Primitive Tribal House Electrification, Primary Schools and Aanganwadis, etc.

R-APDRP:

Govt. of India, vide Order dated 19.09.2008, had announced Restructured Accelerated Power Development and Reforms Program (RAPDRP) for distribution strengthening of State Power Utilities and bringing down the Aggregate Technical and Commercial (AT&C) losses to 15% by the end of the project period.



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Projects under the Scheme shall be taken up in two Parts. Part-A shall include the projects for establishment of baseline data and IT applications for energy accounting/auditing & IT based consumer service centers. Part-B shall include regular distribution strengthening projects. The financial assistance is extended in the form of loan/grants through Power Finance Corporation Ltd., being the nodal agency, for various projects in implementation under R-APDRP.

SCADA:

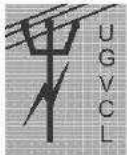
SCADA stands for Supervisory Control And Data Acquisition. As the name indicates, it is not a full control system, but rather focuses on the supervisory level. SCADA is a real-time control system. It helps not only in supporting a safe and efficient energy distribution but also is an energy information system, providing decision makers with reliable process information. By application of SCADA system, an operator of the distribution company can monitor online the status of all sub-stations, feeders and RMU. In abnormal conditions, an operator can easily take the decision to restore the system with minimum interruption on the network. An integrated SCADA system can also pass the information to GIS and customer care centre for easy handling of the complaints and also give the proper timing of restoration to consumer of that network. The SCADA Project is being implemented.

SMART GRID:

GUVNL (Gujarat Urja Vikas Nigam Limited) intends to implement a Smart Grid Pilot Project at UGVCL which cover six full districts in northern region of Gujarat and three part districts in western and central areas. The broad scope of the pilot project will be as under:

- AT&C Loss Reduction
- Peak Load Management
- AMI for Industrial, commercial & residential consumers
- Outage Management
- Load Forecasting
- Demand Side Management and Demand Response
- Asset Management System
- Power Quality Management

The pilot area will involve a mix of residential, commercial, industrial and agricultural consumers. The area chosen as the pilot site are Naroda of Sabarmati Circle and Deesa of Palanpur Circle. This project covers the functionalities of the Smart Grid which are decided by the Ministry of Power.



CUSTOMER SERVICES:

1. Customer Care Centers (CCC):

Establishment of single window computerized customer care centre. The Centre shall equip with latest technology and multi-skilled customer service representatives. The 'One Point Contact' service relieves the customer from the inconvenience of visiting or contacting different utility offices. The complaint can be booked by phone, fax, IVRS, website etc. The centre shall work on 24x7 working hours. The CCC shall be linked with SMS service to provide complaint number to the customer and to the Field Staff simultaneously for speedy disposal of complaints. The Centre shall be connected with Data Centre and GIS for compliance to the customer.

2. Online Bill Payment:

This service is provided at the doorstep of the consumers. A consumer can pay using more than 20 leading public and private sector banks by net banking, credit/debit card and also by RTGS/NEFT (virtual account concept). This facility is available for all the consumers. The amount collected during last Financial Year is ₹ 1069.01 Crore which forms 21.17% of total UGVCL's revenue.

3. e-Gram Cash Collection:

The required application to facilitate the rural consumers to pay their dues at their doorstep was developed by the Company. The existing Wide Area Network developed by the Govt. of Gujarat is utilized. No any extra investment on network or hardware is required. The Gram Panchayats are made the business associates of UGVCL by executing agreements with them. The Village Computer Operators appointed by the Government would assist in implementation of e-Gram collection system. It is also planned to integrate SMS facility with e-Gram system to acknowledge the payment due, payment made and communicate other information to customers. This facility extended to the urban area where cash collection agency has internet connectivity. More than 2,800 Gram Panchayats use this facility serving more than 10 Lac consumers. The amount collected during last year is ₹ 235.35 Crore which forms 4.66% of total UGVCL's revenue collection.

4. ATP/KIOSK:

Bill Payment Facility by cash/cheque is installed at selected public locations of 23 towns falling under the operations area. The amount collected during the year is ₹ 226.56 Crore which forms 4.49% of total UGVCL's revenue collection.



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RGGVY:

RGGVY project launched by GOI in April-2005, in order to access electricity to all rural households, free of charge for BPL house hold, through nodal agency REC Ltd, New Delhi. Under the project, 90% grant is provided by Govt. of India and 10% as loan by REC to the State Governments. The beneficiaries will have to pay the bills for energy utilized regularly as per the Company's norms. RGGVY project works has been carried out on turnkey basis, as per mandatory condition of the scheme. During the year 2013-14, REC has disbursed fund of ₹ NIL (cum. ₹ 65.09 Crores). The fund utilized ₹ 4.97 Crores (cum ₹ 79.31 Crores) for the execution of the works during the year 2013-14.

CONSUMER GRIEVANCES 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, 206 Nos. of cases are disposed of.

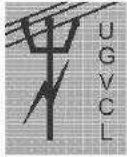
TARIFF:

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 has filed the final petition on 29th November, 2013 vide Case No. 1370/2013, for Truing up for financial year 2012-13 and determination of tariff for financial year 2014-15 under GERC (MYT Framework) Regulations, 2011 and under Part –VII (Section 61 to 64) of the Electricity Act, 2003 in accordance with relevant guidelines. Subsequent to the public hearing held on 13th February, 2014, GERC has declared its Award on 29th April, 2014 and decided retail tariff rates effective from 1st May, 2014.

AUDITORS:

M/s. Kocher & Associates, Chartered Accountants, Ahmedabad had been appointed as Statutory Auditors of the Company for the Financial Year 2013-14. The Comptroller and Auditor General of India, New Delhi, (C&AG) have appointed M/s. Kocher & Associates, Ahmedabad as Statutory Auditors of the Company to carry out the statutory audit of the accounts of the Company for the Financial Year 2014-15. As per the provisions of Section 142 of the Companies Act, 2013, their remuneration is required to be fixed by the Company in General Meeting.



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AUDITORS' REPORT:

The Notes to Accounts referred to in the Auditors 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 [Section 143(6) of the Companies Act, 2013] and Board's / Management's Reply to the Comments, if any, will be separately enclosed to this Report and circulated as soon as the same are received.

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 2013-14, for which the Central Government accorded its approval for auditing the Cost Accounts relating to Electricity Industry product. The Cost Audit Report for the Financial Year 2013-14 was filed / uploaded on the MCA Portal on 25-Sep-2014.

SHARE CAPITAL:

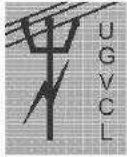
The Company has issued 29561404 Equity Shares of ₹ 10/- each as fully paid-up at a premium of ₹ 47/- per Share on Rights basis aggregating to ₹ 168.50 Crores received from Gujarat Urja Nigam Limited.

DIRECTORS:

Since the last (Tenth) Annual General Meeting held on 26-Sep-2013, the particulars of changes among the Directors are as under:

- Shri C. J. Macwan (DIN-03596652) ceased as Director with effect from 07-May-2014;
- Dr. R. G. Joshi was nominated and appointed as Director with effect from 07-May-2014 and ceased as Director with effect from 31-Jul-2014; and
- Shri K. D. Suthar was nominated and appointed as Additional Director with effect from 24-Sep-2014.

Under the provisions of Companies Act, 2013, Shri H. P. Desai, Prof. Ajay Pandey and Prof. (Dr.) B. A. Prajapati will retire at the ensuing Annual General Meeting and are eligible for re-appointment. The Board recommends their re-appointment.



Uttar Gujarat Vij Company Limited

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Shri K. D. Suthar is appointed as Additional Director under Section 161 of the Companies Act, 2013, to hold office as such till the date of Annual General Meeting. The Company has received a Notice under Section 161/162 along with the requisite fee from a member proposing his candidature to the office of Director and accordingly, an Ordinary Resolution for his appointment as Director is included under Special Business in the Notice convening the ensuing (Eleventh) Annual General Meeting.

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, 2014 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:

The Audit Committee of the Company at present consists of the following Directors:

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



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(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 foreign exchange earning of ₹ 145.35 Lacs (P.Y. ₹ 43.45 Lacs).

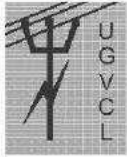
ACKNOWLEDGEMENT:

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 and various stakeholders for their continued assistance, co-operation and patronage. 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: 18-Dec-2014
Place: Ahmedabad

V. N. Maira, IAS (Retd.)
Chairman



Uttar Gujarat Vij Company Limited

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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.
- Provided 2543 (P.Y. 2345) Nos. of 4-star rated Transformers in Urban, Industrial and Jyotigram feeders for technical losses reduction. Further, only star rated transformers are being purchased.

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

- Areal Bunch Conductor in place of bare conductor in theft-prone areas to reduce pilferage of energy by direct hooking
- Mass awareness amongst consumers for energy conservation.

Energy Conservation tips, Safety measures & micro drip irrigation campaigns, printing of pamphlets, posters, banners, broadcasting of messages for conservation and safety on FM radio, as well as advertisements in print media depicting hoardings containing Energy saving messages/slogans, etc. have also been carried out from time to time.

Pilot Project:

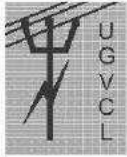
- I. Agriculture Pump-sets efficiency monitoring system by providing special type of metering with modem is under implementation under pilot project of "Designing strategies for stabilizing or increasing farmers income through resource sustainability" in consultation with Columbia University.
- II. For preparation of Demand side Management plan, the report is being prepared by the Consultant.

(c) 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:

- Improvement in voltage level, saving in KWH and peak demand. Reduction in T & D losses.

B. Technology Absorption:

Efforts made in technology absorption as per Form B.



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FORM –B

(Disclosure of particulars with respect to Technology Absorption)

I Research and Development (R&D):

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 15th day of every month.
- Power analyzers for transformer loss measurement are purchased for all four Circles.
- Advance version of Special Design Transformer is innovated and put in service with name of 'Pilot Advance Transformer'.
- For quality of material, Material Testing Lab is established at Narol RSO in collaboration with Electrical Research and Development Association (ERDA)

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

- Timely revenue realization from HT and EHT Consumers.
- 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.
- More numbers of farm houses are being electrified using pilot advance transformers.
- Close monitoring on quality of materials.

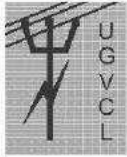
3. Future Plan of Action:

- Smart Grid Project implemented for Naroda Sub-division and Deesa-II Division under R-APDRP.
- SCADA Implementation for distribution network in Ahmedabad periphery under R-APDRP.
- Underground infrastructure development in newly developing GIDC at BOL Project for catering above 270 KVA load.

II Technology absorption, adaptation and innovation:

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

- WEB based Consumer Monitoring Program has been introduced to ascertain pockets of Commercial losses.
- WEB based computerized complain management facility.
- Installation of 8 Nos. of Any Time Payment machines for bill collection work and revenue collection under e-Gram Yojana in 3370 villages in rural areas of the Company is completed.
- Underground HT network is provided in Bopal and Chandkheda Sub-divisions as well as Ambaji town as being well-known religious place.
- Photo Billing System is introduced and being successfully implemented at Chiloda Sub-division.
- Constitution of DSM cell and Safety cell for implementation of DSM and Safety measures.



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

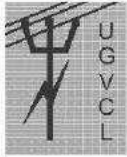
- Reduction in T&D losses by virtue of ascertaining corrective measures of metering, improvement in billing process and load survey with on-line monitoring and immediate access to data.
- Reduction in T&D losses by virtue of ascertaining corrective steps by Vigilance activity.
- One point location for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

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: 18-Dec-2014
Place: Ahmedabad

V. N. Maira, IAS (Retd.)
Chairman



Uttar Gujarat Vij Company Limited

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COMMENTS ON THE ACCOUNTS

C&AG's Letter No. ES-I(Hqrs-II)/A/cs/UGVCL/2013-14/2086 dated 19-Dec-2014

COMMENTS OF COMPTROLLER & AUDITOR GENERAL OF INDIA UNDER SECTION 619(4) OF THE COMPANIES ACT, 1956 ON THE ACCOUNTS OF UTTAR GUJARAT VIJ COMPANY LIMITED, MEHSANA FOR THE YEAR ENDED 31 MARCH, 2014

The preparation of financial statements of Uttar Gujarat Vij Company Limited for the year ended 31 March 2014 in accordance with the financial reporting framework prescribed under the Companies Act, 1956 is the responsibility of the Management of the Company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 619(2) of the Companies Act, 1956 are responsible for expressing opinion on these financial statements under Section 227 of the Companies Act, 1956 based on independent audit in accordance with the Auditing and Assurance Standards prescribed by their professional body the Institute of Chartered Accountants of India. This is stated to have been done by them vide their Audit Report dated 24th September 2014.

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 2014. This supplementary audit has been carried out independently without access to the working papers of the Statutory Auditors and is limited primarily to inquiries of the Statutory Auditors and Company personnel and a selective examination of some of the accounting records. Based on my supplementary audit, I would like to highlight the following significant matters under section 619(4) of the Companies Act, 1956 which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and the related Audit Report.

A. COMMENTS ON PROFITABILITY

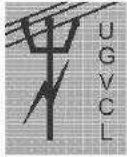
Statement of Profit and Loss

Expenses

- | | | |
|---|---------|----------------|
| 1. Depreciation and Amortization Expenses | Note 27 | ₹ 179.47 crore |
|---|---------|----------------|

The Company has incorrectly depreciated its assets on Straight Line Method basis at the rates prescribed in Schedule XIV of the Companies Act, 1956 (the Act) instead of the rates of depreciation and methodology notified (19 January 2009) by Central Electricity Regulatory Commission (CERC) under the special Act viz., Electricity Act, 2003 The latter being special Act, shall prevail over the rates under Schedule XIV of the Act.

Non-accounting of depreciation at the rates notified under the special Act viz., Electricity Act, 2003 has resulted in understatement of depreciation for the year by ₹ 17.57 crore and understatement of prior period expenses by ₹ 27.67 crore and overstatement of profit for the year by ₹ 45.24 crore.



Uttar Gujarat Vij Company Limited

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B. COMMENTS ON FINANCIAL POSITION

Balance Sheet

Assets

Current Assets: Rs.1267.51 crore

2. Trade Receivables Note No. 18 ₹ 830.49 crore

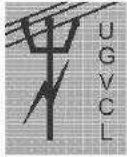
This includes Provision for unbilled revenue of ₹ 614.47 crore, which is accrued but not due and is billed after completion of the billing cycles in the succeeding year. However, the same should have been shown under Other Current Assets in accordance with para 8.8.6 of the Guidance Note on Revised Schedule VI of the Companies Act, 1956.

This has resulted in overstatement of Trade Receivables and understatement of Other Current Assets by ₹ 614.47 crore.

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

Sd/-
(Y. N. Thakare)
Accountant General (E&RSA), Gujarat

Place: Ahmedabad
Date: 19 December 2014



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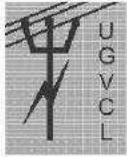


ADDENDUM TO REPORT OF DIRECTORS

C&AG's Letter No. ES-I(Hqrs-II)/A/cs/UGVCL/2013-14/2086 dated 19-Dec-2014

Comments of Comptroller & Auditor General of India under Section 619(4) of the Companies Act, 1956 on the accounts of Uttar Gujarat Vij Company Limited, Mehsana for the year ended 31 March, 2014

Comment	Board's Reply
<p><u>Comments on Profitability</u></p> <p>Statement of Profit and Loss Expenses</p> <p>1. Depreciation and Amortization Expenses Note 27 ₹ 179.47 crore</p> <p>The Company has incorrectly depreciated its assets on Straight Line Method basis at the rates prescribed in Schedule XIV of the Companies Act, 1956 (the Act) instead of the rates of depreciation and methodology notified (19 January 2009) by Central Electricity Regulatory Commission (CERC) under the special Act viz., Electricity Act, 2003. The latter being special Act, shall prevail over the rates under Schedule XIV of the Act.</p> <p>Non-accounting of depreciation at the rates notified under the special Act viz., Electricity Act, 2003 has resulted in understatement of depreciation for the year by ₹ 17.57 crore and understatement of prior period expenses by ₹27.67 crore and overstatement of profit for the year by ₹45.24 crore.</p>	<p>The Scope and extent of application (Para-2) of Notification No: L-7/145(160)2008-CERC dated 19th January, 2009 issued by Central Electricity Regulatory Commission is enumerated as under;</p> <p>"These regulations shall apply in all cases where tariff for a generating station or a unit thereof (other than those based on non-conventional energy sources) and the transmission system is to be determined by the Commission under section 62 of the Act read with section 79 thereof."</p> <p>From the above, it transpires that the rates of depreciation notified by CERC by Notification dated 19.01.2009 are applicable only to generation and transmission and not for distribution and the Circular No: 31/2011 dated 31st May, 2011 is applicable only to Companies engaged in Generating and Transmission and not the distribution companies. It may please be noted that CERC has jurisdiction over inter-state Generation and transmission companies only, as distribution companies cannot have inter-state jurisdiction. Further, the CERC has issued notification dated 19-01-2009 for the purpose of terms & conditions of filing tariff petition by the entities falling under its jurisdiction. UGVCL has correctly provided depreciation at the rates prescribed in Schedule-XIV of the</p>



	Companies Act, 1956 in the annual accounts to give true and fair view of the statement of profit & Loss Account for FY.2013-14.
<u>Comments on Financial Position</u>	
Balance Sheet	
Assets	
Current Assets: ₹ 1267.51 crore	
1. Trade Receivables	
Note No. 18 ₹ 830.49 crore	
<p>This includes Provision for unbilled revenue of ₹ 614.47 crore, which is accrued but not due and is billed after completion of the billing cycles in the succeeding year. However, the same should have been shown under Other Current Assets in accordance with para 8.8.6 of the Guidance Note on Revised Schedule VI of the Companies Act, 1956.</p> <p>This has resulted in overstatement of Trade Receivables and understatement of Other Current Assets by ₹ 614.47 crore.</p>	<p>The company follows monthly and bi-monthly billing cycles. During the year consumers are billed at the end of the billing cycles as enumerated below in the reply of draft comment No:5 and revenue is recognized accordingly. At the year-end i.e. 31st March the revenue which is accrued and to be billed after completion of the billing cycles in the succeeding year is accounted as unbilled revenue. This is due to the month end process of continuous billing cycles for billing to consumers and the accounting entries which is being generated by the Billing Software to transcribe the same in financial accounting software/system. Thus the Provision for unbilled revenue is clearly pertaining to the sale of power to consumers and thus is in respect of goods sold in the normal course of business and therefore the same is correctly shown under the Note no. 18 "Trade Receivables".</p> <p>The para no. 8.7.4 of the Guidance note on the Revised Schedule VI to the Companies Act, 1956 clearly states that "A receivable shall be classified as 'trade receivable' if it is in respect of the amount due on account of goods sold or services rendered in the normal course of business".</p> <p>From above, it can be seen that the emphasis to be placed is not on the amount of revenue due or not due, but rather that if the amount is on account of goods sold or services rendered in the normal course of business, it is to be classified as Trade Receivable.</p>



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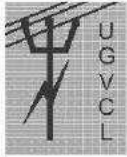


The Para 8.8.6 of Guidance Note on the Revised Schedule VI to the Companies Act, 1956, referred by Audit states that "This is an all-inclusive heading, which incorporates current assets that do not fit into any other asset categories" and thus, the same is not applicable in the case of Provision for Unbilled Revenue since it is pertaining to goods sold in normal course of business and is part of 'Trade Receivables' of the company.

As clarified to audit, the Provision for unbilled revenue is pertaining to the sale of power to consumers and thus is in respect of goods sold in the normal course of business and therefore the same is correctly shown under the Note no. 19 "Trade Receivables". Since the same is fitting under asset category of "Trade Receivables", the same cannot be classified under "Other Current Assets".

As per the Accrual Principles of Accounting, the Unbilled Revenue of ₹ 614.47 crores is accounted by debiting provision for Unbilled Revenue (A/c Code 234) and crediting Revenue from Sale of Power (A/c code 612). Since Revenue is recognized, the Debtors to the extent of Unbilled revenue accounted as Revenue from Sale of Power needs to be shown under trade-receivable only.

It is also to state the quantum of Provision of Unbilled Revenue of ₹ 614.47 crore is very material and significant when compared to the total Trade Receivables of the company of ₹830.49 crore. Hence, on the contrary, if the contention raised by audit is accepted and the Provision for Unbilled Revenue is shown under other current assets, then the same would result in understatement of Trade Receivables and Overstatement of Other Current Assets

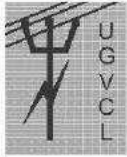


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	<p>and will not reflect the true and fair position of trade receivables and other current assets of the company.</p> <p>Furthermore, the debt collection period, liquid ratio and Balance Sheet analysis will not reflect the true and fair position of the company.</p> <p>The company is following the above practice consistently since inception of the company which reflects true and fair view of Revenue from Sale of Power and Trade Receivables.</p>
<p>For and on behalf of the Comptroller & Auditor General of India</p> <p>Sd/- (Y. N. Thakare) Accountant General (E&RSA), Gujarat</p> <p>Place: Ahmedabad Date: 19/12/2014</p>	<p>For and on behalf of the Board</p> <p>Sd/- [V. N. Maira, IAS (Retd.)] Chairman</p> <p>Place: Ahmedabad Date: 08/01/2015</p>



Uttar Gujarat Vij Company Limited

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INDEPENDENT AUDITORS' REPORT

To
The Members of
Uttar Gujarat Vij Company Ltd.
Mehasana.

We have audited the accompanying financial statements of Uttar Gujarat Vij Company Ltd. ("the Company"), which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

1. Management's Responsibility

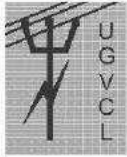
Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

2. Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



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3. Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements 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 the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- b) In the case of the Profit and Loss Account, of the profit for the year ended on that date; and
- c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

4. Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, 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 purpose of our audit
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in sub section (3C) of section 211 of the Companies Act, 1956.
 - e) Disclosure in terms of clause (g) of sub section (1) of section 274 of the Act is not required as per notification number GSR 829(E) dated October 21, 2003 issued by the department of Company Affairs, Government of India.
 - f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For Kochar & Associates
Chartered Accountants
FRN: 105256W

Place: Mumbai
Date: 24-09-2014

Name of Partner: CA Yagnesh Dalal.
Membership No. 035619



Uttar Gujarat Vij Company Limited

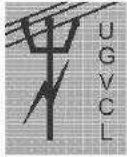
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The Annexure referred to in paragraph 1 of our Report of even date to the members of Uttar Gujarat Vij Company Ltd on the accounts of the company for the year ended 31st March, 2014.

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
(b) The fixed assets other than those, which are underground were physically verified during the year by the Management in accordance with the regular programme of verification, which in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us no material discrepancies were noticed on such verification.
(c) In our opinion and according to the information and explanations given to us, substantial part of fixed asset has not been disposed during the year, so as to affect the going concern assumption.
2. (a) As explained to us, inventories have been physically verified by the Management at reasonable intervals.
(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 nature of its business.
(c) In our opinion and according to the information and explanations given to us, the discrepancies noticed on physical verification between physical stock and book records were not material having regard to the size of the company and nature of its business.
3. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Consequently, the provisions of clauses iii (b), iii(c) and iii (d) of paragraph 4 of the order are not applicable to the Company.
(b) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not taken loans from companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Thus sub clauses iii (f) & iii (g) of paragraph 4 of the said order are not applicable to the company.
4. In our opinion and according to the information and explanations given to us during the course of audit, Considering the nature and size of business, there is scope for improvement in effectiveness and efficacy of internal controls.
5. According to the 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. Accordingly the clauses v (a) and v (b) of the report are not applicable.



Uttar Gujarat Vij Company Limited

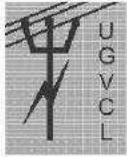
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6. The Company has not accepted any deposits from the public covered under section 58A and 58AA of the Companies Act, 1956.
7. As per information & explanations given by the management, the Company has outsourced internal audit to a professional firm of chartered accountants. The system is commensurate with the size and nature of the 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 as explained to us the company has maintained the prescribed accounts and records. We have not, however, made a detailed examination of 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, Customs 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 records of the company, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March 2014 for a period more than six months from the date of becoming payable.
(c) As at 31st March, 2014, the following are the particulars of dues on account of income tax that have not been deposited on account of any dispute:

Name of Statute	Nature of Dues	Period to which the amount relates	Amount (₹ in lacs)	Forum where pending
Income Tax	Income Tax	AY 2008-09	100.69	ITAT
Act, 1961		AY 2008-09	301.94	ACIT
		AY 2010-11	36.46	ACIT
		AY 2011-12	6987.04	CIT (A)

10. The Company does not have any accumulated loss and has not incurred cash loss during the financial year covered by our audit and in the immediately preceding financial year.
11. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank or bond holders.
12. According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provision of clause 4 (xiii) of the Companies (Auditor's Report) Order, 2003 (as amended) is not applicable to the Company.



Uttar Gujarat Vij Company Limited

11th Annual Report 2013-14

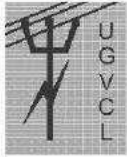


14. According to information and explanations given to us, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the clause (xiv) is not applicable to the company.
15. According to the information and explanations given to us, the Company has not given any guarantees for loan taken by others from a bank or financial institution.
16. The Term loan amounting to ₹ 11, 04, 48,767/- obtained during construction period was invested in FD to reduce cost of capital. Till the date of signing the report the funds were not utilised for the stated purpose
17. Based on the information and explanations given to us and on an overall examination of the Balance Sheet of the Company as at 31st March, 2014, we report that no funds raised on short-term basis have been used for long-term investment by the Company.
18. Based on the audit procedures performed and the information and explanations given to us by the management, we report that the Company has not made any preferential allotment of shares during the year under section 301 of the companies act, 1956.
19. The Company has no outstanding debentures during the period under audit.
20. The Company has not raised any money by public issue during the year under audit. Accordingly, the clause (xx) is not applicable to the Company, however during the year 2013-14; Company has allotted 2,95,61,404 Equity Shares of ₹ 10/- each at a premium of ₹ 47/- per share as Right shares to the holding Company, GUVNL.
21. Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management. However, theft/pilferage of inventory amounting to ₹ 0.98 lacs is noticed during the year under review.

For Kochar & Associates
Chartered Accountants
FRN 105256 W

Place: Mumbai
Date: 24-09-2014

CA Yagnesh Dalal
Partner
Membership No. : 35619.



Uttar Gujarat Vij Company Limited

11th Annual Report 2013-14



BALANCE SHEET AS AT MARCH 31, 2014

(₹ in Lacs)

Particulars	Note No.	AS AT 31 ST MARCH 2014	AS AT 31 ST MARCH 2013
EQUITY AND LIABILITIES			
(1) Share Holders' Fund			
(a) Share Capital	2	26671.01	23714.87
(b) Reserves & Surplus	3	53412.87	38167.59
		80083.88	61882.47
(2) Deferred Government Grants, Subsidies & Contributions	4	84345.62	71662.93
(3) Share Application Money Pending Allotment	5	0.00	16850.00
(4) Non Current Liabilities			
(a) Long Term Borrowings	6	26262.56	42056.74
(b) Other Long Term Liabilities	7	86206.63	77767.78
(c) Long Term Provisions	8	9870.16	9373.81
		122339.35	129198.33
(5) Current Liabilities			
(a) Short-Term Borrowings	9	0.00	720.97
(b) Trade Payables	10	41577.91	20761.37
(c) Other Current Liabilities	11	87566.66	71696.75
(d) Short-Term Provisions	12	1.45	518.96
		129146.02	93698.05
TOTAL		415914.87	373291.76
ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets:			
Tangible Assets	13	283438.50	247985.01
Capital Work-in progress	14	5024.47	3710.90
(b) Deferred Tax Assets (Net)		0.00	0.00
(c) Long Term Loans and Advances	15	646.11	979.14
(d) Other Non-current Assets	16	54.85	66.20
		289163.93	252741.25
(2) Current Assets			
(a) Inventories	17	27167.83	25944.45
(b) Trade Receivables	18	83049.37	79005.26
(c) Cash and Cash Equivalents	19	7415.85	12803.73
(d) Short-Term Loans and Advances	20	3521.57	289.78
(e) Other Current Assets	21	5596.33	2507.29
		126750.94	120550.51
TOTAL		415914.87	373291.76
Significant Accounting Policies and Notes to the Financial Statements		1to43	

AS PER OUR REPORT OF EVEN
DATE ATTACHED

FOR KOCHAR & ASSOCIATES
CHARTERED ACCOUNTANTS
F.R. No. 105256W

YAGNESH DALAL
PARTNER
M. NO. 035619

PLACE: AHMEDABAD
DATE: 24-SEP-2014

FOR AND ON BEHALF OF THE BOARD
OF DIRECTORS

UTTAR GUJARAT VIJ COMPANY LIMITED

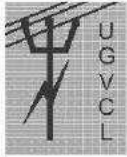
V. N. MAIRA, Retd. IAS
CHAIRMAN

R.B.KOTHARI, ACMA
GENERAL MANAGER (F)
& CFO

PLACE: AHMEDABAD
DATE: 24-SEP-2014

N. SRIVASTAVA, IFS
MANAGING DIRECTOR

N.M. JOSHI, FCS
COMPANY SECRETARY



Uttar Gujarat Vij Company Limited

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STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2014

(₹ in Lacs)

Particulars	Note No.	AS AT 31 ST MARCH 2014	AS AT 31 ST MARCH 2013
INCOME			
Revenue from Operations	22	755294.01	747208.41
Other Income	23	12003.55	12208.14
Total Revenue (1)		767297.56	759416.55
EXPENSES			
Purchase of Power	24	695068.67	694354.44
Employee Benefit Expenses	25	33706.82	31591.05
Finance Costs	26	16187.80	15129.77
Depreciation and Amortization Expenses	27	17946.72	14972.17
Other Expenses	28	3055.01	3541.13
Total Expenses (2)		765965.02	759588.56
Profit/(Loss) before extraordinary items, prior period adjustments and tax	(1)-(2)	1332.54	(172.01)
Less:- Extraordinary Items	29	8.14	56.87
Profit/(Loss) before prior period adjustments and tax		1324.41	(228.88)
Less:- Prior Period Adjustments (Credit)/Charges	30	(372.43)	(2200.92)
Profit/(Loss) before tax		1696.84	1972.04
Tax Expenses	31		
Current Tax		345.42	608.51
Profit After Tax for the Year		1351.41	1363.52
Earning Per Share (Basic) Rs.		0.51	0.57
Earning Per Share (Diluted) Rs.		0.51	0.57
Significant Accounting Policies and Notes to the Financial Statements	1 to 43		

AS PER OUR REPORT OF EVEN
DATE ATTACHED

FOR KOCHAR & ASSOCIATES
CHARTERED ACCOUNTANTS
F.R. No. 105256W

YAGNESH DALAL
PARTNER
M. NO. 035619

PLACE: AHMEDABAD
DATE: 24-SEP-2014

FOR AND ON BEHALF OF THE BOARD
OF DIRECTORS

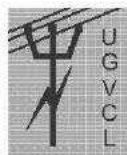
UTTAR GUJARAT VIJ COMPANY LIMITED

V. N. MAIRA, Retd. IAS
CHAIRMAN

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GENERAL MANAGER (F)
& CFO
PLACE: AHMEDABAD
DATE: 24-SEP-2014

N. SRIVASTAVA, IFS
MANAGING DIRECTOR

N.M.JOSHI, FCS
COMPANY SECRETARY



Uttar Gujarat Vij Company Limited



11th Annual Report 2013-14

CASH FLOW STATEMENT FOR THE YEAR ENDED ON MARCH 31, 2014

(₹ in Lacs)

Particulars	For the Year ended 31 ST MARCH 2014	For the Year ended 31 ST MARCH 2013
Cash Flow from Operating Activities		
Net Profit before Tax, Prior Period Adjustments and Extra ordinary items	1332.54	(172.01)
Adjustments for: Add/(Less)		
Depreciation	17946.72	14972.17
Interest and Financial Charges	16187.80	15129.77
Prior Periods Adjustments	372.43	2200.92
Gain on Sale of Fixed Assets	(81.90)	(123.40)
Loss on Sale of Fixed Assets	22.84	9.36
Provisions no longer required	(243.01)	(356.08)
Interest Income from Fixed Deposit	(125.86)	(150.64)
Govt Grants & Consumer contribution		
(Deferred amount 10% written back)	(9371.74)	(7968.20)
Leave Encashment Provision	823.45	964.96
Gratuity Provision	2136.93	2125.05
Provision for Doubtful Debts	165.88	1356.95
Operating Profit before Working Capital Changes	29166.09	27988.85
Adjustments for Changes in Working Capital:-		
(Increase)/Decrease in Current Assets, Loans and Advances	(11231.80)	(6756.63)
Increase/(Decrease) in Current Liabilities and Provisions	35861.14	(12027.19)
Cash Generated from Operations before Taxes and Extra Ordinary items	53795.43	9205.03
Less: Direct Taxes Paid	150.00	0.00
Cash Generated from Operations before Extra Ordinary items	53645.43	9205.03
Less: R & M for restoration of damages due to flood, Cyclone	(54.39)	(56.87)
Add: Grant Received for loss due to Flood, Cyclone etc.	46.25	0.00
A. NET CASH FLOW FROM OPERATING ACTIVITIES	53637.29	9148.16
Cash Flow from Investing Activities		
Purchases/Adjustments of Fixed Assets	(54970.13)	(57346.30)
(Increase)/Decrease in Capital Work in Progress	(1313.57)	(947.04)
Sale/Adjustments on Fixed Assets	1628.98	3168.35
Interest Income from Fixed Deposit	97.84	150.64
B. NET CASH FLOW FROM INVESTING ACTIVITIES	(54556.87)	(54974.35)
Cash Flow from Financing Activities		
Share Application Money	0.00	16850.00
Proceeds from Borrowings	512656.92	526493.68
Repayments of Borrowings	(523138.77)	(502766.02)
Proceeds from Govt. Grants, Subsidies and Contributions	22054.43	19994.70
Interest and Financial Charges Paid	(16040.88)	(15129.77)
C. NET CASH FLOW FROM FINANCING ACTIVITIES	(4468.29)	45442.59
Net Cash Inflow/(Outflow)[A+B+C]	(5387.88)	(383.60)
Add:- Cash and Cash Equivalents as at 01-4-13 (Opening Balance)	12803.73	13187.33
Cash and Cash Equivalents as on 31-3-14 (Closing Balance)	7415.85	12803.73

Note:

- (i) The above Cash Flow Statement has been prepared as per AS-3 (Indirect Method) issued by ICAI.
(ii) Component of Cash & Cash Equivalents as on 31-03-14 is as per note no. 19 to the Financial Statements.

AS PER OUR REPORT OF EVEN
DATE ATTACHED

FOR KOCHAR & ASSOCIATES
CHARTERED ACCOUNTANTS
F.R. No. 105256W

FOR AND ON BEHALF OF THE BOARD
OF DIRECTORS

UTTAR GUJARAT VIJ COMPANY LIMITED

YAGNESH DALAL
PARTNER
M. NO. 035619

V. N. MAIRA, Retd. IAS
CHAIRMAN

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MANAGING DIRECTOR

R.B.KOTHARI, ACMA
GENERAL MANAGER (F)
& CFO
PLACE: AHMEDABAD
DATE: 24-SEP-2014

N.M.JOSHI, FCS
COMPANY SECRETARY

PLACE: AHMEDABAD
DATE: 24-SEP-2014



Uttar Gujarat Vij Company Limited

11th Annual Report 2013-14



NOTES TO THE FINANCIAL STATEMENTS

1. SIGNIFICANT ACCOUNTING POLICIES

A. Basis of preparation (Accounting Convention):

The Company prepares its Financial Statements under historical cost convention on accrual basis in accordance with Generally Accepted Accounting Principles in India and the relevant Accounting Standards issued by the Institute of Chartered Accountants of India referred to in sec 211(3C) of the Companies Act, 1956 unless otherwise stated.

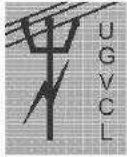
The Company's business operations are governed by the Electricity Act, 2003 and the Gujarat Electricity Industry (Reorganization & Regulation) Act, 2003. The provisions of these Acts read with the rules made there under, prevail wherever the same are in consistent with the provisions of the Companies Act, 1956.

B. Use of Estimates:

The preparation of financial statements requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities (including contingent liabilities) as of the date of the financial statements and the reported income and expenses during the reporting period. Actual results could vary from these estimates and such differences are dealt with in the period in which the results are known/materialise.

C. Consumer contributions, Capital grants and Subsidies:

The Company is providing depreciation on Capital Assets related to Electrification & Service connection on Straight Line Method as per the rates prescribed in Schedule XIV of the Companies Act, 1956. In respect of these assets, Company is receiving Consumer contribution, Grant & Subsidy which is being treated as deferred revenue by the company. The linking of receipt of Capital Grant, Consumer contribution and subsidy to the creation of fixed assets and charging depreciation / writing back proportionate amount is practically not possible. Considering the above referred facts and difficulties in working out exact proportionate depreciation and amount for the portion of government grant/consumer contribution received and take proportionate credit in profit & loss account, administrative convenience, practical aspects & taking into consideration the very wide geographical distribution network as well as Constraints on Relevant & Reliable Information as stated in " Framework for the Preparation & Presentation of Financial Statement" issued by the Accounting Standard Board of ICAI, as per the consistent policy followed by the company since inception, the consumer contribution and capital grant / subsidy is treated as deferred credit and 10% of the year-end balance of the consumer contribution and capital grant / subsidy are transferred to Profit & Loss account as deferred income written back which is reasonably commensurate with depreciation charged on various fixed assets during the useful life of the assets.



Uttar Gujarat Vij Company Limited

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D. Fixed Assets:

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

The Fixed Assets not in use i.e. obsolete/scrap assets are stated at a value lower of net realizable value or written down value.

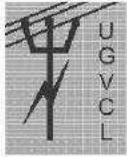
Owing to the high rate of movement of spare transformers within the Company, the depreciation is not withdrawal on removal of burnt transformers for repairs. Accordingly, the difference in the value of spare transformers and burnt transformers is not capitalized and the same is reflected in stock under Current Assets.

E. 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.

F. 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 recognizes 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.



Uttar Gujarat Vij Company Limited

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G. Segment Reporting:

- (i) Business Segment: 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 Segment: The Company's operations are mainly confined within the state of Gujarat. The Company doesn't have material earnings outside Gujarat or outside India. As such there is not reportable Geographical Segment.

H. 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.

I. 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.

J. Revenue Recognition:

- (i) Revenue from sale of power :

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

- (ii) Surplus power, sold to GUVNL is accounted on the basis of credit notes received from GUVNL.

- (iii) Misc. Revenue from consumers :

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



Uttar Gujarat Vij Company Limited

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(iv) Revenue Subsidies:

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

(v) Other Income :

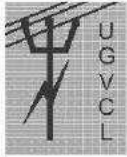
- (a) Income from Sale of Scrap and Insurance claims are accounted for on the basis of actual realization. Amount in respect of delayed Payment charges (Except for cases where suit is filed in the court) is accounted on the basis of actual realization of late payment against outstanding energy bills.
- (b) Other income except mentioned above is recognised on accrual basis except when ultimate realization of such income is uncertain.
- (vi) Amount in respect of Unclaimed Security Deposit, Earnest Money Deposit and Misc. Deposit of suppliers and contractors, Steal Cheque etc. which is pending for more than three years and which are not payable, is considered as income.

K. Foreign Currency Transactions:

Foreign currency transactions are recorded at the rates prevailing on the date of the transactions. Monetary Assets and Liabilities in foreign currency are translated at closing rate. The exchange differences arising on settlement or translation of monetary items are recognised as income or expenses in the Statement of the Profit and Loss in the period it arises.

L. Employee Benefits:

- (i) Provident Fund - Contribution to Provident Fund is made to recognised provident fund under the relevant statutes/rules.
- (ii) Gratuity - The liability of gratuity is accounted on the basis of valuation made by LIC. The contribution payable as per actuarial valuation is charged to revenue.
- (iii) Leave Encashment – The benefit of 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 recognizes on the basis of actual reimbursement.



Uttar Gujarat Vij Company Limited

11th Annual Report 2013-14



M. Borrowing Costs:

- (i) Borrowing Cost specifically identified to the acquisition or construction of qualifying assets has been fully capitalized as part of such asset.
- (ii) In respect of general borrowing cost, not directly attributable to qualifying assets, general weighted average of interest cost is capitalized and apportioned on the average balance of capital work in progress for the year.
- (iii) Other borrowing cost is recognizes as expense in the period in which they are incurred.

N. 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 pro-rata basis from the date when the asset is ready to put to use.

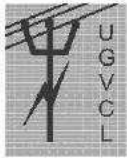
O. Taxation:

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 recognizes, 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 recognizes and carried forward only to the extent that there is a reasonable certainty except for carried forward losses and unabsorbed depreciation which is recognizes on virtual certainty that the asset will be realized in future.

P. Prior Period Items:

All identifiable items of income and expenditure pertaining to prior period are accounted through net prior period (credits)/charges as stipulated in the Accounting Standard 5 dealing with "Prior Period Items etc..."



Uttar Gujarat Vij Company Limited

11th Annual Report 2013-14



NOTES TO FINANCIAL STATEMENTS

2. SHARE CAPITAL

(₹ in Lacs)

Particulars	AS AT 31 st March 2014	AS AT 31 st March 2013
Authorised Share Capital 60,00,00,000 Equity Shares each of ₹ 10 each (Previous year 60,00,00,000 Equity Shares)	60000.00	60000.00
Issued, Subscribed and Paid-up Capital 26,67,10,126 Equity Shares of ₹10 each fully paid-up (Previous year 23,71,48,722 Equity Shares). 100% Shares are held by the holding company Gujarat Urja Vikas Nigam Ltd. and its nominees	26671.01	23714.87
TOTAL	26671.01	23714.87

1. Reconciliation of Nos. of Equity Shares and Amount:

Particulars	Nos.	Amount (₹ in lacs)
Opening Balance of Issued Shares	237,148,722	23714.87
Add: Issued During the year	29,561,404	2956.14
Gross Total	266,710,126	26671.01
Less: Buy Back during the year	-	0.00
Closing Balance	266,710,126	26671.01

2. Details of Shares Held by the Holding Company:

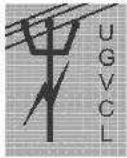
100% Shares are held by the Holding Company Gujarat Urja Vikas Nigam Ltd. and its nominees.

3. Details of Shares held by each Share Holders holding more than 5% of the total Shares.

100% Shares are held by the Holding Company Gujarat Urja Vikas Nigam Ltd. and its nominees.

4. Details of Shares fully paid up pursuant to contracts without payment being received in cash (For the period of Five years immediately preceding the date as at which the Balance Sheet is prepared).

- (a) The Government of Gujarat (GoG) has notified the opening values of assets and liabilities of the Company in respect of the transferred undertaking of erstwhile Gujarat Electricity Board (GEB) as on 1st April 2005 vide Notification No. GHU-2006-91-GUV-1106-590-K dated 3rd October, 2006. The Energy & Petrochemical Department, Government of Gujarat vide Notification No. GHU-(203)-GUV-1106-590-K dated 12th December, 2008 partially modifying the earlier Notification No. GHU-2006-91-GUV-1106-590-K dated 3rd October, 2006 has bifurcated the earlier notified Equity Share Capital into Equity Share Capital of ₹1108964800/- (i.e. 110896480 fully paid Equity Shares of ₹10/- each) and Share Premium of ₹3326894430/- effective from 1st April, 2008.



Uttar Gujarat Vij Company Limited

11th Annual Report 2013-14



- (b) During the year 2008-09, the Government of Gujarat has released the financial assistance by way of Equity Share Capital in Gujarat Urja Vikas Nigam Limited (GUVNL), the holding company, for implementation of JGY in non-tribal areas by all distribution subsidiary companies of GUVNL. In turn, the company has allotted 96202172 shares of ₹10/- each (fully paid up) aggregating to ₹ 962021720/- to GUVNL by way of preferential allotment through private placement.
- (c) During the year 2009-10, the company has issued Equity Shares worth of ₹30,00,00,000/- to Gujarat Urja Vikas Nigam Limited (GUVNL) at par on rights basis towards the financial assistance received under the Financial Restructuring Plan.
- (d) During the year 2012-13, the Company had received Share Application Money of ₹ 16850.00 lakhs from its Holding Company, GUVNL towards Capital Contribution release of agricultural Connections. During the year, Company has allotted 29561404 Equity Shares of ₹ 10/- each at a premium of ₹ 47/- per share as Right shares.

3. RESERVES & SURPLUS

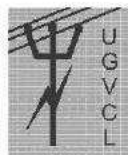
(₹ in Lacs)

Particulars	AS AT 31 st March 2014	AS AT 31 st March 2013
(a) Equity Share Premium Account:		
Share Premium Account (other wise than in cash) (Refer note no. 2 (4)(a) above.)	33268.94	33268.94
Share Premium Account (Refer note no. 2 (4)(d) above.)	13893.86	0.00
	47162.80	33268.94
(b) Surplus (Profit & Loss Account):		
Balance brought forward from previous year	4898.65	3535.12
Add:- Profit for the Year	1351.41	1363.52
	6250.06	4898.65
TOTAL	53412.87	38167.59

4. DEFERRED GOVERNMENT GRANTS, SUBSIDIES & CONTRIBUTIONS

(₹ in Lacs)

Particulars	AS AT 31 st March 2014	AS AT 31 st March 2013
Govt.Grants & Subsidies towards cost of Capital Assets		
Opening Balance	33321.38	27008.20
Add: Received during the year	6313.04	10015.56
Less: Transfer to the P&L A/c (Refer note no. 1(C))	(3963.44)	(3702.38)
Closing Balance	35670.98	33321.38
Consumer Contribution towards Capital Assets		
Opening Balance	38341.55	32581.03
Add: Received during the year	15741.40	10887.35
Less: Transfer to the P&L A/c (Refer note no. 1(C))	(5408.29)	(4265.83)
Less: Adjustments in respects of earlier years	0.00	(861.01)
Closing Balance	48674.65	38341.55
TOTAL	84345.62	71662.93



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5. SHARE APPLICATION MONEY PENDING ALLOTMENT

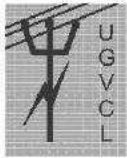
(₹ in Lacs)

Particulars	AS AT 31 st March 2014	AS AT 31 st March 2013
Share Application Money Pending Allotment	0.00	16850.00
TOTAL	0.00	16850.00

6. LONG TERM BORROWINGS

(₹ in Lacs)

Particulars	AS AT 31 st MARCH 2014		AS AT 31 st MARCH 2013	
	Non-current	Current	Non-current	Current
(a) SECURED LOANS				
Loan from Banks & Fin. Institutions				
(raised by UGVCL)				
Bills Discounting under DPG - UBI	0.00	0.00	0.00	220.95
Bills Discounting under DPG - SIDBI	0.00	10.08	10.08	52.78
Loans from REC (Serviced by UGVCL)	598.14	553.82	1151.96	553.82
Loan from Power Finance Corporation	3501.70	0.00	2442.70	0.00
Total (a)	4099.84	563.90	3604.74	827.55
(b) UNSECURED LOANS				
Loan from Banks & Fin. Institutions				
Loan from GSFS (Allocated by GUVNL)	10000.00	12000.00	22000.00	8000.00
REC Scheme Loan (Serviced by UGVCL)	7.34	11.08	18.42	14.06
Loan From REC for RGGVY project (Raised by UGVCL)	590.28	65.59	655.87	0.00
Public Bonds (Allocated by GUVNL):				
8.00% Series-X	1668.94	715.26	2384.20	0.00
8.00% Series-IX	598.63	256.56	855.19	0.00
8.95% Series-VIII	3766.25	1614.10	5380.35	0.00
11.75% Series-VI option II	0.00	360.13	360.13	270.10
7.50% Series-VI option III	0.00	665.51	665.51	499.14
11.50% Series-VII option III	0.00	0.00	0.00	590.42
11.25% Series-VII option II	0.00	0.00	0.00	17.57
State Government Loans (Allocated by GUVNL)				
Loan under APDRP	1751.18	221.02	1972.20	221.02
ADB Prog. & Proj. Loan	3780.10	380.03	4160.13	380.03
Total (b)	22162.72	16289.28	38452.00	9992.34
TOTAL	26262.56	16853.18	42056.74	10819.89



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1. 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.
2. Bills Discounting limits availed from Union Bank of India and SIDBI are secured under the Deferred payment guarantees issued by the consortium member Banks.
3. Loan from PFC is secured against 1st hypothecation of assets constructed under the new financed assets under this project.

SECURED LOAN

(₹ in lacs)

	Rate of Interest (%)	Maturity Profile	
		2014-15	Total
	8.50	10.08	10.08
SIDBI	Total	10.08	10.08

Maturity Profile and Rate of Interest of Loans from REC

(₹ in lacs)

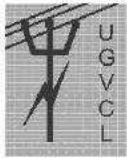
Rate of Interest (%)	2014-15	2015-16	2016-17	2017-18	Total
8.50	275.69	275.69	10.83	10.83	573.04
9.25	34.16	34.16	7.44	7.44	83.20
10.00	153.81	153.81	0.00	0.00	307.62
10.50	88.75	88.75	3.89	3.89	185.28
11.00	1.41	1.41	0.00	0.00	2.82
Total	553.82	553.82	22.16	22.16	1151.96

UNSECURED LOANS

Maturity Profile and Rate of Interest of Bonds

(₹ in lacs)

Rate of Interest	Maturity Profile			
	2016-17	2015-16	2014-15	Total
8% Series-X	953.68	715.26	715.26	2384.20
8% Series-IX	342.07	256.56	256.56	855.19
8.95% Series-VIII	2152.15	1614.10	1614.10	5380.35
11.75% Series-VI Option- II	0.00	0.00	360.13	360.13
7.50% Series-VI Option- III	0.00	0.00	665.51	665.51
Total	3447.90	2585.92	3611.56	9645.38



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Maturity Profile and Rate of Interest of Loan from GSFS

(₹ in lacs)

Year	Avg. Rate of Interest	2014-15	2015-16	Total
Amount	9.00%	12000.00	10000.00	22000.00

Maturity Profile and Rate of Interest of Loan from REC

(₹ in lacs)

Year	Avg. Rate of Interest	2014-15	2015-16	Total
Amount	9.25%	11.80	6.62	18.42

Maturity Profile and Rate of Interest of Government Loan from REC (RGGVY)

(₹ in lacs)

Particulars	Rate of Interest	2014-15	2015-16	2016-17	Due After FY 2016-17	Total
Loan From REC	11.00%	1.01	1.01	1.01	7.06	10.09
(RGGVY)	11.50%	4.08	4.08	4.08	28.58	40.82
	12.25%	26.42	26.42	26.42	185.02	264.28
	12.50%	34.06	34.06	34.06	238.49	340.67
Total		65.57	65.57	65.57	459.15	655.86

Maturity Profile and Rate of Interest of Government Loans

(₹ in Lacs)

Particulars	Rate of Interest	2014-15	2015-16	2016-17	Due After FY 2016-17	Total
Loan from ADB	10.69%	380.03	380.03	380.03	3020.04	4160.13
Loan for APDRP	12.18%	221.02	221.02	221.02	1309.14	1972.2
Total		601.05	601.05	601.05	4329.18	6132.33

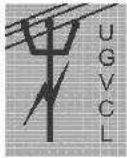
a. Loan Received from PFC:

The Loan received from Power Finance Corporation Ltd. is convertible into grant for the loan amount as well as interest thereon, if the Company utilises the loan funds and complete the projects envisaged under the loan from grant vide sanction letter no. 02:10:R-APDRP (P-A):2009:UGVCL dated 30-06-2009 within the prescribed time limit.

In the event, the loan fund not being fully utilise on projects within the stipulated time, loan fund shall be repayable with interest.

b. Secured and Un-secured Loan:

The loans which were raised by erstwhile G.E.B. from Bonds, Banks, PFC, REC, Financial Institutions and other Lenders against the Security of the assets relating to generation, transmission and distribution activities and were used for common purposes are continued in the books of GEB / (now GUVNL) on behalf of all transferee companies and the same have been apportioned under FRP Notification dated 3rd October, 2006, amongst all transferee



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companies and the same loans have been accounted by the Company as “loans allocated by GUVNL” in separate accounts. 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 and shown as long-term borrowings under Non-current liabilities and short-term borrowings under current liabilities.

- c. Registration of charge in-respect of proportionate Secured Loans transferred by GEB-erst :**
The company has, under a scheme of transfer, acquired the properties, which are subjected to charges created by the erstwhile GEB, a transferor entity. As per the provisions of the Companies Act, the company is required to register the charges in respect of all such assets with the Registrar of companies, Gujarat state. Due to the common funds for all the operations of erstwhile GEB, funds were raised against the charge over all its assets. DGVCL, therefore, has not registered the charge on these properties with the Registrar of Companies, Gujarat.

7. OTHER LONG TERM LIABILITIES

(₹ in Lacs)

Particulars	AS AT 31 st March 2014	AS AT 31 st March 2013
Security Deposit from Consumers	84002.01	75558.13
Staff Related Liabilities (SVDRB)	1869.84	1815.45
Consumers Contribution (Refundable)	334.77	394.20
TOTAL	86206.63	77767.78

8. LONG TERM PROVISIONS

(₹ in Lacs)

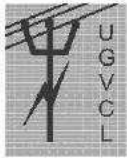
Particulars	AS AT 31 st March 2014	AS AT 31 st March 2013
Provision for Leave encashment	9870.16	9373.81
TOTAL	9870.16	9373.81

9. SHORT TERM BORROWINGS

(₹ in Lacs)

Particulars	AS AT 31 st March 2014	AS AT 31 st March 2013
Secured		
Cash Credit from Banks	0.00	720.97
TOTAL	0.00	720.97

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 UGVCL ranking pari-passu interse.



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10. TRADE PAYABLES

(₹ in Lacs)

Particulars	AS AT 31 st March 2014	AS AT 31 st March 2013
Trade Payable for Purchases of Power other than GUVNL	275.90	512.00
Trade Payable for Purchases of Power:- Gujarat Urja Vikas Nigam Limited	41302.01	20249.37
TOTAL	41577.91	20761.37

11. OTHER CURRENT LIABILITIES

(₹ in Lacs)

Particulars	AS AT 31 st March 2014	AS AT 31 st March 2013
Current Maturities of Long Term Borrowings (Ref. note no.6)	16853.18	10819.89
CURRENT LIABILITIES		
Liability for O & M Supplies / Works.	7026.18	3113.39
Staff related Liabilities.	46.91	54.61
Staff Welfare Fund	74.14	71.46
Deposits & Retentions from Suppliers & Contractors.	3858.02	3368.97
Electricity Duty & Insp. Testing Fees Payable to Govt.	136.06	108.28
Compounding offence	4.64	8.99
Outstanding liability for expenses	2825.01	5917.70
Interest Accrued but not due	2053.39	1954.82
Other Liabilities	36088.59	30239.87
Interest payable on Security Deposit from Consumers	5573.90	5590.91
Deposits for Electrification & Service Conn. etc.	11085.76	8979.00
Liabilities for Leave encashment (Payment due within one year)	1602.03	1274.93
Liabilities for SVRDB (Payment due within one year)	109.88	123.27
Liabilities for Consumers Contribution-Refundable (Payment due within one year)	228.98	70.66
TOTAL	87566.66	71696.75

12. SHORT TERM PROVISIONS

(₹ in Lacs)

Particulars	AS AT 31 st March 2014	AS AT 31 st March 2013
Provision for Income Tax	0.00	1540.01
Less: Advance Income Tax / Tax deducted at source	0.00	1022.32
Sub-Total	0.00	517.70
Provision for Wealth Tax	1.45	1.26
Less: Advance Wealth Tax	0.00	0.00
Sub-Total	1.45	1.26
TOTAL	1.45	518.96



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13. FIXED ASSETS

(₹ In Lacs)

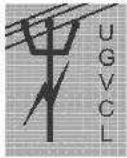
Particulars	Gross Block			Depreciation			Net Block	
	AS at 01/04/2013	Addition during the year	Deduction/ Adjustment	AS at 31/03/2014	During the year	Deduction/ Adjustment	AS at 31/03/2014	AS at 31/03/2013
Land & Land rights	1188.49	2412.43	3.59	3597.32	0.00	0.00	3597.32	1188.49
Buildings	3231.66	684.51	276.74	3689.43	55.64	0.00	3374.63	2972.71
Hydraulic works	59.23	4.24	0.00	63.47	2.71	0.00	26.77	25.25
Other Civil works	582.86	666.92	623.23	626.55	9.97	0.07	576.74	542.95
Plant & Machinery	94070.13	17105.76	240.27	110935.62	4680.58	32.18	78745.23	66728.08
Lines & Cable Net Works	249322.47	33730.82	961.62	282091.67	12606.60	474.41	195354.68	174717.47
Vehicles	368.27	62.73	29.07	401.93	24.96	9.78	174.66	156.17
Furniture & Fixtures & Electrical Lightings	591.35	111.60	2.71	700.24	38.81	0.00	426.98	357.01
Office Equipments	2809.28	191.11	41.44	2958.96	327.45	42.31	1161.49	1296.90
Total	352223.75	54970.13	2128.68	405065.19	17946.72	558.76	283438.50	247985.01
Previous Year	298676.06	57346.30	3798.61	352223.75	14972.17	744.30	247985.01	208665.21

a. 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.

b. 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 determined the NRV for assets retired from active use and the NRV of the same is higher than the Net Book Value. As a result of this, Company has not recognized expected loss, if any, in the Profit and Loss Account.

c. As per assessment made by the management at the Balance Sheet date, there is no indication that an asset is impaired.



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14. CAPITAL EXPENDITURE IN PROGRESS

(₹ in Lacs)

Particulars	AS AT 31 st March 2014	AS AT 31 st March 2013
Capital Work-in-progress	4459.44	3257.23
Provision for completed works	565.03	453.67
TOTAL	5024.47	3710.90

15. LONG TERM LOANS AND ADVANCES

(₹ in Lacs)

Particulars	AS AT 31 st March 2014	AS AT 31 st March 2013
Advances to Suppliers / Contractors (Capital).	0.00	249.74
Loans & Advances to staff -Interest Bearing.	646.11	729.39
TOTAL	646.11	979.14

16. OTHER NON-CURRENT ASSETS

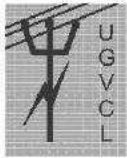
(₹ in Lacs)

Particulars	AS AT 31 st March 2014	AS AT 31 st March 2013
Interest Accrued & Due on Staff Loans & Advances	54.85	66.20
Dues from Permanent Disconnected Consumers (Net of SD forfeited).	6338.26	6410.03
Provision for Doubtful Dues from Consumers.	(6338.26)	(6410.03)
TOTAL	54.85	66.20

17. INVENTORIES

(₹ in Lacs)

Particulars	AS AT 31 st March 2014	AS AT 31 st March 2013
Stock of materials at Stores.	10198.42	11960.24
Materials at Site (O&M).	3443.92	1637.93
Materials in Transit.	319.25	317.77
Other Materials Accounts.	13206.24	12028.50
Mat.Stock Excess / Shortage Pending Investigation	288.11	290.00
Less: Provision for Loss pending Investigation	(288.11)	(290.00)
TOTAL	27167.83	25944.45



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18. TRADE RECEIVABLES

(₹ in Lacs)

Particulars	AS AT 31 st March 2014	AS AT 31 st March 2013
Trade Receivables for Sale of Power (Including Provision for Unbilled Revenue)	84760.02	80783.53
Trade Receivable for Misc.Receipts from Cons.	1278.81	1266.09
Sub-Total	86038.82	82049.62
Less : Unposted Receipts.	0.76	0.74
Sub-Total	86038.06	82048.88
Less: Provision for Doubtful Dues from Consumers.	1688.32	1693.67
Sub-Total	84349.74	80355.21
Less : Deferred ED & TSE from Consumers.	1300.37	1349.95
TOTAL	83049.37	79005.26
Out of the above -		
- Outstanding for a period exceeding six months.	16075.63	14958.80
- Others	69963.19	67090.82
TOTAL	86038.82	82049.62

Note : Debtors are secured & Considered good to the extent of Security deposit Received from the respective Consumers.

19. CASH AND CASH EQUIVALENTS

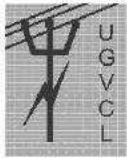
(₹ in Lacs)

Particulars	AS AT 31 st March 2014	AS AT 31 st March 2013
Cash on hand (Including Cheques to be deposited in collection bank account)	1281.77	1930.31
Balance with scheduled Banks in current accounts	4972.94	9673.59
Remittance in Transit.	56.66	273.38
Fixed deposits with Banks	1104.49	926.45
TOTAL	7415.85	12803.73

20. SHORT TERM LOANS AND ADVANCES

(₹ in Lacs)

Particulars	AS AT 31 st March 2014	AS AT 31 st March 2013
Advances for O&M Supplies / Works.	23.50	151.91
Loans & Advances to staff -Interest free.	125.12	131.27
Loans & Advances - Others.	2.12	6.60
sub-total	150.74	289.78
Advance Income Tax / Tax deducted at source.	5254.82	0.00
Less:- Provision for Minimum Alternate Tax (MAT)	1883.99	0.00
	3370.83	0.00
TOTAL	3521.57	289.78



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21. OTHER CURRENT ASSETS

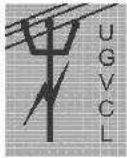
(₹ in Lacs)

Particulars	AS AT 31 st March 2014	AS AT 31 st March 2013
Income accrued but not due on Staff Loans & Advances	1547.66	1139.28
Amt. recoverable from employees/ ex-employees.	2.92	5.14
Interest Accrued & Due on Staff Loans & Advances	188.05	123.10
Other Misc. Receivable	3230.81	800.76
Postage Stamps & Agreement Stamps on hand	12.37	13.66
Current Maturities of Loans and Advances to Staff (Interest Bearing)	426.92	259.99
Other receivables from Associates - Gujarat Energy Training & Research Institute	86.23	55.05
Sub-total (1)	5494.95	2396.98
ASSETS NOT IN USE		
Plant & Machinery	35.93	25.14
Lines & Cable Net Works	62.42	83.94
Vehicles	0.73	0.89
Furniture & Fixtures	0.01	0.01
Office Equipments	2.30	0.33
Sub-total (2)	101.38	110.31
TOTAL	5596.33	2507.29

22. REVENUE FROM OPERATIONS

(₹ in Lacs)

Particulars	AS AT 31 st March 2014	AS AT 31 st March 2013
(a) Revenue from Sale of Power		
Domestic/Residential	72692.49	65476.27
Commercial	1789.18	1682.61
Industrial low & medium voltage	86989.64	84283.69
Industrial high voltage	231379.52	224561.80
Public lighting	2348.08	2181.68
Traction railways	1008.89	1097.27
Irrigation agricultural	182448.18	178748.40
Public water works and sew.pumps	22316.49	23728.53
Sale of Power to GUVNL	70038.29	81346.70
UI Charges	10484.77	14522.02
Sub-Total	681495.54	677628.99
Electricity Duty & Tax on Sale of Electricity		
Ele. Duty - assessed	56050.26	49591.46
Sub-Total	737545.80	727220.44
Less: Ele. Duty assessed (contra)	56050.26	49591.46
Total (a)	681495.54	677628.99
(b) Other Operating Income		
Meter Rent / Service Line Rental	4273.75	4066.88
Recoveries for Theft of Power/Malpractices Non-Consumers	1026.89	624.25
Wheeling charges Recoveries	444.87	124.81
Misc. charges from consumers	10416.37	6759.03
Delayed Payment Charges from Consumers	2552.01	2510.70
Income from sale of scrap	26.22	67.53
Total (b)	18740.11	14153.21
(C) Revenue Subsidies		
Agricultural Subsidy	55058.36	55426.21
TOTAL (a+b+c)	755294.01	747208.41



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UI Charges for the period of 17th Feb-2014 to 31st Mar-2014:

Effective from 17th Feb-2014, instead of Unscheduled Interchange Charges (UI), Deviation Settlement Mechanism (DSM) has been introduced by Central Electricity Regulatory Commission (CERC). Since, DSM is under approval of Gujarat Electricity Regulatory Commission (GERC), Underdrawal/Overdrawal charges have been estimated as per CERC notified DSM principles and SLDC Data. Accordingly, provision has been made for the period from 17th Feb, 2014 to 31st Mar, 2014.

23. OTHER INCOME

(₹ in Lacs)

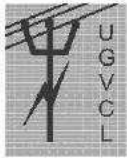
Particulars	For the Year ended March 31, 2014	For the Year ended March 31, 2013
Interest on Staff Loans and Advances	157.80	107.35
Interest Income from Others Loans/Advance	148.03	184.43
Provision no longer Required	243.01	356.08
Miscellaneous Receipts	2001.07	2518.99
Govt. Grants/Consumers contribution (Deferred amount 10% W.Back)	9371.74	7968.20
Grants for Energy Conservation	0.00	949.68
Gain on Sale of Fixed Assets	81.90	123.40
TOTAL	12003.55	12208.14

24. PURCHASES OF POWER

(₹ in Lacs)

Particulars	For the Year ended March 31, 2014	For the Year ended March 31, 2013
From Gujarat Urja Vikas Nigam Ltd	691333.39	686073.07
From Wind Turbine Generators/CPP	763.58	1431.96
From Solar Generators	2367.89	2133.75
UI Charges	603.81	4715.66
TOTAL	695068.67	694354.44

Power Purchases from GUVNL is accounted as billed by GUVNL considering the mechanism /formula approved by Gujarat Energy Regulatory Commission (GERC)



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25. EMPLOYEE BENEFIT EXPENSES

(₹ in Lacs)

Particulars	For the Year ended March 31, 2014	For the Year ended March 31, 2013
Salaries & Allowances	25763.31	23675.81
Bonus	35.16	34.69
Other Staff Related Expenses	913.37	1032.80
Staff Welfare Expenses.	483.58	478.75
Terminal Benefits	6511.40	6369.01
TOTAL	33706.82	31591.05

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 were prevailing on the effective date of transfer. The employee costs in respect of the transferred employees have been accordingly accounted.

(ii) Employee Benefits:

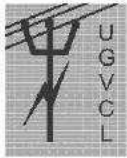
a) Defined contribution to Provident Fund, Employee Pension Scheme and Employees Death Linked Insurance.

The company makes contribution towards Employees' Provident Fund, Employees' Pension Scheme and Employees Death Linked Insurance. In accordance with the provisions of these schemes, the Company is required to contribute a specified percentage of payroll costs. The company has, during the year, recognizes the sum of ₹2636.78 Lacs (P.Y ₹ 2404.00) as expense towards contribution to these plans.

b) Defined contribution towards gratuity & leave encasements.

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

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



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Gratuity

(₹ in Lacs)

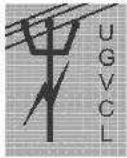
The amounts recognised in the Balance Sheet of GUVNL	Gratuity Plan 2013-14	Gratuity Plan 2012-13
Present Value of funded Obligations	9405.93	9537.37
Fair value of plan assets	9405.93	9537.37
Present value of unfunded obligations	8845.85	7594.65
Unrecognised past service cost	Nil	Nil
Net liability	8845.85	7594.65
Amount in the balance sheet : Liabilities	18251.79	17132.02
Assets	9405.93	9537.37
Net liabilities	8845.86	7594.65

(₹ in Lacs)

Expenses recognised in Income Statement	Gratuity Plan 2013-14	Gratuity Plan 2012-13
Current service cost	591.78	603.01
Interest on obligation	1370.56	1281.54
Expected return on plan assets	(860.04)	(810.01)
Net actuarial losses / (gains) recognised in the year	1034.63	1050.58
Past service cost	Nil	Nil
Losses (gains) on curtailments and settlements	Nil	Nil
Expense recognised in the statement of Profit & Loss	2136.93	2125.05

(₹ in Lacs)

Change in Benefit Obligations	Gratuity Plan 2013-14	Gratuity Plan 2012-13
Opening defined benefit obligation	17132.02	16019.22
Service cost for the year	591.78	603.01
Past Service Cost	Nil	Nil
Interest on obligation	1370.56	1281.54
Actuarial losses / (gains)	1014.36	986.79
Benefits paid	(1856.93)	(1758.54)
Closing defined benefit obligation	18251.79	17132.02



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(₹ in Lacs)

Fair Value of Plan Assets	Gratuity Plan 2013-14	Gratuity Plan 2012-13
Opening fair value of plan Assets	9537.37	8263.07
Expected return on plan Assets	860.04	810.08
Actuarial gains / (losses)	(22.74)	(63.79)
Contributions by employer	888.20	2286.54
Assets acquired in an amalgamation in the nature of purchase	Nil	Nil
Exchange differences on foreign plans	Nil	Nil
Benefits paid	(1856.93)	(1758.54)
Closing fair value of plan assets	9405.94	9537.37

(₹ in Lacs)

Category of Plan Assets	Gratuity Plan 2013-14	Gratuity Plan 2012-13
Government of India Securities	-	-
High quality Corporate bonds	-	-
Equity shares of listed Companies	-	-
Funds managed by Insurer	100%	100%
Bank Balance	-	-

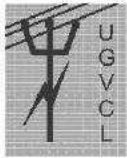
(₹ in Lacs)

Principal Actuarial Valuation Assumptions	Gratuity Plan 2013-14	Gratuity Plan 2012-13
Discount rate	8.00%	8.00%
Expected return on plan assets	9.50%	9.50%
Annual increase in Salary costs	10.00%	10.00%

(₹ in Lacs)

Surplus/(Deficit)	Gratuity Plan 2013-14	Gratuity Plan 2012-13
Defined Benefit Obligation	18251.79	17132.02
Plan assets	9405.94	9537.37
Surplus / (deficit)	(8845.85)	(7594.65)

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.



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Leave Encashment

(₹ in Lacs)

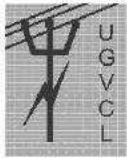
Amounts to be recognised in Balance Sheet	Leave Encashment 2013-14	Leave Encashment 2012-13
Present value of funded obligations	Nil	Nil
Fair value of plan assets	Nil	Nil
Present value of unfunded obligations	11472.19	10648.74
Unrecognised past service cost	Nil	Nil
Net Liability in the balance sheet	11472.19	10648.74
Amount in the balance sheet : Liabilities	11472.19	10648.74
Assets	-	-
Net liabilities	11472.19	10648.74

(₹ in Lacs)

Expenses recognised in Income Statement	Leave Encashment 2013-14	Leave Encashment 2012-13
Current service cost	818.98	722.11
Interest on obligation	851.90	774.70
Expected return on plan assets	-	-
Net actuarial losses / (gains) recognised in the year	139.15	598.24
Past service cost	Nil	Nil
Losses (gains) on curtailments and settlements	Nil	Nil
Expense recognised in Profit & Loss	1810.03	2095.05

(₹ in Lacs)

Change in Benefit Obligations	Leave Encashment 2013-14	Leave Encashment 2012-13
Opening defined benefit obligation	10648.74	9683.78
Service cost for the year	818.98	722.11
Interest cost for the year	851.90	774.7
Actuarial losses (gains)	139.15	598.24
Losses (gains) on curtailments	-	-
Benefits paid	(986.58)	(1130.09)
Closing defined benefit obligation	11472.19	10648.74



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(₹ in Lacs)

Fair Value of Plan Assets	Leave Encashment 2013-14	Leave Encashment 2012-13
Opening fair value of plan Assets	-	-
Expected return	-	-
Actuarial gains / (losses)	-	-
Assets distributed on settlements	-	-
Contributions by employer	-	-
Assets acquired in an amalgamation in the nature of purchase	-	-
Exchange difference on foreign plans	-	-
Benefits paid	-	-
Closing balance of fund	-	-

(₹ in Lacs)

Category of Plan Assets	Leave Encashment 2013-14	Leave Encashment 2012-13
Government of India Securities	-	-
High quality Corporate bonds	-	-
Equity shares of listed Companies	-	-
Property	-	-
Funds managed by Insurer	-	-
Bank Balance	-	-

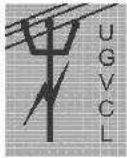
(₹ in Lacs)

Principal actuarial Valuation Assumptions	Leave Encashment 2013-14	Leave Encashment 2012-13
Discount rate as at 31st March 2013	8.00%	8.00%
Expected return on plan assets at 31st March 2013	-	-
Annual increase in Salary Cost	10.00%	10.00%

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

(₹ in Lacs)

Surplus/(Deficit)	Leave Encashment 2013-14	Leave Encashment 2012-13
Defined Benefit Obligation	11472.19	10648.74
Plan assets	-	-
Surplus / (deficit)	(11472.19)	(10648.74)



Uttar Gujarat Vij Company Limited

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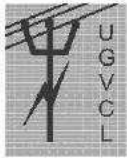
26. FINANCE COST

Particulars	(₹ in Lacs)	
	For the Year ended March 31, 2014	For the Year ended March 31, 2013
(a) Interest Charges		
Interest on State Government Loans	670.43	733.66
Interest on Bonds	892.77	1106.20
Interest on other loans/Deferred Credit	7.48	79.15
Interest on REC Loans	236.87	278.29
Interest to Consumers on advance Payment	63.76	85.92
Interest on Loans from PFC	0.00	216.99
Interest to Consumers on Security Deposit	5960.37	5988.53
Interest on Borrowing for Working Capital.	7596.15	5835.91
Interest Charges(Bill Collection Agencies)	17.54	16.05
Interest on Income Tax (MAT)	21.36	63.44
Other Interest	183.69	138.53
Total (a)	15650.43	14542.67
(B) Other Borrowing Costs		
Other Charges	426.82	455.92
Guarantee Fees	110.55	131.18
Total (b)	537.37	587.10
TOTAL	16187.80	15129.77

Note: During the year the interest expenses on all borrowing, taken by GUVNL on behalf of its subsidiary companies which are not directly allocable for any specific projects of the company are charged to profit & loss account.

27. DEPRECIATION AND AMORTIZATION EXPENSES

Particulars	(₹ in Lacs)	
	For the Year ended March 31, 2014	For the Year ended March 31, 2013
Buildings	55.64	48.03
Hydraulic Works	2.71	2.71
Other Civil Works	9.97	8.38
Plant & Machineries	4880.58	3838.73
Lines & Cable Net Works	12606.60	10736.84
Vehicles	24.96	21.49
Furniture & Fixtures	38.81	30.34
Office Equipments	327.45	285.65
TOTAL	17946.72	14972.17



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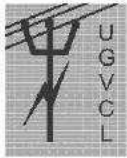


28. OTHER EXPENSES

(₹ in Lacs)

Particulars	For the Year ended March 31, 2014	For the Year ended March 31, 2013
(a) Repairs and Maintenances Expenses		
Plant and Machinery	1523.53	1623.64
Buildings and Civil Works	151.54	105.00
Lines, Cable Network etc.	4378.58	4099.47
Vehicles	25.66	19.01
Furniture, Fixtures and Office Equipments	522.65	602.71
Sub-total (a)	6601.95	6449.83
(b) Administrative and General Expenses		
Rent (including Lease rentals), Rates and Taxes	174.38	145.04
Insurance Expenses	25.97	26.27
Other Property Related Expenses	153.30	105.13
Communication Expenses	212.38	195.01
Professional Charges	370.15	372.90
Audit Fees	3.71	3.30
Conveyance & Travelling Expenses	2445.50	2134.83
Expenses on Computer Billing & EDP Charges	55.72	130.62
Electricity Charges	171.28	181.00
Security Expenses	327.99	233.25
Other Expenses	1566.37	1155.68
Materials Related Expenses	827.89	493.61
Rev.Stamps on Receipts issued	5.85	5.64
Expenditure on Training to Staff	86.89	92.13
Sub-total (b)	6427.39	5274.41
(c) Bad Debts and other Debits		
Expenses for Energy Conservation	0.00	62.88
Bad & Doubtful Debts Written off / Provided for.	333.26	2606.52
Miscellaneous Losses & Write-off.	236.66	611.42
Loss on Sale of Fixed Assets	22.84	9.36
Sub-Total (c)	592.76	3290.19
(d) EXPENSES CAPITALISED		
Employee Costs Capitalised.	(8848.06)	(9454.94)
Administrative & General Expenses Capitalised.	(1719.02)	(1620.67)
Interest Costs capitalised.	0.00	(397.68)
Sub-Total (d)	(10567.07)	(11473.30)
TOTAL (a+b+c+d)	3055.01	3541.13

Note: During the year interest expenses on loans taken for –RAPDRP Part A & B and RGGVY amounting to ₹ 297.92 Lacs (P.Y. ₹ 397.68 Lacs) have been charged to CWIP as per AS-16 "Borrowing Cost" issued by ICAI.



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29. EXTRAORDINARY ITEMS

(₹ in Lacs)

Particulars	For the Year ended March 31, 2014	For the Year ended March 31, 2013
Losses on account of Flood, Cyclone, Fire etc.	54.39	56.87
Less: Grant Received for loss due to Flood, Cyclone etc.	(46.25)	0.00
TOTAL	8.14	56.87

30. NET PRIOR PERIOD ADJUSTMENTS

(₹ in Lacs)

Particulars	For the Year ended March 31, 2014	For the Year ended March 31, 2013
<u>Prior period expenses / losses</u>		
Employee costs	15.34	31.27
Depreciation under provided	10.62	9.49
Interest & Other Finance Charges	133.05	245.73
Other charges	329.61	292.70
	488.63	579.19
<u>Prior period income/Gains</u>		
Interest Income	0.00	0.02
Depreciation	14.31	3.60
Interest & Other Finance Charges	584.91	305.90
Other Excess Provision	110.77	445.98
Other Income	151.06	2024.62
	861.06	2780.11
TOTAL	(372.43)	(2200.92)

31. TAX EXPENSES

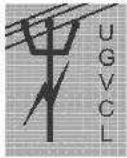
(₹ in Lacs)

Particulars	For the Year ended March 31, 2014	For the Year ended March 31, 2013
Income Tax (MAT)	343.98	607.25
Wealth Tax	1.45	1.26
TOTAL	345.42	608.51

32. The balances of Sundry Debtors, loans & advances and Sundry Creditors for materials are subject to confirmation and reconciliation if any.

33. Contingent Liabilities:

Claims against the Company not acknowledged as debt is ₹ 2353.86 Lacs (P.Y. ₹ 7442.11 Lacs).



Uttar Gujarat Vij Company Limited

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34. As per the details available with the company, Disclosure required by Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006, is as under :

- (i) Principal Amount remaining unpaid to any suppliers as at the year end : **NIL** Interest due there on : **NIL**
- (ii) Amount of interest paid by the company in terms of Section 16 of the MSMED Act, 2006 along with the amount of payment made to the supplier beyond the appointed day during the accounting year: **NIL**
- (iii) Amount of Interest due and payable for the period of delay in making payment (which have been paid beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006 : **NIL**
- (iv) Amount of interest Accrued and remaining Unpaid at the end of the accounting year : **NIL**

35. Value of imports calculated on C.I.F. basis is ₹ **Nil**.

36. Expenditure in Foreign currency ₹ Nil, earning in foreign currency ₹ 145.35 lacs (P.Y. ₹43.45 lacs) & remittance in foreign currency is ₹ **Nil**.

37. Related Party Transaction :

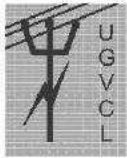
The Company being Subsidiary of a Government Company is a state controlled enterprise. No disclosure is required as per para 9 of Accounting Standard (AS) 18, on "Related Party Disclosure" as regards Related Party Relationships with other state-controlled enterprises and transactions with such enterprises. However other information is given here under:

37.1 Key Management Personal

NAME	DESIGNATION	DURATION
Shri V. N. Maira, IAS (Retd.)	Chairman	01.04.2013
Shri N. Srivastava, IFS	Managing Director	to 31.03.2014

37.2 Particulars of remuneration paid

Particulars	(₹ in Lacs)	
	Year 2013-2014	Year 2012-2013
Shri V. N. Maira, IAS (Retd.), Chairman	17.80	-
Shri N. Srivastava, IFS, Managing Director	15.92	13.67



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38. Auditors' Remuneration:

(A) Statutory Auditors:

(₹ in Lacs)		
Particulars	Year 2013-2014	Year 2012-2013
Audit Fee	3.30	3.30
Certifications fees	-	-
Other Services	-	-
Others	-	-
Total (Excluding Service Tax)	3.30	3.30

(B) Cost Auditors

(₹ in Lacs)		
Particulars	Year 2013-2014	Year 2012-2013
Audit Fee	0.48	0.48
Other Services	-	-
Total (Excluding Service Tax)	0.48	0.48

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

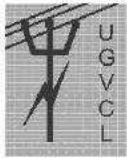
(₹ in Lacs)		
Particulars	Year 2013-2014	Year 2012-2013
Net Profit after tax (₹ in Lacs)	1351.41	1363.52
Weighted average No. of Equity Shares	266710126	237148722
Face value per share (₹)	10	10
EPS(₹)–(Basic)	0.51	0.57
EPS(₹)–(diluted)	0.51	0.57

40. Deferred Tax Asset/Liability:

During the year, based on the expert opinion sought for by GUVNL and adopted by the company, and in accordance with the AS 22 "Accounting for Taxes on Income" issued by ICAI, the Company has recognized Deferred Tax on the basis of 'Income Approach'.

Further on account of huge carry forward losses and unabsorbed depreciation as per the income tax, there is no virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized and hence as a matter of prudence the deferred tax assets have not been recognized in the books of accounts.

Deferred Tax on the depreciation on the opening balances of the assets vested by the Government of Gujarat under various notifications and Restructuring Plan have not been recognized considering the permanent difference. Further consequential difference between the amount of depreciation for accounting purpose and tax purpose in respect of such assets in subsequent years would also be considered as permanent difference.



Uttar Gujarat Vij Company Limited

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41. MAT Credit Entitlement:

During the year, the Company is liable to pay Minimum Alternate Tax as per the provisions of Income Tax Act for which the Company is entitled to claim credit against future income tax liability. However, in view of substantial amount of losses and unabsorbed depreciation under the Income Tax Act, possibility for utilizing MAT credit by the Company seems to be remote and resultantly MAT Credit entitlement is not recognised in the books of accounts of the Company.

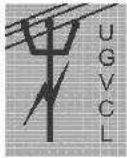
42. OTHER DISCLOSURES

(i) Category wise units sold & Average realization per unit.

Consumer Category	F.Y. 2013-14			F.Y. 2012-13		
	Mus	Revenue (₹ in Lacs)	Average Rate ₹/unit	Mus	Revenue (₹ in Lacs)	Average Rate ₹/unit
Domestic or Residential	1573.34	72692.49	4.62	1480.46	65476.27	4.42
Commercial	33.59	1789.18	5.33	32.27	1682.61	5.21
Industrial low & medium voltage	1336.99	86989.64	6.51	1326.32	84283.69	6.35
Industrial high voltage	3465.44	231379.52	6.68	3771.26	224561.80	5.95
Public Lighting	46.24	2348.08	5.08	43.24	2181.68	5.04
Traction railways	15.34	1008.89	6.58	17.18	1097.27	6.39
Irrigation agricultural	7496.62	182448.18	2.43	7629.92	178748.40	2.34
Public water works and sew.pumps	517.98	22316.49	4.31	514.91	23728.53	4.61
Other	3.41	16161.88	0.00	3.70	11574.98	0.00
UI receivable	620.37	10484.77	1.69	501.17	14522.02	2.90
Sale to GUVNL(STOA)	2374.70	70038.29	2.95	2229.44	81346.70	3.65
Total	17484.01	697657.42	3.99	17549.88	689203.96	3.93

(ii) Units Purchased and T & D Losses

Particulars	2013-14	2012-13
	Unit in Mus	
Units Purchased from GUVNL	19408.03	20630.05
Units Purchased from Wind Turbine Generator	24.44	46.87
Units Purchased from Solar Generator	17.26	14.76
UI units import	8.64	73.75
Sub Total	19458.37	20765.43
Less: UI unit export	620.37	501.17
Less: Unit sold to GUVNL	2374.70	2229.44
Net Power Purchase Units	16463.29	18034.82
Less: Units sold to consumer	14488.94	14819.27
T & D loss in Mus	1974.36	3215.55
T & D loss in %	11.99%	17.83%



Uttar Gujarat Vij Company Limited

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43. The previous year's figures have been regrouped / reclassified, wherever necessary to correspond with the current year's classification/ disclosures.

SIGNATURES TO THE NOTES ON THE FINANCIAL STATEMENTS 1 to 43

AS PER OUR REPORT OF EVEN
DATE ATTACHED

FOR KOCHAR & ASSOCIATES
CHARTERED ACCOUNTANTS
F.R. No. 105256W

YAGNESH DALAL
PARTNER
M. NO. 035619

PLACE: AHMEDABAD
DATE: 24-SEP-2014

FOR AND ON BEHALF OF THE BOARD
OF DIRECTORS

UTTAR GUJARAT VIJ COMPANY LIMITED

V. N. MAIRA, Retd. IAS
CHAIRMAN

R.B.KOTHARI, ACMA
GENERAL MANAGER (F)
& CFO

PLACE: AHMEDABAD
DATE: 24-SEP-2014

N. SRIVASTAVA, IFS
MANAGING DIRECTOR

N. M. JOSHI, FCS
COMPANY SECRETARY



Uttar Gujarat Vij Company Limited		
 <p>● ગ્રાહકોને સેવા દ્વારા સુસંગત સંતોષ</p> <p>Customer satisfaction through service excellence</p>	 <p>● સ્પર્ધાત્મક હેઠળ વિશ્વસનીય તેમજ ગુણવત્તામયતા વૈભવ પુરવઠા પૂરાં વડાએ વિતરણ ખર્ચ લેવેલો ઘટાડો મુખી પદાર્થો</p> <p>To provide reliable and quality power at competitive cost To reach global standards in reducing distribution losses</p>	 <p>● ગ્રાહકોનો સંતોષ ● ગ્રાહકોની સાથે સંકળિત</p> <p>Customer satisfaction Participative work culture</p> <p>● સંસ્થા માટે સન્માન અને સન્માન ● શ્રેયશીલ</p> <p>Pride of belongingness Excellence</p> <p>● નૈતિક અને સામાજિક જવાબદારી અને સંભાળ</p> <p>Being ethically and socially responsive</p>



Uttar Gujarat Vij Company Limited

Registered & Corporate Office :

Visnagar Road, Mehsana - 384001 (North Gujarat)

Website : www.ugvcl.com