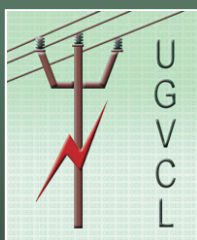


# 18<sup>th</sup> Annual Report 2020-21



**Uttar Gujarat Vij Company Limited**

CIN - U40102GJ2003SGC042906

**A Subsidiary of Gujarat Urja Vikas Nigam Limited**

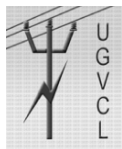
# UGVCL AT A GLANCE

## November 2021

Area in Sq. KM.	49,950
Districts covered	7+3 (Partly)
Talukas covered	61+8 (Partly)
Towns	38
Villages	4,502
Divisions	22
Sub Divisions	141+3(REC)
Number of Employees	10,066
Total Transformer Centers	3,53,427
MUssent out (Including EHT) upto Sep-2021	13,571.39
MUssold out (Including EHT) upto Sep-2021	12420.63
% AT & C Losses	8.48
HT Line (KM)	1,14,710.01
LT Line (KM)	76,232.02
LT / HT Ratio	0.66
Sub Stations	545
Feeders	6,122

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# Uttar Gujarat Vij Company Limited

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## 18<sup>th</sup> Annual Report-2020-2021



### BOARD OF DIRECTORS

Smt. Shahmeena Husain, IAS  
Shri K. S. Randhawa  
Shri R. K. Joshi

Shri C. V. Thaker  
Shri Shubhadeep Sen  
Shri H. P. Kothari  
Prof. (Dr.) V. P. Gandhi  
Prof. Anish Sugathan  
Shri Nirav Shah  
Shri K. M. Bhuvu  
Shri Shailesh V. Parmar  
Shri Mahesh Singh, IFS  
Prof. (Dr.) V. P. Gandhi  
Prof. Anish Sugathan  
Shri Nirav Shah

Chairperson  
Managing Director (From 25-Jun-2021)  
Director (From 13-Oct-2020)  
(Representing Finance Dept., Govt. of Gujarat)  
Director (From 07-Dec-2020)  
Director (From 14-Dec-2020)  
Director (From 02-Jul-2021)  
Independent Director (From 15-Jul-2021)  
Independent Director (From 15-Jul -2021)  
Independent Director (From 15-Jul -2021)  
Director (Up to 29-Apr-2020)  
Director (Up to 18-Sep-2020)  
Managing Director (Up to 25-Jun-2021)  
Independent Director (Up to 06-Dec-2020)  
Independent Director (Up to 06-Dec-2020)  
Independent Director (Up to 06-Dec-2020)

### COMPANY SECRETARY

Shri Nitinkumar M Joshi, FCS

### CHIEF FINANCIAL OFFICER

Shri R. B. Kothari, ACMA (Up to 31-Aug-2020)  
Shri J. N. Pancholi, ACMA (From 29-Sep-2020 to 30-Apr-2021)  
Shri R. M. Jain, CA (From 31-Aug-2021)

### SENIOR EXECUTIVES

Shri P. B. Pandya  
Shri V. M. Shroff  
Shri J. K. Darji  
Shri G. H. Engineer  
Shri A. C. Prajapati

Chief Engineer (Operation)  
Chief Engineer (Procurement)  
Addl. Chief Engineer (Technical & Vigilance)  
Addl. Chief Engineer (Project & Renewable Energy)  
Addl. General Manager (HR)

### STATUTORY AUDITORS FY 2020-21

M/s. S. K. Kabra And Co.  
Chartered Accountants  
Ahmedabad

### FY 2021-22

M/s. S. K. Kabra And Co.  
Chartered Accountants  
Ahmedabad

### COST AUDITORS FY 2020-21

M/s. V. H. Savaliya & Associates  
Cost Accountants  
Ahmedabad

### FY 2021-22

M/s. R. V. Amin & Co.  
Cost Accountants  
Ahmedabad

### SECRETARIAL AUDITORS FY 2020-21 & FY 2021-22

M/s. Sudhir M. Dave  
Practicing Company Secretaries  
Ahmedabad

### BANKERS

State Bank of India  
Bank of Baroda  
Axis Bank  
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

CIN - U40102GJ2003SGC042906

18<sup>th</sup> Annual Report-2020-2021



## NOTICE

**NOTICE** is hereby given that the Eighteenth Annual General Meeting of the Members of Uttar Gujarat Vij Company Limited will be held [at a shorter notice under Section 101(1)(i) of the Companies Act, 2013, pursuant to the consents received from all the members] on Thursday, the 16<sup>th</sup> December, 2021 at 4-00 PM in the Conference Room, Gujarat Urja Vikas Nigam Limited, Third Floor, Sardar Patel Vidyut Bhavan, Race Course, Vadodara - 390007 to transact the following business:

### ORDINARY BUSINESS

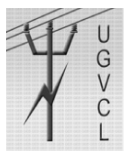
- 1 To receive, consider and adopt the audited Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2021 together with the Board's Report and Report of Auditors thereon with comments of the Comptroller & Auditor General of India in terms of Section 143(6) of the Companies Act, 2013;
- 2 To authorize the Board of Directors of the Company to fix the remuneration payable to Statutory Auditors of the Company appointed by the Comptroller and Auditor General of India (C&AG), New Delhi, for the Financial Year 2021-22 in terms of Section 139(5) read with Section 142 of the Companies Act, 2013 and if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** the appointment of M/s. S. K. Kabra & Co., Chartered Accountants, Ahmedabad made by the Comptroller and Auditor General of India (C&AG), New Delhi, pursuant to Section 139(5) of the Companies Act, 2013, to audit the accounts of the Company for the Financial Year ended 31<sup>st</sup> March, 2022 (FY 2021-22) be and is hereby noted **AND THAT** pursuant to Section 139(5) read with Section 142 of the Companies Act, 2013, the Board of Directors of the Company be and is hereby authorized to decide and fix the remuneration including reimbursement of actual out of pocket expenses payable to M/s. S. K. Kabra & Co. to audit the accounts of the Company for the Financial Year 2021-22.”

### SPECIAL BUSINESS

- 3 To consider and if thought fit, to pass, with or without modification/s, the following resolution as an Ordinary Resolution relating to ratification of remuneration of the Cost Auditor for the Financial Year 2021-22:

**“RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Cost Records and Audit) Rules, 2014 (including any statutory modifications or re-enactment thereof, for the time being in force), the remuneration of M/s. R. V. Amin And Company, Ahmedabad, (Firm Registration No. 004116) as Cost Auditors of the Company whose appointment and remuneration has been approved by the Board to conduct the audit of the Cost Accounts / Records maintained by the Company in respect of Electricity Industry for the Financial Year ending 31<sup>st</sup> March, 2022 (i.e. Financial Year 2021-22) at the remuneration of Rs. 70,500/- (Rupees Seventy Thousand Five Hundred only) as audit fees plus out of pocket expenses at actual subject to maximum limit of 5% of Audit Fees, be and is hereby ratified and approved.”



# Uttar Gujarat Vij Company Limited

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**“RESOLVED THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things and take all such steps as may be necessary, proper and expedient to give effect to this resolution.”

By Order of the Board  
For **Uttar Gujarat Vij Company Limited**

Date : 13-Dec-2021  
Place: Ahmedabad

(N. M. Joshi, FCS)  
Company Secretary

### NOTES:

- 1 A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL, VOTE INSTEAD OF HIMSELF AND THAT A PROXY NEED NOT BE A MEMBER OF THE COMPANY. The instrument appointing the proxy should however be deposited at the Registered Office of the Company not less than 48 hours before the commencement 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.

### ANNEXURE TO THE NOTICE

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

##### ITEM NO. 3: Ratification of remuneration of the Cost Auditor for the Financial Year 2021-22

As per the provisions of Section 148 of the Companies Act, 2013 and as required under the Companies (Cost Records and Audit) Rules, 2014, the Board of Directors of your Company has at its Meeting held on 24-Jun-2021 approved the proposal for appointment of M/s. R. V. Amin & Company, Cost Accountants, Ahmedabad as Cost Auditor to conduct the audit of the Cost Accounts / Records maintained by the Company in respect of Electricity Industry for the Financial Year ending 31<sup>st</sup> March, 2022 (i.e. Financial Year 2021-22) at the remuneration of Rs. 70,500/- (Rupees Seventy Thousand Five Hundred only) as audit fees plus out of pocket expenses at actual subject to maximum limit of 5% of Audit Fees, be and is hereby ratified and approved, however that their remuneration shall be subject to the ratification by the Members as required under the provisions of sub-section (3) of Section 148 of the Companies Act, 2013.

Hence, as per the provisions of Section 148(3) of the Companies Act, 2013, the remuneration of the Cost Auditor is required to be ratified by the Members of the Company. Hence, this Resolution.

None of the Directors and Key Managerial Personnel of the Company and their respective relatives is, in any way, concerned or interested, financially or otherwise, in passing of the Resolution set out at Item No. 3.

The Board commends the Ordinary Resolution set out in Item No. 3 of the Notice for approval of the Members.

By Order of the Board  
For **Uttar Gujarat Vij Company Limited**

Date : 13-Dec-2021  
Place: Ahmedabad

(N. M. Joshi, FCS)  
Company Secretary



# Uttar Gujarat Vij Company Limited

CIN - U40102GJ2003SGC042906

## 18<sup>th</sup> Annual Report-2020-2021



### BOARD'S REPORT

To,

The Members of

#### UTTAR GUJARAT VIJ COMPANY LIMITED

Your Directors have pleasure in presenting the Eighteenth Annual Report of the Company together with the audited Financial Statements for the Financial Year ended 31<sup>st</sup> March, 2021.

#### FINANCIAL RESULTS:

The Company's financial performance for the year under review along with previous year's figures is summarized below:

(₹ in Lakhs)

Particulars	Financial Year ended 31st March	
	2021	2020
Total Income	12,94,502.56	13,04,493.81
Profit before Depreciation, Interest and Tax	58,412.54	56,493.10
Depreciation	36,701.37	33,390.83
Interest and Finance Charges	8,347.64	10,167.36
Profit before Tax	13,363.53	12,934.91
Provision for Tax	5,934.34	7,129.07
Profit after Tax	7,429.19	5,805.84

The figures of the Previous Year have been regrouped/recast/reclassified wherever necessary to correspond with the current year's figures.

#### DIVIDEND:

Your Directors do not recommend any dividend on Equity Shares for the year under review and no amount has been transferred to General Reserve.

#### TRANSFER TO RESERVES:

No amount has been transferred to General Reserves for the Financial Year 2020-21. Profit aftertax of Rs. 7,429.19 Lakhs for the Financial Year 2020-21 has been carried to Reserves and Surplus in the Balance Sheet.

#### ACHIEVEMENTS:

- In Oct 2020, SKOCH Group, New Delhi awarded SKOCH Order for Semi-Finalist in "AT&C losses and Power Reliability through Feeder Bifurcation".
- In Feb 2021, ICC (Indian Chamber of Commerce), Kolkata given certificate of Ranked 3<sup>rd</sup> Under the Category E (Performance Improvement), Category B (Efficient Operations)&Category C (Quality of Service & Customer Empowerment).
- In Mar 2021, K.B.S. Marcom Pvt. Ltd., New Delhi awarded National Ability Awards by given certificate of Ranked 1<sup>st</sup> Position in Category-A (Service Industry) under "Energy Conservation & Awareness Awards-2021".





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## OPERATIONS AND STATE OF COMPANY'S AFFAIRS:

### ❖ Financial Performance:

During the year under review, the revenue from the sale of power including subsidies and other income amounted to Rs. 12,94,502.56 Lakhs. (PY Rs.13,04,493.81 Lakhs). The Company purchased 26,533.64 MUs (PY 25,850.98 MUs) of energy from Gujarat Urja Vikas Nigam Limited (GUVNL), Solar and Wind Farm and sold 23,536.14 MUs (PY 22,994.59 MUs) of energy to all categories of consumers. The Company's overall transmission and distribution losses are reported to the extent of 2,997.50 MUs (PY 2,856.39 MUs) at 11.61% (PY 11.37%)

### ❖ Operational Performance:

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

- ◆ Total 3,310 (PY 3,116) Nos. of rural feeders have been declared as Agricultural Dominated Feeders.
- ◆ Transformer failure rate is decreased to 7.11% from 7.52% 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 - 4,01,762 (PY 4,61,129) Nos.
  - ◆ Installations detected - 21,829 (PY 19,685) Nos.
  - ◆ Amount assessed - Rs. 3,282.19 (PY 4,173.04) Lakhs
  - ◆ Amount realized - Rs. 1,489.79 (PY 1,561.73) Lakhs  
(out of assessed amount)
- ◆ For better system improvement and to give quality power supply of the over-loaded feeders, 350 (PY 450) Nos. of feeders are bifurcated and charged during the year.
- ◆ Automated Meter Reading (AMR) is installed on total 4,835 (PY 4,116) Nos. of HT connections. This has helped in considerable time saving of man-power and reading of meters at site and billing process done with perfect billing, thereby assisting in study of consumer consumption data and vigilance observation.
- ◆ For reduction in technical losses, 19,140 (PY 18,030) Nos. of Amorphous/4 Star Transformers are installed in Urban, GIDC and IND Feeders.
- ◆ Total 3,261 (PY 3,085) Nos. of Special Design Transformers (SDT) have been provided on Agricultural feeders to provide continuous power supply during load shedding, covering benefit to 1,73,962 (PY 1,61,970) Nos. of Farm House connections.
  - ◆ Work progress - New release of connections:
  - ◆ HT New Connection - 356 Nos. (PY 443 Nos.)
  - ◆ HT additional load - 357 Nos. (PY 391 Nos.)
  - ◆ NRGP (Industrial) - 3,013 Nos. (PY 3,067 Nos.)
  - ◆ NRGP (Commercial) - 19,647 Nos. (PY 17,939 Nos.)
  - ◆ LTMD (Industrial) - 1,713 Nos. (PY 1,541 Nos.)
  - ◆ LTMD (Commercial) - 199 Nos. (PY 245 Nos.)
  - ◆ RGP - 53,234 Nos. (PY 58,956 Nos.)
  - ◆ Water Works - 784 Nos. (PY 1,054 Nos.)



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◆	Ag. Connections under:		
◆	SPA Well (Normal Scheme)	-	4,424 Nos. (PY 4,086 Nos.)
◆	TASP Well	-	4,114 Nos. (PY 3,064 Nos.)
◆	Tatkal Scheme	-	212 Nos. (PY 232 Nos.)
◆	Dark Zone Well	-	11,126 Nos. (PY 12,505 Nos.)
◆	SCSP (Household)	-	4,788 Nos. (PY 4,400 Nos.)
◆	Zupad-patties Connections	-	15,545 Nos. (PY 22,090 Nos.)
◆	Kutirjyoti Connections	-	2,838 Nos. (PY 5,417Nos.)
◆	SCSP Well	-	424 Nos. (PY 805 Nos.)
◆	System Network added:		
◆	HT Line	-	567Kms. (PY 4,043 Kms.)
◆	LT Line	-	932Kms. (PY 1,281 Kms.)
◆	Trans. Center	-	25,441 Nos. (PY 23,635 Nos.)

### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS& OUTGO:

The information pertaining to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings & Outgo as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule-8(3) of the Companies (Accounts) Rules, 2014 is furnished in Annexure-1 and attached to and forming part of this Report.

### SHARE CAPITAL:

The Authorized Share Capital of the Company as on 01-Apr-2020 was Rs. 1,500 Crores (Rupees Fifteen Hundred Crores) divided in to 150,00,00,000 Equity Shares of Rs. 10/- each. The Issued, Subscribed and Paid-up Share Capital as on 31-Mar-2021 stood at Rs. 626,67,65,680/-.

During the Financial Year, the Company has made following allotments of Equity Shares on Rights basis to the holding Company Gujarat Urja Vikas Nigam limited towards the Release of Agriculture Connections, for implementation of TASP-W&P, and Shifting/Replacement of Poles & Lines of Municipal/Nagarpalikas:

- On 31-Jul-2020, allotted 1923263 Equity Shares of Rs. 10/- each as fully paid-up at premium of Rs. 67/- per Share aggregating to Rs. 14,80,91,251/-
- On 26-Feb-2021, allotted 32158839 Equity Shares of Rs. 10/- each as fully paid-up at premium of Rs. 70/- per Share aggregating to Rs. 257,27,07,120/-

During the year under review, the Company has not bought back any of its securities, nor issued any shares as Sweat Equity or Bonus Shares or shares with differential voting rights nor granted any Stock Options Schemes to employees.

### DIRECTORS AND KEY MANAGERIAL PERSONNEL:

#### A. Changes among Directors and Key Managerial Personnel:

Since the last Financial Year 2020-21 (and up to the date of this Report), the changes among the Directors and Key Managerial Personnel are as under:

- ◆ Shri K. M. Bhuva, (DIN-07808731) had ceased to be Director with effect from 29-Apr-2020.
- ◆ Shri R. B. Kothari had ceased to be Chief Financial Officer with effect from 31-Aug-2020 on account of retirement from the services of the Company.
- ◆ Shri Shailesh V. Parmar, (DIN-08686921) had ceased to be Director with effect from 18-Sep-2020.
- ◆ Shri J. N. Pancholi, I/c. General Manager (Finance) had been nominated/designated as Chief Financial Officer and Key Managerial Personnel with effect from 29-Sep-2020.





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- ◆ Shri R. K. Joshi, (DIN-08917003) has been appointed/nominated as Director with effect from 13-Oct-2020.
- ◆ Dr. Vasant P. Gandhi (DIN – 00863653), Prof. Anish Sugathan (DIN – 008256871) and Shri Nirav Shah (DIN – 00397336) had ceased to be Independent Directors upon completion of their first term on 06-Dec-2020.
- ◆ Shri C. V. Thaker, (DIN-08985370) has been appointed/nominated as Director with effect from 07-Dec-2020.
- ◆ Shri Shubhadeep Sen, (DIN-07898055) has been appointed/nominated as Director with effect from 14-Dec-2020.
- ◆ Shri J. N. Pancholi had ceased to be Chief Financial Officer with effect from 30-Apr-2021 on account of retirement from the services of the Company.
- ◆ Shri Mahesh Singh, IFS, had ceased to be Managing Director with effect from 25-Jun-2021.
- ◆ Shri K. S. Randhawa, (DIN-07151040) has been appointed/nominated as Managing Director with effect from 25-Jun-2021 vice Shri Mahesh Singh, IFS, transferred.
- ◆ Shri H. P. Kothari, (DIN-09208111) has been appointed/nominated as Director with effect from 02-Jul-2021.
- ◆ Dr. Vasant P. Gandhi (DIN – 00863653), Prof. Anish Sugathan (DIN – 008256871) and Shri Nirav Shah (DIN – 00397336), have been appointed as Independent Directors for a second term of 2 (two) consecutive years from 15-Jul-2021.
- ◆ Shri R. M. Jain, Chief Finance Manager and I/c. General Manager (Finance) has been nominated/designated as Chief Financial Officer and Key Managerial Personnel with effect from 31-Aug-2021.

The Board places on record its appreciation for the valuable contributions made by Shri K. M. Bhuva, Shri S. V. Parmar and Shri Mahesh Singh, IFS during their tenure on the Board of the Company.

Pursuant to the provisions of Section 203 of the Companies Act, 2013, the Managing Director, Chief Financial Officer and Company Secretary have been designated as Key Managerial Personnel of the Company.

### B. Declaration of Independent Directors:

Pursuant to the provisions of Section 149(6)/(7) of the Companies Act, 2013 and the relevant Rules, the Company has received necessary declarations from each Independent Director for the FY 2020-21 confirming that they meet the criteria of independence as prescribed under the Act.

### C. Board Evaluation:

The Board of Directors has carried out an annual evaluation of its own performance, Board Committees and individual Directors pursuant to the provisions of the Act.

The performance of the Board was evaluated by the Board after seeking inputs from all the Directors on the basis of the criteria such as the Board's composition and structure, effectiveness of Board processes, information and functioning, etc. The Board appreciated active participation of all Directors.

The performance of the Committees was evaluated by the Board after seeking inputs from the Committee Members on the basis of the criteria such as composition of Committees, effectiveness of Committee meetings, etc.

The Board reviewed the performance of the individual Directors and Independent Directors on the basis of the criteria such as the contribution of the individual Director to the Board and Committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

In a separate meeting of Independent Directors, the performance of Non-Independent Directors, performance of the Board as a whole and performance of the Chairman was evaluated, taking into account the views of the Directors. The same was discussed in the Board Meeting that followed the Meeting of Independent Directors, at which the performance of the Board, its Committees and individual Directors was also discussed.



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### A. Policy on Directors' Appointment, etc.:

The Company being a Government Company, the provisions of Section 134(3)(e) of the Companies Act, 2013 are not applicable in view of the Notification No. GSR-163(E) dated 05-Jun-2015 issued by the Ministry of Corporate Affairs, Govt. of India.

### B. Meetings of the Board and Committees thereof:

During the Financial Year 2020-21–

- ◆ Seven Meetings of the Board of Directors of the Company were held on 07-May-2020, 10-Jul-2020, 29-Sep-2020, 01-Dec-2020, 19-Dec-2020, 04-Feb-2021 and 25-Mar-2021.
- ◆ Three Meetings of the Finance Committee were held on 10-Jul-2020, 28-Sep-2020 and 01-Dec-2020.
- ◆ Three Meetings of the Corporate Social Responsibility Committee were held on 07-May-2020, 03-Nov-2020 and 23-Mar-2021.
- ◆ One separate Meeting of Independent Directors was held on 03-Nov-2020.

As required under Clause-9 of the Secretarial Standard-1 (SS-1) the details of the number and date of Meetings of Board and Committees held during the Financial Year indicating the number of Meetings attended by each Director are as under:

Meetings	Meetings of Board 119 <sup>th</sup> 07/05/2020 120 <sup>th</sup> 10/07/2020 121 <sup>st</sup> 29/09/2020 122 <sup>nd</sup> 01/12/2020 123 <sup>rd</sup> 19/12/2020 124 <sup>th</sup> 04/02/2021 125 <sup>th</sup> 25/03/2021	Meetings of Finance Committee 6 <sup>th</sup> 10/07/2020 7 <sup>th</sup> 03/11/2020 8 <sup>th</sup> 01/12/2020	Meeting of ID 03/11/20	Meeting of CSR Committee 13 <sup>th</sup> 07/05/2020 14 <sup>th</sup> 03/11/2020 15 <sup>th</sup> 23/03/2021
	No. of Meetings held during tenure and attended			
Name of Director/ Member	Attended / Held	Attended / Held	Attended / Held	Attended / Held
Smt. Shahmeena Husain, IAS	7/7	-	-	-
Dr. Vasant P. Gandhi	4/4	3/3	1/1	2/2
Prof. Anish Sugathan	4/4	3/3	1/1	2/2
Shri Nirav Shah	2/4	-	1/1	-
Shri Mahesh Singh, IFS	7/7	-	-	3/3
Shri Shailesh V. Parmar	0/1	-	-	-
Shri R. K. Joshi	2/4	-	-	1/1
Shri C. V. Thaker	3/3	-	-	1/1
Shri Shubhadeep Sen	3/3	3/3	-	1/1

### DIRECTORS' RESPONSIBILITY STATEMENT:

To the best of knowledge, belief and according to the information received, the Directors confirm as under for the Financial Year 2020-21 in terms of Section 134(3)(c) of the Companies Act, 2013:



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- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- (c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the Directors had prepared the annual accounts on a going concern basis;
- (e) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### FINANCE/AUDIT COMMITTEE:

The Ministry of Corporate Affairs, Govt. of India has, vide Notification dated 13-Jul-2017, amended Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014 and consequently, the Company, being unlisted wholly-owned company, has been exempted from the requirement of constituting an Audit Committee of the Board.

Pursuant to this exemption, the erstwhile Audit Committee of the Board constituted pursuant to Section 177 of the Companies Act, 2013 was de-constituted/dissolved with effect from 07-Dec-2018. However, on appointment of Independent Directors, the Finance Committee was constituted on 07-Dec-2018 and became non-functional with effect from 06-Dec-2020 due to completion of first term of Independent Directors.

Now, in view of appointment/reappointment of Independent Directors on the Board of the Company for second term of two years with effect from 15-Jul-2021 and with a view to ensuring compliance with the Guidelines for Corporate Governance of State Power Distribution Utilities (DISCOMs) issued by Ministry of Power, Govt. of India vide DO Letter No.9/5/2020-IPDS-Part-(1) dated 11-Mar-2021, the Board of Directors of the Company at its 128<sup>th</sup> Meeting held on 31-Aug-2021 constituted the Audit Committee of the Board consisting of:

- (1) Dr. Vasant P. Gandhi.....Chairman (Independent Director)
  - (2) Prof. Anish Sugathan..... Member (Independent Director)
  - (3) Shri Nirav Shah..... Member (Independent Director)
  - (4) Shri R. K. Joshi..... Member (Representing Fin. Dept.)
  - (5) Shri Shubhadeep Sen..... Member (GUVNL Representative)
- Managing Director..... Special Invitee

### CORPORATE SOCIAL RESPONSIBILITY (CSR):

The Company has constituted a 'Corporate Social Responsibility' (CSR) Committee in accordance with Section 135 of the Companies Act, 2013. Pursuant to the provisions of Rule-8(1) of the Companies (CSR Policy) Rules, 2014, as amended, the Annual Report on Corporate Social Responsibility Activities is attached in the prescribed form (applicable from FY 2020-21) as Annexure-2 which forms part of this Report. The CSR Policy adopted by the Company is posted on the Company's website at [www.ugvcl.com](http://www.ugvcl.com)

### VIGIL MECHANISM (WHISTLE BLOWER POLICY):

As required under the provisions of Section 177(9) of the Companies Act, 2013, the Company has established a Vigil Mechanism (Whistle Blower Policy). All employees of the Company and Directors on the Board of the Company are covered under the Mechanism. The Vigil Mechanism (Whistle Blower Policy) of the Company is available on the website of the Company at [www.ugvcl.com](http://www.ugvcl.com)



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### NOMINATION AND REMUNERATION COMMITTEE AND POLICY:

Pursuant to the provisions of Section 178 of the Companies Act, 2013, the Board of Directors had constituted Nomination and Remuneration Committee. The Ministry of Corporate Affairs, Govt. of India vide Notification No. GSR-163(E) dated 05-Jun-2015 has modified the application of provisions of Section 178 for Government companies so as to apply the same with regard to appointment of 'senior management' and other employees. The Board has on the recommendation of the Committee formulated Remuneration Policy for senior management and other employees. Further, vide Notification dated 13-Jul-2017, the Ministry of Corporate Affairs, Govt. of India amended Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014. Consequently, the Company, being unlisted wholly-owned company, has been exempted from the requirement of constituting a Nomination and Remuneration Committee of the Board. Pursuant to the exemption granted vide Notification dated 13-Jul-2017, the Nomination And Remuneration Committee of the Board was de-constituted/dissolved with effect from 07-Dec-2018.

Now, in view of appointment/reappointment of Independent Directors on the Board of the Company for second term of two years with effect from 15-Jul-2021 and with a view to ensuring compliance with the Guidelines for Corporate Governance of State Power Distribution Utilities (DISCOMs) issued by Ministry of Power, Govt. of India vide DO Letter No.9/5/2020-IPDS-Part-(1) dated 11-Mar-2021, the Board of Directors of the Company at its 128<sup>th</sup> Meeting held on 31-Aug-2021 constituted the Nomination and Remuneration Committee of the Board consisting of:

- (1) Dr. Vasant P. Gandhi.....Chairman (Independent Director)
- (2) Shri Anish Sugathan..... Member (Independent Director)
- (3) Shri R. K. Joshi..... Member (Representing Fin. Dept.)
- (4) Shri Shubhadeep Sen..... Member (GUVNL Representative)
- Managing Director..... Special Invitee

### RISK MANAGEMENT:

The elements of risk threatening the Company's existence are very minimal. However, as required by Section 134(3)(n) of the Companies Act, 2013, the Company has framed Risk Management Policy to identify various elements of risk and steps taken to mitigate the same. As an enterprise engaged in distribution of electricity, the Company has always had a systems-based approach to Business Risk Management. The risk management includes identifying types of risks and their assessment, risk handling, mitigation, monitoring and reporting. The Risk Management framework primarily focuses on following elements:

- ◆ Risk to Company's assets and properties
- ◆ Employees related risks
- ◆ Risks associated with non-compliance of statutory enactments
- ◆ Risk of Inflation and Cost Structure
- ◆ Credit Risk
- ◆ Liquidity Risk
- ◆ Operational Risk
- ◆ Regulatory Risk
- ◆ Network Risk
- ◆ Fuel availability and price fluctuation
- ◆ Risk of monsoon failure
- ◆ Risk of compensation to third parties due to electrical accidents and burning of crop
- ◆ Dependence on Government for grants and subsidies

Further, in view of appointment/reappointment of Independent Directors on the Board of the Company for second term of two years with effect from 15-Jul-2021 and with a view to ensuring compliance with the Guidelines for Corporate Governance of State Power Distribution Utilities (DISCOMs) issued by Ministry of Power, Govt. of India vide DO Letter



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No.9/5/2020-IPDS-Part-(1) dated 11-Mar-2021, the Board of Directors of the Company at its 128<sup>th</sup> Meeting held on 31-Aug-2021 constituted the Risk Management Committee of the Board consisting of:

- (1) Managing Director..... Chairman
- (2) Shri Shubhadeep Sen..... Member (GUVNL Representative)
- (3) Shri Nirav Shah..... Member (Independent Director)

The scope and terms of reference shall be to develop the risk management framework as an integral part of the business operations in line the Risk Management Policy approved by the Board.

### EXTRACT OF ANNUAL RETURN:

Pursuant to the amendments to Section 134(3)(a) of the Companies Act, 2013 read with Rule-12 of the Companies (Management and Administration) Rules, 2014, the information required with respect to the Annual Return (Form MGT-7) pursuant to the provisions of Section 92, is available on the Company's website and can be accessed at [http://www.ugvcl.com/cprofile/ann\\_returns.htm](http://www.ugvcl.com/cprofile/ann_returns.htm)

### RELATED PARTY TRANSACTIONS:

All transactions entered with related parties for the year were on arm's length basis and in the ordinary course of business. The Company has adopted a Related Party Transactions Policy and Procedure.

All related party transactions were placed before the Audit Committee. Omnibus approval was obtained for transactions which are of repetitive nature.

### INTERNAL FINANCIAL CONTROL SYSTEMS:

The Company has in place adequate internal financial controls with reference to financial statements commensurate with the size and nature of its business.

### DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013:

In compliance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013, an 'Internal Complaints Committee' has been constituted in the Company for redressal of complaints against sexual harassment of women employees. During the year under review, the Company had received two complaints which are disposed of.

### SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:

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 for the end users of electrical energy.

1. Under Section 62 of the Electricity Act, 2003 and under the MYT Regulations, 2016 and suomotu order dated 22<sup>nd</sup> December, 2020 in case no. 07 of 2020 passed by Hon'ble GERC to extend MYT control Period by One Year. Accordingly, UGVCL had submitted the Tariff Petition No: 1911/2020 for Truing-up of FY 2019-20 and determination of ARR & Tariff for FY 2021-22 in accordance with the MYT Regulations, 2016 along with other Guidelines and Directions issued from time to time AND under Part VII (Section 61 to Section 64) of the Electricity Act, 2003 read with the relevant Guidelines. Public Hearing was held on 5<sup>th</sup> March, 2021 by the Gujarat Electricity Regulatory Commission (GERC) for the purpose of the approval of Truing up for FY 2019-20 and Determination of ARR & Tariff for FY 2021-22. Pursuant to the hearings, the Hon'ble Commission has declared its Award on 31<sup>st</sup> March-2021. There is no change in the existing tariff of any category of consumers, except following modification in tariff with effect from 1<sup>st</sup> April 2021.
2. Base FPPPA revised from Rs. 1.59 to Rs. 1.80. Wheeling Charges approved by GERC for HT Network (11KV System) at 16.62 Paise per unit and wheeling charges for LT network (400 V system) at 72.64 Paise per unit. Cross Subsidy surcharge for HT Category is approved as Rs. 1.48 per unit for FY 2021-22.





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3. GERC vide order No. 1 of 2020 dated 16/03/2020 (for the control period from 1<sup>st</sup> April, 2020 to 30<sup>th</sup> September, 2020) and vide order No. 5 of dated 22/07/2020 (for control period from 1<sup>st</sup> October, 2020 to 31<sup>st</sup> March, 2021) has determined Additional Surcharge of Rs. 0.37/Kwh and Rs. 0.60/Kwh respectively recovered by Distribution Companies from the Consumers opting to purchase power from other than the Company (UGVCL) in order to mitigate the Company's fixed cost burden. Hon'ble GERC vide order no. 03 of 2021 dated 31.03.2021, determine Average Pooled Power Purchase Cost (APPC) 3.65/unit for FY 2020-21 for projects registered under REC mechanism notified by CERC.

### CONSUMER GRIEVANCES REDRESSAL FORUM:

The Company has set up the Consumer Grievance Redressal Forum as mandated by Sub Section (5) of Section 42 of the Electricity Act, 2003 and the Regulations notified there under, within its jurisdiction for quick disposal of consumers' grievances. During the Financial year 2020-21 under review, 127 Nos. of cases were disposed of.

### HUMAN RESOURCE DEVELOPMENT:

The Company lays great emphasis on upgrading the skills of its human resources. Numbers of need-based training and development programs were organized to develop competency of employees with special emphasis on fostering the culture of innovation thereby enhancing organizational effectiveness and productivity.

Due to regular interaction with the Employees' Representatives, the industrial relations continued to be cordial, resulting into positive work culture in the organization during the year under review.

### AUDITORS:

#### A. Statutory Auditors:

M/s. S K Kabra And Company, Chartered Accountants, Ahmedabad were appointed as Statutory Auditors of the Company for the Financial Year 2020-21 by the Comptroller and Auditor General of India (C&AG). They have audited the Financial Statements for the year ended 31-Mar-2021.

The C&AG have vide its Letter No. CA.V/COY/GUJARAT,GJUVCL(1)/1508 dated 27-08-2021 appointed M/s. S K Kabra And Company, Chartered Accountants, Ahmedabad, as the Statutory Auditors of the Company for the Financial Year 2021-22 under Section 139(5) of the Companies Act, 2013.

#### C&AG's Comments

The Comptroller & Auditor General of India (C&AG) have conducted supplementary audit under Section 143 of the Companies Act, 2013 of the Financial Statements of the Company for the year ended on 31-Mar-2021, and has issued 'NIL' comment vide their Letter No. AMG-III/Hq-II/A/cs/UGVCL/2021/1103 dated 11-11-2021, a copy of which is placed in this Annual Report.

#### B. Cost Auditors:

In terms of the provisions of Section 148 of the Companies Act, 2013 and the Companies (Cost Records and Cost Audit) Rules, 2014, the Board of Directors appointed M/s. V. H. Savaliya & Associates, Ahmedabad as Cost Auditors for the Financial Year 2020-21 for auditing the cost accounting records relating to Electricity Industry product. The Cost Audit Report for the Financial Year 2020-21 was filed / uploaded on the MCA Portal on 23-Sep-2021 within stipulated time.

The Board has appointed M/s. R. V. Amin & Co., Ahmedabad as Cost Auditors for the Financial Year 2021-22. As required under the provisions of the Companies Act, 2013, the Directors recommend their remuneration for the Financial Year 2021-22 for your ratification.

The Company has maintained the cost accounting records as prescribed under the Companies (Cost Records and Audit) Rules, 2014 as amended by the Companies (Cost Records and Audit) Rules, 2017.





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### C. Secretarial Auditors:

In terms of the provisions of Section 204 of the Companies Act, 2013, the Company has appointed M/s. Sudhir M. Dave, Practicing Company Secretaries, Ahmedabad for conducting annual Secretarial Audit for the Financial Year 2020-21. M/s. Sudhir M. Dave have issued Secretarial Audit Report (Form MR-3) for the Financial Year 2020-21 which is attached as Annexure-3 and is forming part of this Report. There were no adverse comments, qualifications or reservations or adverse remarks in the Secretarial Audit Report.

### OTHER DISCLOSURES:

- a) The Company has not declared any dividend and therefore, there was no unpaid or unclaimed dividend and hence no disclosure is required to be made pursuant to the provisions of Section 125 of the Companies Act, 2013.
- b) There was no change in the nature of business of the Company during the year.
- c) No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which these financial statements relate and the date of this Report.
- d) The Company is engaged in the distribution of power which is covered under the exemption provided under Section 186(11) of the Companies Act, 2013. Accordingly, details of loan given or guarantee or security provided by the Company are not required to be reported. The Company has not made any investment during the year.
- e) The Company has no subsidiary or joint venture or associate companies as defined under the Companies Act, 2013.
- f) The Company being a Government Company is exempted vide Notification No. GSR-163(E) dated 05-Jun-2015 issued by the Ministry of Corporate Affairs, Govt. of India, to furnish information as required under Section 197 of the Companies Act, 2013 relating to particulars of employees.
- g) During the year under review, the Company has neither accepted nor renewed any deposits covered/as defined under Chapter-V of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.
- h) There were no instances of frauds identified or reported by the Statutory Auditors during the course of their audit pursuant to Section 143(12) of the Companies Act, 2013.
- i) No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and the Company's operations in future, except as stated elsewhere in this Report.
- j) The Company has complied with the applicable Secretarial Standards.

### ACKNOWLEDGEMENT:

Your Directors gratefully acknowledge and appreciate the contribution 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. The Company is also thankful to the Comptroller & Auditor General of India, the Internal, Statutory, Cost and Secretarial Auditors and Consultants/Advisors for their suggestions and co-operation.

For and on behalf of the Board,

Date: 13-Dec-2021  
Place: Ahmedabad

Shahmeena Husain, IAS  
Chairperson  
(DIN – 03584560)



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## ANNEXURE-1

**Information on Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo as stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule-8(3) of the Companies (Accounts) Rules, 2014**

(A) Conservation of energy–	
i) The steps taken or impact on conservation of energy;	<ul style="list-style-type: none"> <li>❖ During safety week celebration i.e. during first week of June, consumers were also educated for energy conservation tips.</li> <li>❖ GoG had launched the “UJALA GUJARAT” Scheme which was implemented in state by M/s. EESL under the supervision of GUVNL, in which LED Bulb, LED Tube light &amp; 5 stars rated EE Fans were distributed to the consumers for Energy Conservation.</li> <li>❖ Till March-2021: - LED Bulb - 80,24,345 nos., Tube Light - 2,70,054 nos., Energy Efficient (EE) Fan - 1,66,129 nos. were distributed through M/s. EESL.</li> <li>❖ Max. Demand reduced to 336 MW with use of UJALA equipment &amp; 457 MUS energy was saved during FY 2020-21.</li> </ul>
ii) The steps taken by the company for utilizing alternate sources of energy ;	<ul style="list-style-type: none"> <li>❖ 4.010 MW (AC) capacity commissioned and added on 11KV SKY Agriculture Feeder in Year-2020-21.</li> <li>❖ Solar Rooftop System of 60.74 MW (DC) capacity commissioned and added in Year-2020-21.</li> <li>❖ Ground Mounted Solar Power Generation 5.517 MW DC Capacity commissioned and added during year 2020-21.</li> <li>❖ Under Small Scale Distributed Solar Projects-2019, NET Applications of 438 nos. (360.37 MW (AC)) are registered.</li> <li>❖ 10 Nos. of 7.5 HP OFF GRID Pump under Agriculture Sector commissioned in Year-2020-21 under PM-KUSUM-B Scheme.</li> </ul>
iii) The capital investment on energy conservation equipments;	----- Nil -----



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(B) Technology absorption –	
<p>i). The efforts made towards technology absorption;</p>	<ul style="list-style-type: none"> <li>❖ Development of Underground network is under progress with Smart GIDC Concept by utilizing HTMC, CTC, PSS, RMU, RCC Cable Trench in Bhagapura Industrial Estate, MSME Park &amp; Remaining Area of BOL GIDC to provide electricity infrastructure to attract Multi-National Companies as per MOUs done under Vibrant Gujarat and supported “Make in India” mission of Hon'ble Prime Minister.</li> <li>❖ Work under progress for Pilot Project for “LoRA” for remote metering with Low – Power RF Technology suggested by GPRD Cell for MGVCL, UGVCL &amp; DGVCL. At present work has been completed in MGVCL. After observing performance, it will be implemented in UGVCL &amp; DGVCL.</li> <li>❖ Work has been completed for Installation of Pipe in Cage Earthings at the transformer centers of SKY feeders for better efficiency of transformers as proper earthing make positive impact on Distribution System.</li> <li>❖ Through SEDM portal real time monitoring of SKY AG feeder consumers was made possible.</li> <li>❖ For monitoring and remotely operations of 136 feeders emanating from 19 Sub stations, SCADA Control Center is established at Gandhinagar which covers 12 Nos. of Sub Divisions of Ahmedabad Periphery under SCADA Project. Total 411 Nos. of FRTUs has been installed for remote operation of RMU. Further, 423 Nos. of FPI-DCU data has been installed at different feeders for faster identification of fault. 24*7 SCADA control room has been in operation from June-19. Total 674 Nos. of successful remote operation has been taken for early restoration of power till Sep-20.</li> <li>❖ Smart Grid Pilot Project implemented in Naroda urban subdivision with more than 27539 smart meters has been installed functionality through system <ul style="list-style-type: none"> <li>(1) From Aug-18 onwards- Automatic meter reading &amp; bill generation for total 422000 Nos. of bills till Sep-21.</li> <li>(2) From Oct-18 onwards- Total 10500 Nos. of Remote Connect / Disconnect</li> </ul> </li> </ul>



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	<p>(3) operations of overdue bill payment consumers.</p> <p>(4) From Dec-18 onwards- Solar rooftop consumers net metering started.</p> <p>(5) From Oct-18 onwards- Consistent data availability &amp; Real time data of energy audits is available.</p> <p>Application based ready platform for pre-paid and ToU tariff (needs approval from GERC)</p>
ii) The benefits derived like product improvement, cost reduction, product development or import substitution;	<p>❖ Implementation of Underground Electrical Network gives esthetic look in urban areas as well as provides safety to people and line staff.</p> <p>❖ Reduction in Power Interruptions.</p> <p>Achieved consumer satisfaction by providing accurate billing, Mobile application, Consumer portal &amp; SMS facilitation.</p>
<p>i). In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-</p> <p>(a) The details of technology imported;</p> <p>(b) The year of import;</p> <p>(c) Whether the technology been fully absorbed;</p> <p>(d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and</p>	<p>---- Nil -----</p>
iv) The expenditure incurred on Research and Development.	<p>---- Nil -----</p>
<b>(C) Foreign exchange earnings and outgo –</b>	
The Foreign Exchange earned in terms of actual inflows during the years and the Foreign Exchange outgo during the year in terms of actual outflows.	<p>---- Nil -----</p>

For and on behalf of the Board,

Date: 13-Dec-2021

Place: Ahmedabad

Shahmeena Husain, IAS

Chairperson

(DIN – 03584560)



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## ANNEXURE-2

### ANNEXURE-II : FORMAT FOR THE ANNUAL REPORT ON CSR ACTIVITIES TO BE INCLUDED IN THE BOARD'S REPORT FOR FINANCIAL YEAR COMMENCING ON OR AFTER 1<sup>ST</sup> DAY OF APRIL, 2020

#### Brief outline on CSR Policy of the Company.

'Corporate Social Responsibility (CSR) Policy of Uttar Gujarat Vij Company Limited (UGVCL)' encompasses the Company's philosophy for delineating its responsibility as a corporate citizen and lays down the guidelines and mechanism for undertaking socially relevant programs for welfare and sustainable development of the community at large.

This Policy shall apply to all CSR initiatives and activities taken up by the Company at the Company's areas of operations and also within the State of Gujarat and in any other parts of the country, for the benefit of the different segments of the society provided that the preference shall be given to the local areas and areas where the Company operates for undertaking the CSR activities.

In alignment with vision of the Company, UGVCL, through its CSR initiatives, shall continue to enhance value creation in the society and in the community in which it operates, through its services, conduct and initiatives, so as to promote sustained growth for the society and community.

The CSR Projects and Programmes undertaken will be within the broad frame work of Schedule VII of the Companies Act, 2013 and will be identified and funds allocated, on a yearly basis, as per the need assessment specific to the location, target beneficiary and agency partnering for the implementation.

The CSR Policy may be accessed on the Company's website: <http://www.ugvcl.com>

#### 2. Composition of CSR Committee:

Sl. No	Name of Director	Designation / Nature of Directorship	Number of meeting of CSR Committee held during the year	Number of meeting of CSR Committee attended during the year
1	Managing Director	Chairman	3	3
2	Dr. Vasant P Gandhi (Up to 06-Dec-2020)	Independent Director	2	2
3	Prof. Anish Sugathan (Up to 06-Dec-2020)	Independent Director	2	2
4	Shri R. K. Joshi (From 04-Feb-2021)	Director	1	1
5	Shri C. V. Thaker (From 04-Feb-2021)	Director	1	1
6	Shri Subhadeep Sen (From 04-Feb-2021)	Director	1	1

**Note:** The CSR Committee has been reconstituted by the Board on 31-Aug-2021 and consists of the Managing Director, Dr. Vasant P. Gandhi, Prof. Anish Sugathan and Shri Shubhadeep Sen.



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3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

<http://www.ugvcl.com>

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report).

Not applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of the rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Not applicable

Sl. No	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set-off for the financial year, if any (in Rs)
1.			
	<b>TOTAL</b>		

6. Average net profit of the company as per section 135(5).

Rs. 52,65,29,065.32  
(FYs 2017-18-19-20)

7.	(a)	Two percent of average net profit of the company as per section 135(5)	Rs. 1,05,30,581.31
	(b)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years.	NIL
	(c)	Amount required to be set off for the financial year, if any	NIL
	(d)	Total CSR obligation for the financial year (7a+7b -7c).	Rs. 1,05,30,581.31

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of Fund	Amount.	Date of transfer.
Rs. 18,800	Rs. 81,04,000	27-Apr-2021	PM National Relief Fund	Rs. 24,07,782	16-Sep-2021





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**(b) Details of CSR amount spent against ongoing projects for the financial year:**

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in Schedule VII to the Act.	(4) Local area (Yes/No).	(5) Location of the project.		(6) Project duration.	(7) Amount allocated for the project (in Rs.).	(8) Amount spent in the current financial Year (in Rs.).	(9) Amount transferred to Unspent CSR Account for the project as per Section 135 (6) (in Rs.)	(10) Mode of Implementation - Direct (Yes/No).	(11) Mode of Implementation- Through Implementing Agency	
				State.	District						Name	CSR Registration number.
1.	Repairing of check dams	Clause (iv) - ensuring environmental sustainability	Yes	Gujarat	Sabarkantha	Not exceeding 3 years excluding FY 2020-21	33,22,000	0	33,22,000	No	Gujarat CSR Authority	CSR00002979
2.	Promotion of education by supporting Schools	Clause (ii) - promoting education, including special education	Yes	Gujarat	Banaskantha	Not exceeding 3 years excluding FY 2020 21	7,83,000	0	7,83,000	No	Janpath	CSR00000177
3.	Soil and Moisture Conservation (SMC) works of 4 check dams	Clause (iv) - ensuring environmental sustainability	Yes	Gujarat	Banaskantha	Not exceeding 3 years excluding FY 2020 21	19,99,000	0	19,99,000	Yes	In association /collaboration with Banaskantha Forest Division, Forest Department, Palanpur	N.A.
4.	Educating farmers for sustainable farming	Clause (iv) - ensuring environmental sustainability	Yes	Gujarat	Patan	Not exceeding 3 years excluding FY 2020 21	20,00,000	0	20,00,000	No	Centre for Environment & Social Concerns (CESC) Ahmedabad	CSR00008843
TOTAL							81,04,000	0	81,04,000			

**(c)**

**Details of CSR amount spent against other than ongoing projects for the financial year:**

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in Schedule VII to the Act	(4) Local area (Yes/No)	(5) Location of the project		(6) Amount spent for the projects (in Rs.)	(7) Mode of Implementation - Direct (Yes/No)	(8) Mode of Implementation- Through Implementing Agency	
				State	District			Name	CSR Registration number
1	Distribution of Food kits to needy people in the society during COVID-19 Pandemic	Clause (i) Promotion of healthcare	Yes	Gujarat	Mehsana Patan Banaskantha Sabarkantha Ahmedabad Gandhinagar	18,800	Yes	-	-
Total						18,800			

**(d) Amount spent in Administrative Overheads**

**NIL**

**(e) Amount spent on Impact Assessment, if applicable**

**Not Applicable**

**(f) Total amount spent for the Financial Year (8b+8c+8d+8e)**

**Rs. 18,800**



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(g) Excess amount for set off, if any

Not Applicable

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	N.A.
(ii)	Total amount spent for the Financial Year	N.A.
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	N.A.
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	N.A.
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	N.A.

## 9. (a) Details of Unspent CSR amount for the preceding three Financial Years

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs.).	Date of transfer.	
1	NOT APPLICABLE						
2							

## (b) Details of CSR amount spent in the financial year for ongoing projects of the preceding Financial Year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration	Total amount allocated for the project (in Rs.).	Amount spent on the project in the reporting Financial Year (in Rs.).	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project – Completed /Ongoing
1	NOT APPLICABLE							
2								

## 10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details).

Nil

- Date of creation or acquisition of the capital asset(s).
- Amount of CSR spent for creation or acquisition of the capital asset.
- Details for the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
- Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).



## Uttar Gujarat Vij Company Limited

CIN - U40102GJ2003SGC042906

### 18<sup>th</sup> Annual Report-2020-2021



**11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5)**

Under the provisions of Section 135 of the Companies Act, 2013 and the Rules made thereunder, the total amount to be spent by the Company for the Financial Year ended on 31-Mar-2021 (FY 2020-21) was Rs. 1,05,30,581.31. However, due to the prevalent worldwide COVID-19 situation and consequent nationwide lockdown till July-2020, as most of the economic activities were stuck up, the Company could not materialize any project under CSR. However, in view of the COVID-19 situation in April-2020, the Company had spent an amount of Rs.18,800/- as a part of CSR activities of the Company related to COVID-19 i.e. distribution of food kits to needy people in the society through Circle Offices.

Subsequently, as the situation was getting restored to normalcy, serious efforts were made to find out appropriate project for consideration under CSR. It may be noted that the CSR provisions contained in the Act and the Rules were amended by the Companies Amendment Acts of 2019 and 2020 and Notification No. GSR 40(E) dated 22-Jan-2021 and made effective from 22-Jan-2021. Accordingly, the Company could finalize the CSR projects amounting to Rs. 81,22,800 till the end of March, 2021 and as there was less period available for execution/implementation, for CSR projects amounting to Rs. 81,04,000/- were classified / categorized as 'multi-year/ongoing CSR projects' by the Board and the respective amount was transferred to the Unspent CSR Account for FY 2020-21 within the stipulated time period.

Despite the above, the Company was making efforts to explore various options for CSR activities through structured programmes and projects that can deliver the maximum impact to society. Due to the second wave of COVID-19 experienced across the country in Mar/Apr-2021 resulting into State-wide partial lockdowns, no CSR projects were finalized/materialized.

Accordingly, an amount of Rs. 24,07,781.31/- remained unspent for the FY 2020-21. As required by Section135(5) of the Companies Act, 2013, the Company has transferred an amount of Rs. 24,07,782/- to the credit of Prime Minister National Relief Fund on 16-Sep-2021 vide Receipt No. 2161/2021 dated 20-Sep-2021.

Date: 25-Nov-2021

Place: Ahmedabad

(K. S. Randhawa, IFS)  
Managing Director & Chairman,  
CSR Committee



# Uttar Gujarat Vij Company Limited

CIN - U40102GJ2003SGC042906

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ANNEXURE-3

**SUDHIR DAVE**  
**COMPANY SECRETARY**

8/87, Pujan Apartment, Nr. Dr. Jivraj Mehta Hospital, Vasna, AHMEDABAD-380007

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2021**

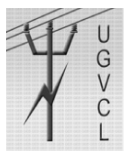
[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
Uttar Gujarat Vij Company Limited  
Registered & Corporate Office  
Visnagar Road  
Mehsana-384001

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Uttar Gujarat Vij Company Limited (CIN-U40102GJ2003SGC042906) (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March 2021 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial Year ended on 31<sup>st</sup> March, 2021 according to the provisions of:
  - (i) The Companies Act, 2013 ("the Act") and the Rules made thereunder;
  - (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; - **Not Applicable**
  - (iii) -The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; - **Not Applicable**
  - (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; - **Not Applicable**
2. The Company being an unlisted company, the Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act are not applicable.



## Uttar Gujarat Vij Company Limited

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3. The Company has complied with the provisions of the following specific laws, to the extent applicable to the Company:
- (i) Electricity Act, 2003
  - (ii) Gujarat Electricity Industry (Reorganization and Regulation) Act, 2003
  - (iii) Gujarat Electricity Duty Act, 1958
4. I have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India and during the period under audit, the Company has complied with the same.

#### **I further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

There were no dissenting views on any matter.

**I further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**I further report that** during the audit period, there were no specific events / actions having a major bearing on the Company's affairs except the following:

#### **(a) Allotment of:**

- i). 19,23,263 Equity Shares of Rs. 10/- each on 31-Jul-2020 (at premium of Rs. 67/- per Share aggregating to Rs. 14,80,91,251/-)
- ii). 32158839 Equity Shares of Rs. 10/- each on 26-Feb-2021 (at premium of Rs. 70/- per Share aggregating to Rs. 257,27,07,120/-)

Place: Ahmedabad  
Date: 26<sup>th</sup> October, 2021

Sudhir Dave  
Company Secretary  
ACS No.: 17180  
C P No.: 6414

UDIN – A017180C001286877



# Uttar Gujarat Vij Company Limited

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**SUDHIR DAVE  
COMPANY SECRETARY**

8/87, Pujan Apartment, Nr. Dr. Jivraj Mehta Hospital, Vasna, AHMEDABAD-380007

To,  
The Members,  
Uttar Gujarat Vij Company Limited  
Registered & Corporate Office  
Visnagar Road  
Mehsana-384001

**My Secretarial Audit Report of even date is to be read along with this letter.**

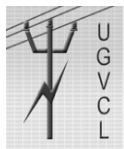
1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, I have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**Place: Ahmedabad  
Date: 26th October, 2021**

**Sudhir Dave  
Company Secretary  
ACS No.: 17180  
C P No.: 6414**

**UDIN – A017180C001286877**





## Uttar Gujarat Vij Company Limited

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**C&AG's Letter No. AMG-III/HQ-II/Lekhe/UGVCL/2021/OW-1103 dated 11-Nov-2021 :**

**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF UTTAR GUJARAT VIJ COMPANY LIMITED FOR THE YEAR ENDED 31 MARCH 2021.**

The preparation of financial statements of **Uttar Gujarat Vij Company Limited** for the year ended 31 March 2021 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the Management of the Company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 139 (5) of the Act are responsible for expressing opinion on the financial statements under Section 143 of the Act based on independent audit in accordance with the Standards on auditing prescribed under Section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 22 September 2021.

I, on the behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of **Uttar Gujarat Vij Company Limited** for the year ended 31 March 2021 under Section 143(6)(a) of the Act. 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.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to Statutory Auditor's Report under Section 143 (6)(b) of the Act.

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

Sd/-  
(H.K. Dharmadarshi)  
Principal Accountant General (Audit-II), Gujarat

Place: Ahmedabad  
Date: 11-Nov-2021



## **INDEPENDENT AUDITOR'S REPORT**

**To**  
**The Members of**  
**Uttar Gujarat Vij Company Limited**  
**Report on the Ind AS Financial Statements**

### **Opinion**

We have audited the accompanying Ind AS financial statements of UTTAR GUJARAT VIJ COMPANY LIMITED ('the Company') which comprises the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

Subject to the foregoing 'Basis of Qualification' paragraph, in our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Ind AS and accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and profit, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Ind AS financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Responsibilities of Management and those charged with governance for the Ind AS financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with accounting principles generally accepted in India, including Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and



estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error. In preparing the Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the company's financial reporting process.

#### **Auditor's Responsibilities for the Audit of Ind AS financial statements**

Our objectives are to obtain reasonable assurance about whether the Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Ind AS financial statements. A further description of the auditor's responsibilities for the audit of the Ind AS financial statements is included in Annexure A. This description forms part of our auditor's report.

#### **Other Matters**

The financial statement of preceding previous years were audited by

1. The audited financial statement for the year ended 31 Mar 2020 was carried out and reported by RAMANLAL G. SHAH & CO vide their modified audit report dated 29-09-2020, whose report has been furnished to us by the management and which has been relied upon by us for the purpose of our audit of financial statement. The report issued by the previous auditor was qualified because the Company has changed the method of accounting regarding writing back balances from grants/ consumer contribution related to certain depreciable assets from hitherto 10% on reducing balance basis to 5.28% on straight line basis prospectively commencing from the financial year 2016/17. in their opinion the effect of such change has to be worked out retrospectively commencing from the date on which the depreciable assets related to which the grants/ consumer contribution has been received have been capitalized in the books of account and effect of such change be accounted for in the opening balance of grants/ consumer contribution. Non accounting of the above effect has resulted into understatement of balance of grants/ consumer contribution as on 31st March, 2020 by Rs. 18,934.82 lakhs and overstatement of balance of 'Retained Earnings' by like amount.

The company has restated the figures of grants / consumer contribution with retrospective effect and the effect of change is disclosed in the note no 44 of the financial statement.

#### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure "B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required under section 143(5) of the Act and in accordance with the directions and sub directions issued by the Comptroller & Auditor General of India, under section 143(5) of the Act, we have



# Uttar Gujarat Vij Company Limited

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complied with all the directions issued and our comments thereon is as per Annexure 'D' & 'E' to this report.

3. As required by Section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss, the statement of changes in equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the Internal Financial Control over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure C".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - 1) The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer **Note 39** to the Ind AS financial statements.
  - 2) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - 3) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For S K Kabra and Company  
Chartered Accountants  
FRN 104508W

CA ANURAG MURARKA  
Partner  
MNo111030  
**UDIN:21111030AAAAEU4202**

Date:22-09-2021  
Place: Ahmedabad



## **ANNEXURE 'A'**

### **Responsibilities for Audit of Ind AS Financial Statements**

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- ◆ Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ◆ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- ◆ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ◆ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- ◆ Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Date: 22-09-2021

Place: Ahmedabad

For S K Kabra and Company  
Chartered Accountants  
FRN 104508W

CA ANURAG MURARKA  
Partner  
MNO111030



## **ANNEXURE “B” TO AUDITORS' REPORT**

(Referred to in paragraph “1” under the heading of “Report on Other Legal and Regulatory Requirements” of our report of even date)

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The fixed assets were physically verified during the year by the management as per the cycle of physical verification there of. As informed to us the discrepancy noticed on such verification were not significant have been properly dealt with in the books of accounts.
- (c) The details of title deeds of immovable properties not held in the name of the Company are given in the sub annexure to Annexure 'F' to our report.
- (ii) According to the accounting policy of the Company, all construction material is fully treated as consumed and included in the Capital Work in Progress. Further, as informed, physical verification of such inventories are not done during the year so we are unable to comment upon whether there are any material discrepancy with reference to books of accounts.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, limited liability partnerships, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- (iv) According to the information and explanations given to us, the Company has not advanced loans, made investments, given guarantees or security in terms of sections 185 and 186 of the Companies Act, 2013.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted deposits, within the meaning of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder. No order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other Tribunal.
- (vi) The Central Government has prescribed maintenance of cost records under section 148(1) of the Companies Act, 2013 and as explained to us, the Company has maintained the prescribed records and accounts. We have not, however, made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) (a) In our opinion and according to the information and explanations given to us, the Company is generally regular in depositing undisputed statutory dues including provident fund, income-tax, sales-tax, goods & service tax, service tax, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities. There are no such arrears as at 31st March, 2021 for a period more than six months from the date they became payable.
- (b) In our opinion and according to the information and explanations given to us, there are no dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax or Goods & Service Tax that have not been deposited as on 31st March, 2021 on account of any dispute, except for the following –





# Uttar Gujarat Vij Company Limited

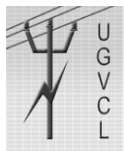
CIN - U40102GJ2003SGC042906

## 18<sup>th</sup> Annual Report-2020-2021



Name of the Statute	Nature of the Dues	Amount (Rs. In Lacs)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Income Tax Act, 1961	Income Tax	36.45	FY 2009-10 (AY 2010-11)	Income Tax Appellate Tribunal	NIL
Income Tax Act, 1961	Income Tax	6987.04	FY 2010-11 (AY 2011-12)	Income Tax Appellate Tribunal	NIL
Income Tax Act, 1961	Income Tax	262.33	FY 2011-12 (AY 2012-13)	Income Tax Appellate Tribunal	NIL
Income Tax Act, 1961	Income Tax	1230.42	FY 2012-13 (AY 2013-14)	Income Tax Appellate Tribunal	NIL
Income Tax Act, 1961	Income Tax	519.84	FY 2013-14 (AY 2014-15)	Income Tax Appellate Tribunal	NIL
Income Tax Act, 1961	Income Tax	1607.53	FY 2015-16 (AY 2016-17)	Commissioner of Income Tax (Appeals)	NIL
Income Tax Act, 1961	Income Tax	4900.82	FY 2016-17 (AY 2017-18)	Commissioner of Income Tax (Appeals)	NIL
Income Tax Act, 1961	Income Tax	5217.62	FY 2016-17 (AY 2017-18)	Commissioner of Income Tax (Appeals)	NIL
The Finance Act-1994	Service Tax	6774.78	FY 2012-13 to FY 2016-17	Director General of GST Intelligence, Bhopal	NIL
The Finance Act-1994	Service Tax	5.78	FY 2012-13 to FY 2016-17	The Commissioner (Appeals), Central Tax	NIL

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowing to Government. Further, the Company has been regular in repayment of loan or borrowings from financial institutions and banks. It however, did not have any dues towards debenture holders during the year.
- (ix) During the year, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments). Money raised by way of term loans have been applied by the Company during the year for the purposes for which they were raised or as per purposes revised with appropriate approvals, other than temporary deployment pending application of proceeds.
- (x) According to the information and explanations given to us, no fraud by the Company or on the Company by any of its officers or employees has been noticed or reported during the year.



## Uttar Gujarat Vij Company Limited

CIN - U40102GJ2003SGC042906

### 18<sup>th</sup> Annual Report-2020-2021

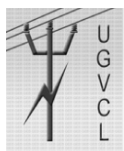


- (xi) In our opinion and according to the information and explanations given to us, the Company by virtue of the provisions of notification no. G.S.R. 463 (E) dated 5 June, 2015 of the Ministry of Corporate Affairs, Government of India, is exempt from the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) The Company is not a Nidhi Company. Consequently, requirements of clause (xii) of paragraph 3 of the Order are not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Ind AS financial statements etc., as required by the applicable accounting standards.
- (xiv) In our opinion and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not entered in to any non-cash transactions with directors or persons connected with them.
- (xvi) In our opinion, considering the nature of operations of the Company at present, the Company is not required to be registered under section 45- IA of the Reserve Bank of India Act, 1934.

Date:22-09-2021  
Place: Ahmedabad

For S K Kabra and Company  
Chartered Accountants  
FRN 104508W

CA ANURAG MURARKA  
Partner  
MNo111030



## **ANNEXURE “C” TO AUDITORS' REPORT**

### **Report on Internal Financial Controls under Clause (i) of sub section 3 of section 143 of the Companies Act, 2013**

We have audited the internal financial controls over financial reporting of Uttar Gujarat Vij Company Limited ('the Company') as at 31st March, 2021 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on principles as codified under the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



## Uttar Gujarat Vij Company Limited

CIN - U40102GJ2003SGC042906

### 18<sup>th</sup> Annual Report-2020-2021



#### Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2021, based on Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Date: 22-09-2021

Place: Ahmedabad

For S K Kabra and Company  
Chartered Accountants  
FRN 104508W

CA ANURAG MURARKA  
Partner  
MNo111030



# Uttar Gujarat Vij Company Limited

CIN - U40102GJ2003SGC042906

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## ANNEXURE “D” TO AUDITORS' REPORT

**DIRECTIONS UNDER SECTION 143(5) OF THE COMPANIES ACT, 2013 FOR FINANCIAL YEAR 2020-21**

### NAME & ADDRESS OF THE COMPANY-

Uttar Gujarat Vij Company Ltd., R&C Office, Visnagar Road, Mehsana, Gujarat 384001

SR. NO.	QUESTIONNAIRE	RESPONSE / REMEDIAL MEASURES
1.	Whether the Company has system in place to process all the accounting transactions through IT system? If no, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	Yes, the Company has in place ERP software package to process all accounting transactions.
2.	Whether there is any restructuring of an existing loan or cases of waiver/write off of debt/loan/ interest, etc. made by a lender to the Company due to the Company's inability to repay the loan? If yes, the financial impact may be stated.	There are no cases of restructuring of loans or waiver of debts / loan / interest etc. during the year.
3.	Whether funds received/ receivable for specific schemes from Central/ State agencies were properly accounted for/ utilized as per its terms and conditions? List the cases of deviation.	During the year, the Company has properly accounted for and utilized funds received by it under various applicable schemes from Central/ State agencies.
4.	Whether the company has taken corrective action / obtained EAC opinion in respect of repeat comment of C&AG office relating in method of recognition of Government Grants, if not, comment on the same to be incorporated in Auditors Report.	Yes, During the year, GUVNL, the holding company has obtained EAC opinion on cited matter and based on the EAC opinion on Government Grant accounting, the company has taken corrective action. In accordance with IND AS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' and Ind AS 1 'Presentation of Financial Statements' the company has retrospectively restated its Balance Sheet as at March 31, 2020 and Apr 1, 2019 and Statement of Profit and Loss for the year ended Mar 31, 2020.

For S K Kabra and Company  
Chartered Accountants  
FRN 104508W

CA ANURAG MURARKA  
Partner  
MNo111030

Date:22-09-2021  
Place: Ahmedabad



# Uttar Gujarat Vij Company Limited

CIN - U40102GJ2003SGC042906

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## ANNEXURE 'E' TO AUDITORS' REPORT

SECTOR SPECIFIC SUB DIRECTIONS UNDER SECTION 143 (5) OF THE COMPANIES ACT, 2013  
FOR FINANCIAL YEAR 2020-21

### NAME & ADDRESS OF THE COMPANY-

Uttar Gujarat Vij Company Ltd., R&C Office, Visnagar Road, Mehsana, Gujarat 384001

SR. NO.	QUESTIONNAIRE	RESPONSE / REMEDIAL MEASURES
1	Has the company entered into agreements with franchise for distribution of electricity in selected areas and revenue sharing agreements adequately protect the financial interest of the company	The Company has not entered into any agreement with franchisees for distribution of electricity.
2	Report on the efficacy of the system of billing and collection of revenue in the company	<p>The consumer base comprises of two categories i.e. HT and LT Consumers:</p> <p>In HT Billing, billing (meter reading, bill preparation and serving the bill) is done from 15th to 18th of the month for normal consumers. In case of Open access consumers, billing is done on 1st of the next month by Division offices.</p> <p>Due to huge numbers of consumers in LT category, LT Billing is bifurcated in two way i.e. monthly billing cycle and bi-monthly billing cycle. Meter reading in Monthly billing cycle is carried out from every 15th to 20th of the month &amp; in bi-monthly billing cycle, meter reading is carried out from every 21st of month to 10th of succeeding month. After collection of meter reading data, bill printing process is carried out and bills are served to the consumers by sub-division offices.</p>
3	Whether tamper proof meters have been installed for all consumers? If not then, examine how accuracy of billing is ensured	The Company is having total 38,08,322 nos. of Consumers as on 31-03-2021. Out of the same 36,56,775 nos. of Consumers are metered and 1,51,547 nos. of Consumers are un-metered. For all the metered consumers as stated above the Company has installed the static meters and electro mechanical meters. For remaining 1,51,547 nos. of consumers tariff is charged on the basis of contract load which is approved by GERC





# Uttar Gujarat Vij Company Limited

CIN - U40102GJ2003SGC042906

## 18<sup>th</sup> Annual Report-2020-2021

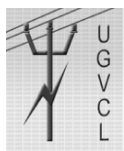


4	Whether the Company recovers and accounts, the State Electricity Regulatory Commission (SERC) approved Fuel and Power Purchase Adjustment Cost (FPPAC)	Based on approval for FPPAC by GERC on quarterly basis, the company recovers and accounts the same in subsequent billing cycles to all consumers.												
5	Whether the reconciliation of receivables and payables between the generation, distribution and transmission companies has been completed. The reasons for difference may be examined	The receivables and payables between the generation, transmission and distribution companies has been reconciled and confirmed by each of the associate company. The confirmations are also sought for amount payable for purchase of power from wind farm and solar energy suppliers.												
6	Whether the Company is supplying power to franchisees, if so, whether the Company is not supplying power to franchisees at below its average cost of purchase	The Company has no franchisees for distribution of power.												
7	How much tariff roll back subsidies have been allowed and booked in the accounts during the year? Whether the same is being reimbursed regularly by the State Government shortfall if any may be commented.	<div>During the year, Company has been allocated following subsidies for Agriculture and Waterworks (Gram Panchayats) consumers</div> <table><tr><th>Particulars</th><th>Amount (Rs. in Lakhs)</th></tr><tr><td>Agriculture - Tariff Compensation</td><td>71,981.93</td></tr><tr><td>Agriculture subsidy for FPPA</td><td>1,85,210.63</td></tr><tr><td>HP based Subsidy</td><td>58,836.93</td></tr><tr><td>Waterworks (Gram Panchayats)</td><td>30,669.70</td></tr><tr><td>Total</td><td>3,46,699.19</td></tr></table> <div>through Holding Company GUVNL : The claim of the subsidy has been made by the GUVNL, Holding Company on behalf of all the distribution companies. The claim of subject subsidy is reported and presented in the books of GUVNL itself and hence, we are not able to comment on the shortfall of the subsidy, if any.</div>	Particulars	Amount (Rs. in Lakhs)	Agriculture - Tariff Compensation	71,981.93	Agriculture subsidy for FPPA	1,85,210.63	HP based Subsidy	58,836.93	Waterworks (Gram Panchayats)	30,669.70	Total	3,46,699.19
Particulars	Amount (Rs. in Lakhs)													
Agriculture - Tariff Compensation	71,981.93													
Agriculture subsidy for FPPA	1,85,210.63													
HP based Subsidy	58,836.93													
Waterworks (Gram Panchayats)	30,669.70													
Total	3,46,699.19													

For S K Kabra and Company  
Chartered Accountants  
FRN 104508W

Date:22-09-2021  
Place: Ahmedabad

CA ANURAG MURARKA  
Partner  
MNo111030



# Uttar Gujarat Vij Company Limited

CIN - U40102GJ2003SGC042906

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## ANNEXURE 'F' TO AUDITORS' REPORT (Refer paragraph no.1 of ANNEXURE "B")

Sr. No.	Name of offices	Details of land of which the account balances have been transferred as per GOG notification no. GHU-2006-91-GUV-1106-590-K dated 03-10-2006 to Company and are held in the name of the erstwhile GEB. [Rs. in lakhs]
1	SABARMATI O & M DIVISION	8.01
2	BAVALA O & M DIVISION	4.89
3	GANDHINAGAR O & M DIVISION	2.11
4	KALOL (O & M) DIVISION	0.49
5	MODASA O & M DIVISION	0.54
6	IDAR O & M DIVISION	2.01
7	TALOD O & M DIVISION	0.36
8	HIMATNAGAR O & M DIVISION	0.27
9	MEHSANA O & M CIRCLE	0.24
10	KADI O & M DIVISION	0.51
11	MEHSANA O & M DIVISION	0.32
12	PATAN O & M DIVISION	0.93
13	VIJAPUR O & M DIVISION	1.47
14	VISNAGAR O & M DIVISION	0.53
15	DEESA O & M DIVISION	0.81
16	RADHANPUR O & M DIVISION	0.39
17	PALANPUR-II DIVISION	0.84

For S K Kabra and Company  
Chartered Accountants  
FRN 104508W

CA ANURAG MURARKA  
Partner  
MNo111030

Date:22-09-2021  
Place: Ahmedabad



# Uttar Gujarat Vij Company Limited

CIN - U40102GJ2003SGC042906

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## Balance Sheet as at 31<sup>st</sup> March, 2021

(₹ in Lakhs)

Particulars	Note No	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020*	As at 1 <sup>st</sup> April, 2019*
<b>ASSETS</b>				
<b>(1) Non-Current Assets</b>				
(a) Property, Plant and Equipment	2	5,24,820.41	4,94,030.19	4,54,695.99
(b) Capital Work-in-Progress	3	7,750.48	10,553.51	11,119.23
(c) Intangible assets	2	22.32	38.11	21.03
(d) Financial Assets				
(i) Loans	4	435.99	422.99	393.92
(ii) Other Financial Assets	5	4,624.27	4,274.74	3,177.27
<b>Total Non-Current Assets</b>		<b>5,37,653.47</b>	<b>5,09,319.54</b>	<b>4,69,407.44</b>
<b>(2) Current Assets</b>				
(a) Inventories	6	19,227.27	24,440.73	14,216.83
(b) Financial Assets				
(i) Trade Receivables	7	89,388.12	81,635.04	80,675.34
(ii) Cash and Cash equivalents	8	7,226.85	1,292.72	5,901.32
(iii) Bank Balances other than those mentioned in cash & cash equivalents		-	-	1.55
(iv) Loans	9	295.88	448.74	596.61
(v) Other Financial assets	10	2,02,409.43	1,39,586.39	1,24,007.84
(c) Current Tax Assets (Net)	11	3,285.21	3,463.83	2,354.90
(d) Other Current Assets	12	307.86	104.94	91.95
(e) Assets Classified as held for Sale	13	148.73	151.38	161.70
<b>Total Current Assets</b>		<b>3,22,289.35</b>	<b>2,51,123.77</b>	<b>2,28,008.04</b>
<b>Total</b>		<b>8,59,942.82</b>	<b>7,60,443.31</b>	<b>6,97,415.48</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
(a) Equity Share Capital	14	62,667.66	59,259.45	55,633.08
(b) Other Equity	15	2,75,436.37	2,45,538.83	2,18,985.48
<b>Total Equity</b>		<b>3,38,104.03</b>	<b>3,04,798.28</b>	<b>2,74,618.56</b>
Deferred Government Grants, Subsidies & Consumers' Contributions	16	1,75,407.71	1,65,110.70	1,53,620.81
<b>Liabilities</b>				
<b>(1) Non-Current Liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings	17	2,625.08	3,223.86	4,127.10
(ii) Other Financial liabilities	18	1,80,162.44	1,62,473.71	1,44,868.46
(b) Provisions	19	21,545.45	19,170.21	18,161.72
(c) Deferred Tax Liabilities (Net)	20	5,563.50	2,450.89	(1,143.93)
<b>Total Non-current Liabilities</b>		<b>2,09,896.47</b>	<b>1,87,318.67</b>	<b>1,66,013.35</b>

\*Refer Note No.44



# Uttar Gujarat Vij Company Limited

CIN - U40102GJ2003SGC042906

## 18<sup>th</sup> Annual Report-2020-2021



(₹ in Lakhs)

Particulars	Note No	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020*	As at 1 <sup>st</sup> April, 2019*
<b>(2) Current Liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings		-	-	567.64
(ii) Trade Payables	21			
(A) due to micro enterprises and small enterprises		-	-	-
(B) due to other than micro enterprises and small enterprises		696.34	575.16	347.08
(iii) Other Financial Liabilities	22	30,210.17	29,904.85	26,417.53
(b) Other Current Liabilities	23	83,074.45	54,047.73	61,976.24
(c) Provisions	24	22,553.65	18,687.92	13,854.27
<b>Total Current Liabilities</b>		<b>1,36,534.61</b>	<b>1,03,215.66</b>	<b>1,03,162.76</b>
<b>Total</b>		<b>8,59,942.82</b>	<b>7,60,443.31</b>	<b>6,97,415.48</b>
<b>Significant Accounting Policies and Notes to Financial Statements</b>	1-49			

\*Refer Note No.44

As per our report of even date attached  
For S K Kabra And Company  
Chartered Accountants  
F.R. No.104508W

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

CA Anurag Murarka  
M. No.:-111030

Shahmeena Husain, IAS  
Chairperson  
DIN-03584560

K. S. Randhawa, IFS  
Managing Director  
DIN-07151040

Place: Ahmedabad  
Date: 22-Sep-2021

R. M. Jain, ACA  
Chief Financial Officer  
Place: Vadodara  
Date: 22-Sep-2021

N.M. Joshi, FCS  
Company Secretary



# Uttar Gujarat Vij Company Limited

CIN - U40102GJ2003SGC042906

18<sup>th</sup> Annual Report-2020-2021



## Statement of Profit and Loss for the period ended 31<sup>st</sup> March, 2021

(₹ in Lakhs)

	Particulars	Note No	For the year ended 31 <sup>st</sup> March, 2021	For the year ended 31 <sup>st</sup> March, 2020*
I	Revenue from operations	25	12,79,094.12	12,90,621.18
II	Other Income	26	15,408.44	13,872.63
III	<b>Total income (I+II)</b>		<b>12,94,502.56</b>	<b>13,04,493.81</b>
IV	<b>EXPENSES</b>			
	Purchase of Power	27	11,64,602.12	11,79,605.05
	Employee Benefits Expense	28	51,978.06	49,331.58
	Finance Costs	29	8,347.64	10,167.36
	Depreciation and amortization expense	2	36,701.37	33,390.83
	Other Expenses	30	19,509.84	19,064.08
	<b>Total expenses (IV)</b>		<b>12,81,139.03</b>	<b>12,91,558.90</b>
V	<b>Profit before tax (III-IV)</b>		<b>13,363.53</b>	<b>12,934.91</b>
VI	<b>Tax Expense:</b>	31		
	Current Tax		2,106.60	1,683.68
	Deferred Tax		3,827.74	5,445.39
VII	<b>Profit for the year (V-VI)</b>		<b>7,429.19</b>	<b>5,805.84</b>
VIII	<b>Other comprehensive income (OCI)</b>			
	(a) Items that will not be reclassified to profit or loss		-	-
	(i) Re-measurement of the defined benefit plans		(2,046.58)	(5,295.76)
	- tax impact		715.16	1,850.55
	<b>Total of Other comprehensive income (OCI) (VIII)</b>		<b>(1,331.42)</b>	<b>(3,445.21)</b>
IX	<b>Total comprehensive income for the year (Comprising Profit / (Loss) and other comprehensive income for the period) (VII+VIII)</b>		<b>6,097.77</b>	<b>2,360.63</b>
X	<b>Earnings per Equity Share:</b>	32		
	Basic (in ₹)		1.24	1.02
	Diluted (in ₹)		1.24	1.02
See accompanying notes to the Financial Statements				

\*Refer Note No.44

As per our report of even date attached  
For S K Kabra And Company  
Chartered Accountants  
F.R. No.104508W

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

CA Anurag Murarka  
M. No.:-111030

Shahmeena Husain, IAS  
Chairperson  
DIN-03584560

K. S. Randhawa, IFS  
Managing Director  
DIN-07151040

Place: Ahmedabad  
Date: 22-Sep-2021

R. M. Jain, ACA  
Chief Financial Officer  
Place: Vadodara  
Date: 22-Sep-2021

N.M. Joshi, FCS  
Company Secretary



# Uttar Gujarat Vij Company Limited

CIN - U40102GJ2003SGC042906

18<sup>th</sup> Annual Report-2020-2021



## Cash Flow Statement for the year ended 31<sup>st</sup> March, 2021

(₹ in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March, 2021	For the year ended 31 <sup>st</sup> March, 2020*
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax	13,363.53	12,934.91
<u>Adjustments to reconcile profit before tax to net cash flows:</u>		
Depreciation and amortization	36,701.37	33,390.83
Re-measurement of Defined Benefit Plan	(2,046.58)	(5,295.76)
(Gain)/Loss on sale of PPE (net)	(3.77)	(20.31)
Loss on Obsolescence assets	0.81	1.21
Miscellaneous Write off	107.29	150.63
Deferred Income (Capital Grant & Consumer Contribution Written Back)	(12,970.23)	(12,223.54)
Interest income	(362.41)	(90.43)
Finance costs	8,347.64	10,167.36
Impairment for Doubtful receivables	1,119.29	1,250.32
<u>Working capital adjustments:</u>		
<b>(Increase)/ Decrease in Non-Current and Current Assets:</b>		
Inventories	5,106.18	(10,286.42)
Trade receivables	(8,872.37)	(2,298.13)
Other financials assets	(62,958.08)	(16,486.36)
Other non financial assets	(202.92)	(12.99)
<b>Increase / (Decrease) in Non-Current and Current Liabilities:</b>		
Trade Payables	121.18	228.08
Other Financial Liabilities	20,664.68	19,506.60
Other non Financial Liabilities & Provisions	35,267.69	(2,086.37)
	<b>33,383.30</b>	<b>28,829.63</b>
Income tax (paid)/ Refund	(1,927.98)	(2,792.60)
<b>Net cash flows from operating activities (A)</b>	<b>31,455.32</b>	<b>26,037.03</b>
<b>Investing activities</b>		
Purchase of property, plant and equipment (including CWIP)	(65,032.04)	(71,871.12)
Sale of fixed assets	363.06	223.81
(Increase)/ Decrease in Assets not in use	1.84	9.10
Bank Balances not considered as Cash and Cash Equivalents	-	1.55
Interest received (finance income)	287.78	19.57
<b>Net cash flows used in investing activities (B)</b>	<b>(64,379.36)</b>	<b>(71,617.09)</b>
<b>Financing activities</b>		
Proceeds from Share Application Money / Proceeds from Issue of Share Capital	27,207.98	27,819.09
Deferred Govt. Grants, Subsidy & Contributions	23,267.23	23,713.43
Proceeds / (Repayment) from borrowing (net)	(1,073.69)	(1,432.59)
Interest & financial charges	(10,543.35)	(9,128.47)
<b>Net cash flows from/(used in) financing activities (C)</b>	<b>38,858.17</b>	<b>40,971.46</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>5,934.13</b>	<b>(4,608.60)</b>
Cash and cash equivalents at the beginning of the year	1,292.72	5,901.32
<b>Cash and Cash equivalents at year end</b>	<b>7,226.85</b>	<b>1,292.72</b>

\*Refer Note No.44





# Uttar Gujarat Vij Company Limited

CIN - U40102GJ2003SGC042906

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<b>Cash &amp; Bank Balances consists of the following:</b>		
<b>Cash &amp; Cash Equivalents</b>		
a. Balances with Banks	4,941.62	681.70
b. Cash on hand	2.76	2.46
c. Others	2,282.47	608.56
<b>Closing Cash &amp; Cash Equivalents</b>	<b>7,226.85</b>	<b>1,292.72</b>
The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard (Ind AS) 7 "Cash Flow Statement" prescribed under the Companies (Accounting Standards) Rules, 2015.		
Previous year figures have been regrouped wherever necessary.		

\*Refer Note No.44

**As per our report of even date attached  
For S K Kabra And Company  
Chartered Accountants  
F.R. No.104508W**

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

**CA Anurag Murarka  
M. No.:-111030**

**Shahmeena Husain, IAS  
Chairperson  
DIN-03584560**

**K. S. Randhawa, IFS  
Managing Director  
DIN-07151040**

**R. M. Jain, ACA  
Chief Financial Officer**

**N.M. Joshi, FCS  
Company Secretary**

**Place: Ahmedabad  
Date: 22-Sep-2021**

**Place: Vadodara  
Date: 22-Sep-2021**



# Uttar Gujarat Vij Company Limited

CIN - U40102GJ2003SGC042906

18<sup>th</sup> Annual Report-2020-2021



## Statement of Changes in Equity for the year ended on 31<sup>st</sup> March, 2021

### Equity Share Capital

(₹ in Lakhs)

Particulars	Amount
Balance as on 1st April, 2019	55,633.08
Changes during the year	3,626.37
Balance as on 31st March, 2020	59,259.45
Changes during the year	3,408.21
<b>Balance as on 31st March, 2021</b>	<b>62,667.66</b>

### Other Equity

(₹ in Lakhs)

Particulars	Retained Earnings	Securities Premium	Share Application money pending allotment	Total
<b>Balance as at 31st March, 2019</b>	<b>26,998.75</b>	<b>2,09,981.35</b>	-	<b>2,36,980.10</b>
Impact as per Ind AS 8 (Refer Note No. 44)	(17,994.62)	-	-	(17,994.62)
<b>Balance as at 1st April, 2019(restated)</b>	<b>9,004.13</b>	<b>2,09,981.35</b>	-	<b>2,18,985.48</b>
Profit for the year	5,805.84	-	-	5,805.84
Other comprehensive income for the year(net of Tax)	(3,445.21)	-	-	(3,445.21)
<b>Total Comprehensive Income for the year</b>	<b>2,360.63</b>	-	-	<b>2,360.63</b>
Addition/(reduction) during the year	-	24,192.72	-	24,192.72
<b>Balance as at 31st March, 2020</b>	<b>11,364.76</b>	<b>2,34,174.07</b>	-	<b>2,45,538.83</b>
Profit for the year	7,429.19	-	-	7,429.19
Other comprehensive income for the year (net of Tax)	(1,331.42)	-	-	(1,331.42)
<b>Total Comprehensive Income for the year</b>	<b>6,097.77</b>	-	-	<b>6,097.77</b>
Addition/(reduction) during the year	-	23,799.77	-	23,799.77
<b>Balance as at 31st March, 2021</b>	<b>17,462.53</b>	<b>2,57,973.84</b>	-	<b>2,75,436.37</b>

As per our report of even date attached  
For S K Kabra And Company  
Chartered Accountants  
F.R. No.104508W

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

CA Anurag Murarka  
M. No.:-111030

Shahmeena Husain, IAS  
Chairperson  
DIN-03584560

K. S. Randhawa, IFS  
Managing Director  
DIN-07151040

R. M. Jain, ACA  
Chief Financial Officer

N.M. Joshi, FCS  
Company Secretary

Place: Ahmedabad  
Date: 22-Sep-2021

Place: Vadodara  
Date: 22-Sep-2021



## **NOTES TO THE FINANCIAL STATEMENTS**

### **1. Corporate information and Significant Accounting Policies**

#### **1.1. Corporate information**

Uttar Gujarat Vij Company Limited ('UGVCL' or 'the Company') is a public limited company domiciled and incorporated in India having its registered office at Visnagar Road, Mehsana - 384 001. The Company is mainly engaged in distribution of power. The Principal places of business are located in Gujarat, India.

Pursuant to the enactment of the Electricity Act, 2003 and the Gujarat Electricity Industry (Reorganization and Regulation) Act, 2003, Government of Gujarat (GoG) has issued various notifications, resolutions and Transfer Schemes for vesting of the assets, liabilities, proceedings and personnel from erstwhile Gujarat Electricity Board (GEB) to the Government of Gujarat (GoG) and then to reconstitute the same into initially six companies i.e. one Generation Company, one Transmission Company and four Distribution Companies (Thereinafter referred to as Successor companies). Uttar Gujarat Vij Company Limited is one of these four Distribution Companies, registered under the provisions of Companies Act, 2013. (Herein after referred to as Successor Company.)

On reorganization of GEB by the Government of Gujarat, the shares issued to and allotted in the name of GEB were transmitted w.e.f 1st April, 2005, by operation of law, in the name of Gujarat Urja Vikas Nigam Limited (GUVNL), a company promoted by Government of Gujarat to carry out the residual functions of erstwhile GEB.

Consequent on such transmission and transfer of shares to GUVNL and its nominees, the entire share capital of the Company is held by GUVNL and the Company has become the wholly owned subsidiary of GUVNL, a Government Company within the meaning of the Companies Act, 2013 (Herein after referred to as 'the Act').

GoG issued notification No.: GHU-2006-91-GUV-1106-590-K dated 3rd October, 2006 notifying the final opening balance sheet of the Company as on 01/04/2005 containing the value of the assets and liabilities of the distribution activities which stand transferred from erstwhile GEB to the Company as specified in Annexure-F appended to the notification.

#### **1.2. Recent accounting pronouncements:**

The Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards/ Ind AS) Amendment Rules, 2021 on June 18, 2021, whereby the amendments to various Indian Accounting Standards has been made applicable with the immediate effect from the date of the notification i.e., effective for financial year ended March 31, 2022, onwards.

The amendments made vide aforesaid notification dated June 18, 2021, are largely clarificatory and editorial in nature, the Company is evaluating the requirements of the same and its effect on the Financial Statements is not likely to be material.

#### **1.3. Significant Accounting Policies**

##### **(i) Statement of Compliance**

These financial statements are prepared in accordance with Indian Accounting Standards ("Ind AS"), under Section 133 of the Act read together with the Companies (Indian Accounting Standards) Rules, 2015 as amended except in so far as the said provisions are inconsistent with the provisions of the Electricity Act, 2003.



**(ii) Basis of measurement**

These financial statements are prepared in accordance with Ind ASs, under the historical cost convention on the accrual basis except for certain assets and liabilities which are measured at fair value / amortized cost / net present value at the end of each reporting period; as explained in the accounting policies below. These accounting policies have been applied consistently over all periods presented in these financial statements.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

As the operating cycle cannot be identified in normal course due to the special nature of industry, the same has been assumed to have duration of 12 months. Accordingly, all assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in Ind AS-1 'Presentation of Financial Statements' and Schedule III to the Companies Act, 2013.

The Financial Statements are presented in Indian Rupees and all values are rounded off to the nearest two decimal lakhs except otherwise stated.

Claims of suppliers / contractors for price variation are accounted for on its acceptance.

**Fair Value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

**(iii) Property, Plant & Equipment**

Property, Plant & Equipment (PPE) comprises of Tangible assets. PPE are stated at cost, net of tax/duty credit availed, if any, after reducing accumulated depreciation and accumulated impairment losses, if any; until the date of the Balance Sheet. The cost of PPE comprises of its purchase price or its construction cost (net of tax/duty credit availed, if any), any cost directly attributable to bring the asset



into the location and condition necessary for it to be capable of operating in the manner intended by the management and decommissioning costs. Direct costs are capitalized until the asset is ready for use and includes borrowing cost capitalised in accordance with the Company's accounting policy.

Transition to Ind AS: On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2015, measured as per the previous GAAP, and use the "carrying value" as the deemed cost of such property, plant and equipment.

Capital works -in - progress includes the cost incurred on PPE that are not yet ready for the intended use and is capitalised whenever ready for use. All directly attributable expenditures are allocated to the projects on pro rata basis to the accretion made to respective projects. However, directly attributable expenditure of Corporate Office and field offices are allocated to Capital works – in – progress at the predetermined rate having regard to amount of directly attributable expenditure incurred during the year.

Land and Buildings held for use in the supply of goods or services, or for administrative purposes, are stated in the Balance Sheet at cost less accumulated depreciation and impairment losses, if any. Freehold land is not depreciated.

Capital Spares which can be used only in connection with an item of tangible assets and whose use is not of regular nature are capitalized at cost, as property plant and equipment and depreciated over the residual useful life of the plant.

Subsequent cost are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Subsequent costs relating to day to day servicing of the item are not recognised in the carrying amount of an item of property, plant and equipment; rather, these costs are recognised in the statement of profit and loss as and when incurred.

Property Plant & Equipments also includes service equipments, at the time of initial recognition the Company classifies these items as inventory. Subsequently these items are classified either in Property, Plant and Equipment through Capital Work in Progress or capitalised as service equipment.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labor, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located. PPE are stated at cost, net of tax/duty credit availed, if any, after reducing accumulated depreciation until the date of the Balance Sheet. Directly attributable costs are capitalised until the asset is ready for use in accordance with the Company's accounting policy of capitalisation.

An item of PPE is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the PPE. Any gain or loss arising on the disposal or retirement of an item



## Uttar Gujarat Vij Company Limited

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of PPE is determined as the difference between the sales proceeds and the carrying amount of the PPE and is recognised in the Statement of Profit and Loss.

#### Depreciation

Depreciation of these PPE commences when the assets are available for intended use.

The Company, being engaged in electricity business, is covered under the Electricity Act, 2003 and provisions of the Electricity Act supersede the provisions of the Companies Act, 2013. Accordingly, the Company charges depreciation on straight line method at the depreciation rates, the methodology and the residual value as prescribed in GERC (MYT) Regulations, 2016.

The rates / range of depreciation of property, plant and equipment are as follows:

Asset Description	Rates/Range
Buildings	3.34%
Hydraulic Works	5.28%
Other Civil Works	3.34%
Plant & Machinery	5.28% to 9.50%
Lines & Cable Net-Work	Upto 5.28%*
Vehicles	9.50%
Furniture-Fix & Elect-Light & Fan Installations	6.33%
Office Equipments	6.33%
Computers	15%
Software	30%

\* Upto 12 years of useful life. Thereafter, the remaining carrying value of assets, net of residual value, is depreciated over remaining useful life of assets i.e. 23 years.

Depreciation on additions/deletions to PPE during the year is provided for on a pro-rata basis with reference to the date of additions/deletions, except low value items not exceeding ₹ 5,000/- which are fully depreciated at the time of addition. Depreciation on subsequent expenditure on PPE arising on account of capital improvement or other factors is provided for prospectively over the remaining useful life.

The estimated useful life, residual values and depreciation method are reviewed on an annual basis and if necessary, changes in estimates are accounted for prospectively.

#### (iv) Intangible Assets and amortisation

Intangible Assets with finite useful life are recognized only if it is probable that future economic benefits that are attributable to the assets will flow to the enterprise and the cost of assets can be measured reliably. The Intangible Assets are recorded at cost and are carried at cost less accumulated amortization and accumulated impairment losses, if any.





The Company amortizes Computer Software on straight line method as per the methodology in accordance with GERC (MYT) Regulations, 2016. Accordingly, it has been amortized over the estimated period of benefit, not exceeding three years.

The Company had elected to continue with the carrying value of all of its intangible assets recognised as of 1st April, 2015 (transition date) measured as per the Previous GAAP and used that carrying value as its deemed cost as of the transition date.

The estimated useful life is reviewed at the end of each reporting period and the effect of any changes in estimate is accounted for prospectively.

An Intangible Asset is derecognized when no future economic benefits are expected from its use. Gains or losses arising from derecognition of an intangible asset, measured as the difference between net disposal proceeds and carrying amount of the asset, are recognized in the Statement of Profit and Loss when the asset is derecognized.

**(v) Impairment of tangible and intangible assets**

The company reviews at each reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss. If at the end of reporting period, there is an indication that there is change in the previously assessed impairment loss, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

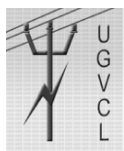
For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

**(vi) Non-current assets held for sale**

The Company classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use of the assets and actions required to complete such sale indicate that it is unlikely that significant changes to the plan to sell will be made or that the decision to sell will be withdrawn. Also, such assets are classified as held for sale only if the management expects to complete the sale within one year from the date of classification.

Non-current assets or disposal groups classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell.

Property, plant and equipment and intangible assets are not depreciated or amortized once classified as held for sale.



**(vii) Government Grants and consumer contributions**

Government grants (including subsidies) are not recognized until there is reasonable assurance that it will be received and the Company will comply with the conditions associated with the grants.

Grants that compensate the Company for the cost of an asset and contributions by consumers towards items of property, plant and equipment and intangible assets, which require an obligation to provide grid connectivity to the consumers are initially set up as deferred income and recognised the statement of Profit and Loss on a systematic basis over the period and in proportions of depreciation expense of the assets. Grants that compensate the Company for expenses incurred are recognized over the period in which the related costs are incurred and shown separately.

**(viii) Inventories**

The inventories are valued on following basis:

**Stores/ Spares:** - At Weighted average cost or Net Realizable Value (NRV) whichever is lower

**Scrap** – At estimated Net Realizable value (Net Realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expense)

Inventory consists of stock of items which are used interchangeably for capital expenditure or for regular repairs and maintenance purposes. Since ultimate use of such stock items are indeterminate at the initial recognition, the Company classifies such items as inventory. These items are classified subsequently either in Property, Plant and Equipment through Capital Work in Progress / as service equipment or expense in the Statement of Profit and Loss as and when it is so used.

**(ix) Revenue Recognition**

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services.

Revenue is measured at the transaction price of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties.

Contract assets are recognized when there is right to consideration in exchange for goods or services that are transferred to a customer and when that right is conditioned on something other than the passage of time. Contract assets are classified as unbilled receivables (only act of invoicing is pending) as per contractual terms.

**Revenue from power related business:**

Revenue from sale of power: Revenue from sale of power (including Deviation Settlement Mechanism (Unscheduled Interchange)) is recognised on accrual basis for energy supplied in accordance with the tariff orders awarded by Gujarat Electricity Regulatory Commission (GERC) as applicable.

Surplus power, sold to GUVNL is accounted on the basis of credit notes / Invoices received from GUVNL.



### **Other Operating Revenue**

Income in respect of delayed payment charges (except for cases where suits are filed in the court) is accounted on the basis of actual realization of late payment against outstanding energy bills.

Revenue Subsidies as allocated by GUVNL (Holding Company) are accounted on accrual basis and credited to Profit & Loss account.

Income from Supervision charges on execution of work is accounted on the basis of completion of work.

Recoveries from theft of power / malpractices, wheeling charges are recognized on accrual basis. Miscellaneous charges from consumers and others are recognized on acceptance basis except when ultimate realization of such income is certain.

### **Other income**

Amount in respect of unclaimed / undisputed Security Deposit, Earnest Money Deposit, Deposit of Temporary Consumers and Miscellaneous Deposit of suppliers and contractors which is pending for more than three years and which, in the opinion of management is not payable, is considered as income.

Income from sale of scrap are accounted for on the basis of actual realization.

Discount received is considered as a financing transaction and hence the same is recognised as other income.

Interest on investment is booked on a time proportion basis taking into account the amounts invested and the rate of interest.

Claims lodged with the Insurance Company in respect of risks covered are accounted for as and when the claim is received.

Dividend Income is accounted in the year in which the right to receive the dividend is established.

Other Incomes are recognized on accrual basis except when ultimate realization of such income is uncertain.

### **(x) Foreign Exchange Transactions**

Transactions in foreign currency are accounted for at the exchange rate prevailing on the transaction date. Gains/ losses arising on settlement on translation of monetary items are recognised in the Statement of Profit and Loss. Exchange differences arising on monetary items that, in substance, form part of the Company's net investment in a foreign operation (having a functional currency other than Indian Rupees) are accumulated in Foreign Currency Translation Reserve.

### **(xi) Leases**

The Company assesses at contract inception whether a contract is, or contains, a lease i.e. if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.



**A. Leases as Lessee (Assets taken on lease)**

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

**i. Lease Liabilities:**

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating a lease, if the lease term reflects the Company exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components, except for leases where the company has elected to use practical expedient not to separate non-lease payments from the calculation of the lease liability and ROU asset where the entire consideration is treated as lease component.

**ii. Right-of-use Assets:**

The Company recognises right-of-use (ROU) assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of use assets are subject to impairment. If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.



Modifications to a lease agreement beyond the original terms and conditions are generally accounted for as a re-measurement of the lease liability with a corresponding adjustment to the ROU asset. Any gain or loss on modification is recognized in the Statement of Profit and Loss. However, the modifications that increase the scope of the lease by adding the right to use one or more underlying assets at a price commensurate with the stand-alone selling price are accounted for as a separate new lease. In case of lease modifications, discounting rates used for measurement of lease liability and ROU assets is also suitably adjusted.

**iii. Short-term leases and leases of low-value assets:**

The Company applies the short-term lease recognition exemption to its short-term leases of Property, Plant and Equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term or another systematic basis if that basis is more representative of the pattern of the lessee's benefit.

**B. Leases as Lessor (assets given on lease)**

When the company acts as lessor, it determines at the commencement of the lease whether it is a finance lease or an operating lease. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease except where another systematic basis is more representative of the time pattern of the benefit derived from the asset given on lease.

**(xii) Employee Benefits**

Employee benefits include salaries, wages, contribution to provident fund, gratuity, leave encashment, compensated absences and retirement benefits.

**Short-term employee benefits**

Short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised undiscounted during the period employee renders services. These benefits include remuneration, bonus, incentives etc.

**Long-term employee benefits**

**Defined contribution plans**

Retirement benefit plans in the form of contribution to provident fund, pension fund and superannuation schemes are charged as an expense on an accrual basis when employees have rendered the services.

**Defined benefit plans**

For defined retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each reporting period. Re-



measurement, comprising actuarial gains and losses and the effect of the changes to the asset ceiling (if applicable), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur and consequently recognised in retained earnings and is not reclassified as profit or loss.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of reductions in future contributions to the plans.

#### **Other long term employee benefits**

Other long term employee benefits comprises of leave encashment. The leave benefits are recognized based on the present value of defined obligation which is computed using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. These are accounted either as current employee cost or included in cost of assets as permitted.

#### **(xii) Taxes on Income**

Income tax expense represents the sum of the current tax expense and deferred tax.

##### **Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

##### **Deferred tax**

Deferred tax is recognized on temporary differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax basis used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.





Minimum Alternate Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the company will pay normal income tax during the specified period.

**Current and deferred tax for the year**

Current and deferred tax are recognised in Statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

**(xiv) Borrowing Costs**

Borrowing Cost specifically identified to the acquisition or construction of qualifying assets is capitalised as part of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to the Statement of Profit and Loss.

Income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

**(xv) Provisions, Contingent Liabilities and Contingent Assets**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Contingent liabilities are disclosed in the financial statements by way of notes to accounts, unless possibility of an outflow of resources embodying economic benefit is remote.

Contingent assets are not recognised but disclosed in the financial statements when an inflow of economic benefit is probable.

**(xvi) Material prior period errors**

Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which the error occurred. If the error occurred before the earliest period presented, the opening balances of assets, liabilities and equity for the earliest period presented, are restated.



**(xvii) Earnings per share**

Basic earnings per share is computed by dividing the profit / (loss) by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by adjusting the figures used in the determination of basic EPS to take into account:

- After tax effect of interest and other financing costs associated with dilutive potential equity shares.
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

**(xviii) Segment Reporting**

In accordance with Ind AS 108, the operating segments used to present segment information are identified on the basis of internal reports used by the Company's Management to allocate resources to the segments and assess their performance. The Board of Directors is collectively the Company's 'Chief Operating Decision Maker' or 'CODM' within the meaning of Ind AS 108.

**(xix) Events occurring after the Reporting Period**

Material adjusting events (that provides evidence of condition that existed at the end of reporting period) occurring after the end of reporting period are recognised in the financial statements. Non adjusting events (that are indicative of conditions that arose subsequent to the end of reporting period) occurring after the end of reporting period that represents material change and commitment affecting the financial position are disclosed in the financial statements.

**(xx) Financial instruments**

Financial assets and financial liabilities are recognised when Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value, except when the effect is immaterial. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the Statement of profit and loss.

**Financial assets**

**Cash and cash equivalents**

The company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash

equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

**Financial assets at amortised cost**

Financial assets are subsequently measured at amortised cost using the effective interest method, except when the effect of applying it, is immaterial, if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**Financial assets at fair value through other comprehensive income**

Financial assets (including investments) are subsequently measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value of equity investments not held for trading.

**Financial assets at fair value through profit or loss**

Financial assets (including investments) are subsequently measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition.

**Impairment of Financial assets**

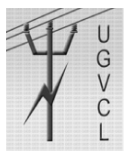
The Company assesses at each balance sheet date whether a financial asset or a group of financial assets are impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to 12 month expected credit losses or at an amount equal to lifetime expected losses, if the credit risk on the financial asset has increased significantly since initial recognition.

Further for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the company has used a practical expedient as permitted under Ind AS 109 i.e expected credit loss allowance as computed based on historical credit loss experience.

**De-recognition of financial assets**

The Company de-recognises a financial assets when the contractual rights to the cash flows from the assets expire, or when it transfers the financial assets and substantially all the risks and rewards of ownership of the assets to another party.

On de-recognition of a financial assets in its entirety, (except for equity instruments designated as



FVTOCI), the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in statement of profit and loss.

### **Financial liabilities and equity instruments**

#### **Classification as debt or equity**

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

#### **Financial liabilities at amortized cost**

Financial liabilities are subsequently measured at amortised cost using the effective interest method.

#### **Equity instruments**

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Equity instruments issued by the company are recorded at the proceeds received.

#### **De-recognition of financial liabilities**

The Company de-recognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability de-recognised and the consideration paid and payable is recognised in the statement of profit or loss.

#### **Effective interest method**

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument or where appropriate, a shorter period, to the net carrying amount on initial recognition.

### **(xxi) Critical Accounting Judgements and Key Sources of Estimation Uncertainty**

In the course of applying the policies outlined in all notes under note 1 above, the management of the Company are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

#### **Critical judgments and Estimates in applying accounting policies**

The following are the critical judgements and estimations that the Management have made in the process of applying the Company's accounting policies and that have the significant effect on the



amounts recognised in the Financial Statements.

**(a) Useful life of property, plant and equipment <sup>2</sup>**

The estimated useful life of property, plant and equipment is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

Useful life of the assets of the distribution of electricity business is determined by the CERC/GERC Tariff Regulations in accordance with Schedule II of the Companies Act, 2013.

The Company reviews at the end of each reporting date the useful life of property, plant and equipment, other than the assets of distribution of electricity business which are governed by CERC/GERC Regulations, and are adjusted prospectively, if appropriate.

**(b) Evaluation of directly attributable costs<sup>2</sup>**

The Company capitalises the directly attributable costs to bring the Property, Plant and Equipment into the location and condition necessary for it to be capable of operating in the manner intended by the management. In assessing the directly attributable costs other than borrowing costs, the management has exercised judgement to evaluate a number of factors including the resources applied for direct construction related activity, enabling activities, ordinary operations of the Company, level of construction related activity compared to company's operating activity, consideration of the costs charged to external parties for similar works undertaken as well as experience of group companies engaged in distribution business. Based on this assessment and particularly considering experience across the group companies engaged in distribution business, the management estimates a capitalisation rate of directly attributable costs to be applied on the expenditures on the relevant assets. The management reviews this capitalisation rate on a periodic basis and any change in the rate is applied prospectively.

**(c) Evaluation of indicators for impairment of Property, Plant and Equipment <sup>2</sup>**

The evaluation of applicability of indicators of impairment of assets requires assessment of external factors (significant decline in asset's value, economic or legal environment, market interest rates etc.) and internal factors (obsolescence or physical damage of an asset, poor economic performance of the asset etc.) which could result in significant change in recoverable amount of the Property, Plant and Equipment.

**(d) Security deposits <sup>2</sup>**

Considering the historical experience and practical expediency, the Company has exercised its judgement on timing of settlement of security deposit related to energy billed collected from the customers and has accordingly classified the material portion of security deposit as non-current liability or current liability as the case may be.



(e) Impairment of Trade receivables<sup>2</sup>

The Company estimates the credit allowance as per practical expedient based on historical credit loss experienced as enumerated in note-7.

(f) Deferred tax assets<sup>2</sup>

Deferred tax assets are recognised for unused tax losses / credits to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

The Company has assessed and evaluated that the taxes paid in the previous years on grant income recognized in the earlier years, which is corrected by restating the opening retained earnings and the comparative period, to be an uncertain tax treatment as per Ind AS 12. The Company has assessed that this is a case of higher income offered to tax in the earlier years and consequently higher tax being paid cumulatively, which would be available as and when the grant balance as corrected is again recognized in the profit or loss in the future period.

(g) Government Grants, Subsidies and Consumer Contribution<sup>1 2</sup>

(a) The grants i.e. revenue subsidies are not recognised until there is reasonable assurance that the Company will receive the grants and will comply with the conditions attached to them. Management judgement is required to determine when reasonable assurance is attained, based on historical experience of receipts including the quantum of aggregation, approved budget estimates of Government of Gujarat, likely timing and consideration of claim acceptance/rejection. Based on this assessment, the Company judges that in the case of revenue subsidies, there is reasonable assurance of complying with the conditions and receiving the subsidies as approved in the budget estimates of every year and the remaining subsidies which are receivable/claimable would be recognised when reasonable assurance is attained.

(b) The Company is not able to correlate grants/consumer contributions received against each individual asset given the manner, mode and timing of accrual and receipt of such grants, as disclosed in the financial statements of the Company of the earlier years. During the current year, based on the Expert Advisory Committee Opinion of the Institute of Chartered Accountants of India (EAC Opinion), the Company has recognised grants and the consumer contribution in the profit or loss, based on the factual position and circumstances, to more closely align with the depreciation charged on the depreciable assets against which grants are received. The Company, has made following specific assumptions for a better and more reliable impact on the statement of profit and loss:

- i) Identification of grants/consumer contribution to line assets only;
- ii) Amortization for the entire year in the year of receipt of grant/consumer contributions; and



iii) Amortization of the entire amount of grants / consumer contribution over the period of amortization and not restricted to salvage value of the assets.

**(h) Defined benefit obligation (DBO)<sup>2</sup>**

Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, medical cost trends, mortality rate, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

**(i) Contingent liabilities<sup>2</sup>**

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible but not probable of crystallising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognised. Potential liabilities that are remote are neither recognised nor disclosed as contingent liability. The management decides whether the matters needs to be classified as 'remote', 'possible' or 'probable' based on expert advice, past judgements, experiences etc.

**(j) Impairment of investments<sup>2</sup>**

At the end of each reporting period, the Company reviews the carrying amounts of it's investments when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

**(k) Net Realisable Value Determination in case of Inventory<sup>1</sup>**

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. Inventories held for use in the process of sale of power are not written down below cost where power is being sold at or above cost of distribution. At the end of the reporting period, the Company has assessed and evaluated that the sale of power in the future period will be at a margin to cover the cost of the inventories held as at the year end and hence net realisable value of inventory held at year end is higher than the cost of the inventory.

1 Critical accounting judgments

2 Key sources of estimation uncertainties





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### NOTES TO THE FINANCIAL STATEMENTS

(₹ in Lakhs)													
Particulars / Assets	TANGIBLE ASSETS							INTANGIBLE ASSETS			Grand Total		
	Free Hold Land	Buildings	Hydraulic works	Other Civil works	Plant & Machinery	Lines & Cable Net Work	Vehicles	Furniture & Fixtures & Ele.Lightings	Office Equipments	Computers	Total	Computer Softwares	Total
<b>GROSS BLOCK</b>													
At 1 <sup>st</sup> April 2019	8,539.57	6,269.82	25.44	9,068.01	1,64,348.61	3,66,727.43	450.95	1,064.09	376.50	1,990.67	5,58,861.09	23.25	5,58,884.33
Additions	-	164.12	-	33.03	22,461.08	49,818.58	5.14	128.33	37.56	263.98	72,911.82	33.81	72,945.63
Deduction/Adjustments	-	2.54	-	-	187.80	118.59	2.30	2.18	5.12	0.17	318.70	-	318.70
At 31 <sup>st</sup> March 2020	8,539.57	6,431.39	25.44	9,101.04	1,86,621.89	4,16,427.42	453.79	1,190.24	408.94	2,254.48	6,31,454.20	57.05	6,31,511.26
Additions	68.52	333.05	-	178.63	20,545.88	45,362.08	76.71	41.82	24.42	1,202.18	67,833.30	1.77	67,835.07
Deduction/Adjustments	-	15.50	-	1.11	527.93	611.17	24.25	3.87	0.08	5.39	1,189.29	-	1,189.29
At 31 <sup>st</sup> March 2021	8,608.09	6,748.95	25.44	9,278.57	2,06,639.84	4,61,178.33	506.25	1,228.20	433.28	3,451.27	6,98,098.22	58.82	6,98,157.04
<b>ACCUMULATED DEPRECIATION</b>													
At 1 <sup>st</sup> April 2019	-	809.40	11.61	1,046.94	32,098.95	68,593.09	114.41	284.13	84.98	1,121.60	1,04,165.11	2.22	1,04,167.32
Charge for the year	-	227.50	1.91	307.51	10,722.82	21,746.37	49.74	79.40	25.57	213.28	33,374.10	16.73	33,390.83
Deduction/Adjustments	-	1.47	(0.00)	(0.00)	24.96	84.06	2.08	2.18	0.46	-	115.20	-	115.20
At 31 <sup>st</sup> March 2020	-	1,035.43	13.51	1,354.45	42,796.81	90,255.41	162.08	361.35	110.09	1,334.88	1,37,424.01	18.94	1,37,442.95
Charge for the year	-	238.54	1.36	310.49	11,583.88	24,156.16	50.54	84.96	26.58	231.30	36,683.81	17.55	36,701.37
Deduction/Adjustments	-	6.89	(0.00)	0.40	375.99	415.58	21.82	3.87	0.07	5.39	830.01	-	830.01
At 31 <sup>st</sup> March 2021	-	1,267.07	14.87	1,664.54	54,004.70	1,13,995.99	190.80	442.44	136.60	1,560.80	1,73,277.81	36.50	1,73,314.31
<b>Net Block</b>													
At 31 <sup>st</sup> March 2020	8,539.57	5,395.96	11.93	7,746.59	1,43,825.08	3,26,172.01	291.71	828.89	298.85	919.60	4,94,030.19	38.11	4,94,068.30
At 31 <sup>st</sup> March 2021	8,608.09	5,481.88	10.57	7,614.03	1,52,635.14	3,47,182.34	315.45	785.76	296.68	1,890.47	5,24,820.41	22.32	5,24,842.73
<b>2(a). Legal ownership (titles) of immovable assets:</b> The immovable properties, which have been transferred to company by erstwhile GEB are held in the name of GEB or UGVCL. The procedure for the registration and / or transfer in the name of the Company is under process.													
Refer Note No.33 - Leases													



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### 3 Capital Work-in-Progress

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Capital Work-in-Progress	7,750.48	10,553.51
<b>Total</b>	<b>7,750.48</b>	<b>10,553.51</b>

The bifurcation of total Capital Work-in-Progress is as under:

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Plant and Machinery	1,200.88	1,764.63
Lines and Cable Network	5,132.06	6,378.14
Other Misc. Capital Work in Progress	1,417.54	2,410.74
<b>Total</b>	<b>7,750.48</b>	<b>10,553.51</b>

Borrowing costs amounting to ₹ NIL (P.Y. ₹ 508.79 Lakhs) has been capitalized during the year. Interest rate of 9.00 % (P.Y. 9.00 %) is considered for capitalization.

### 4 Non-Current Loans (Asset)

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
<b>Secured Considered Good</b> Loans to Staff	435.99	422.99
<b>Total</b>	<b>435.99</b>	<b>422.99</b>

Loans to staff are secured by way of hypothecation of house / vehicle for which the loans have been given.

### 5 Other Non-Current Financial Assets

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
<b>Secured Considered Good</b>		
Interest Accrued But Not Due on Staff Loans	505.00	529.51
Interest Accrued & Due on Staff Loans	48.37	64.94
<b>Unsecured Considered Good</b>		
Deposits with Others	282.92	286.17
Recoverable from Consumers for SKY Project	3,787.98	3,394.12
<b>Total</b>	<b>4,624.27</b>	<b>4,274.74</b>



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### 6 Inventories

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
<b>Stores, Spares and Scrap</b>		
Stock of materials at stores	15,337.90	20,060.16
Materials at Site (O&M)	753.82	805.62
Other Materials Accounts	3,135.55	3,574.95
Material Stock excess / shortage pending Investigation	276.66	275.87
Provision for Material stock excess / shortage pending investigation	(276.66)	(275.87)
<b>Total</b>	<b>19,227.27</b>	<b>24,440.73</b>
Cash Credit Limit is secured against the 1 <sup>st</sup> hypothecation charge in favour of Consortium Bank Members on the Stocks and Book Debts. Refer note 1.3 (viii) for valuation policy.		

### 7 Trade Receivables

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
<b>Trade Receivables</b>		
Unsecured Considered Good *	92,338.39	84,620.38
Doubtful E D & TSE	(1,224.85)	(1,243.82)
Allowance for bad and doubtful debts (refer note below)	(1,725.42)	(1,741.52)
<b>Total (A)</b>	<b>89,388.12</b>	<b>81,635.04</b>
Unposted Receipts.	-	-
<b>Total (B)</b>	<b>-</b>	<b>-</b>
<b>Credit impaired</b>		
Dues from Consumers (Net of SD forfeited)	9,897.27	8,978.06
Allowance for bad and doubtful debts (refer note below)	(9,897.27)	(8,978.06)
<b>Total (C)</b>	<b>-</b>	<b>-</b>
<b>Total (A-B+C)</b>	<b>89,388.12</b>	<b>81,635.04</b>
*Receivables have been secured to the extent of security deposit as reflected in note no.18 as well as bank guarantee received from the respective Consumers		



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### Age of Trade Receivables: (₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Less than or equal to 6 months	86,431.29	79,414.09
More than 6 months	5,907.10	5,206.29
<b>Total</b>	<b>92,338.39</b>	<b>84,620.38</b>

Trade Receivables for sale of power includes the Provision for unbilled revenue in respect of the bills issued upto 31st March, 2021 amounting to ₹ **82,221.84 Lakhs (P.Y. ₹ 71,787.82 Lakhs)**.

The Company assesses expected credit loss to be provided for from its Consumers by using a practical expedient as permitted under Ind AS 109 i.e. expected credit loss allowance as computed based on historical credit loss experience and the ageing of the receivable balances.

Generally, the credit period on sales of electrical energy is 10 to 25 days. Interest is charged at agreed rate as per contract terms on the overdue balance.

Cash Credit Limit is secured against the 1st hypothecation charge in favour of Consortium Member Banks on the Stocks and Book Debts.

### 8 Cash and Cash Equivalents (₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Balances with banks	4,941.62	681.70
Cheques on Hand	786.30	103.63
Cash on hand	2.76	2.46
Remittance in Transit	1,496.17	504.93
Deposits with banks (Maturity within three months)	-	-
<b>Total</b>	<b>7,226.85</b>	<b>1,292.72</b>

### 9 Current Loans (₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
<b>Secured Considered Good</b>		
Loans to Staff	156.51	298.76
<b>Unsecured Considered Good</b>		
Other Loans and Advances	139.37	149.98
<b>Total</b>	<b>295.88</b>	<b>448.74</b>

Loans to staff are secured by way of hypothecation of house / vehicle for which the loans have been given.



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### 10 Other Current Financial Assets (₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
<b>Secured, considered good</b>		
Interest Accrued & Due on Staff Loans	89.26	99.80
Interest Accrued but not due on Staff Loans & Advances	110.85	116.23
<b>Unsecured, Considered Good</b>		
Unbilled Revenue	28,362.12	15,117.05
Amount recoverable from employee / ex-employees	3.37	97.95
Other Recoverables	1,164.84	683.57
Recoverable from Consumers for SKY Project	738.64	557.38
Deposits	537.95	535.18
<b>Receivables from associates</b>		
- Gujarat Urja Vikas Nigam Ltd. (Holding Company)	1,71,402.40	1,22,379.23
<b>Total</b>	<b>2,02,409.43</b>	<b>1,39,586.39</b>

The balances of fellow subsidiary companies have been transferred to GUVNL (Holding Company) after due reconciliation and confirmation.

\*Refer Note No.44

### 11 Current Tax Assets (Net of liabilities) (₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
<b>Current Tax Assets</b>		
Tax Refund Receivable	14,708.08	12,780.10
<b>Current Tax Liability</b>		
Income Tax Payable	(11,422.87)	(9,316.27)
<b>Total</b>	<b>3,285.21</b>	<b>3,463.83</b>

### 12 Other Current Assets (₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
<b>Unsecured, Considered Good</b>		
Prepaid Expenses	272.03	69.34
Postage Stamps & Agreement Stamps on hand	29.98	29.78
Advances for O&M Supplies/Works	5.24	5.75
GST TDS	0.61	0.07
<b>Total</b>	<b>307.86</b>	<b>104.94</b>



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### 13 Assets classified as held for Sale

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Plant and Machinery	50.10	67.51
Line and Cable Network	93.15	75.83
Vehicles	3.42	4.41
Furniture & Fixtures	1.26	1.26
Office Equipments	0.80	2.37
<b>Total</b>	<b>148.73</b>	<b>151.38</b>

In respect of all such assets of the Company classified as “Assets classified as held for sale”, the management is of the opinion that the NRV of the same is higher than their net carrying value due to very old assets and upward trend in the scrap market. In view of this the Company does not recognise any impairment loss in the Statement of Profit & Loss.

The Company has classified certain assets as asset held for sale as it intends to dispose off the same within a year and has measured the asset at lower of carrying amount and the fair value less costs to sell resulting in Impairment Loss of ₹ 0.81 lakhs (P.Y. ₹ 1.21 lakhs). This loss is included in "Other Expenses" in Statement of Profit and Loss.

During the current year, the assets have been sold for total consideration of ₹553.37 lakhs resulted into profit on sale of non-current asset of ₹ 3.77 Lakhs (P.Y. ₹ 20.31 Lakhs) recorded under 'Other Income (Note No.26).

### 14 Equity Share Capital

#### a Equity Share Capital consist of the following:

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
<b>Share Capital</b>		
<b>Equity Share Capital</b>		
<b>Authorised Share capital</b>		
150,00,00,000 ( P.Y. : 150,00,00,000)		
Equity Shares of ₹ 10 each	1,50,000.00	1,50,000.00
<b>Issued Share Capital</b>		
62,66,76,568 (P.Y.: 59,25,94,466)		
Equity Shares of ₹ 10 each	62,667.66	59,259.45
<b>Subscribed &amp; Paid up</b>		
62,66,76,568 (P.Y.: 59,25,94,466)		
Equity Shares of ₹ 10 each	62,667.66	59,259.45
<b>Total</b>	<b>62,667.66</b>	<b>59,259.45</b>



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- b A reconciliation of number of shares outstanding at the beginning and at the end of reporting period is as under:**

Particulars	No. of Shares	Share Capital (₹ in Lakhs)
As at 1st April,2019	55,63,30,800	55,633.08
Additions/(Reductions)	3,62,63,666	3,626.37
As at 31st March,2020	59,25,94,466	59,259.45
As at 1st April,2020	59,25,94,466	59,259.45
Additions/(Reductions)	3,40,82,102	3,408.21
As at 31st March,2021	62,66,76,568	62,667.66

- c Details of shares held by the holding Company are classified as under:**

Particulars	No. of Shares	
	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Gujarat Urja Vikas Nigam Limited & its Nominees	62,66,76,568	59,25,94,466

- d Shares in the company held by share holders holding more than 5% is as under:**

Particulars	As at 31 <sup>st</sup> March, 2021	
	No. of shares	Extent of Holding
Gujarat Urja Vikas Nigam Limited & its Nominees	62,66,76,568	100%

Particulars	As at 31 <sup>st</sup> March, 2020	
	No. of shares	Extent of Holding
Gujarat Urja Vikas Nigam Limited & its Nominees	59,25,94,466	100%

- e Rights, preferences and restrictions attached to shares:**

The company has only one class of equity shares. For all matters submitted to vote on a poll in a shareholders meeting of the Company every holder of an equity share as reflected in the records of the Company on the date of the shareholders meeting shall have voting right in proportion to his share in the paid up Equity Share Capital of the Company. Any dividend declared by the company shall be paid to each holder of Equity shares in proportion to the number of shares held to total equity shares outstanding as on that date. In the event of liquidation of the Company all preferential amounts if any, shall be discharged by the Company. The remaining assets of the Company shall be distributed to the holders of equity shares in proportion to the number of shares held to the total equity shares outstanding as on that date.





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## 15 Other Equity

### a Other Equity consist of the following:

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Securities Premium Account	2,57,973.84	2,34,174.07
Retained Earnings	17,462.53	11,364.76
<b>Total</b>	<b>2,75,436.37</b>	<b>2,45,538.83</b>

\*Refer Note No.44

### b Particulars relating to Other Equity

(₹ in Lakhs)

Other Equity	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
<b>(a) Equity Securities Premium Account</b>		
Share Premium Account (other wise than in cash)		
Opening Balance	2,34,174.07	2,09,981.35
Add: Received during the year	23,799.77	24,192.72
<b>(A)</b>	<b>2,57,973.84</b>	<b>2,34,174.07</b>
<b>Total Equity Share Premium Account</b>	<b>2,57,973.84</b>	<b>2,34,174.07</b>
<b>Share Application Money pending allotment</b>		
Opening Balance	-	-
Increase/(Decrease) during the year	-	-
<b>(B)</b>	<b>-</b>	<b>-</b>
<b>Retained Earnings</b>		
Opening Balance	11,364.76	9,004.13
Net profit after tax transferred from Statement of Profit and Loss	7,429.19	5,805.84
Other comprehensive income arising from remeasurement of defined benefit obligation net of Income tax	(1,331.42)	(3,445.21)
<b>(C)</b>	<b>17,462.53</b>	<b>11,364.76</b>
<b>Total</b>	<b>2,75,436.37</b>	<b>2,45,538.83</b>

### (c) Equity Securities Premium Account

Securities premium reserve is used to record the premium on issue of equity shares. The reserve is utilised in accordance with the provisions of the Act.



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### 16 Deferred Government Grants, Subsidies & Consumers' Contributions

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Government Grants, Subsidies towards Capital Assets	51,432.82	49,534.10
Consumers' Contribution towards Capital Assets	1,23,974.89	1,15,576.60
<b>Total</b>	<b>1,75,407.71</b>	<b>1,65,110.70</b>

\*Refer Note No.44

#### 16.1 Particulars relating to Deferred Government Grants, Subsidies and Consumers' Contributions

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
<b>Govt. Grants &amp; Subsidies towards cost of Capital Assets</b>		
Opening balance	49,534.11	45,806.89
Received during the year (Net)	5,485.66	7,967.63
Written back to statement of Profit and Loss	(3,586.95)	(4,240.42)
<b>Closing balance</b>	<b>51,432.82</b>	<b>49,534.10</b>
<b>Consumer Contribution towards Capital Assets</b>		
Opening balance	1,15,576.60	1,07,813.92
Received during the year (Net)	17,781.57	15,745.80
Written back to statement of Profit and Loss	(9,383.28)	(7,983.12)
<b>Closing balance</b>	<b>1,23,974.89</b>	<b>1,15,576.60</b>
<b>Total</b>	<b>1,75,407.71</b>	<b>1,65,110.70</b>

\*Refer Note No.44

#### 16.2

The Government Grants received are in capital nature of Electrification of Hutment, Sagar Khedu Scheme, Kutir Jyoti, Electrification of Schedule Caste basti, Sardar Krushi Jyoti Yojna, Smart grid project, Jyoti Gram Yojna, and Surya Shakti Kisan Yojna, for purchase of property, plant and equipment. There are no unfulfilled conditions or contingencies attached to these grants.



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(₹ in Lakhs)

Grant received during the year comprises of	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Grant towards Cost of Capital Assets	5,485.66	7,967.63
Consumer's contribution towards Cost of Capital Assets	17,781.57	15,745.80
<b>Total</b>	<b>23,267.23</b>	<b>23,713.43</b>

### 17 Non-Current Borrowings

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
<b>Secured Loans</b>		
<b>Loan from Banks and Financial Institutions</b>		
Loan from Power Finance Corporation	1,237.18	1,298.87
<b>State Government Loans (Allocated by GUVNL)</b>		
Loan under APDRP	268.03	425.09
ADB Prog. & Proj. Loan	1,119.87	1,499.90
<b>Total</b>	<b>2,625.08</b>	<b>3,223.86</b>

### 17.1 Current Maturity of Long Term Debts (Borrowings)

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
<b>Secured Loans</b>		
<b>Loan from Banks and Financial Institutions</b>		
Loan from Power Finance Corporation	1,060.30	1,471.26
<b>State Government Loans (Allocated by GUVNL)</b>		
Loan under APDRP	157.07	221.02
ADB Prog. & Proj. Loan	380.03	380.03
<b>Total</b>	<b>1,597.40</b>	<b>2,072.31</b>

### 17.2 Common loans raised by GUVNL:

GUVNL raises fund by issue of bonds as well as borrowing from Banks, Financial Institutions, GoG and other Public Sector Undertakings for common usages of GUVNL and its subsidiaries. The repayment and interest of these borrowings are reimbursed by the Company to GUVNL. Facilities sharing agreement between Bank, GUVNL and its subsidiaries have been executed. Consequently, the part amount of loan outstanding from Banks and Financial Institutions are disclosed under the head 'Long Term Borrowings / Short term borrowings' and maturity pattern, terms of repayment and security as disclosed below are as per the information provided by the GUVNL.



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(₹ in Lakhs)

17.3	Particulars	Maturity Period			Total
		Upto 2 Years	Next 2 Years	Beyond 4 Years	
	<b>Secured Loans</b>				
	<b>Loan from Banks and Financial Institutions</b>				
	Loan from Power Finance Corporation	1,127.77	154.51	1,015.20	2,297.48
	<b>State Government Loans (Allocated by GUVNL)</b>				
	Loan under APDRP	314.13	110.97	-	425.10
	ADB Prog. & Proj. Loan	760.07	622.22	117.61	1,499.90
	<b>Total</b>	<b>2,201.97</b>	<b>887.70</b>	<b>1,132.81</b>	<b>4,222.48</b>

## 17.4 Repayment Terms

Particulars	Periodicity
Loan from Power Finance Corporation	Monthly
Loan under APDRP	Yearly
ADB Prog. & Proj. Loan	Yearly

## 17.5 Term Loans consists of following:

(₹ in Lakhs)

Term Loans	No. of Instalments Due after the Balance Sheet Date	Amount of each Instalment	Current Maturities of each Loan	Amount of Each Loan Outstanding
<b>Loan from Power Finance Corporation</b>				
31-03-21 (Interest Rate - 9.00 %) - RAPDRP-A	-	-	998.61	998.61
31-03-21 (Interest Rate - 9.00 %) - RAPDRP-B	90	7.52	24.08	318.45
31-03-21 (Interest Rate - 9.00 %) - SCADA-A	-	-	-	-
31-03-21 (Interest Rate - 9.00 %) - SCADA-B	138	14.57	37.61	980.42
31-03-20 (Interest Rate - 9.00 %) - RAPDRP-A	-	-	998.61	998.61
31-03-20 (Interest Rate - 9.00 %) - RAPDRP-B	100	7.52	22.01	340.47
31-03-20 (Interest Rate - 9.00 %) - SCADA-A	7	138.39	416.25	416.25
31-03-20 (Interest Rate - 9.00 %) - SCADA-B	148	14.57	34.39	1,014.80
<b>Loan under APDRP</b>				
31-03-21 (Interest Rate - 10.69 %)	4	221.02	221.02	425.10
31-03-20 (Interest Rate - 10.69 %)	5	221.02	221.02	646.11
<b>ADB Prog. &amp; Proj. Loan</b>				
31-03-21 (Interest Rate - 12.18 %)	7	380.03	380.03	1,499.90
31-03-20 (Interest Rate - 12.18 %)	8	380.03	380.03	1,879.93



**17.6**

**A.** Loan from PFC is secured against 1st hypothecation of assets constructed or under construction, under the new financed assets under RAPDRP-A and SCADA-A projects. As per PFC letter no. 04:06:R-APDRP:2016-17:Vol-V:G15/45526 dated 03.02.2017 and letter no. 04:06:R-APDRP:G15:2018-19/058176 dated 01.08.2018, as the loan is to be converted into grant as the project is successfully completed within the extension provided by the PFC, the repayment made till date against this loan has been considered as repayment towards Loan's Principal Amount.

**B. Loans availed by erstwhile GEB, consequently apportioned:**

The loans which were raised by erstwhile G.E.B. from State Government (loan under APDRP) relating to generation, transmission and distribution activities and were used for common purposes are continued in the books of GEB / (now GUVNL) on behalf of all transferee companies and the same have been apportioned under FRP Notification dated 3rd October, 2006, amongst all transferee companies and the same loans have been accounted by the Company as “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 Non current borrowings under non-current liabilities and current borrowings under current liabilities as per repayment schedule given by GUVNL.

**C. Registration of the Charge on Asset:**

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

**D. Common loans raised by GUVNL:**

GUVNL raises fund by issue of bonds as well as borrowing from Banks, Financial Institutions, GoG and other Public Sector Undertakings for common usages of successor Companies. The repayment and interest of these borrowings are reimbursed by the Company to GUVNL. Facilities sharing agreement between GUVNL and successor Companies have been executed. Consequently, the part amount of loan outstanding from Banks and Financial Institutions are disclosed under the head 'Long/Short Term Borrowings' and maturity pattern, terms of repayment and security as disclosed above are as per the information provided by the GUVNL.



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### 18 Other Non-Current Financial Liabilities (₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Staff Welfare Schemes	19.20	41.07
Security deposit from consumers	1,74,986.76	1,57,637.84
Staff Related Liabilities/Staff retirement benefit	1,368.50	1,400.68
Payable to Government (SKY project)	3,787.98	3,394.12
<b>Total</b>	<b>1,80,162.44</b>	<b>1,62,473.71</b>

### 19 Long - Term provisions (₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
<b>Provision for Employee Benefits</b>		
Provision for Leave Encashment	21,545.45	19,170.21
<b>Total</b>	<b>21,545.45</b>	<b>19,170.21</b>

### 20 Deferred Tax Liabilities (Net)

The following is the analysis of Deferred Tax (Assets)/Liabilities presented in the Balance Sheet:

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Deferred Tax Assets	(80,031.54)	(75,261.55)
Deferred Tax Liabilities	85,595.04	77,712.44
<b>Total</b>	<b>5,563.50</b>	<b>2,450.89</b>

\*Refer Note No.44

**Deferred Tax (Assets) / Liabilities is worked out as under:**
**FY 2020-21**

(₹ in Lakhs)

Particulars	Opening Balance	Recognized in profit and loss	Recognized in Other Comprehensive Income	Closing Balance
<b>Deferred Tax Liability on account of:</b>				
Depreciation	77,712.44	7,882.60		85,595.04
<b>Deferred Tax Asset on account of:</b>				
Employee Benefits	(7,019.49)	(1,213.54)	715.16	(7,517.87)
Provision for Doubtful Debts	(3,745.85)	(315.58)		(4,061.43)
Deferred Income on government grant	(17,569.22)	947.84		(16,621.38)
Carried forward of unused Tax Losses	(37,859.92)	(2,786.19)		(40,646.11)
Carried forward of unused Tax Credits	(9,067.07)	(2,117.68)		(11,184.75)
<b>Net Deferred Tax (Assets)/Liabilities</b>	<b>2,450.89</b>	<b>2,397.45</b>	<b>715.16</b>	<b>5,563.50</b>

**FY 2019-20**

(₹ in Lakhs)

Particulars	Opening Balance	Recognized in profit and loss	Recognized in Other Comprehensive Income	Closing Balance
<b>Deferred Tax Liability on account of:</b>				
Depreciation	66,685.16	11,027.28		77,712.44
<b>Deferred Tax Asset on account of:</b>				
Employee Benefits	(5,237.68)	(3,632.36)	1,850.55	(7,019.49)
Provision for Doubtful Debts	(3,402.64)	(343.21)		(3,745.85)
Deferred Income on government grant	(17,232.30)	(336.92)		(17,569.22)
Carried forward of unused Tax Losses	(34,462.03)	(3,397.89)		(37,859.92)
Carried forward of unused Tax Credits	(7,494.44)	(1,572.63)		(9,067.07)
<b>Net Deferred Tax (Assets)/Liabilities</b>	<b>(1,143.93)</b>	<b>1,744.27</b>	<b>1,850.55</b>	<b>2,450.89</b>





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### 21 Trade Payables

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
<b>Trade Payable*</b>		
(i) Dues of Micro & Small Enterprise	-	-
(ii) Dues other than Micro & Small Enterprise	696.34	575.16
<b>Total</b>	<b>696.34</b>	<b>575.16</b>

21.1 The amount due to Micro and Small Enterprises as defined in the “The Micro, Small and Medium Enterprises Development Act, 2006” has been determined to the extent such parties have been identified on the basis of information available with the Company. The disclosures relating to Micro and Small Enterprises are as below:

(₹ in Lakhs)

Total outstanding dues of Micro and Small Enterprises*	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year	-	-
Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	-	-
Interest accrued and remaining unpaid as at of end of each accounting year	-	-
Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise	-	-

**\*Based on the confirmation from Vendors.**



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## 22 Other Current Financial Liabilities

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
<b>Current maturities of Long Term Debt:</b>		
<b>Secured:</b>		
Loan from Financial Institutions	1,060.30	1,471.26
<b>Unsecured:</b>		
<b>State Government Loans (Allocated by GUVNL)</b>		
Loan under APDRP	157.07	221.02
ADB Prog. & Proj. Loan	380.03	380.03
Payable to Government (SKY project)	738.64	557.38
Amount payable to EESL	420.87	128.45
Payable to Gujarat Energy Training & Research Institute (GETRI)	6.93	36.60
Interest Accrued and Due on Loans from Banks	-	0.90
Interest accrued but not due on Loans	589.40	1,135.85
Interest payable on consumers security Deposit	6,722.67	8,371.03
Staff Related Liabilities	11.99	13.07
Staff Retirement cum Death Benefit Scheme	300.40	317.36
Unclaimed amount relating to Bonds	0.59	0.59
Deposits & Retentions from Suppliers / Contractors	8,663.13	8,791.43
Liability for Capital Supplies / Works	9,127.65	7,705.15
Subsidy/Grant Received in Advance	966.92	608.89
Unspent CSR Amount	105.12	-
Deposits for Electrification & Service connection	812.16	-
Other Liabilities	146.30	165.84
<b>Total</b>	<b>30,210.17</b>	<b>29,904.85</b>



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### 23 Other Current Liabilities

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Statutory Liabilities	1,178.53	801.61
Deposits for Electrification & Service connection	20,605.73	8,898.39
Other Liability	273.20	308.29
Amount Received in Advance	61,012.92	44,034.90
Compounding of the Offence recovered from Consumers	4.07	4.54
<b>Total</b>	<b>83,074.45</b>	<b>54,047.73</b>

### 24 Short - Term Provisions

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
<b>Provision for Employee Benefits</b>		
Leave Encashment	992.42	2,144.15
Bonus	103.38	106.17
Others	21,457.85	16,437.60
<b>Total</b>	<b>22,553.65</b>	<b>18,687.92</b>



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## 25 Revenue from Operations

(₹ in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March, 2021	For the year ended 31 <sup>st</sup> March, 2020
<b>Income from Operating Activity</b>		
<b>Revenue from Sale of Power</b>		
Residential General Purpose (Domestic or Residential)	1,44,204.96	1,38,738.21
General Lighting Purpose (Commercial)	5,218.88	3,611.21
Low Tension Maximum Demand and Non-Residential General Purpose (Industrial low & medium voltage)	1,42,017.14	1,55,880.34
Industrial high voltage	5,19,896.13	5,40,576.64
Public lighting	-	3,456.27
Irrigation agricultural	3,12,250.54	3,07,670.22
Public water works and sewerage pumps	51,314.72	48,274.83
Licensees	-	92.36
Sale of Power to GUVNL	-	3,586.45
Deviation Settlement Mechanism Charges Income (UI)	15,857.02	14,170.10
	<b>11,90,759.39</b>	<b>12,16,056.63</b>
<b>Electricity Duty</b>		
Electricity Duty Assessed	91,081.54	1,00,679.20
Electricity Duty Assessed (Contra)	(91,081.54)	(1,00,679.20)
	-	-
<b>Other Operating Revenue</b>		
Recoveries for theft of power / Malpractices	1,794.67	2,006.99
Wheeling Charges Recoveries	177.55	97.38
Delayed payment charges from consumers	4,951.48	3,234.33
Cross Subsidy Surcharge	10,364.14	9,227.53
Addl. Surcharge	3,516.63	479.09
Parallel Operation Charge	71.84	110.66
Rebate for Prompt Payment	16.22	24.52
Miscellaneous Charges from Consumers & Others	8,605.27	8,800.56
Agriculture Subsidy	58,836.93	50,583.49
	<b>88,334.73</b>	<b>74,564.55</b>
<b>Total</b>	<b>12,79,094.12</b>	<b>12,90,621.18</b>



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## 26 Other Income

(₹ in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March, 2021	For the year ended 31 <sup>st</sup> March, 2020*
Interest Income		
-On staff advance	74.63	70.86
-On other loans and advance	139.81	15.45
-On Fixed Deposits	3.61	4.12
-Other interest from Banks	144.36	-
Grant for R&D Expenditure	75.59	195.25
Sale of material to related parties	105.02	245.59
Deferred Income (Capital Grant & Consumer Contribution Written Back)	12,970.23	12,223.54
Gain on sale of Fixed Assets (Net)	3.77	20.31
Miscellaneous Income**	1,891.42	1,097.51
<b>Total</b>	<b>15,408.44</b>	<b>13,872.63</b>

\*\* Misc. Income includes Penalty of ₹ 91.09 lakhs (P.Y. ₹ 161.54 lakhs) recovered from Agencies related to SKY Project.

\*Refer Note No.44

## 27 Purchase of Power

(₹ in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March, 2021	For the year ended 31 <sup>st</sup> March, 2020
Purchase of power from GUVNL	11,59,522.86	11,75,450.03
Purchase of power from Wind Turbine Generators	1,145.53	1,035.49
Purchase of power from Solar Generators	3,565.57	2,784.98
SLDC Charges	368.16	334.55
<b>Total</b>	<b>11,64,602.12</b>	<b>11,79,605.05</b>

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

## 28 Employee Benefits Expense

(₹ in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March, 2021	For the year ended 31 <sup>st</sup> March, 2020
Salaries and Allowances	49,244.77	46,920.83
Contribution to provident and other funds	4,610.48	4,500.45
Staff welfare expenses	823.47	470.13
Leave Encashment	3,089.58	3,504.68
Retirement and Other Benefits	1,835.70	2,194.18
Directly attributable cost capitalised	(7,625.94)	(8,258.69)
<b>Total</b>	<b>51,978.06</b>	<b>49,331.58</b>



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### 29 Finance Costs

(₹ in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March, 2021	For the year ended 31 <sup>st</sup> March, 2020
<b>Interest Expense</b>		
Interest on State Government Loans	226.67	290.06
Interest on Cash Credit and Working Capital	377.79	218.90
Interest to consumers on security deposits etc.	7,303.14	9,114.17
Interest on REC and PFC Loans	163.83	788.43
Interest on Income Tax	74.32	0.27
Other interest charges	174.68	236.50
<b>Other Borrowing Costs</b>		
Bank Charges, Commission and Others	27.21	27.82
Directly attributable cost capitalised	-	(508.79)
<b>Total</b>	<b>8,347.64</b>	<b>10,167.36</b>

**29.1** During the year, proportionate / allocated interest expenses on borrowings, taken by GUVNL on behalf of its subsidiary companies which are not directly allocable for any specific projects of the Company are charged to Statement of Profit and Loss.

**29.2** During the year, interest expense on loans taken for SCADA-A project amounting to ₹ NIL (P.Y. ₹ 508.79 Lakhs) has been capitalised as per Ind AS-23 "Borrowing Cost";

### 30 Other Expenses

(₹ in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March, 2021	For the year ended 31 <sup>st</sup> March, 2020
<b>(a) Repairs and Maintenance</b>		
- Plant and Machinery	3,997.48	3,659.43
- Building and Civil works	46.37	62.04
- Lines, Cable Network etc.	5,200.36	4,872.05
- Others	795.24	559.08
<b>Total (a)</b>	<b>10,039.45</b>	<b>9,152.60</b>
<b>(b) Administrative and General Expenses</b>		
Rent, Rates and Taxes	287.47	257.05
Insurance Expenses	66.84	41.40
Auditor's Remuneration	5.90	5.90
GERC License Fees	454.50	402.85
Legal, Professional & Technical Fees	56.13	88.48
Travelling and conveyances	3,326.94	3,093.32
Advertisement expenses	62.48	115.53
Corporate Social Responsibilities expenses	105.31	90.01
Electricity Charges	202.25	219.65
Directors' Sitting fees	1.36	1.77
Other Administration & general Expenses	4,334.05	4,566.48
Directly attributable cost capitalised	(1,127.08)	(1,264.37)
<b>Total (b)</b>	<b>7,776.15</b>	<b>7,618.07</b>



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<b>(c) Other Debit</b>		
Expenses for Energy Conservation	91.14	54.07
R&D Expense	75.59	195.25
Purchase of material from related parties	108.34	250.57
Assets written off	0.81	1.21
Miscellaneous Losses & Write-offs	294.63	402.67
Bad & Doubtful debts write-off**	4.44	139.32
<b>Provision for</b>		
-Bad & Doubtful debts	1,119.29	1,250.32
<b>Total (C)</b>	<b>1,694.24</b>	<b>2,293.41</b>
<b>Total</b>	<b>19,509.84</b>	<b>19,064.08</b>

\*\* GOG vide GR no. GUV-2016-3170-K-1-2842 dated 12.10.2017 has declared Amnesty Scheme-2017 effective from 25.04.2018 to 31.12.2018, which was subsequently extended with further amendments vide GR no.GUV-2016-3170-k-1 dated 19.02.2019 upto 31.05.2019 for various categories of consumers as one time settlement of their outstanding dues. Under this Scheme, the Company has waived off Principal dues amounting to ₹ NIL (P.Y. ₹ 132.06 lakhs) and delayed payment charges ₹ NIL (P.Y. ₹ 88.11 lakhs).

### 30.1 Auditor's Remuneration:

#### (A) Statutory Auditors:

(₹ in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March, 2021	For the year ended 31 <sup>st</sup> March, 2020
Audit Fees	5.90	5.90
Certifications fees	-	-
Other Services	-	-
Others	-	-
<b>Total (including GST)</b>	<b>5.90</b>	<b>5.90</b>

#### (B) Cost Auditors:

(₹ in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March, 2021	For the year ended 31 <sup>st</sup> March, 2020
Audit Fees	0.88	0.77
Other Services	-	-
<b>Total (including GST)</b>	<b>0.88</b>	<b>0.77</b>





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### 31 Tax Expense

(₹ in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March, 2021	For the year ended 31 <sup>st</sup> March, 2020 *
Current Tax	2,106.60	1,683.68
Deferred Tax (Refer note no. 20)	3,827.74	5,445.39
<b>Total</b>	<b>5,934.34</b>	<b>7,129.07</b>

\*Refer Note No.44

### 31.1 The income tax expense for the year can be reconciled to the accounting profit as follows:

(₹ in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March, 2021	For the year ended 31 <sup>st</sup> March, 2020
Profit before tax	13,363.53	12,934.91
Current tax expense at 34.944%	4,669.75	4,519.97
Tax Adjustment/Interest expense	25.97	111.05
(Income) / expense (net) not (taxable) / deductible	1,238.62	2,498.04
<b>Income tax expense recognised in profit or loss</b>	<b>5,934.34</b>	<b>7,129.07</b>

### Income tax recognised in other comprehensive income

(₹ in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March, 2021	For the year ended 31 <sup>st</sup> March, 2020
(a) Items that will not be reclassified to profit or loss	-	-
(i) Re-measurement of the defined benefit plans	(2,046.58)	(5,295.76)
- tax impact	715.16	1,850.55
<b>Total</b>	<b>(1,331.42)</b>	<b>(3,445.21)</b>

On 20 September, 2019, vide the Taxation Laws (Amendment) Ordinance 2019, the Government of India inserted Section 115BAA in the Income Tax Act, 1961 which provides domestic companies a non-reversible option to pay corporate tax at reduced rates effective 01 April 2019 subject to certain conditions. However, the Company having a significant amount of MAT credit entitlement at its disposal, has not exercised the option permitted under Section 115BAA. In view of the above, there is no impact of the new tax rate on the financial results for the year 2019-20

### 31.2 Unrecognised Deferred Tax Assets

(₹ in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March, 2021	For the year ended 31 <sup>st</sup> March, 2020
Unused Tax Losses	-	-
Unused Tax Credits	-	-



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## 32 Earnings per Equity share

(₹ in Lakhs)

Particulars		Year ended 31 <sup>st</sup> March, 2021	Year ended 31 <sup>st</sup> March, 2020
Profit after tax for the year attributable to equity shareholders		7,429.19	5,805.84
Weighted average number of Equity shares	Basic	59,67,82,396	56,67,81,284
	Diluted	59,67,82,396	56,67,81,284
Earnings per equity shares (₹)	Basic	1.24	1.02
	Diluted	1.24	1.02
Face value per equity share (₹)		10.00	10.00

## 33 Leases

(a) The Company has entered into dry lease arrangements for "E-Vehicles" during the F.Y.2019-20. The Company has considered such "E-Vehicles" as low value items, and hence, has opted for the exemption not to recognize right-of-use assets and lease liabilities for such lease arrangements having low value underlying asset.

(b) In respect of Lease Arrangements, which are cancellable without any significant penalty either by lessor or lessee by giving appropriate notice as per respective agreements, do not create enforceable rights and obligations between the parties and thus, do not constitute a contract. Accordingly, the Company does not apply Ind AS 116 on such Lease Arrangements.

(c) Amount Recognized in Statement of Profit and Loss for the year ended 31st March, 2021

Amount (₹ in Lakhs)		
Particulars	Year ended 31 <sup>st</sup> March, 2021	Year ended 31 <sup>st</sup> March, 2020
Expenses relating to lease of low-value assets, excluding short-term	14.58	1.66
<b>Total cash outflow for leases</b>	<b>14.58</b>	<b>1.66</b>

## 34 Employee benefit plans

### A Defined Contribution plans:

The Company has certain defined contribution plans. The Company makes contribution towards Employees' Provident Fund, Employees' Pension Scheme and Employees' Death Linked Insurance Scheme. Contributions are made at specified percentage of salary as per regulations. The contributions are made to registered provident fund administered by the Employees Provident Fund Organization (EPFO). The obligation of the company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expenses recognised during the period towards defined contribution plan is ₹ 4,679.74 Lakhs (P.Y. ₹ 4,568.12 Lakhs).



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### B Other long term benefit plan

The Company accounts for leave encashment on the basis of actuarial valuation carried out by Life Insurance Corporation of India at each year end. Liability for the current year of ₹ **3,089.58 Lakhs (P.Y. ₹ 3,504.68 Lakhs)** has been charged to statement of Profit and Loss. Leave obligation as at 31st March, 2021 and 31st March, 2020 is ₹ **22,537.87 Lakhs and ₹ 21,314.37 Lakhs** respectively.

The company has a Staff Voluntary Retirement-Cum-Death Benevolent Fund Scheme wherein an employee can become a member voluntarily. A monthly contribution is to be made by the members. Upon retirement employee will eligible to get an amount equivalent to his total "Contribution" along with simple interest at a specified rate from the date of joining the scheme or ₹ 10,000/- whichever is higher. In case of death of an employee, the nominee of the member shall eligible to get a determined amount of compensation out of the fund, if the employee was the member of the scheme. The charge to the statement of Profit and Loss for the year ended is ₹ **102.63 Lakhs (P.Y. ₹ 17.44 Lakhs)** The balance of such fund as at 31st March, 2021 and 31st March, 2020 is ₹ **1,368.50 Lakhs and ₹ 1,400.68 Lakhs** respectively.

### C Defined Benefits Plan Gratuity

The Company provides for gratuity for employees as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years and above are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contributions to LIC. The Company maintains a target level of funding to be done over a period of time based on estimations of expected gratuity payments.

Scheme is managed through own Gratuity Trust. The liability for gratuity is recognised in the books of GUVNL on the basis of actuarial valuation.

### D

These plans typically expose the Company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Investment risk	The Present value of the Defined benefit obligation is calculated using the discount rate determined by LIC of India as the fund is being managed under Gratuity Assurance Plan.
Interest risk	A decrease in the interest rate will increase the plan liability while increase in interest rate will decrease the plan liability.
Salary risk	The present value of obligation is calculated by reference to future salary.



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The principal assumptions used for the purposes of the actuarial valuations were as follows:.

Assumptions (Current Period)		
	For the year ended 31st March	
	2021	2020
Expected Return on Plan Assets	7.00%	7.50%
Rate of Discounting	7.00%	7.25%
Rate of Salary Increase	10.00%	10.00%
Rate of Employee Turnover	1 to 3 % Depending on Age	
Mortality Rate During Employment	LIC (2006-08) ultimate	
Mortality Rate After Employment	N.A.	

(₹ in Lakhs)

Particulars	As on 31-03-2021	As on 31-03-2020
<b>Gratuity</b>		
<b>I) Reconciliation in present value of obligations (PVO) – defined benefit obligation:</b>		
Opening defined benefit obligation	36,380.24	30,052.77
Current Service Cost	1,931.20	2,051.03
Past service cost, including losses / (gain) on curtailments	-	-
Interest Cost	2,546.62	2,178.83
<b>Remeasurement (gains)/losses:</b>		
Actuarial gains and losses arising from changes in financial assumptions	-	-
Actuarial gains and losses arising from experience adjustments	2,122.37	5,735.24
Benefits paid	(3,170.90)	(3,637.63)
<b>Closing defined benefit obligation</b>	<b>39,809.53</b>	<b>36,380.24</b>
Current obligation	4,192.10	3,601.55
Non-Current obligation	35,617.42	32,778.68
<b>II) Change in fair value of assets :</b>		
Opening fair value of plan assets	37,712.94	27,027.94
Expected return on plan assets	2,639.91	2,027.10
<b>Remeasurement gain (loss):</b>		
Actual Gain / Loss	-	-
Excess Return on plan assets (excluding amounts included in net interest expense) including actuarial (gains) / losses arising from experience adjustments	75.79	439.48
Contributions by the employer	3,781.11	11,856.05
Benefits paid	(3,170.90)	(3,637.63)
Insurance Premium adjusted	(102.13)	-
<b>Closing fair value of plan assets</b>	<b>40,936.72</b>	<b>37,712.94</b>



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<b>III) Reconciliation of Present value of obligation and fair value of assets:</b>		
Present value of funded defined benefit obligation	39,809.53	36,380.24
Fair Value of planned assets at end of year	40,936.72	37,712.94
Funded status	Funded	Funded
<b>Net liability arising from defined benefit obligation</b>	<b>(1,127.19)</b>	<b>(1,332.70)</b>
<b>IV) Service Cost</b>		
Current Service cost	1,931.20	2,051.03
Past service cost and (gain) / loss from settlements	-	-
Net Interest expense	(94.83)	144.18
<b>Total Expenses to be recognised in the Statement of Profit and Loss</b>	<b>1,836.37</b>	<b>2,195.21</b>
<b>Components of defined benefit costs recognised in Employee Benefit expenses</b>		
<b>Remeasurement on the net defined benefit liability:</b>		
Actuarial (gains) / losses arising from experience adjustments	2,122.37	5,735.24
Actuarial (gains) / losses arising from changes in financial assumptions	-	-
Return on Plan Assets excluding amount included in net interest cost	(75.79)	(439.48)
<b>Total Expenses to be recognised in OCI</b>	<b>2,046.58</b>	<b>5,295.76</b>
<b>Total Expense (Provision for the Period)</b>	<b>3,882.95</b>	<b>7,490.97</b>
<b>V) Category of assets as at 31st March:</b>		
-Life Insurance Corporation of India	40,936.72	37,712.94
<b>Total</b>	<b>40,936.72</b>	<b>37,712.94</b>

(₹ in Lakhs)

Experience Adjustment	On Plan Liabilities - Loss/(Gain)	On Plan Assets - Loss/(Gain)
As on 31st March,2021	2,122.37	75.79
As on 31st March,2020	5,735.24	439.48
As on 31st March,2019	3,185.79	(132.60)
As on 31st March,2018	6,410.60	319.40
As on 31st March,2017	338.26	(18.51)

**Maturity Analysis of Projected Benefit Obligation are as under:**

(₹ in Lakhs)

Gratuity	As at 31st March, 2021	As at 31st March, 2020
<b>Gratuity</b>		
Less than 1 year	4,192.10	3,601.55
One to Three Years	5,997.42	5,068.06
Three to Five Years	4,115.74	4,184.74
More than Five Years	25,504.27	23,525.89
<b>Total</b>	<b>39,809.53</b>	<b>36,380.24</b>



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### Sensitivity analysis for Gratuity

(₹ in Lakhs)

Significant actuarial assumptions	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
<b>Discount Rate</b>		
- Impact due to increase of 50 basis points	(2,157.07)	(1,783.91)
- Impact due to decrease of 50 basis points	2,378.16	1,958.57
<b>Salary increase</b>		
- Impact due to increase of 50 basis points	2,332.85	1,912.84
- Impact due to decrease of 50 basis points	(2,138.12)	(1,761.15)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

**E** GEB Employees' Group Gratuity Trust ("the Trust") is an exempted Gratuity Trust under the Income Tax Act, 1961 established to manage the Gratuity obligations of the employees of GUVNL and its Subsidiary Companies. GUVNL, the Holding Company is managing the same for and on behalf of itself and its six Subsidiary Companies. The Trust has an arrangement with M/s. Life Insurance Corporation of India (LIC) for the fund management based on actuarial determination of liability and the funds to be contributed.

Given the above structure and arrangement among GUVNL Group Companies, the overall Gratuity Liability or Asset (as the case may be) of the GUVNL Group, is reflected in GUVNL Books. The Company(s) reflect the expense in its books and the Liability / Asset to / from GUVNL, given the above arrangement alongwith the disclosures in compliance with the applicable Ind AS 119 – Employee Benefits.

The following is the position of Gratuity related Asset / Liability reflected in the our books

(₹ in Lakhs)

Particulars	Asset / (Liability) - Net Funded	
	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Position of Gratuity related Asset / Liability	1,127.19	1,332.70
<b>Total</b>	<b>1,127.19</b>	<b>1,332.70</b>

Net Plan Asset of Gratuity amounting to ₹ 1,127.19 Lakhs (P.Y. Net Asset of Gratuity ₹ 1,332.70 Lakhs) is considered in net (receivable) from / payable to holding company.

**F** From the current year, the Holding Company, GUVNL has started allocating Future Service Gratuity Insurance Premium (recovered by LIC) to the Subsidiary Companies, which has been accounted accordingly.



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## 35 Segment reporting

### A Operating Segment

The Company's operations fall under single segment namely "Distribution of Power", taking into account the different risks and returns, the organization structure and the internal reporting systems.

### B Information about major customers

The Company is not reliant on revenues from transactions with any single external consumer and does not receive 10% or more of its revenues from transactions with any single external consumer.

### C Information about geographical areas:

Segment revenue from "Distribution of Electricity" represents revenue generated from external consumers which is fully attributable to the company's country of domicile i.e. India.

All assets are located in the company's country of domicile.

### D Information about products and services:

The Company derives revenue from sale of Power. The information about revenues from external consumers about each product is disclosed in Note no. 28 of the financial statements.

## 36 Financial instruments Disclosure

### A Capital Management

The Company's objective when managing capital is to:

1. Safeguard its ability to continue as going concern so that the Company is able to provide maximum return to stakeholders and benefits for other stakeholders; and
2. Maintain an optimal capital structure to reduce the cost of capital.

The Company maintains its financial framework to support the pursuit of value growth for shareholders, while ensuring a secure financial base. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Company's management reviews the capital structure on a regular basis. As part of this review, the management considers the cost of capital, risks associated with each class of capital requirements and maintenance of adequate liquidity.

### Gearing Ratio

The gearing ratio at end of the reporting period is as follow.

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Total debt	4,222.48	5,296.17
Total equity	5,13,511.74	4,69,908.98
Net debt to equity ratio	0.01	0.01
1. Debt is defined as all long term debt outstanding + short term debt outstanding in lieu of long term debt.		
2. Equity is defined as Equity share capital + Other Equity + deferred government grant and consumer contribution		





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## B Categories of financial instruments

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
<b><u>Financial assets</u></b>		
<b>Measured at amortised cost</b>		
(a) Trade and other receivables	89,388.12	81,635.04
(b) Cash and cash equivalents	7,226.85	1,292.72
(c) Other bank balances	-	-
(d) Loans	731.87	871.73
(e) Other financial assets	2,07,033.70	1,43,861.13
<b><u>Financial liabilities</u></b>		
<b>Measured at amortised cost</b>		
(a) Borrowings	2,625.08	3,223.86
(b) Trade payables	696.34	575.16
(c) Other financial liabilities	2,10,372.61	1,92,378.56

## C Financial risk management objectives

The Company's principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations, routine and projects capital expenditure. The Company's principal financial assets include loans, advances, trade and other receivables and cash and cash equivalents that derive directly from its operations.

The Company's activities expose it to a variety of financial risks viz regulatory risk, interest rate risk, credit risk, liquidity risk etc. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Company's senior management oversees the management of these risks. It advises on financial risks and the appropriate financial risk governance framework for the Company.

### Regulatory Risk

The Company's substantial operations are subject to regulatory interventions, introduction of new laws and regulations including changes in competitive framework. The rapidly changing regulatory landscape poses a risk to the Company. Regulations are framed by Central / State Regulatory Commission as regard to Standard of Performance for utilities, Terms & Conditions for determination of tariff, obligation of Renewable Energy purchase, grant of Open Access, Deviation Settlement Mechanism, Indian Electricity Grid Code / Gujarat Grid Code, Power Market Regulations etc. Moreover, the State / Central Government are notifying various guidelines and policy for growth of the sector. These Policies / Regulations are modified from time to time based on need and development in the sector. Hence the policy / regulation is not restricted only to compliance but also have implications for operational performance of utilities, Return on Equity, revenue, competitiveness, scope of supply as consumer of 1 MW and above have an option to select the supplier, ceiling on trading margins, Regulatory charges, market etc.



To protect the interest of Utilities, State Utilities are actively participating while framing of Regulations. ARR is regularly filed & FPPPA is levied on quarterly basis for any increase/decrease in power purchase cost.

#### **Interest rate risk management**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates is negligible as primarily to the Company's long-term debt obligations with fixed interest rates.

#### **Credit risk management**

Credit risk arises from cash and cash equivalents, investments carried at amortized cost and deposits with banks as well as customers including receivables. Credit risk management considers available reasonable and supportive forward-looking information including indicators like external credit rating (as far as available), macro-economic information (such as regulatory changes, government directives, market interest rate).

The concentration of credit risk is limited due to the fact that the customer base is large. None of the customers accounted for more than 10% of the receivables and revenue for the year ended 31st March, 2021 and 31st March, 2020.

Bank balances are held with reputed and creditworthy banking institutions.

#### **Liquidity risk management**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are required to be settled by delivering the cash or another financial asset. The Company manages liquidity risk by maintaining sufficient cash and cash equivalents including bank deposits and availability of funding through an adequate amount of committed credit facilities to meet the obligations when due. The management prepares annual budgets for detailed discussion and analysis of the nature and quality of the assumption, parameters etc. Daily and monthly cash flows are prepared, followed and monitored at senior levels to prevent undue loss of interest and utilize cash in an effective manner.

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The information included in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows. The contractual maturity is based on the earliest date on which the Company may be required to pay.



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(₹ in Lakhs)

Particulars	Less than 1 year	Between 1 and 5 years	More than 5 years	Total
<b>As at 31st March, 2021</b>				
<b>Non - current financial liabilities</b>				
Borrowings		1,589.39	1,035.68	2,625.07
Other Financial Liabilities		1,368.50	1,78,793.94	1,80,162.44
	-	<b>2,957.89</b>	<b>1,79,829.62</b>	<b>1,82,787.51</b>
<b>Current financial liabilities</b>				
Borrowings	-	-	-	-
Trade Payables	696.34	-	-	696.34
Other Financial Liabilities	30,210.17	-	-	30,210.17
	<b>30,906.51</b>	-	-	<b>30,906.51</b>
<b>Total financial liabilities</b>	<b>30,906.51</b>	<b>2,957.89</b>	<b>1,79,829.62</b>	<b>2,13,694.02</b>
<b>As at 31st March, 2020</b>				
<b>Non - current financial liabilities</b>				
Borrowings		2,179.32	1,044.54	3,223.86
Other Financial Liabilities		1,400.68	1,61,073.03	1,62,473.71
	-	<b>3,580.00</b>	<b>1,62,117.57</b>	<b>1,65,697.57</b>
<b>Current financial liabilities</b>				
Borrowings	-	-	-	-
Trade Payables	575.16	-	-	575.16
Other Financial Liabilities	29,904.85	-	-	29,904.85
	<b>30,480.01</b>	-	-	<b>30,480.01</b>
<b>Total financial liabilities</b>	<b>30,480.01</b>	<b>3,580.00</b>	<b>1,62,117.57</b>	<b>1,96,177.58</b>

The Company has access to committed credit facilities as described below, of which ₹2,500.00 Lakhs were unused at the end of the reporting period (as at 31st March, 2020 ₹ 2,500.00 Lakhs). The Company expects to meet its other obligations from operating cash flows and proceeds of maturing financial assets.

(₹ in Lakhs)

Secured Committed Credit Facility, reviewed annually and payable at call	As at 31st March, 2021	As at 31st March, 2020
Amount used	-	-
Amount unused	2,500.00	2,500.00



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## D Fair value measurement

**Fair value of the Company's financial assets on a recurring basis:**

Some of the Company's financial assets are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets are determined.

### (a) Financial assets at fair value through other comprehensive income (FVTOCI)

Financial assets/ financial liabilities	Fair value as at		Fair value hierarchy	Valuation technique(s) and key input(s)
	31st March, 2021	1st April, 2020		
NIL				

### (b) Financial assets and liabilities at amortised cost

The carrying amounts of cash and cash equivalent, other bank balances, trade receivables, loans, other financial assets, current borrowings, trade payables, other financial liabilities are considered to be the same as their fair values, due to their short-term nature.

**37** The subsidy claims on Government of Gujarat are made by Gujarat Urja Vikas Nigam Limited (GUVNL), the Holding Company on behalf of the Company including all other Distribution Subsidiaries. The subsidy receivable balances are recorded, reflected and presented as such in GUVNL's standalone financial statements. Subsidies being government grants are recognised as revenue in the Statement of Profit and Loss in accordance with the accounting policy on government grants as stated in Note no.1.3(vii) to the financial statements

### 38 Disclosure under Indian Accounting Standard 36 – Impairment of Assets

In accordance with the Indian Accounting Standard (Ind AS-36) on “Impairment of Assets” the Company during the year carried out an exercise of identifying the assets that may have been impaired in respect of cash generating unit in accordance with the said Indian Accounting Standard. Based on the exercise, no impairment loss is required as at 31.03.2021.

### 39 Contingent liabilities, Contingent Assets and Capital Commitments (to the extent not provided for):

A Claims against the Company/ disputed demands not acknowledged as debt:-



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(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
<b>I In respect of Company</b>		
I. Income Tax	20,762.09	15,846.40
II. Others	10,876.90	9,860.92
<b>Total</b>	<b>31,638.99</b>	<b>25,707.32</b>

In respect of the above, the expected outflow will be determined at the time of final resolution of the dispute. No reimbursement is expected.

- B** A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. During the normal course of business, several unresolved claims are currently outstanding. The inflow of economic benefits, in respect of such claims cannot be measured due to uncertainties that surround the related events and circumstances.

### C Commitments

#### Capital Commitments:

Estimated amount of contracts remaining to be executed on capital account: - (₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
<b>A. Capital Commitments</b>		
Estimated amount of Contract remaining to the executed on capital accounts (Net of Advances)	14,564.18	5,360.65
<b>Total</b>	<b>14,564.18</b>	<b>5,360.65</b>

### 40 CSR Expenditure

(₹ in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March 2021	For the year ended 31 <sup>st</sup> March 2020
<b>The CSR expenditure comprises the following:</b>		
a) Gross amount required to be spent by the Company during the year	105.31	104.00
b) Amount approved by the Board to be spent during the year	105.31	104.00
c) Amount spent during the year		
(i) Construction / acquisition of any asset:		
In Cash	-	-
Yet to be paid in Cash	-	-
Total	-	-
(ii) on purpose other than (i) above:		
In Cash	0.19	90.01
Yet to be paid in Cash	105.12	-
Total	105.31	90.01
d) Details of related party transactions	-	-



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e) **\*Disclosure under Section 135(6) of Companies Act,2013:**  
**Unspent Amount of CSR on ongoing projects:**

(₹ in Lakhs)							
Year	Opening Balance		Amount required to be spent during the year	Amount spent during the year		Closing Balance	
	With Company	In Separate CSR Unspent A/c		From Company's bank account	From separate CSR unspent a/c	With Company#	In separate CSR unspent a/c
2020-21	-	-	81.04	-	-	81.04	-
# An amount of ₹ 81.04 lakhs representing unspent money on ongoing projects has been transferred to Specified Bank account on April 27, 2021							
*In Case of Unspent Amount on ongoing Projects							

**\*Disclosure under Section 135(5) of Companies Act,2013:**  
**Unspent Amount Of CSR on other than on going projects:**

(₹ in Lakhs)				
Opening Balance	Amt. deposited in specified fund of Sch.VII within 6 months	Amt. required to be spent during the year	Amt. Spent during the year	Closing Balance
-	-	24.08	-	24.08
* An amount of ₹ 24.08 lakhs representing unspent money other than ongoing projects has been transferred to Prime Minister's National Relief Fund (approved fund as per Sch. VII) on Sep 16, 2021.				

- 41 The Company has a system of physical verification of Inventory every year, Fixed assets and Capital Stores in a phased manner to cover all items over a period of three years. Adjustment differences, if any, are carried out on completion of reconciliation.
- 42 The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses. Further, some balances of Trade and other receivables, Trade and other payables and Loans are subject to confirmation/reconciliation. Adjustments, if any, will be accounted for on confirmation/reconciliation of the same, which will not have a material impact.



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### 43 Impact of Covid-19

The spread of COVID-19 pandemic had impacted the demand for electricity and collection of electricity bills from consumers during the first half of the current year.

The Company has considered all possible impact of COVID-19 pandemic including the second wave of COVID-19 (subsequent to year end also) in India in preparation of these financial statements for the year ended March 31, 2021. The Company believes that there is no material adjustments required, to be made in the financial statements for the year ended March 31, 2021. Management while monitoring other material changes, have identified following impact thereof on the Company:

#### Revenue:

##### a) Relief announced by GoG :-

In order to address the difficulties faced by the electricity consumers for timely payment of electricity bills and payment of minimum charges bills by commercial and industrial units due to lockdown situation in backdrop of eruption of Coronavirus ( Covid-19) pandemic, GOG vide GR no. GUV-122020-345-K.1 dated 27.03.2020, GR no. GUV-122020-345-K.1 dated 30.03.2020 and GR no. GUV-122020-345-K.1 dated 11.05.2020 has allowed all categories of consumers to make payment against electricity bills issued during the period 01.03.2020 to 20.05.2020 by 30.05.2020 without levy of delayed payment charges and decided not to recover minimum charges i.e. Demand / Fixed Charges from consumers for April 2021 covered under Commercial / Industrial tariff category as per various conditions mentioned in the above stated GRs. The impact of Delayed Payment Charges waived in accordance with above GRs is ₹ 108.09 Lakhs approx. Furthermore The Company has not charged Demand / Fixed Charges amounting to ₹ 7,143.80 lakhs to LTMD / NRGP / HT consumers

##### b) Relief announced by GoG under “ Aatmanirbhar Scheme “ :-

GOG vide GR no. APB/102020/108/195224/K dated 05.06.2020 has declared Atmanirbhar Package for extending relief to specified consumer categories considering nationwide lockdown imposed due to Coronavirus ( Covid-19) pandemic. Subsequently detailed guidelines were issued vide GoG GR no. GUV-132020-960(1)-K.1 dated 22.06.2020, GR no. GUV-132020-960(2)-K.1 dated 17.06.2020, GR no. GUV-132020-960(3)-K.1 dated 17.06.2020 for implementation of this scheme. Accordingly, the Revenue from Operations under Note no. 27 includes an amount of ₹ 7,799.52 lakhs which has been reimbursed by GoG to the Company through GUVNL towards relief given by Company to various categories of consumers in accordance with the stated GRs as summarised below :-

Details of Relief under Aatmanirbhar Scheme:		
Particular	Nos. of Beneficiaries	Amount (₹ in Lakhs)
A. Relief upto 100 Unit Bill Amount to Residential Consumers	25,50,905	7,027.80
B. Relief of Fixed Charge in Energy Bill to LTMD & NRGP	1,72,334	745.40
C. Relief to the Temporary Consumers working under Government Projects	187	26.32
<b>Total</b>	<b>27,23,426</b>	<b>7,799.52</b>





**Employee and Other Costs:**

The Company is making payments of salaries and wages to all employees on its payrolls as also the contract workers during the time of lockdown. It is to mention that Ministry of Finance, Government of India vide its notification no. 1/1/2020-E-II (B) dtd. 23.04.2020 has decided not to pay additional Dearness Allowance (DA) to the Central Government Employees due from 01.01.2020. Further, it was also decided that additional installments of DA due from 01.07.2020 to 01.01.2021 shall also not be paid. However, the DA at current rates shall continue to be paid. Further, the rates of DA as effective 01.01.2020, 01.07.2020 and 01.01.2021 will be restored prospectively and will be subsumed in the cumulative revised rate effective from 01.07.2021. No arrears for the period 01.01.2020 to 30.06.2021 shall be paid.

Considering the aforesaid notifications, the Company has not made provision of DA for the period 01.01.2020 to 31.03.2021.

In view of GoG Notification No. ૫૨૫-૧૦૨૦૨૦-૨૫૦-૬ dtd.08.04.2020, the Company has provided for the compensation payable to the legal heirs of the deceased employees who have expired due to COVID for a maximum amount of ₹ 25 lakhs per deceased employee.

**44 Disclosure as per Ind AS 8 – 'Accounting Policies, Changes in Accounting Estimates and Errors' and Ind AS 1 'Presentation of Financial Statements'**

In accordance with Ind AS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' and Ind AS 1 'Presentation of Financial Statements', the Company has retrospectively restated its Balance Sheet as at March 31, 2020 and April 1, 2019 (beginning of the Previous year) and Statement of Profit and Loss for the year ended March 31, 2020 for the reasons as stated below.

- (a) The Company had, hitherto, selected presentation of government grants and consumer contributions as deferred income, that is recognised in the statement of profit and loss on a systematic basis over the useful life of the asset under Previous GAAP i.e., Indian GAAP. This presentation approach was selected based on the consideration that grant received cannot be practically correlated one to one with an individual asset mainly considering the manner, mode, and timing of accrual of government grants. Consequently, the Company had hitherto selected and applied WDV method recognising deferred government grants and consumer contribution balance in the statement of profit and loss under Previous GAAP up to FY 2015-16. This selection and application were found to be in compliance by the previous audits as well as supplementary audits.

During Ind AS implementation, on review of the current facts and developments, the Company changed the method from WDV to SLM method for recognising the government grants and consumer contribution in the statement of profit and loss and applied the change prospectively.

During the year, based on the opinion, on government grant accounting, of Expert Advisory Committee (EAC) of the Institute of Chartered Accountants of India, the Company has reviewed the accounting treatment to give effect to the opinion, particularly considering factors like lack of practical ability to correlate grant to every individual asset and resultant mismatch in the statement of profit and loss. The Company has determined that applying

specific assumptions in view of the above facts, it can more closely align amortisation of grants with the depreciation on assets, though not completely align the same.

The Company in the earlier years had amortised or transferred higher amount of grants to statement of profit and loss basis the WDV method followed earlier and paid taxes on such amounts and consequentially the retained earnings (reserves and surplus) were also reflected at a higher amount. The higher grant recognition in the statement of profit and loss had been considered in the statutory and regulatory filings for the purpose of income taxes and tariff fixation respectively.

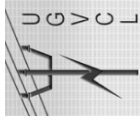
To give effect to the EAC opinion, the Company has increased the government grant and consumer contributions balance by the higher amounts transferred to the statement of profit and loss in the earlier years, with the consequential impact on deferred tax expense related balances and the opening retained earnings (reserves and surplus) as on April 1, 2019 and the profit of the comparative period. This increased government grant and consumer contribution balance would ultimately be recognised in the Statement of Profit and Loss in the future period.

The retrospective restatement of the financial statement for the year ended March 31, 2020, has resulted in increase in Government Grants and Consumer Contribution by ₹ 17,121.86 lakhs and ₹ 631.00 lakhs, has resulted in increase in deferred tax asset by ₹ 1,839.69 lakhs and increase in deferred tax liability by ₹ 3,594.83 lakhs as at April 1, 2019 and March 31, 2020 respectively. This has resulted in decrease in other equity by ₹ 17,994.62 lakhs and ₹ 4,928.95 lakhs as at April 1, 2019 and March 31, 2020 respectively (Refer Note No.16 and 44.1.).

- (b) Consequent to closure of Deendayal Upadhyaya Gram Jyoti Yojana (DDUGJY) and Integrated Power Development Scheme (IPDS) projects, the proportionate share of Government Grants received against the said projects by UGVCL has been transferred to GETCO as per stipulated guidelines of the scheme. Accordingly, the Company has decreased the government grant balance by the amounts transferred to profit and loss in the earlier years, with the consequential impact on deferred tax expense related balances and the opening retained earnings (reserves and surplus) as on April 1, 2019 and the profit of the comparative period.

The retrospective restatement of the financial statement for the year ended March 31, 2020, has resulted in decrease in Government Grants by ₹ 2434.80 lakhs and ₹ 172.36 lakhs, has resulted in increase in deferred tax asset by ₹ 97.02 lakhs and ₹ 56.19 lakhs, decrease in other current financial assets by ₹ 2712.45 lakhs and ₹ 333.17 lakhs as at April 1, 2019 and March 31, 2020 respectively. This has resulted in decrease in other equity by ₹ 278.65 lakhs and ₹ 160.81 lakhs as at April 1, 2019 and March 31, 2020 respectively (Refer Note No.16 and 44.1.)

- (c) The Company was computing deferred tax till FY 2019-20 at the rate it expected to realise or recover the assets / liability in the future, as applicable under MAT regulations. The company has reviewed deferred tax working and has assessed that the rate as per normal tax rate should have been considered while computing deferred tax and hence, the company has re-stated deferred tax rate from MAT rate to Normal Rate.



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Reconciliation of financial statement line items which are retrospectively restated are as under (to the extent practicable):

### 44.1 Reconciliation of restated items of Balance Sheet as at March 31, 2020 and April 01, 2019

(₹ in Lakhs)

Particulars	Note no.	As at 31st March 2020				As at 1st April 2019			
		As previously reported	Adjustment	Regrouping	As restated	As previously reported	Adjustment	Regrouping	As restated
Other Current Financial Assets	44 (b)	1,42,647.29	(3,045.65)	(15.26)	1,39,586.39	1,26,505.76	(2,712.44)	214.52	1,24,007.84
Others	-	6,20,856.93	-	-	6,20,856.92	5,73,778.74	-	(371.10)	5,73,407.64
<b>Total Assets</b>		<b>7,63,504.22</b>	<b>(3,045.65)</b>	<b>(15.26)</b>	<b>7,60,443.31</b>	<b>7,00,284.50</b>	<b>(2,712.44)</b>	<b>(156.58)</b>	<b>6,97,415.48</b>
Other Equity	44 (a, b)	2,68,462.40	(22,923.57)	-	2,45,538.83	2,36,980.10	(17,994.62)	-	2,18,985.48
Deferred Govt. Grants, Subsidies & Contributions	44 (a, b)	1,47,357.84	17,752.86	-	1,65,110.70	1,36,498.95	17,121.86	-	1,53,620.81
Deferred Tax Liabilities / (Assets)	44 (a, b, c)	325.83	2,125.06	-	2,450.89	695.75	(1,839.68)	-	(1,143.93)
Others	-	3,47,358.15	-	(15.26)	3,47,342.89	3,26,109.70	-	(156.58)	3,25,953.12
<b>Total Equity &amp; Liability</b>		<b>7,63,504.22</b>	<b>(3,045.65)</b>	<b>(15.26)</b>	<b>7,60,443.31</b>	<b>7,00,284.50</b>	<b>(2,712.44)</b>	<b>(156.58)</b>	<b>6,97,415.48</b>

### 44.2 Reconciliation of restated items of Statement of Profit and Loss for the year ended March 31, 2020

(₹ in Lakhs)

Particulars	Note no.	As at 31st March 2020			
		As previously reported	Adjustment	Regrouping	As restated
Other Income	44 (a, b)	15,354.83	(964.17)	(518.03)	13,872.63
<b>Profit before tax for the year</b>	-	<b>13,899.08</b>	<b>(964.17)</b>	-	<b>12,934.91</b>
Deferred tax	44 (a, b, c)	555.34	4,890.05		5,445.39
<b>Profit after tax for the year</b>	-	<b>11,660.06</b>	<b>(5,854.22)</b>		<b>5,805.84</b>
<b>Total Comprehensive Income for the year</b>	44 (c)	<b>(4,370.48)</b>	<b>925.27</b>		<b>(3,445.21)</b>
<b>Earnings per Share (Basic and Diluted) (in ₹)</b>	-	<b>2.06</b>	<b>(1.03)</b>		<b>1.02</b>



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## 44.3 Reconciliation of items of Cash Flows for the year ended March 31, 2020

(₹ in Lakhs)

Particulars	Note no.	As at 31 <sup>st</sup> March, 2020			
		As previously reported	Adjustment	Regrouping	As restated
Profit before tax	44 (a, b)	13,899.08	(964.17)		12,934.91
Net cash flows from/ (used in) operating activities	44 (a, b)	25,702.65	333.17	1.21	26,037.03
Net cash flows used in investing activities	-	(71,615.88)	-	(1.21)	(71,617.09)
Net cash flows from/ (used in) financing activities	44 (a, b)	41,304.63	(333.17)		40,971.46
<b>Net increase in cash and cash equivalents</b>	-	<b>1,292.72</b>	-	-	<b>1,292.72</b>

## 45 Events occurring after the balance sheet date

After the balance sheet date and before the approval of the financial statements, there was event on account of Cyclone Taukte. The Company is in process of identifying the impact of the same and its being treated as non-adjusting event for the year ended March 31, 2021.

## 46 Related Party Disclosures

A	Name of Related Parties	Nature of Relationship
	Gujarat Urja Vikas Nigam Limited	Holding Company
	Gujarat State Electricity Corporation Limited	Fellow- Subsidiary Company
	Gujarat Energy Transmission Corporation Limited	Fellow- Subsidiary Company
	Dakshin Gujarat Vij Company Limited	Fellow- Subsidiary Company
	Paschim Gujarat Vij Company Limited	Fellow- Subsidiary Company
	Madhya Gujarat Vij Company Limited	Fellow- Subsidiary Company
	Gujarat Industries Power Company Limited	Associate Company
	Shri Varun Nath Maira, IAS (Retd.)	Key Management Personnel (KMP)
	Shri Mahesh Singh, IFS	Key Management Personnel (KMP)
	Shri J. N. Pancholi	Key Management Personnel (KMP)
	Shri R.B. Kothari	Key Management Personnel (KMP)
	Shri N.M. Joshi	Key Management Personnel (KMP)



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**B The following transactions were carried out with the related parties in ordinary course of business during the year:**  
(₹ in Lakhs)

	Nature of Transaction	Holding Company	Fello-Subsidiary Company	KMP	Enterprise over which KMP is having Significant Influence	Total
1	<b>Transactions during the year</b>					
	<b>Rebate on Prompt Payment of Power Purchase</b>		<b>1.97</b> (2.58)			<b>1.97</b> (2.58)
	Gujarat State Electricity Corporation Limited		<b>1.97</b> (2.58)			<b>1.97</b> (2.58)
	<b>Rebate on Prompt Payment of SLDC Charges</b>		<b>3.37</b> (3.35)			<b>3.37</b> (3.35)
	Gujarat Energy Transmission Corporation Limited		<b>3.37</b> (3.35)			<b>3.37</b> (3.35)
	<b>Reactive Charges Recievable</b>		<b>250.97</b> (97.67)			<b>250.97</b> (97.67)
	Gujarat Energy Transmission Corporation Limited		<b>249.95</b> (97.67)			<b>249.95</b> (97.67)
	Gujarat State Electricity Corporation Limited		<b>1.02</b> -			<b>1.02</b> -
	<b>SLDC Charges</b>		<b>368.16</b> (334.55)			<b>368.16</b> (334.55)
	Gujarat Energy Transmission Corporation Limited		<b>368.16</b> (334.55)			<b>368.16</b> (334.55)
	<b>Unscheduled Interchange Charges Payable</b>		<b>165.78</b> (716.76)			<b>165.78</b> (716.76)
	Gujarat Energy Transmission Corporation Limited		<b>165.78</b> (716.76)			<b>165.78</b> (716.76)
	<b>Unscheduled Interchange Charges Receivable</b>		<b>16,137.40</b> (14,886.86)			<b>16,137.40</b> (14,886.86)
	Gujarat Energy Transmission Corporation Limited		<b>16,137.40</b> (14,886.86)			<b>16,137.40</b> (14,886.86)
	<b>Allocation of e-Urja Expenses</b>	<b>678.90</b> (316.59)				<b>678.90</b> (316.59)
	Gujarat Urja Vikas Nigam Limited	<b>678.90</b> (316.59)				<b>678.90</b> (316.59)
	<b>Allocation of General Insurance Premium</b>	<b>324.03</b> (234.59)				<b>324.03</b> (234.59)
	Gujarat Urja Vikas Nigam Limited	<b>324.03</b> (234.59)				<b>324.03</b> (234.59)
	<b>Allocation of Interest</b>	<b>597.85</b> (492.20)				<b>597.85</b> (492.20)
	Gujarat Urja Vikas Nigam Limited	<b>597.85</b> (492.20)				<b>597.85</b> (492.20)
	<b>Power Purchase</b>	<b>11,59,522.86</b> (11,75,450.03)	<b>297.29</b> (322.92)			<b>11,59,820.15</b> (11,75,772.96)
	Gujarat Urja Vikas Nigam Limited	<b>11,59,522.86</b> (11,75,450.03)				<b>11,59,522.86</b> (11,75,450.03)
	Gujarat State Electricity Corporation Limited		<b>297.29</b> (322.92)			<b>297.29</b> (322.92)



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<b>Sale of Excess Power</b>	- (3,586.45)				- (3,586.45)
Gujarat Urja Vikas Nigam Limited	- (3,586.45)				- (3,586.45)
<b>Allocation of Electricity Charges</b>		<b>1,211.54</b> (1,244.88)			<b>1,211.54</b> (1,244.88)
Gujarat Energy Transmission Corporation Limited		<b>1,198.11</b> (1,228.40)			<b>1,198.11</b> (1,228.40)
Gujarat State Electricity Corporation Limited		<b>13.43</b> (16.48)			<b>13.43</b> (16.48)
<b>Recovery of Expense</b>		<b>120.71</b> (23.19)			<b>120.71</b> (23.19)
Gujarat Energy Transmission Corporation Limited		<b>120.71</b> (23.19)			<b>120.71</b> (23.19)
<b>Congestion Charges</b>		<b>114.60</b> -			<b>114.60</b> -
Gujarat Energy Transmission Corporation Limited		<b>114.60</b> -			<b>114.60</b> -
<b>Reimbursement of Expenses</b>		<b>1.50</b> -			<b>1.50</b> -
Dakshin Gujarat Vij Company Limited		<b>1.50</b> -			<b>1.50</b> -
<b>Sale of Material</b>		<b>123.95</b> (315.77)			<b>123.95</b> (315.77)
Dakshin Gujarat Vij Company Limited		<b>62.27</b> (79.30)			<b>62.27</b> (79.30)
Madhya Gujarat Vij Company Limited		<b>46.74</b> (200.17)			<b>46.74</b> (200.17)
Paschim Gujarat Vij Company Limited		<b>6.78</b> (10.34)			<b>6.78</b> (10.34)
Gujarat Energy Transmission Corporation Limited		<b>8.16</b> (25.97)			<b>8.16</b> (25.97)
<b>Purchase of Material and Burnt Oil</b>		<b>116.29</b> (249.97)			<b>116.29</b> (249.97)
Dakshin Gujarat Vij Company Limited		<b>43.78</b> (208.71)			<b>43.78</b> (208.71)
Madhya Gujarat Vij Company Limited		<b>56.03</b> (37.30)			<b>56.03</b> (37.30)
Paschim Gujarat Vij Company Limited		<b>12.30</b> (3.80)			<b>12.30</b> (3.80)
Gujarat Energy Transmission Corporation Limited		<b>4.19</b> (0.15)			<b>4.19</b> (0.15)
<b>Allocation of Server Maintenance Expense</b>		<b>101.59</b> (247.66)			<b>101.59</b> (247.66)
Dakshin Gujarat Vij Company Limited		<b>16.01</b> (39.05)			<b>16.01</b> (39.05)
Madhya Gujarat Vij Company Limited		<b>46.53</b> (113.42)			<b>46.53</b> (113.42)
Paschim Gujarat Vij Company Limited		<b>39.05</b> (95.20)			<b>39.05</b> (95.20)



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<b>Sitting Fees</b>			<b>1.15</b> (1.50)		<b>1.15</b> (1.50)
Shri Anish Sugathan			<b>0.35</b> (0.70)		<b>0.35</b> (0.70)
Shri Nirav Shah			<b>0.30</b> (0.25)		<b>0.30</b> (0.25)
Shri Vasant Gandhi			<b>0.50</b> (0.55)		<b>0.50</b> (0.55)

Note :- Figures of Previous year is shown in bracket.

<b>Remuneration</b>					
Shri Varun Nath Maira, IAS (Retd.)			- (7.27)		- (7.27)
Shri Mahesh Singh, IFS			<b>30.26</b> (30.12)		<b>30.26</b> (30.12)
Shri J.N. Pancholi			<b>2.62</b> -		<b>2.62</b> -
Shri R.B. Kothari			<b>35.16</b> (31.20)		<b>35.16</b> (31.20)
Shri N.M. Joshi			<b>29.27</b> (28.29)		<b>29.27</b> (28.29)

Note : Figures of Previous year is shown in bracket.

### 47 Other Disclosures

<b>(i) Category wise units sold &amp; Average realization rate per unit.</b>						
<b>Consumer Category</b>	<b>FY 2020-21</b>			<b>FY 2019-20</b>		
	<b>Mus</b>	<b>Revenue (₹ in Lakhs)</b>	<b>Average Rate ₹ /unit</b>	<b>Mus</b>	<b>Revenue (₹ in Lakhs)</b>	<b>Average Rate ₹ /unit</b>
Residential General Purpose (Domestic or Residential)	2,658.04	1,44,204.96	5.43	2,462.67	1,38,738.21	5.63
General Lighting Purpose (Commercial)	84.94	5,218.88	6.14	56.70	3,611.21	6.37
Low Tension Maximum Demand and Non Residential General Purpose (Industrial low & medium voltage)	1,908.50	1,42,017.14	7.44	2,049.25	1,55,880.34	7.61
Industrial high voltage	7,301.78	5,19,896.13	7.12	7,451.56	5,40,576.64	7.25
Public Lighting	-	-	-	56.37	3,456.27	6.13
Irrigation agricultural	10,004.73	3,12,250.54	3.12	9,367.84	3,07,670.22	3.28
Public water works and sew. pumps	863.77	51,314.72	5.94	813.58	48,274.83	5.93
Licensees	-	-	-	0.51	92.36	18.03
Deviation Settlement Mechanism Charges (UI)	714.38	15,857.02	2.22	649.00	14,170.10	2.18
Sale to GUVNL (STOA)	-	-	-	87.11	3,586.45	4.12
<b>Total</b>	<b>23,536.14</b>	<b>11,90,759.39</b>	<b>5.06</b>	<b>22,994.59</b>	<b>12,16,056.63</b>	<b>5.29</b>





# Uttar Gujarat Vij Company Limited

CIN - U40102GJ2003SGC042906

## 18<sup>th</sup> Annual Report-2020-2021



### (ii) Units purchased and T&D Losses

Particulars	FY 2020-21	FY 2019-20
	Unit in MUs	
Units Purchased from GUVNL	26,427.27	25,779.11
Units Purchased from Wind Turbine Generator	39.32	34.09
Units Purchased from Solar Generator	67.06	37.78
<b>Sub Total</b>	<b>26,533.64</b>	<b>25,850.98</b>
Less: Deviation Settlement Mechanism Charges (UI export)	714.38	649.00
Less: Unit sold to GUVNL	-	87.11
<b>Net Power Purchase Units</b>	<b>25,819.26</b>	<b>25,114.86</b>
Less: Units sold to consumer	22,821.76	22,258.48
<b>T &amp; D loss in Mus</b>	<b>2,997.50</b>	<b>2,856.39</b>
<b>T &amp; D loss in %</b>	<b>11.61%</b>	<b>11.37%</b>

48. The previous year's figures have been reclassified and regrouped wherever necessary to confirm to current year's classification / disclosures;

### 49. Approval of financial statements

The Financial Statements were approved for issue by the Board of Directors on dtd. 22-Sep-21

Signature to the Notes on Financial Statements 1 to 49.

As per our report of even date attached  
For S K Kabra And Company  
Chartered Accountants  
F.R. No.104508W

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

CA Anurag Murarka  
M. No.:-111030

Shahmeena Husain, IAS  
Chairperson  
DIN-03584560

K. S. Randhawa, IFS  
Managing Director  
DIN-07151040

Place: Ahmedabad  
Date: 22-Sep-2021

R. M. Jain, ACA  
Chief Financial Officer  
Place: Vadodara  
Date: 22-Sep-2021

N.M. Joshi, FCS  
Company Secretary



# Uttar Gujarat Vij Company Limited

CIN - U40102GJ2003SGC042906



- ! સર્વોત્તમ સેવા થકી ગ્રાહકોને સંતોષ
- ! Customer satisfaction through service excellence



- ! સ્પર્ધાત્મક દરે વિશ્વસનીય તેમજ ગુણવત્તાસભર વીજ પુરવઠો પૂરો પાડવો  
વિતરણ ખોટ વૈશ્વિક ધોરણ સુધી ઘટાડવી
- ! To provide reliable and quality power at competitive cost
- ! To reach global standards in reducing distribution losses



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



# **Uttar Gujarat Vij Company Limited**

**CIN - U40102GJ2003SGC042906**

**Regd. & Corporate Office, Visnagar Road, Mehsana - 384001**

**Website : [www.ugvcl.com](http://www.ugvcl.com)**