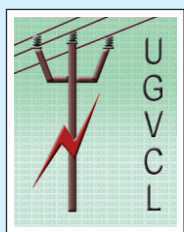
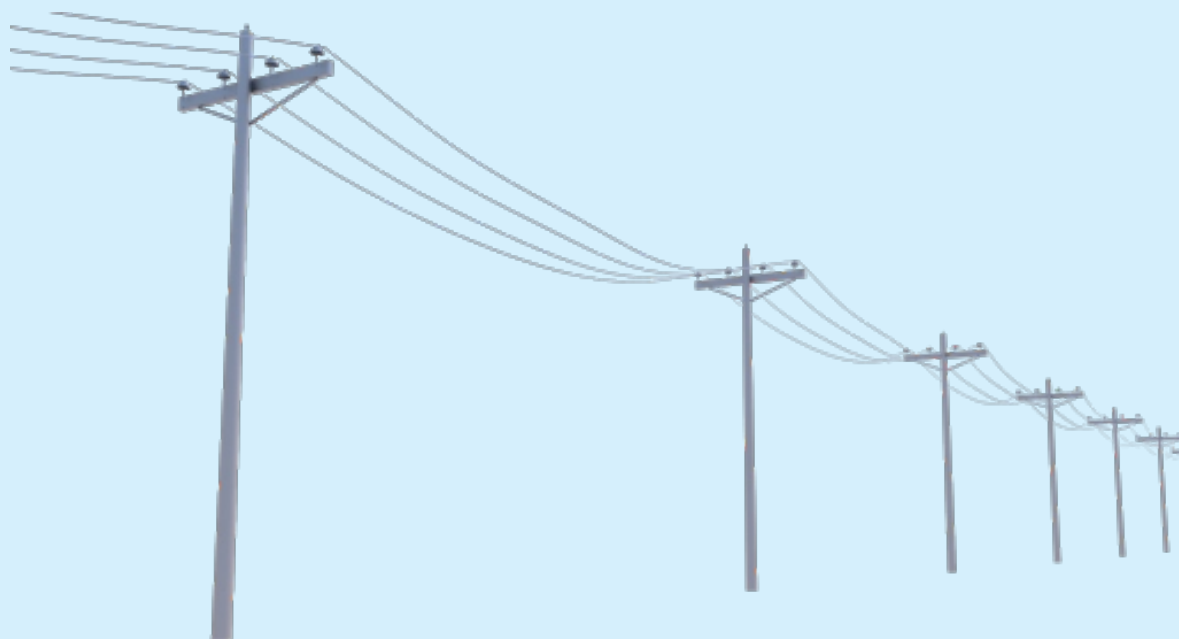


# 16<sup>th</sup> Annual Report 2018-19



**Uttar Gujarat Vij Company Limited**

CIN - U40102GJ2003SGC042906

**Subsidiary of Gujarat Urja Vikas Nigam Limited**

## UGVCL AT A GLANCE

Dec.-2019

Area in Sq. KM	49,950
Districts Covered	7+3 (Partly)
Talukas Covered	63+9 (Partly)
Towns	38
Villages	4,501
Divisions	22
Sub Divisions	141+3 (REC)
Number of Employees	9,216
Total Transformer Centers	3,07,407
MUs sent out (Including EHT) up to Nov-2018	14,262.28
MUs sold out (Including EHT) up to Nov-2018	13,374.48
% AT & C losses (as on Nov-2018)	6.22
HT Line (Km.)	1,10,487.00
LT Line (Km.)	74,203.96
LT / HT Ratio	0.67
Sub Stations	518
Feeders	5,549



# INDEX

<b>PARTICULARS</b>	<b>PAGE NO.</b>
<b>Board of Directors</b>	<b>03</b>
<b>Notice</b>	<b>04</b>
<b>Board's Report</b>	<b>06</b>
<b>C &amp; AG Comments</b>	<b>32</b>
<b>Auditor's Report</b>	<b>33</b>
<b>Balance Sheet</b>	<b>46</b>
<b>Profit &amp; Loss Account</b>	<b>48</b>
<b>Cash Flow Statements</b>	<b>49</b>
<b>Notes of Financial Statements</b>	<b>52</b>

UGMCL







## Uttar Gujarat Vij Company Limited

CIN - U40102GJ2003SGC042906

16<sup>th</sup> Annual Report 2018-19



### BOARD OF DIRECTORS

Smt. Shahmeena Husain, IAS  
Shri K. M. Bhuvra  
Shri C. J. Macwan  
Prof. (Dr.) V. P. Gandhi  
Prof. Anish Sugathan  
Shri Nirav Shah  
Shri Mahesh Singh, IFS

Director (From 03-Sep-2019)  
Director  
Director  
Independent Director  
Independent Director  
Independent Director  
Managing Director (From 04-Feb-2019)

Shri Varun Nath Maira, IAS (Retd.)  
Shri Pankaj Joshi, IAS  
Ms. Arti Kanwar, IAS  
Shri Swaroop P., IAS  
Shri S. B. Khyalia

Chairman (Up to 01-Jul-2019)  
Director (Up to 15-Feb-2019)  
Director (From 21-Sep-2019)  
Managing Director (Up to 02-Feb-2019)  
Director (Up to 01-Nov-2019)

### COMPANY SECRETARY

Shri Nitinkumar M Joshi, FCS

### CHIEF FINANCIAL OFFICER

CMA R. B. Kothari, ACMA

### SENIOR EXECUTIVES

Shri P. B. Pandya  
Shri V. M. Shroff  
Shri P. J. Trivedi  
Shri A. C. Prajapati

Chief Engineer (OP)  
I/c. Chief Engineer (P)  
Addl. Chief Engineer (Civil)  
Addl. General Manager (HR)

### STATUTORY AUDITORS

#### FY 2018-19 & 2019-20

M/s. Ramanlal G. Shah & Co.  
Chartered Accountants  
Ahmedabad

### COST AUDITORS

#### FY 2018-19

M/s. Priyank Patel & Associates  
Cost Accountants  
Ahmedabad

#### 2019-20

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

### SECRETARIAL AUDITORS

#### FY 2018-19

M/s. Hitesh Buch & Associates  
Practicing Company Secretaries  
Ahmedabad

#### 2019-20

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

### BANKERS

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

### REGISTERED & CORPORATE OFFICE

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



## NOTICE

**NOTICE** is hereby given that the Sixteenth 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 12<sup>th</sup> day of December, 2019 at 1:00 pm at the Registered Office of the Company at Visnagar Road, Mehsana – 384001 (North Gujarat) to transact the following business:

### ORDINARY BUSINESS

- 1 To receive, consider and adopt the audited Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2019 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 take note of appointment and 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 2019-20 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. Ramanlal G. Shah & 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 2019-20 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 out of pocket expenses payable to M/s. Ramanlal G. Shah & Co. to audit the accounts of the Company for the Financial Year 2019-20."

### 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 2019-20:

**"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. V. H. Savaliya & Associates, Cost Accountants, Ahmedabad, (Firm Registration No. 100346) 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, 2020 (i.e. Financial Year 2019-20) at the remuneration of ₹ 65,000/- (Rupees Sixty Five Thousand only) plus Govt. levies / Taxes plus out of pocket expenses at actual subject to maximum limit of 10% of audit fees, be and is hereby ratified and approved."



## Uttar Gujarat Vij Company Limited

CIN - U40102GJ2003SGC042906

16<sup>th</sup> Annual Report 2018-19



**“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 : 03-Dec-2019

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 2019-20**

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 113<sup>th</sup> Meeting held on 25-Jun-2019 approved the proposal for appointment of M/s. V. H. Savaliya & Associates, 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, 2020 (i.e. Financial Year 2019-20) at the remuneration of ₹ 65,000/- (Rupees Sixty Five Thousand only) plus Govt. levies / Taxes plus out of pocket expenses at actual subject to maximum limit of 10% of audit fees, 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 : 03-Dec-2019

Place : Ahmedabad

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



## Uttar Gujarat Vij Company Limited

CIN - U40102GJ2003SGC042906

16<sup>th</sup> Annual Report 2018-19



### BOARD'S REPORT

To,  
The Members of  
**UTTAR GUJARAT VIJ COMPANY LIMITED**

Your Directors have pleasure in presenting the Sixteenth Annual Report of the Company together with the audited Financial Statements for the Financial Year ended 31<sup>st</sup> March, 2019.

#### 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 31 <sup>st</sup> March	
	2019	2018
Total Income	12,35,621.06	10,27,083.22
Profit before Depreciation, Interest and Tax	43,047.15	46,625.33
Depreciation	29,107.88	26,224.57
Interest and Finance Charges	8,771.92	8,830.81
Profit before Tax	5,167.35	11,569.96
Provision for Tax	1505.37	1,437.94
Profit after Tax	3,661.98	10,132.02

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 2018-19. Profit after tax of ₹ 3,661.98 Lakhs for the Financial Year 2018-19 has been carried to Reserves and Surplus in the Balance Sheet.

#### ACHIEVEMENTS :

- In July 2018, Ministry of Power, Government of India released its Sixth Annual Integrated Ratings of the state power distribution utilities under an integrated rating methodology. According to these ratings, Uttar Gujarat Vij Company Limited (UGVCL) secured an A+ rating, making it the best state power distribution utility across India.
- In Sep 2018, SKOCH Group, New Delhi awarded SKOCH Order of Merit for Operation Management & Solar Roof Top Project.
- In Nov 2018, 6<sup>th</sup> Innovation with Impact Awards for DISCOMs 2018, Indian Chamber of Commerce (ICC), Kolkata awarded Trophy & Certificate for Second across all the electricity distribution companies in the country-Joint Winner.



## Uttar Gujarat Vij Company Limited

CIN - U40102GJ2003SGC042906

16<sup>th</sup> Annual Report 2018-19



- In Nov 2018, IPPAI Power Award 2018, Independent Power Producers Association of India (IPPAI) awarded Trophy & Certificate for Best Performing Distribution Company-Winner.
- In Sep 2019, SKOCH Group, New Delhi awarded SKOCH Order of Merit for Prevention of Distribution Transformer Failure.

### 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 ₹ 12,35,621.06 Lakhs. (P.Y. ₹ 10,27,083.22 Lakhs). The Company purchased 27379.55 MUs (PY 23921.46 MUs) of energy from Gujarat UrjaVikas Nigam Limited (GUVNL), Solar and Wind farm and sold 23015.92 MUs (PY 20848.14 MUs) of energy to all categories of consumers. The Company's overall transmission and distribution losses are reported to the extent of 4363.63 MUs (PY 3073.32 MUs) at 16.30% (PY 13.24%).

#### ❖ Operational Performance:

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

- Total 2,972 (PY 2,819) Nos. of rural feeders have been declared as Agricultural Dominated Feeders.
- Transformer failure rate is decreased to 5.58% from 7.92% 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 - 4,96,686 (PY 5,84,155) Nos.
  - Installations detected - 13,029 (PY 12,095) Nos.
  - Amount assessed - ₹ 2,853.97 (PY 3,035.59) Lakhs
  - Amount realized - ₹ 1,584.56 (PY 1,446.25) Lakhs  
(out of assessed amount)
- For better system improvement and to give quality power supply of the over-loaded feeders, 292 (PY 224) Nos. of feeders are bifurcated and charged during the year.
- Automated Meter Reading (AMR) is installed on total 4,153 (PY 3,809) Nos. of HT connections. This has helped in considerable time saving of man-power and reading billing process with perfect billing, thereby assisting in study of consumer consumption data and vigilance observation.
- For reduction in technical losses, 7,752 (PY 1,655) Nos. of Amorphous / 4 Star Transformers are installed in Urban, GIDC and JGY Feeders.
- Total 2,951 (PY 2,795) Nos. of Special Design Transformers (SDT) have been provided on Agricultural feeders, covering benefit to 1,51,901 (PY 1,40,910) Nos. of Farm House connections.
- Work progress - New release of connections:
  - HT New Connection - 392 Nos. (PY 339 Nos.)
  - HT additional load - 351 Nos. (PY 265 Nos.)
  - NRG P I - 3,028 Nos. (PY 3,050 Nos.)
  - NRG P c - 19,389 Nos. (PY 16,357 Nos.)
  - LT MD I - 1,057 Nos. (PY 646 Nos.)
  - LTMD c - 215 Nos. (PY 128 Nos.)
  - RGP - 69,722 Nos. (PY 61,768 Nos.)
  - Water Works - 1,353 Nos. (PY 1,212 Nos.)



## Uttar Gujarat Vij Company Limited

CIN - U40102GJ2003SGC042906

16<sup>th</sup> Annual Report 2018-19



■ Ag. Connections under :	
● SPA Well (Normal Scheme)	- 3,212 Nos. (PY 3,003 Nos.)
● TASP Well	- 1,802 Nos. (PY 2,068 Nos.)
● Tatkal Scheme	- 107 Nos. (PY 4 Nos.)
● Dark Zone Well	- 9,419 Nos. (PY 9,531 Nos.)
■ SCSP (Household)	- 4,513 Nos. (PY 3,748 Nos.)
■ Zupad-patties Connections	- 20,159 Nos. (PY 9,570 Nos.)
■ Kutirjyoti Connections	- 3,727 Nos. (PY 4,162 Nos.)
■ SCSP Well	- 417 Nos. (PY 303 Nos.)
■ System Network added:	
● HT Line	- 5,637 Kms. (PY 3,019Kms.)
● LT Line	- 1,224 Kms. (PY 739 Kms.)
● Trans. Center	- 24,353 Nos. (PY 17,984 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-2018 was ₹ 1,500 Crores (Rupees Fifteen Hundred Crore) divided in to 150,00,00,000 Equity Shares of ₹ 10/- each. The Issued, Subscribed and Paid-up Share Capital as on 31-Mar-2019 stood at ₹ 556,33,08,000.

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 20-Apr-2018 – allotted 3,98,592 Equity Shares of ₹ 10/- each as fully paid-up at premium of ₹ 61/- per Share aggregating to ₹ 2,83,00,032/-
- On 30-May-2018 – allotted 1,72,45,419 Equity Shares of ₹ 10/- each as fully paid-up at premium of ₹ 61/- per Share aggregating to ₹ 122,44,24,749/-
- On 15-Mar-2019 – allotted 2,02,23,685 Equity Shares of ₹ 10/- each as fully paid-up at premium of ₹ 66/- per Share aggregating to ₹ 153,70,00,060/-

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 2018-19, the changes among the Directors and Key Managerial Personnel are as under:

- Shri B. A. Shah, IAS (DIN-07514065) ceased to be Managing Director as also Director with effect from 05-Apr-2018.
- Shri Swaroop P., IAS, (DIN-08103838) is appointed/nominated as Director as also Managing Director with effect from 05-Apr-2018.



## Uttar Gujarat Vij Company Limited

CIN - U40102GJ2003SGC042906

16<sup>th</sup> Annual Report 2018-19



- Shri Swaroop P., IAS, (DIN-08103838) ceased to be Managing Director as also Director with effect from 02-Feb-2019.
- Shri Mahesh Singh, IFS, (DIN-05147001) is appointed/nominated as Director as also Managing Director with effect from 04-Feb-2019.
- Shri Pankaj Joshi, IAS, (DIN-01532892) ceased to be Director with effect from 15-Feb-2019.
- Dr. Vasant P. Gandhi, IIMA, (DIN- 00863653) is appointed as Independent Director with effect from 07-Dec-2018.
- Prof. Anish Sugathan, IIMA, (DIN- 008256871) is appointed as Independent Director with effect from 07-Dec-2018.
- Shri Nirav Shah, (DIN- 00397336) is appointed as Independent Director with effect from 07-Dec-2018.
- Shri V. N. Maira, IAS (Retd.) (DIN-05101566) ceased to be Director with effect from 01-Jul-2019
- Smt. Shahmeena Husain, IAS (DIN-03584560) is appointed/nominated as Director with effect from 03-Sep-2019
- Ms. Arti Kanwar, IAS (DIN-03535973) ceased to be Director with effect from 21-Sep-2019
- Shri S. B. Khyalia (DIN 02470485) ceased to be Director with effect from 01-Nov-2019

The Board places on record its appreciation for the valuable contributions made by Shri B. A. Shah, IAS, Shri Pankaj Joshi, IAS, Shri Swaroop P., IAS, Shri V. N. Maira, IAS (Retd.), Ms. Arti Kanwar, IAS and Shri S. B. Khyalia 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 2018-19 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.

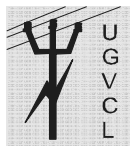
The performance of the Board was evaluated by the Board after seeking inputs from all the Directors on the basis of the criteria such as the Board's composition and structure, effectiveness of Board processes, information and functioning, etc. The Board appreciated active participation of all Directors.

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.





# Uttar Gujarat Vij Company Limited

CIN - U40102GJ2003SGC042906

16<sup>th</sup> Annual Report 2018-19



## D. 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.

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

During the Financial Year 2018-19–

- Seven Meetings of the Board of Directors of the Company were held on 11-May-18, 20-Jun-18, 26-Jul-18, 19-Sep-18, 07-Dec-18, 29-Jan-19 and 22-Feb-19.
- One Meeting of the Finance Committee was held on 12-Mar-19.
- Two Meetings of the Corporate Social Responsibility Committee were held on 07-Dec-18 and 12-Mar-19.

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	Meetings of Finance Committee	Meeting of ID	Meeting of CSR Committee
	105 <sup>th</sup> 11/05/2018 106 <sup>th</sup> 20/06/2018 107 <sup>th</sup> 26/07/2018 108 <sup>th</sup> 19/09/2018 109 <sup>th</sup> 07/12/2018 110 <sup>th</sup> 29/01/2019 111 <sup>th</sup> 22/02/2019	Finance 1 <sup>st</sup> 12/03/2019	5 <sup>th</sup> 10/10/19	10 <sup>th</sup> 07/12/2018 11 <sup>th</sup> 12/03/2019
No. of Meetings held during tenure and attended				
Name of Director/ Member	Attended / Held	Attended / Held	Attended / Held	Attended / Held
Shri. V. N. Maira, IAS (Retd)	7/7	-		-
Ms. Arti Kanwar, IAS	2/7	-		-
Shri Pankaj Joshi, IAS	3/6	-		-
Shri B. A. Shah, IAS	-	-		-
Shri Swaroop P., IAS	6/6	-		1/1
Shri Mahesh Singh, IFS	1/1	-		1/1
Shri S. B. Khyalia	3/7	-		-
Shri K. M. Bhuvra	7/7	-		1/1
Shri C. J. Macwan	2/7	1/1		0/1
Dr. Vasant P. Gandhi	1/3	1/1	1/1	1/1
Prof. Anish Sugathan	2/3	1/1	1/1	1/1
Shri Nirav Shah	2/3	-	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 2018-19 in terms of Section 134(3)(c) of the Companies Act, 2013:





- (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 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 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 Audit Committee of the Board was de-constituted/dissolved with effect from 07-Dec-2018. However, on appointment of Independent Directors, the Finance Committee is constituted on 07-Dec-2018 consisting of:

- |       |  |          |
|-------|--|----------|
| (i)   | Dr. Vasant Gandhi,                       | Chairman |
| (ii)  | Prof. Anish Sugathan,                    | Member   |
| (iii) | Shri C. J. Macwan,                       | Member   |
|       | Managing Director to be 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. The Annual Report on Corporate Social Responsibility activities is attached 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)

#### **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 has 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



## Uttar Gujarat Vij Company Limited

CIN - U40102GJ2003SGC042906

16<sup>th</sup> Annual Report 2018-19



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.

### 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

### EXTRACT OF ANNUAL RETURN:

The information required to be disclosed pursuant to Section 134(3)(a) of the Companies Act, 2013 with respect to extract of Annual Return pursuant to the provisions of Section 92 read with Rule-12 of the Companies (Management and Administration) Rules, 2014 is furnished in Form MGT-9 as **Annexure-3** and attached to and forming part of this Report.

### 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 and approved by the Board. 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:



## Uttar Gujarat Vij Company Limited

CIN - U40102GJ2003SGC042906

16<sup>th</sup> Annual Report 2018-19



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 one complaint which has been 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 relevant GERC Regulations, the Company has filed the Tariff Petition on 15<sup>th</sup> January 2018 vide Case No. 1699/2018 for Truing-up for Financial Year 2016-17 and Determination of Tariff for Financial Year 2018-19 under GERC (MYT) Regulations, 2016 and under Part-VII (Section 61 to 64) of the Electricity Act, 2003 in accordance with relevant guidelines. Subsequent to the public hearing held on 27<sup>th</sup> February 2018. GERC has declared its Award/Order on 31<sup>st</sup> March 2018. The GERC has not revised tariff of any category of consumers other than LTP lift irrigation and HTP-V. Fixed Charge for LTP lift irrigation is reduced to ₹ 20/HP/month from ₹ 45 /HP/month and demand charges for HTP-5 is reduced to ₹ 25 / KVA /Month from ₹ 50/KVA/Month. Also, meter rent charges are abolished effective from 1<sup>st</sup> April, 2018. New Tariff is also introduced exclusively for EV charging infrastructure for Electrical Vehicle (EV charging facility). Moreover, the GERC has made revision in base FPPPA rate, base Power Purchase Cost for calculation of FPPPA Charges and open access charges. Cross subsidy surcharge to be recovered from HT Category consumer is increased to 1.47 ₹/Kwh from 1.44 ₹/Kwh.
2. GERC vide Order No. 2 of dated 31-Mar-2018 (for control period from 1<sup>st</sup> April, 2018 to 30<sup>th</sup> September, 2018) and vide order No. 4 of dated 29-Sep-2018 (for Control period from 1<sup>st</sup> October, 2018 to 31<sup>st</sup> March, 2019) has determined Additional Surcharge to be 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.
3. GERC vide Order No. 1 of dated 15-March-2018 has determined Tariff for Procurement of Power by the Distribution Licensees and Others from Biomass based Power Projects and Bagasse based Co-generation Projects for Control Period upto FY 2019-20."

### **CONSUMER GRIEVANCES REDRESSAL FORUM:**

The Company has set up the Consumer Grievance Redressal Forum as mandated by the Electricity Act, 2003 and the Regulations notified there under, within its jurisdiction for quick disposal of consumers' grievances. During the year under review, 67(P.Y. 76) 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.



## Uttar Gujarat Vij Company Limited

CIN - U40102GJ2003SGC042906

16<sup>th</sup> Annual Report 2018-19



### AUDITORS:

#### A. Statutory Auditors:

M/s. Ramanlal G. Shah & Co., Chartered Accountants, Ahmedabad were appointed as Statutory Auditors of the Company for the Financial Year 2018-19 by the Comptroller and Auditor General of India (C&AG). They have audited the Financial Statements for the year ended 31-Mar-2019 and submitted their Report which contains qualification remark. As required by the provisions of Section 134(3)(f), the explanation by the Board is furnished as **Annexure-4** and attached to and forming part of this Report.

The C&AG have vide its Letter No. CA.V/COY/GUJARAT,GJUVCL(1)/1661 dated 27-Aug-2019 appointed M/s. Ramanlal G. Shah & Co., Chartered Accountants, Ahmedabad, as the Statutory Auditors of the Company for the Financial Year 2019-20 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-2019, and has issued 'NIL' comment vide their Letter No. ES-I/A/cs/UGVCL/2018-19/OW561 dated 19-Nov-2019, 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. Priyank A Patel & Associates, Ahmedabad as Cost Auditors for the Financial Year 2018-19 for auditing the cost accounting records relating to Electricity Industry product. The Cost Audit Report for the Financial Year 2018-19 was filed / uploaded on the MCA Portal on 24-Sep-19 within stipulated time.

The Board has appointed M/s. V. H. Savaliya & Associates, Ahmedabad as Cost Auditors for the Financial Year 2019-20. As required under the provisions of the Companies Act, 2013, the Directors recommend their remuneration for the Financial Year 2019-20 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.

#### C. Secretarial Auditors:

In terms of the provisions of Section 204 of the Companies Act, 2013, the Company has appointed M/s. Hitesh Buch & Associates, Practicing Company Secretaries, Ahmedabad for conducting annual Secretarial Audit for the Financial Year 2018-19. M/s. Hitesh Buch & Associates have issued Secretarial Audit Report (Form MR-3) for the Financial Year 2018-19 which is attached as **Annexure-5** 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:

- 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.
- There was no change in the nature of business of the Company during the year.
- 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.



## Uttar Gujarat Vij Company Limited

CIN - U40102GJ2003SGC042906

16<sup>th</sup> Annual Report 2018-19



- 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 company 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 Standard.

### 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 : 03-Dec-2019

Place : Ahmedabad

Shahmeena Husain, IAS

Chairperson



**ANNEXURE-1**

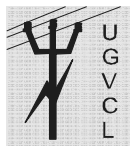
**Information on Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo as stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule-8(3) of the Companies (Accounts) Rules, 2014**

<b>(A) Conservation of energy –</b>	
i). The steps taken or impact on conservation of energy;	<ul style="list-style-type: none"> <li>For awareness of energy conservation, the pamphlets showing importance of subject matter is distributed to each consumer with electricity bill and also distributed in various government functions.</li> <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> </ul> <p>Till March-2019 80,22,673 Nos. of LED Bulb, 2,70,042 Nos. of Tube Light and 1,65,475 Nos. of EE Fan were distributed through M/s. EESL.</p>
ii). The steps taken by the company for utilizing alternate sources of energy;	<ul style="list-style-type: none"> <li>9.258 MW(AC) capacity commissioned on 11 KV SKY AG feeders in Year 2018-19.</li> <li>43 MW (DC) capacity commissioned in RTS in Year 2018-19.</li> </ul>
iii). The capital investment on energy conservation equipments;	— Nil —
<b>(B) Technology absorption –</b>	
i). The efforts made towards technology absorption;	<ul style="list-style-type: none"> <li>To strengthen distribution network in Urban area, UGVCL had implemented central government scheme IPDS and various work executed at the cost of Rs. 102.22 Cr. with 230.65 Km of Underground Network with 295 Nos. of Ring Main Unit.</li> <li>To strengthen distribution network in Rural area, UGVCL had implemented central government scheme DDUGJY and various work</li> </ul>



	<p>executed at the cost of Rs. 121.54 Cr. with 95 Nos. of feeder bifurcation.</p> <ul style="list-style-type: none"> <li>• For monitoring and remotely operations of 136 feeders emanating from 19 Sub stations, SCADA Control Center is establish at Gandhinagar which covers 12 Nos. of Sub Divisions of Ahmedabad Peri under SCADA Project</li> <li>• Underground network is developed with Smart GIDC Concept by utilize HTMC, CTC, PSS, RMU, RCC Cable Trench in BOL GIDC and Japanese Park 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>• Utilization of 43 Nos. Air Break Earth Blade Switch with earthing facility as a pilot project suggested by GPRD Cell.</li> <li>• Utilization of remotely operated Load Break Switch with Earth Blade facility as a pilot project suggested by GPRD Cell.</li> <li>• Pilot Project for "LoRA" for remote metering with Low - Power RF Technology suggested by GPRD Cell and for the same Punjab DISCOM had visited up to field level</li> <li>• Through SEDM portal real time monitoring of SKY AG feeder consumers available.</li> <li>• Smart Grid Pilot Project implemented in Naroda urban subdivision which covered <ul style="list-style-type: none"> <li>o Automatic meter reading &amp; bill generation</li> <li>o Remote Connect / Disconnect of overdue bill payment consumers.</li> <li>o Net-metering for Solar rooftop consumers.</li> <li>o Consistent data availability &amp; Real time energy audits.</li> </ul> </li> </ul>
ii) The benefits derived like product improvement, cost reduction, product development or import substitution;	<ul style="list-style-type: none"> <li>• Implementation of Underground Electrical Network gives esthetic look in urban areas as well as provides safety to people and line staff.</li> <li>• Reduction in Power Interruptions.</li> </ul>





# Uttar Gujarat Vij Company Limited

CIN - U40102GJ2003SGC042906

16<sup>th</sup> Annual Report 2018-19



	<ul style="list-style-type: none"> <li>Achieved consumer satisfaction by providing Accurate billing, Mobile application, Consumer portal &amp; SMS facilitation.</li> </ul>
iii). In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)- (a) The details of technology imported; (b) The year of import; (c) Whether the technology been fully absorbed; (d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	<p>----- Nil -----</p>
iv). The expenditure incurred on Research and Development.	
<b>(C) Foreign exchange earnings and outgo –</b>	<p>----- Nil -----</p>
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 : 03-Dec-2019

Place : Ahmedabad

Shahmeena Husain, IAS

Chairperson

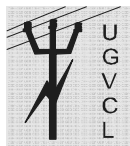




**ANNEXURE-2**

**Annual Report on Corporate Social Responsibility (CSR) activities for the Financial Year 2018-19**

1.	<p><b>A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.</b></p> <p>'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: <a href="http://www.ugvcl.com">http://www.ugvcl.com</a></p>						
2.	<p><b>The Composition of the CSR Committee</b></p> <table> <tr> <td>1. Managing Director</td><td>Chairman</td></tr> <tr> <td>2. Dr. Vasant Gandhi, Independent Director</td><td>Member</td></tr> <tr> <td>3. Shri Anish Sugathan, Independent Director</td><td>Member</td></tr> </table>	1. Managing Director	Chairman	2. Dr. Vasant Gandhi, Independent Director	Member	3. Shri Anish Sugathan, Independent Director	Member
1. Managing Director	Chairman						
2. Dr. Vasant Gandhi, Independent Director	Member						
3. Shri Anish Sugathan, Independent Director	Member						
3.	<p><b>Average net profit of the Company for last three financial years</b> Average Net Profit (2015-16 to 2017-18) ₹ 6,549.81 Lakhs</p>						
4.	<p><b>Prescribed CSR Expenditure (2% of the amount as in item 3 above)</b> ₹ 130.99 Lakhs (rounded off to ₹ 131.00 Lakhs)</p>						
5.	<p><b>Details of CSR spent during the financial year:-</b></p> <p>a) Total amount to be spent for the financial year ... ₹ 131.00 Lakhs</p> <p>b) Amount unspent, if any ... ₹ 96.00 Lakhs</p> <p>c) Manner in which the amount spent during the financial year as given below :</p> <p>The Company has given ₹ 35.00 Lakhs to Gujarat CSR Authority (GCSRA- established by Govt. of Gujarat) as contribution towards the corpus of CSR fund for implementation of following project to be monitored by GCSRA:</p>						



# Uttar Gujarat Vij Company Limited

CIN - U40102GJ2003SGC042906

16<sup>th</sup> Annual Report 2018-19



(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. No.	CSR Project or activity identified	Sector in which the project is covered	Projects or programs Projects or programs (1) Local area or other (2) specify the state and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs (1) Direct expenditure on projects or programs (2) Overhead	Cumulative expenditure up to the reporting period	Amount spent : Direct or though implementing agency
1	"Vocational Skills for Individuals with Special Needs" Through GCSRA	Education for individuals with Special Needs	Ahmedabad (Gujarat)	₹ 131.00 Lakhs	₹ 35.00 Lakhs	₹ 35.00 Lakhs	₹ 35.00 Lakhs through GCSRA
6.	<p><b>In case, the Company has failed to spend two percent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board report :</b></p> <p>The total amount to be spent for the Financial Year 2018-19 was ₹ 131.00 Lakhs. The Company was able to spend ₹ 35.00 Lakhs during the Financial Year leaving an unspent amount of ₹ 96.00 Lakhs. The Company could not spend the remaining funds as none of the other projects under consideration was finalized till the end of the Financial Year.</p> <p>The Company is in the process of exploring various options for CSR activities that can deliver the maximum impact to society. The Company is prudently selecting the projects and implementing the same in fulfilling CSR objectives. The Company plans accelerating the pace of its CSR spend in coming years through structured programmes and projects including those suggested by Gujarat CSR Authority, established by the Govt. of Gujarat, that may impact the society as a whole.</p>						
7.	<p><b>Responsibility statement of the CSR Committee, that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company duly signed by Director and Chairman of the CSR Committee.</b></p> <p>The CSR Committee of the Company hereby confirms that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.</p>						
<div>(Mahesh Singh, IFS) Managing Director &amp; Chairman, CSR Committee</div>							



**Uttar Gujarat Vij Company Limited**  
CIN - U40102GJ2003SGC042906  
**16<sup>th</sup> Annual Report 2018-19**



**ANNEXURE-3**

**FORM NO. MGT-9**  
**EXTRACT OF ANNUAL RETURN**  
**as on the Financial Year ended on 31-Mar-2018**

*[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]*

**I. REGISTRATION AND OTHER DETAILS:**

I.	CIN:-	U40102GJ2003SGC042906
II.	Registration Date	15-Sep-2003
III.	Name of the Company	UTTAR GUJARAT VIJ COMPANY LIMITED
IV.	Category/ Sub-Category of the Company	Public Limited Company, Govt. Company
V.	Address of the Registered office and contact details	Registered & Corporate Office, Visnagar Road, Mehsana - 384001
VI.	Whether listed company	No
VII.	Name, Address and Contact details of Registrar and Transfer Agent, if any	NOT APPLICABLE

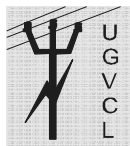
**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sr. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Distribution Electricity	35109	97.46%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –**

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Gujarat Urja Vikas Nigam Limited, Sardar Patel Vidyut Bhavan, Race Course, Vadodara	U40109GJ2004SGC045195	Holding	100%	2(46)



# Uttar Gujarat Vij Company Limited

CIN - U40102GJ2003SGC042906

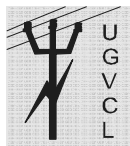
16<sup>th</sup> Annual Report 2018-19



## IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

### (i) Category-wise Share Holding:

Category of Shareholders	No. of Shares held at the beginning of the year (01-Apr-2018)				No. of Shares held at the end of the year (31-Mar-2019)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/HUF	0	0	0	0	0	0	0	0	0
b) Central Govt.	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	0	518463104	518463104	100	0	556330800	556330800	100	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any Other....	0	0	0	0	0	0	0	0	0
<b>Sub-total (A) (1):-</b>	0	518463104	518463104	100	0	556330800	556330800	100	0
<b>(2) Foreign</b>	0	0	0	0	0	0	0	0	0
a) NRI Individuals	0	0	0	0	0	0	0	0	0
b) Other Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any Other....	0	0	0	0	0	0	0	0	0
<b>Sub-total (A) (2):-</b>	0	0	0	0	0	0	0	0	0
<b>Total Shareholding of Promoter (A) =(A)(1)+(A)(2)</b>	0	518463104	518463104	100	0	556330800	556330800	100	0
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>	0	0	0	0	0	0	0	0	0
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Bank / FI.	0	0	0	0	0	0	0	0	0
c) Central Govt.	0	0	0	0	0	0	0	0	0
d) State Govt.	0	0	0	0	0	0	0	0	0
e) Venture Capital Fund.	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIS	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Fund.	0	0	0	0	0	0	0	0	0
i) Others (Specify)	0	0	0	0	0	0	0	0	0
<b>Sub-total (B)(1):-</b>	0	0	0	0	0	0	0	0	0
<b>2. Non- Institutions</b>									
a) Bodies Corp.									
i) Indian	0	0	0	0	0	0	0	0	0
i) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital in excess of Rs. 1. lakhs	0	0	0	0	0	0	0	0	0



# Uttar Gujarat Vij Company Limited

CIN - U40102GJ2003SGC042906

16<sup>th</sup> Annual Report 2018-19



ii) Individual shareholders holding nominal share capital in excess of Rs. 1. lakhs	0	0	0	0	0	0	0	0	0
c) Others (specify)	0	0	0	0	0	0	0	0	0
<b>Sub-total (B)(2):-</b>	0	0	0	0	0	0	0	0	0
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	0	0	0	0	0	0	0	0	0
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	0	0	0	0	0	0	0	0	0
<b>Grand Total (A+B+C)</b>	0	518463104	518463104	100	0	556330800	556330800	100	0

## (ii) Shareholding of Promoters:

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (01/04/2018)			Shareholding at the end of the year (31/03/2019)			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Gujarat Urja Vikas Nigam Limited, (holding Company) and its Nominees	518463104	100	0	556330800	100	0	0
	<b>Total</b>	<b>518463104</b>			<b>556330800</b>			

## (iii) Change in Promoters' Shareholding (please specify, if there is no change):

Sr. No.		Shareholding at the beginning of the year (01/04/2018)		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
	At the beginning of the year Gujarat Urja Vikas Nigam Limited and its nominees	<b>518463104</b>	100	<b>518463104</b>	100
	Date-wise <b>Increase</b> / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease, e.g. allotment/ transfer/bonus/sweat equity etc.: Increase by way of allotment on Rights Basis	398592 (20-Apr-2018) 17245419 (30-May-2018) 20223685 (15-Feb-2019) ----- 37867696	100	<b>556330800</b>	100
	At the End of the year (31/03/2018)	518463104	100	<b>556330800</b>	100



# Uttar Gujarat Vij Company Limited

CIN - U40102GJ2003SGC042906

16<sup>th</sup> Annual Report 2018-19



## (iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.		Shareholding at the beginning of the year (01/04/2018)		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
	For Each of the top 10 Shareholders				
	At the beginning of the year	Not Applicable			
	Date-wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.)				
	At the End of the year (or on the date of separation, if separated during the year)				

## (v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year (01-Apr-2018)		Date	Increase / Decrease	Reason	Cumulative Shareholding during the year and As on 31-Mar-2019	
		No. of Shares	% of total shares of the Company				No. of Shares	% of total shares of the Company
	<b>NAME</b>							
	<b>DIRECTORS</b>							
1	Shri Pankaj H. Joshi	10	0.00	-	-	-	10	0.00
	<b>KEY MANAGERIAL PERSONNEL</b>							
	Shri R. B. Kothari – CFO	10	0.00	-	-	-	10	0.00

Note The above Directors and KMP are holding Equity Shares as Nominees of GUVNL. Except that, other Directors and KMPs do not hold any Shares in the Company.

## V. INDEBTEDNESS (AS ON 31-MAR-2019):

Indebtedness of the Company including interest outstanding/accrued but not due for payment (₹ In Lakhs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year (01-Apr-17)</b>				
i) Principal Amount	3069.82	3728.14	0.00	6797.96
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	185.89	192.58	0.00	378.47
<b>Total (i+ii+iii)</b>	<b>3255.71</b>	<b>3920.72</b>	<b>0.00</b>	<b>7176.43</b>



# Uttar Gujarat Vij Company Limited

CIN - U40102GJ2003SGC042906

16<sup>th</sup> Annual Report 2018-19

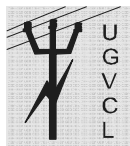


<b>Change in Indebtedness during the financial year</b>				
• Addition	67.90	2596.23	0.00	2664.13
• Reduction	– 103.70	–601.05	0.00	–704.75
<b>Net Change</b>	<b>-35.80</b>	<b>1995.18</b>	<b>0.00</b>	<b>1959.38</b>
<b>Indebtedness at the end of the Financial Year (31-Mar-19)</b>				
i) Principal Amount	3034.02	5723.32	0.00	8757.34
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	480.91	160.88	0.00	641.79
<b>Total (i+ii+iii)</b>	<b>3514.93</b>	<b>5884.20</b>	<b>0.00</b>	<b>9399.13</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager			Total Amount ₹
		Shri B.A. Shah, IAS Managing Director (Upto 05-Apr 2018)	Shri Swaroop P., IAS Managing Director (From 05-Apr 2018 to 02-Feb-2019)	Shri Mahesh Singh, IFS Managing Director (From 04-Feb- 2019)	
1	Gross salary a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 b) Value of perquisites u/s 17(2) Income-tax Act, 1961 c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	<b>2,78,221.00</b>	<b>15,19,948.00</b>	<b>2,07,366.00</b>	<b>20,05,535.00</b>
2	Stock Option	0	0	0	0
3	Sweat Equity	0	0	0	0
4	Commission - as % of profit - others, specify...	0	0	0	0
5	Others, please specify	0	0	0	0
	<b>Total</b>	<b>2,78,221.00</b>	<b>15,19,948.00</b>	<b>2,07,366.00</b>	<b>20,05,535.00</b>
	<b>Ceiling as per the Act</b>	Not applicable as Section 197 of Companies Act, 2013 shall not apply to Government Companies.			



# Uttar Gujarat Vij Company Limited

CIN - U40102GJ2003SGC042906

16<sup>th</sup> Annual Report 2018-19



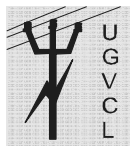
## B. Remuneration to other directors:

Sr. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Independent Directors			Other Non-Executive Directors	
		Dr. V.P. Gandhi	Prof. Anish Sugathan	Shri Nirav Shah	Shri V. N. Maira, IAS (Retd.)	
1	Independent Directors					
	• Fee for attending board/ committee meetings	20,000	20,000	20,000	0	60,000
	• Commission	0	0	0	0	0
	• Others, please specify	0	0	0	0	0
	<b>Total (1)</b>	<b>20,000</b>	<b>20,000</b>	<b>20,000</b>		<b>60,000</b>
2	Other Non-Executive Directors	0	0	0	0	0
	• Fee for attending board / committee meetings	0	0	0	0	0
	• Commission	0	0	0	0	0
	• Others, please specify	0	0	0	20,81,280.00	20,81,280.00
	<b>Total (2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>20,81,280.00</b>	<b>20,81,280.00</b>
	<b>Total (B)=(1+2)</b>	<b>20,000</b>	<b>20,000</b>	<b>20,000</b>	<b>20,81,280.00</b>	<b>20,81,280.00</b>
	Total Managerial Remuneration	0	0	0	0	0
	Overall Ceiling as per the Act	Not applicable as Section 197 of Companies Act, 2013 shall not apply to Government Companies..				

## C. Remuneration to Key Managerial Personnel other than MD/ MANAGER / WTD: (₹ In Lakhs)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1	Gross salary				
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0	30.57	33.68	64.25
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0	0
	c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0	0	0





# Uttar Gujarat Vij Company Limited

CIN - U40102GJ2003SGC042906

16<sup>th</sup> Annual Report 2018-19



2.	Stock Option	0	0	0	0
3.	Sweat Equity	0	0	0	0
4.	Commission - as % of profit - others, specify..	0	0	0	0
5.	Others, please specify	0	0	0	0
	<b>Total</b>	<b>0</b>	<b>30.57</b>	<b>33.68</b>	<b>64.25</b>

## VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	NIL				
Punishment					
Compounding					
B. DIRECTORS					
Penalty	NIL				
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty	NIL				
Punishment					
Compounding					

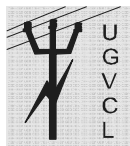
For and on behalf of the Board

Date : 03-Dec-2019

Place : Ahmedabad

Shahmeena Husain, IAS

Chairperson



# Uttar Gujarat Vij Company Limited

CIN - U40102GJ2003SGC042906

16<sup>th</sup> Annual Report 2018-19



## ANNEXURE-4

**Board's explanation pursuant to Section 134(3)(f) of the Companies Act, 2013 on qualification made by the Statutory Auditors in their Audit Report on the Financial Statements for the FY 2018-19:**

Qualification	Board's Reply
<p>We draw attention to note No.39 to the Ind AS financial statements wherein 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. However, in our 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.</p> <p>Non accounting of the above effect has resulted into understatement of balance of grants/ consumer contribution as on 31<sup>st</sup> March, 2019 by ₹ 18,934.82 lakhs and overstatement of balance of 'Retained Earnings' by like amount. Had the above been accounted for, the balance of grants/ consumer contribution would have been ₹ 1,55,433.77 lakhs and balance of 'Retained Earnings' would have been ₹ 8,063.93 lakhs as on 31<sup>st</sup> March, 2019 as against the reported figures of ₹ 1,36,498.95 and ₹ 26,998.75 lakhs respectively.</p>	<p>The accounting treatment followed by UGVCL is a considered decision taken by GUVNL for all the DISCOM's and all four DISCOM's have followed the same accounting treatment during the FY 2016-17, FY 2017-18 and FY 2018-19.</p> <p>Further we reiterate the fact, that UGVCL has changed the method of recognizing grants as income from reducing balance method (RBM) to straight line method (SLM). The change in the rates is consequential to the change i.e., 10% RBM to 5.28% SLM. The change in the method and consequentially the rates is to exactly match the depreciation method and the rates where there was a mismatch. This change is not a change in the principle of recognition of grants but only a change in the method, as permissible and in compliance with the relevant Indian Accounting Standards (Ind AS) as applicable. Given that it is a change in estimate, the effect of the same is required to be given prospectively not retrospectively. Hence the treatment given by the Company is correct and in compliance with the applicable Indian Accounting Standards (Ind - AS).</p>

For and on behalf of the Board

Date : 03-Dec-2019

Place : Ahmedabad

Shahmeena Husain, IAS  
Chairperson



**HITESH BUCH & ASSOCIATES**  
**COMPANY SECRETARIES**

310, Aditya Plaza, Nr. Karnavati Apartments, Jodhpur, Satellite, Ahmedabad – 380015

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2019**

*[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

We 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 us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our 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, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March 2019 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. We 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 2019 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.



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. We 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.

**We 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.

**We 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.

**We 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). 3,98,592 Equity Shares of ₹ 10/- each on 20-Apr-2018 (at premium of ₹ 61/- per Share aggregating to ₹ 2,83,00,032/-)
- ii). 1,72,45,419 Equity Shares of ₹ 10/- each on 30-May-2018 (at premium of ₹ 61/- per Share aggregating to ₹ 122,44,24,749/-)
- iii). 2,02,23,685 Equity Shares of ₹ 10/- each on 15-Mar-2019 (at premium of ₹ 66/- per Share aggregating to ₹ 153,70,00,060/-)

Sd/-

Place : Ahmedabad

Date : 15<sup>th</sup> October, 2019

Hitesh Buch

For, Hitesh Buch & Associates

FCS No.: 3145

C P No.: 8195



**HITESH BUCH & ASSOCIATES**  
**COMPANY SECRETARIES**

310, Aditya Plaza, Nr. Karnavati Apartments, Jodhpur, Satellite, Ahmedabad – 380015

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

Our 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. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We 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. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, we 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. Our 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 : 15<sup>th</sup> October, 2019

Sd/-  
Hitesh Buch  
For, Hitesh Buch & Associates  
FCS No.: 3145  
C P No.: 8195



**C&AG's Letter No. ES-I/A/cs/UGVCL/2018-19/561 dated 19-11-2019**

**COMMENTS OF 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<sup>ST</sup> MARCH 2019.**

The preparation of financial statement of Uttar Gujarat Vij Company Limited for the year ended 31 March 2019 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the Company. The Statuary Auditor appointed by the Comptroller and Auditor General of India under Section 139(5) of the Act are responsible for expressing opinion on these 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 21 September 2019.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under Section 143(6)(a) of the Act of the financial statements of **Uttar Gujarat Vij Company Limited** for the year ended 31 March 2019. This supplementary audit has been carried out independently without access to the working papers of the Statuary Auditors and is limited primarily to inquiries of the Statuary Auditors and Company personnel and a selective examination of some of the accounting records. On the basis of my audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to Statuary Auditor's Report.

**For and on behalf of he**

**Comptroller & Auditor General of India**

**Sd/-**

**(H.K.Dharmdarshi)**

**Principal Accountant General**

**Place: Ahmedabad**

**Date: 19-11-2019**



## **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, 2019, 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, 2019, and profit, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

### **Basis of Qualification**

We draw attention to note No.39 to the Ind AS financial statements wherein 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. However, in our 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 31<sup>st</sup> March, 2019 by Rs. 18,934.82 lakhs and overstatement of balance of 'Retained Earnings' by like amount. Had the above been accounted for, the balance of grants/ consumer contribution would have been Rs. 1,55,433.77 lakhs and balance of 'Retained Earnings' would have been Rs. 8,063.93 lakhs as on 31<sup>st</sup> March, 2019 as against the reported figures of Rs. 1,36,498.95 and Rs. 26,998.75 lakhs respectively.

### **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.

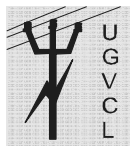
### **Auditor's Responsibilities for the Audit of Ind AS financial statements.**

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.

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





**Uttar Gujarat Vij Company Limited**

CIN - U40102GJ2003SGC042906

**16<sup>th</sup> Annual Report 2018-19**



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 31<sup>st</sup> March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2019 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 41 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, **RAMANLAL G. SHAH & CO.**

Chartered Accountants

Firm Reg. No. 108517W

Date : 21<sup>st</sup> September 2019

Place : Ahmedabad

(Vivek S. Shah)

Partner

Membership No.112269

UDIN:19112269AAAABG3621



## 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.

For, **RAMANLAL G. SHAH & CO.**

Chartered Accountants

Firm Reg. No. 108517W

Date : 21<sup>st</sup> September 2019

Place : Ahmedabad

(Vivek S. Shah)

Partner

Membership No.112269

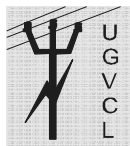
UDIN:19112269AAAABG3621



## **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 fixed there for. The discrepancies noticed on such verification, which were not significant, have been properly dealt with in the books of account.
- (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 maintained at site has been carried out during the year by the management and there have been no material discrepancies noticed on such verification.
- (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, 2019 for a period more than six months from the date they became payable, except for Goods & Service Tax not paid Rs. 60.07 lakhs.
- (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, 2019 on account of any dispute, except for the following -



# Uttar Gujarat Vij Company Limited

CIN - U40102GJ2003SGC042906

16<sup>th</sup> Annual Report 2018-19



Nature of Dues	Amount (Rs.)	Forum where dispute is pending
Value Added Tax (Under Gujarat Value Added tax Act, 2003)-FY 2012-13	6,11,742/-	Dy. Commissioner - Appeals
Value Added Tax (Under Gujarat Value Added tax Act, 2003)-FY 2013-14	3,25,319/-	Joint Commissioner - Appeals
Income Tax Act, 1961 - FY 2009-10 (AY 2010-11)	36,45,960/-	Income Tax Appellate Tribunal
Income Tax Act, 1961 - FY 2010-11 (AY 2011-12)	69,87,04,100/-	Income Tax Appellate Tribunal
Income Tax Act, 1961 - FY 2011-12 (AY 2012-13)	2,62,33,240/-	Income Tax Appellate Tribunal
Income Tax Act, 1961 - FY 2012-13 (AY 2013-14)	12,30,42,520/-	Income Tax Appellate Tribunal
Income Tax Act, 1961 - FY 2013-14 (AY 2014-15)	5,19,84,760/-	Income Tax Appellate Tribunal
Income Tax Act, 1961 - FY 2015-16 (AY 2016-17)	16,07,53,430/-	Commissioner of Income Tax (Appeals)
Service Tax - FY 2012-13 to FY 2016-17	67,74,78,704/-	Director General of GST Intelligence, Bhopal
Service Tax - FY 2012-13 to FY 2016-17	44,904/-	Commissioner (Appeals)

- (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.
- (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.



## Uttar Gujarat Vij Company Limited

CIN - U40102GJ2003SGC042906

**16<sup>th</sup> Annual Report 2018-19**



- (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.
- (xv). In our opinion and according to the information and explanations given to us, the Company has not entered into 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.

For, **RAMANLAL G. SHAH & CO.**

Chartered Accountants

Firm Reg. No. 108517W

Date : 21<sup>st</sup> September 2019

Place : Ahmedabad

(Vivek S. Shah)

Partner

Membership No.112269

UDIN:19112269AAAABG3621



## **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, 2019 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.



## **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, 2019, based on Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For, **RAMANLAL G. SHAH & CO.**

Chartered Accountants

Firm Reg. No. 108517W

Date : 21<sup>st</sup> September 2019

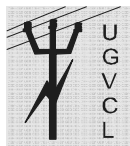
Place : Ahmedabad

(Vivek S. Shah)

Partner

Membership No.112269

UDIN:19112269AAAABG3621



## **ANNEXURE 'D' TO AUDITORS' REPORT**

### **DIRECTIONS UNDER SECTION 143 (5) OF THE COMPANIES ACT, 2013 FOR FINANCIAL YEAR 2018-19**

#### **NAME & ADDRESS OF THE COMPANY -**

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

<b>SR. NO.</b>	<b>QUESTIONNAIRE</b>	<b>RESPONSE / REMEDIAL MEASURES</b>
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.

For, **RAMANLAL G. SHAH & CO.**  
Chartered Accountants  
Firm Reg. No. 108517W

Date : 21<sup>st</sup> September 2019  
Place : Ahmedabad

(Vivek S. Shah)  
Partner  
Membership No.112269  
UDIN:19112269AAAABG3621





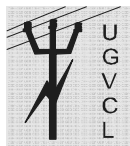
## ANNEXURE 'E' TO AUDITORS' REPORT

### SECTOR SPECIFIC SUB DIRECTIONS UNDER SECTION 143 (5) OF THE COMPANIES ACT, 2013 FOR FINANCIAL YEAR 2018-19

#### NAME & ADDRESS OF THE COMPANY -

Uttar Gujarat Vij Company Limited, 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 15<sup>th</sup> to 18<sup>th</sup> of the month for normal consumers. In case of Open access consumers, billing is done on 1<sup>st</sup> 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 15<sup>th</sup> to 20<sup>th</sup> of the month &amp; in bi-monthly billing cycle, meter reading is carried out from every 21<sup>st</sup> of month to 10<sup>th</sup> 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> <p>To improve Collection, the Company has made arrangements with post offices, private cash collection agencies, e-gram panchayat's and also provided facility of any time payment (ATP) kiosks, net banking facility to facilitate payment of bills to the consumers. The Company also conduct disconnection drive, arrange LOK ADALAT for pending disputed arrears to improve collection efficiency.</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 35,66,659 nos. of Consumers as on 31-03-2019. Out of the same 34,14,260 nos. of Consumers are metered and 1,52,399 Nos. of Consumers are un-metered. For



# Uttar Gujarat Vij Company Limited

CIN - U40102GJ2003SGC042906

16<sup>th</sup> Annual Report 2018-19



		all the metered consumers as stated above the Company has installed the static meters and electro mechanical meters. For remaining 1,52,399 nos. of consumers tariff is charged on the basis of contract load which is approved by GERC.												
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.	During the year, Company has been allocated following subsidies for Agriculture and Waterworks (Gram Panchayats) consumers through Holding Company												
		<table><tr><th>Particulars</th><th>Amount (Rs. in Lakhs)</th></tr><tr><td>Agriculture - Tariff Compensation</td><td>93747.56</td></tr><tr><td>Agriculture subsidy for FPPA</td><td>157739.83</td></tr><tr><td>HP based Subsidy</td><td>54068.35</td></tr><tr><td>Waterworks (Gram Panchayats)</td><td>24184.68</td></tr><tr><td><b>Total</b></td><td><b>329740.42</b></td></tr></table>	Particulars	Amount (Rs. in Lakhs)	Agriculture - Tariff Compensation	93747.56	Agriculture subsidy for FPPA	157739.83	HP based Subsidy	54068.35	Waterworks (Gram Panchayats)	24184.68	<b>Total</b>	<b>329740.42</b>
		Particulars	Amount (Rs. in Lakhs)											
		Agriculture - Tariff Compensation	93747.56											
		Agriculture subsidy for FPPA	157739.83											
		HP based Subsidy	54068.35											
		Waterworks (Gram Panchayats)	24184.68											
<b>Total</b>	<b>329740.42</b>													
<b>GUVNL:</b> 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.														

For, **RAMANLAL G. SHAH & CO.**  
Chartered Accountants  
Firm Reg. No. 108517W

Date : 21<sup>st</sup> September 2019  
Place : Ahmedabad

(Vivek S. Shah)  
Partner  
Membership No.112269  
UDIN:19112269AAAABG3621



**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, **RAMANLAL G. SHAH & CO.**

Chartered Accountants

Firm Reg. No. 108517W

Date : 21<sup>st</sup> September 2019

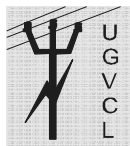
Place : Ahmedabad

(Vivek S. Shah)

Partner

Membership No.112269

UDIN:19112269AAAABG3621



# Uttar Gujarat Vij Company Limited

CIN - U40102GJ2003SGC042906

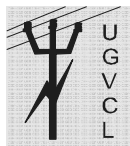
16<sup>th</sup> Annual Report 2018-19



## Balance Sheet as at 31<sup>st</sup> March, 2019

₹ in Lakhs

Particulars	Note No	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
<b>ASSETS</b>			
<b>(1) Non-Current Assets</b>			
(a) Property, Plant and Equipment	2	454,717.01	413,534.97
(b) Capital Works-in-Progress	3	11,119.23	11,738.86
(c) Financial Assets			
(i) Loans	4	393.92	684.38
(ii) Other Financial Assets	5	3,177.27	927.86
<b>Total Non-Current Assets</b>		<b>469,407.43</b>	<b>426,886.07</b>
<b>(2) Current Assets</b>			
(a) Inventories	6	14,216.83	21,224.73
(b) Financial Assets			
(i) Trade Receivables	7	81,046.46	74,693.99
(ii) Cash and Cash equivalents	8	5,901.32	4,600.13
(iii) Other Bank Balances	9	1.55	191.67
(iv) Loans	10	596.61	454.68
(v) Other Financial assets	11	126,505.76	107,829.37
(c) Current Tax Assets (Net)	12	2,354.90	903.51
(d) Other Current Assets	13	91.95	75.79
(e) Assets Classified as held for Sale	14	161.69	210.14
<b>Total Current Assets</b>		<b>230,877.07</b>	<b>210,184.01</b>
<b>Total</b>		<b>700,284.50</b>	<b>637,070.08</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share Capital	15	55,633.08	51,846.31
(b) Other Equity	16	236,980.10	211,810.96
<b>Total Equity</b>		<b>292,613.18</b>	<b>263,657.27</b>
Deferred Government Grants, Subsidies & Consumers' Contributions	17	136,498.95	115,009.91
<b>Liabilities</b>			
<b>(1) Non-Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	18	6,408.10	5,108.77
(ii) Other Financial liabilities	19	142,587.46	127,494.50
(b) Provisions	20	18,161.72	16,652.32
(c) Deferred Tax Liabilities (Net)	21	695.75	-
<b>Total Non-current Liabilities</b>		<b>167,853.03</b>	<b>149,255.59</b>



**Uttar Gujarat Vij Company Limited**  
CIN - U40102GJ2003SGC042906  
**16<sup>th</sup> Annual Report 2018-19**



₹ in Lakhs

Particulars	Note No	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
<b>(2) Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	22	567.64	3.48
(ii) Trade Payables	23		
(A) due to micro enterprises and small enterprises		-	-
(B) due to other than micro enterprises and small enterprises		335.79	357.94
(iii) Other Financial Liabilities	24	46,553.61	55,031.06
(b) Other Current Liabilities	25	54,134.30	51,723.91
(c) Provisions	26	1,728.00	2,030.92
<b>Total Current Liabilities</b>		<b>103,319.34</b>	<b>109,147.31</b>
<b>Total</b>		<b>700,284.50</b>	<b>637,070.08</b>
<b>Significant Accounting Policies and Notes to Financial Statements</b>	1-48		

As per our report of even date attached  
For Ramanlal G. Shah & Co.  
Chartered Accountants  
F.R. No. 108517W

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

Vivek S. Shah  
M. No. 112269  
ICAI UDIN-19112269AAAABG3621

Shahmeena Husain, IAS  
Chairperson  
DIN-03584560

Mahesh Singh, IFS  
Managing Director  
DIN-05147001

R.B. Kothari, ACMA  
Chief Financial Officer

N.M. Joshi, FCS  
Company Secretary

Place : Ahmedabad  
Date : 21-Sep-2019

Place: Ahmedabad  
Date: 21-Sep-2019



# Uttar Gujarat Vij Company Limited

CIN - U40102GJ2003SGC042906

16<sup>th</sup> Annual Report 2018-19



## Statement of Profit and Loss for the period ended 31<sup>st</sup> March, 2019

₹ in Lakhs

	Particulars	Note No.	For the year ended 31 <sup>st</sup> March, 2019	For the year ended 31 <sup>st</sup> March, 2018
I	Revenue from operations	27	1,218,330.30	1,013,105.13
II	Other Income	28	17,290.76	13,978.09
III	<b>Total income (I+II)</b>		<b>1,235,621.06</b>	<b>1,027,083.22</b>
IV	<b>EXPENSES</b>			
	Purchase of Power	29	1,125,428.49	917,998.91
	Employee Benefits Expense	30	46,908.73	46,595.60
	Finance Costs	31	8,771.92	8,830.81
	Depreciation and amortization expense	2	29,107.88	26,224.57
	Other Expenses	32	20,236.69	15,863.38
	<b>Total expenses (IV)</b>		<b>1,230,453.71</b>	<b>1,015,513.26</b>
V	<b>Profit before tax (III-IV)</b>		<b>5,167.35</b>	<b>11,569.96</b>
VI	<b>Tax Expense:</b>	33		
	Current Tax		94.53	1,437.94
	Deferred Tax		1,410.84	-
VII	<b>Profit for the year (V-VI)</b>		<b>3,661.98</b>	<b>10,132.02</b>
VIII	<b>Other comprehensive income (OCI)</b>			
	(a) Items that will not be reclassified to profit or loss		-	-
	(b) Re-measurement of the defined benefit plans		(3,318.40)	(6,091.20)
	- tax impact		715.08	-
	<b>Total of Other comprehensive income (OCI) (VIII)</b>		<b>(2,603.32)</b>	<b>(6,091.20)</b>
IX	<b>Total comprehensive income for the year (Comprising Profit / (Loss) and other comprehensive income for the period )(VII+VIII)</b>		<b>1,058.66</b>	<b>4,040.81</b>
X	<b>Earnings per Equity Share:</b>	34		
	Basic (in ₹)		0.70	2.04
	Diluted (in ₹)		0.70	2.04
	<b>See accompanying notes to the Financial Statements</b>	<b>1-48</b>		

As per our report of even date attached  
For Ramanlal G. Shah & Co.  
Chartered Accountants  
F.R. No. 108517W

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

Vivek S. Shah  
M. No. 112269  
ICAI UDIN-19112269AAAABG3621

Shahmeena Husain, IAS  
Chairperson  
DIN-03584560

Mahesh Singh, IFS  
Managing Director  
DIN-05147001

R.B. Kothari, ACMA  
Chief Financial Officer

N.M. Joshi, FCS  
Company Secretary

Place : Ahmedabad  
Date : 21-Sep-2019

Place: Ahmedabad  
Date: 21-Sep-2019



# Uttar Gujarat Vij Company Limited

CIN - U40102GJ2003SGC042906

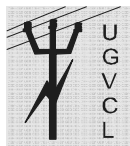
16<sup>th</sup> Annual Report 2018-19



## Cash Flow Statement for the year ended 31<sup>st</sup> March, 2019

₹ in Lakhs

Particulars	For the year ended 31 <sup>st</sup> March, 2019	For the year ended 31 <sup>st</sup> March, 2018
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax	5,167.35	11,569.96
<i>Adjustments to reconcile profit before tax to net cash flows:</i>		
Depreciation and amortization	29,107.88	26,224.57
(Gain)/Loss on sale of PPE (net)	(115.32)	5.34
Deferred Income (10% of Capital Grant & Consumer Contribution Written Back)	(11,918.05)	(10,154.16)
Interest income	(53.47)	(0.68)
Finance costs	8,771.92	8,830.81
Impairment for Doubtful receivables	2,106.35	718.18
<i>Working capital adjustments:</i>		
<b>(Increase)/ Decrease in Current Assets:</b>		
Inventories	7,007.90	16,266.71
Trade receivables	(8,458.82)	(10,805.09)
Other financials assets	(20,777.27)	(42,182.61)
Other non financial assets	(16.16)	58.70
<b>Increase / (Decrease) in Current Liabilities:</b>		
Trade Payables	(22.15)	21.88
Other Financial Liabilities	2,134.79	12,560.24
Other non Financial Liabilities & Provisions	3,616.87	4,717.34
	<b>16,551.82</b>	<b>17,831.18</b>
Income tax (paid)/ Refund	(1,545.92)	(2,072.77)
<b>Net cash flows from operating activities (A)</b>	<b>15,005.90</b>	<b>15,758.41</b>
<b>Investing activities</b>		
Purchase of property, plant and equipment (including CWIP)	(70,505.75)	(75,849.07)
Sale of fixed assets	1,073.38	11,021.44
(Increase)/ Decrease in Assets not in use	48.45	(10.23)
Bank Balances not considered as Cash and Cash Equivalents	190.12	1,673.11
Interest received (finance income)	53.47	0.68
<b>Net cash flows used in investing activities (B)</b>	<b>(69,140.33)</b>	<b>(63,164.06)</b>
<b>Financing activities</b>		
Proceeds from Share Application Money / Proceeds from Issue of Share Capital	27,897.25	44,156.95
Deferred Govt. Grants, Subsidy & Contributions	33,407.08	15,119.73
Proceeds / (Repayment) from borrowing (net)	2,523.54	(5,193.32)
Interest & financial charges	(8,392.25)	(9,194.25)
<b>Net cash flows from/(used in) financing activities (C)</b>	<b>55,435.62</b>	<b>44,889.12</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>1,301.19</b>	<b>(2,516.54)</b>
Cash and cash equivalents at the beginning of the year	4,600.13	7,116.67
<b>Cash and Cash equivalents at year end</b>	<b>5,901.32</b>	<b>4,600.13</b>



# Uttar Gujarat Vij Company Limited

CIN - U40102GJ2003SGC042906

16<sup>th</sup> Annual Report 2018-19



Notes:		₹ in Lakhs	
<b>1</b>	<b>Cash &amp; Bank Balances consists of the following:</b>		
	<b>Cash &amp; Cash Equivalents</b>		
	a. Balances with Banks	4,119.34	3,376.30
	b. Cash on hand	2.14	1.19
	c. Others	1,779.84	1,222.64
	<b>Closing Cash &amp; Cash Equivalents</b>	<b>5,901.32</b>	<b>4,600.13</b>
<b>2</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.		
<b>3</b>	Previous year figures have been regrouped wherever necessary.		

As per our report of even date attached  
For Ramanlal G. Shah & Co.  
Chartered Accountants  
F.R. No. 108517W

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

Vivek S. Shah  
M. No. 112269  
ICAI UDIN-19112269AAAABG3621

Shahmeena Husain, IAS  
Chairperson  
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Mahesh Singh, IFS  
Managing Director  
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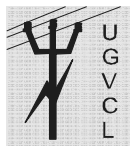
R.B. Kothari, ACMA  
Chief Financial Officer

N.M. Joshi, FCS  
Company Secretary

Place : Ahmedabad  
Date : 21-Sep-2019

Place: Ahmedabad  
Date: 21-Sep-2019





# Uttar Gujarat Vij Company Limited

CIN - U40102GJ2003SGC042906

16<sup>th</sup> Annual Report 2018-19



## Statement of Changes in Equity for the year ended on 31<sup>st</sup> March, 2019

### Equity Share Capital

₹ in Lakhs

Particulars	Amount
Balance as on 1 <sup>st</sup> April, 2017	45,516.40
Changes during the year	6,329.91
Balance as on 31 <sup>st</sup> March, 2018	51,846.31
Changes during the year	3,786.77
<b>Balance as on 31<sup>st</sup> March, 2019</b>	<b>55,633.08</b>

### Other Equity

₹ in Lakhs

Particulars	Retained Earnings	Securities Premium	Share Application money pending allotment	Total
<b>Balance as at 31<sup>st</sup> March, 2017</b>	<b>21,899.27</b>	<b>148,043.83</b>	-	<b>169,943.10</b>
Profit for the year	10,132.02	-	-	10,132.02
Other comprehensive income for the year (net of Tax)	(6,091.20)	-	-	(6,091.20)
<b>Total Comprehensive Income for the year</b>	<b>4,040.82</b>	-	-	<b>4,040.82</b>
Addition/(reduction) during the year		37,827.04		37,827.04
<b>Balance as at 31<sup>st</sup> March, 2018</b>	<b>25,940.09</b>	<b>185,870.87</b>	-	<b>211,810.96</b>
Profit for the year	3,661.98			3,661.98
Other comprehensive income for the year (net of Tax)	(2,603.32)			(2,603.32)
<b>Total Comprehensive Income for the year</b>	<b>1,058.66</b>	-	-	<b>1,058.66</b>
Addition/(reduction) during the year		24,110.48		24,110.48
<b>Balance as at 31<sup>st</sup> March, 2019</b>	<b>26,998.75</b>	<b>209,981.35</b>	-	<b>236,980.10</b>

As per our report of even date attached

For Ramanlal G. Shah & Co.

Chartered Accountants

F.R. No. 108517W

For and on behalf of the Board of Directors

Uttar Gujarat Vij Company Ltd

Vivek S. Shah

M. No. 112269

ICAI UDIN-19112269AAAABG3621

Shahmeena Husain, IAS

Chairperson

DIN-03584560

Mahesh Singh, IFS

Managing Director

DIN-05147001

R.B. Kothari, ACMA

Chief Financial Officer

N.M. Joshi, FCS

Company Secretary

Place : Ahmedabad

Date : 21-Sep-2019

Place : Ahmedabad

Date : 21-Sep-2019



## **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 Application of new Indian Accounting Standard**

The Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, 2019 has notified the new Ind AS and certain amendments to existing Ind ASs. They shall come into force on April 1, 2019 and therefore, the company shall apply the same with effect from that date.

#### **Recent accounting pronouncements:**

- a) **Ind AS-116 – Leases:** The Standard replaces the existing Ind AS 17 "Leases". Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognise assets and Ind AS 116 will replace the existing leases standard, Ind AS 17 "Leases" w.e.f. April 1, 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on balance sheet lessee accounting model for lessees. A lessee recognises right-of-use asset representing its right to use the underlying asset and a lease liability representing its



obligation to make lease payments. The standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements as prescribed in Ind AS 17. The effect on the financial statements on adoption of Ind AS 116 is being evaluated by the Company.

**b) Other Amendments:**

Several other Indian Accounting Standards have been amended on various issues with effect from April 1, 2019. The following amendments are relevant to the company

- i. Ind AS 12 “Income Taxes”- Income tax consequences of dividend and uncertainty over income tax treatments;
- ii. Ind AS 19 “Employee Benefits”- Accounting for plan amendment, curtailment or settlement;
- iii. Ind AS 23 “Borrowing Costs”- Accounting treatment for specific borrowings post capitalization of corresponding qualifying asset;
- iv. Ind AS 28 “Investments in Associates and Joint Ventures”- Application of Ind AS 109 “Financial Instruments” to long-term interests in associates and joint ventures to which the equity method is not applied but that in substance form part of the net investment in the associate or joint venture.
- v. Ind AS 103 “Business Combination” - Re-measurement of previously held interests when an entity obtains control of a business that is a joint operation;
- vi. Ind AS 109 “Financial Instruments”- Measurement of prepayment features with negative compensation in case of debt instruments;
- vii. Ind AS 111 “Joint Arrangements”- Non-remeasurement of previously held interests when an entity obtains joint control of a business that is a joint operation;

None of these amendments are expected to have any material effect on the Company’s financial statements.

**1.3 Significant Accounting Policies**

**i) Statement of Compliance**

These financial statements are prepared in accordance with Indian Accounting Standard (“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 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 financials 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

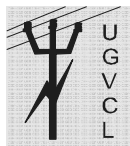
All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- 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 and Capital Works in progress. 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 will be 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 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 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%

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.

Leasehold land is amortised over the period of lease.

#### **iv) Intangible Assets**

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.

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.

The Company charges amortization on intangible assets on straight line method as per the methodology and residual value in accordance with GERC (MYT) Regulations, 2016.

#### **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.

**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**

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, 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 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)

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

**Miscellaneous revenue from consumers:**

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

**Other income**

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.

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.

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

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**

Leases (including lease arrangements of land) are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases. The leased assets are measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the assets are accounted for in accordance with the accounting policy applicable to similar owned assets.

Operating Lease ( the Company as Lessee ) : Lease payments under an operating lease are recognised as expense in the Statement of Profit and loss, on a straight line method or other systematic basis over the lease term.

**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.



### xiii) 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, net of direct issue costs.

#### **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) Regulatory deferral accounts <sup>1</sup>**

Ind AS - 114 "Regulatory Deferral Accounts" permits the Company to apply the requirements of this standard in its first Ind AS financial statements if and only if it conducts rate-regulated activities and recognised amounts that qualify as regulatory deferral account balances in its financial statements in accordance with its previous GAAP. As the Company had consistently elected not to recognise the regulatory deferral balances in its previous GAAP, the requirement of IND AS 114 does not apply to the Company.

**(e) 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.

**(f) 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.

**(g) 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.

**(h) 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 required to recognise grants/consumer contribution that compensate the cost of assets to the statement of profit and loss on a systematic basis considering the amount of periodic consumption of the assets. This is based on the assessment of the present status of, and expected future benefits from the assets. The Company recognises grants and consumer contributions that compensate the cost of an asset in the Statement of Profit and Loss on the basis of straight line method and consequentially the rates at which grant/consumer contribution is recognised in income.

**(i) 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.

**(j) 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.

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

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

<sup>1</sup> **Critical accounting judgments**

<sup>2</sup> **Key sources of estimation uncertainties**



## NOTES TO THE FINANCIAL STATEMENTS

### NOTE NO. 2

#### PROPERTY, PLANT AND EQUIPMENT

₹ in Lakhs

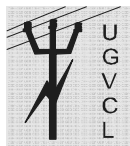
Particulars / Assets	TANGIBLE ASSETS											INTANGIBLE ASSETS		Grand Total
	Free Hold Land	Buildings	Hydraulic works	Other Civil works	Plant & Machinery	Lines & Cable Net Works	Vehicles	Furniture & Fixtures & Ele.Lightings	Office Equipments	Computers	Total	Computer Softwares	Total	
GROSS BLOCK														
At 1 <sup>st</sup> April 2017	8,539.15	5,364.98	25.44	8,870.74	119,449.49	276,822.11	260.90	982.57	197.08	1,862.81	422,375.26		-	422,375.26
Additions	-	548.36	28.12	122.35	31,455.87	47,808.81	113.08	31.14	115.91	50.54	80,274.17		-	80,274.17
Deduction/Adjustments	-	17.83	28.12	-	3,308.21	9,690.02	15.65	0.20	9.79	0.60	13,070.43		-	13,070.43
At 31 <sup>st</sup> March 2018	8,539.15	5,895.50	25.44	8,993.09	1,47,597.15	3,14,940.90	358.33	1,013.50	303.20	1,912.74	4,89,579.00		-	4,89,579.00
Additions	0.42	381.47	-	74.93	17,426.11	52,987.69	101.54	50.72	123.45	78.40	71,224.73	23.25	23.25	71,247.98
Deduction/Adjustments	-	7.16	-	-	674.65	1,201.16	8.92	0.14	50.15	0.47	1,942.65	-	-	1,942.65
At 31 <sup>st</sup> March 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	23.25	5,58,884.33
ACCUMULATED DEPRECIATION														
At 1 <sup>st</sup> April 2017	-	365.43	6.64	438.72	14,389.16	35,810.92	50.93	138.76	38.30	624.26	51,863.11		-	51,863.11
Charge for the year	-	213.97	2.91	301.66	8,433.49	16,857.38	36.44	75.34	26.45	276.93	26,224.57		-	26,224.57
Deduction/Adjustments	-	-	-	-	147.12	1,889.48	6.85	0.20	-	-	2,043.65		-	2,043.65
At 31 <sup>st</sup> March 2018	-	579.40	9.55	740.38	22,675.53	50,778.82	80.52	213.90	64.75	901.19	76,044.03		-	76,044.03
Charge for the year		230.15	2.06	306.56	9,732.28	18,436.69	40.81	70.23	47.09	239.79	29,105.67	2.22	2.22	29,107.88
Deduction/Adjustments		0.15	-	0.00	308.86	622.42	6.92	-	26.85	19.39	984.59	-	-	984.59
At 31 <sup>st</sup> March 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	2.22	1,04,167.32
Net Block														
At 31 <sup>st</sup> March 2018	8,539.15	5,316.11	15.89	8,252.71	124,921.62	264,162.08	277.80	799.60	238.45	1,011.55	413,534.97	-	-	413,534.97
At 31 <sup>st</sup> March 2019	8,539.57	5,460.42	13.83	8,021.07	1,32,249.66	2,98,134.34	336.54	779.96	291.52	869.07	4,54,695.98	21.03	21.03	4,54,717.01

**2(a). Legal ownership (titles) of immovable assets:** 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.



Uttar Gujarat Vij Company Limited  
 CIN - U40102GJ2003SGC042906  
 16<sup>th</sup> Annual Report 2018-19

**UGVCL**



# Uttar Gujarat Vij Company Limited

CIN - U40102GJ2003SGC042906

16<sup>th</sup> Annual Report 2018-19



## 3 Capital Work-in-progress

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
Capital Work-in-Progress	11,119.23	11,738.86
<b>Total</b>	<b>11,119.23</b>	<b>11,738.86</b>

The bifurcation of total capital work-in-progress is as under:

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
Plant and Machinery	2,938.71	2,476.52
Lines and Cable Network	7,478.67	8,119.84
Other Misc Capital Work in Progress	701.85	1,142.50
<b>Total</b>	<b>11,119.23</b>	<b>11,738.86</b>

Borrowing costs amounting to ₹ 122.60 Lakhs (P.Y. ₹ 152.52 Lakhs) has been capitalized during the year. Interest rate of 9.00 % (P.Y. 9.00 %) is considered for capitalization.

## 4 Loans (Asset)

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
<b>Secured Considered Good</b>		
Loans to Staff	393.92	684.38
<b>Total</b>	<b>393.92</b>	<b>684.38</b>

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

## 5 Other Financial Assets

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
<b>Secured Considered Good</b>		
Interest Accrued But Not Due on Staff Loans	569.22	586.45
Interest Accrued & Due on Staff Loans	56.10	87.87
<b>Unsecured Considered Good</b>		
Bank deposits with more than 12 months maturity	-	-
Deposits with Others	270.95	253.54
Loans Recoverable from Consumers for SKY Scheme	2,281.00	-
<b>Total</b>	<b>3,177.27</b>	<b>927.86</b>



# Uttar Gujarat Vij Company Limited

CIN - U40102GJ2003SGC042906

16<sup>th</sup> Annual Report 2018-19



## 6 Inventories

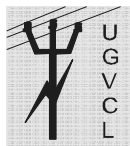
₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
<b>Stores, Spares and Scrap</b>		
Stock of materials at stores	8,287.20	15,031.15
Materials at Site (O&M)	3,429.76	1,723.52
Other Materials Accounts	2,499.87	4,470.06
Material Stock excess / shortage pending Investigation	277.01	286.81
Provision for Material stock excess / shortage pending investigation	(277.01)	(286.81)
<b>Total</b>	<b>14,216.83</b>	<b>21,224.73</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, 2019	As at 31 <sup>st</sup> March, 2018
<b>Unsecured Considered Good*</b>		
Trade Receivables for Sale of Power	85,571.49	76,307.40
Trade Receivable for Misc. Receipts from Consumers	371.12	1,595.30
	<b>85,942.61</b>	<b>77,902.70</b>
Unposted Receipts.	-	-
Doubtful E D & TSE	(1,243.82)	(1,286.28)
Allowance for bad and doubtful debts (refer note below)	(3,652.33)	(1,922.43)
	<b>(4,896.15)</b>	<b>(3,208.71)</b>
	<b>81,046.46</b>	<b>74,693.99</b>
<b>Credit impaired</b>		
Dues from Permanently Disconnected Consumers (Net of SD forfeited)	6,085.08	7,765.85
Allowance for bad and doubtful debts (refer note below)	(6,085.08)	(7,765.85)
	-	-
<b>Total</b>	<b>81,046.46</b>	<b>74,693.99</b>
*Receivables have been secured to the extent of security deposit as reflected note no.19 as well as bank guarantee received from the respective Consumers		



# Uttar Gujarat Vij Company Limited

CIN - U40102GJ2003SGC042906

16<sup>th</sup> Annual Report 2018-19



## Age of Trade Receivables:

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
Less than or equal to 6 months	79375.76	70,979.42
More than 6 months	6566.85	6,923.28
<b>Total</b>	<b>85,942.61</b>	<b>77,902.70</b>

Trade Receivables for sale of power includes the Provision for unbilled revenue in respect of the bills issued upto 31<sup>st</sup> March, 2019 amounting to ₹ 73954.03 Lakhs (P.Y. ₹ 66673.67 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 1<sup>st</sup> 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, 2019	As at 31 <sup>st</sup> March, 2018
Balances with banks	2,603.58	2,649.51
Cheques on Hand	836.25	811.26
Cash on hand	2.14	1.19
Remittance in Transit	943.59	411.38
Deposits with banks (Maturity within three months)	1,515.76	726.79
<b>Total</b>	<b>5,901.32</b>	<b>4,600.13</b>

## 9 Other Bank Balances

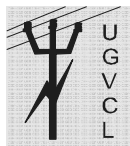
₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
Deposit with Banks (Maturity between three to twelve months)	1.55	191.67
<b>Total</b>	<b>1.55</b>	<b>191.67</b>

## 10 Loans

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
<b>Secured Considered Good</b>		
Loans to Staff	467.13	321.83
<b>Unsecured Considered Good</b>		
Other Loans and Advances	129.48	132.85
<b>Total</b>	<b>596.61</b>	<b>454.68</b>



# Uttar Gujarat Vij Company Limited

CIN - U40102GJ2003SGC042906

16<sup>th</sup> Annual Report 2018-19



## 11 Other Financial Assets

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
Unbilled Revenue	21,433.17	23,769.99
Interest Accrued but not due on Staff Loans & Advances	127.63	131.58
Interest Accrued & Due on Staff Loans	138.38	106.12
Amount recoverable from employee / ex-employees	3.08	6.56
Other Recoverables	329.03	313.30
Loans Recoverable from Consumers for SKY Scheme	315.23	-
Grant / Subsidy receivable	291.79	-
Deposits	635.57	669.21
<b>Receivables from associates</b>		
- Gujarat Energy Training & Research Institute	10.63	91.53
- Gujarat Urja Vikas Nigam Ltd. (Holding Company)	103,221.25	82,741.08
<b>Total</b>	<b>1,26,505.76</b>	<b>1,07,829.37</b>

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

## 12 Current Tax Assets (Net of liabilities)

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
<b>Current Tax Assets</b>		
Tax Refund Receivable	10,331.19	8,785.27
<b>Current Tax Liability</b>		
Income Tax Payable	(7,976.29)	(7,881.76)
<b>Total</b>	<b>2,354.90</b>	<b>903.51</b>

## 13 Other Current Assets

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
Prepaid Expenses	64.67	54.86
Postage Stamps & Agreement Stamps on hand	20.31	14.86
Advances for O&M Supplies/Works	5.75	6.07
GST TDS	1.22	-
<b>Total</b>	<b>91.95</b>	<b>75.79</b>



# Uttar Gujarat Vij Company Limited

CIN - U40102GJ2003SGC042906

16<sup>th</sup> Annual Report 2018-19



## 14 Assets classified as held for Sale

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
Plant and Machinery	62.66	91.87
Line and Cable Network	91.16	107.12
Vehicles	4.24	5.28
Furniture & Fixtures	1.26	1.26
Office Equipments	2.37	4.61
<b>Total</b>	<b>161.69</b>	<b>210.14</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 ₹ 1.63 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 ₹ 12.43 lakhs resulted into profit (P.Y. loss) on sale of non-current asset of ₹ 115.32 Lakhs (P.Y. ₹ - 5.34 Lakhs) recorded under ‘Other Income (Note No.28) (P.Y. Other Expense” (Note 32)).

## 15 Equity Share Capital

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

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
<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 each of ₹ 10 each	1,50,000.00	1,50,000.00
<b>Issued Share Capital</b>		
55,63,30,800 (P.Y. : 51,84,63,104)		
Equity Shares each of ₹ 10 each	55,633.08	51,846.31
<b>Subscribed &amp; Paid up</b>		
55,63,30,800 (P.Y. : 51,84,63,104)		
Equity Shares each of ₹ 10 each	55,633.08	51,846.31
<b>Total</b>	<b>55,633.08</b>	<b>51,846.31</b>



# Uttar Gujarat Vij Company Limited

CIN - U40102GJ2003SGC042906

16<sup>th</sup> Annual Report 2018-19



**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 1 <sup>st</sup> April, 2017	45,51,64,029	45,516.40
Additions/(Reductions)	6,32,99,075	6,329.91
As at 31 <sup>st</sup> March, 2018	51,84,63,104	51,846.31
<b>As at 1<sup>st</sup> April, 2018</b>	<b>51,84,63,104</b>	<b>51,846.31</b>
Additions/(Reductions)	3,78,67,696	3,786.77
<b>As at 31<sup>st</sup> March, 2019</b>	<b>55,63,30,800</b>	<b>55,633.08</b>

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

Particulars	No. of Shares	
	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
Gujarat Urja Vikas Nigam Limited & its Nominees	55,63,30,800	51,84,63,104

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

Particulars	As at 31 <sup>st</sup> March, 2019	
	No. of shares	Extent of Holding
Gujarat Urja Vikas Nigam Limited & its Nominees	55,63,30,800	100%

Particulars	As at 31 <sup>st</sup> March, 2018	
	No. of shares	Extent of Holding
Gujarat Urja Vikas Nigam Limited & its Nominees	51,84,63,104	100%

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

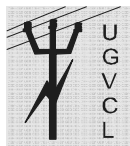
The company has only one class of equity shares. For all matters submitted to vote on a poll in a shareholders meeting of the Company every holder of an equity share as reflected in the records of the Company on the date of the shareholders meeting shall have voting right in proportion to his share in 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.

## 16 Other Equity

**a Other equity consist of the following:**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
Securities Premium Account	2,09,981.35	1,85,870.87
Retained Earnings	26,998.75	25,940.09
<b>Total</b>	<b>2,36,980.10</b>	<b>2,11,810.96</b>



# Uttar Gujarat Vij Company Limited

CIN - U40102GJ2003SGC042906

16<sup>th</sup> Annual Report 2018-19



## b Particulars relating to Other Equity

₹ in Lakhs

Other Equity	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
<b>(a) Equity Securities Premium Account</b>		
Share Premium Account (other wise than in cash)		
Opening Balance	1,85,870.87	1,48,043.83
Add: Received during the year	24,110.48	37,827.04
<b>(A)</b>	<b>2,09,981.35</b>	<b>1,85,870.87</b>
<b>Total Equity Share Premium Account</b>	<b>2,09,981.35</b>	<b>1,85,870.87</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	25,940.09	21,899.27
Net profit after tax transferred from Statement of Profit & Loss	3,661.98	10,132.02
Other comprehensive income arising from remeasurement of defined benefit obligation net of Income tax	(2,603.32)	(6,091.20)
<b>(C)</b>	<b>26,998.75</b>	<b>25,940.09</b>
<b>Total</b>	<b>2,36,980.10</b>	<b>2,11,810.96</b>

### (i) 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.

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

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
Government Grants, Subsidies towards Capital Assets	41,232.77	37,481.07
Consumers' Contribution towards Capital Assets	95,266.17	77,528.85
<b>Total</b>	<b>1,36,498.94</b>	<b>1,15,009.92</b>

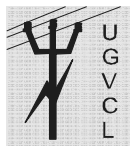
### 17.1 Particulars relating to Deferred Government Grants, Subsidies and Consumers' Contributions

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
<b>Govt.Grants &amp; Subsidies towards cost of Capital Assets</b>		
Opening balance	37,481.07	37,701.10
Received during the year (Net)	7714.65	3,335.75
written back to statement of Profit and Loss	(3962.94)	(3,555.78)
<b>Closing balance</b>	<b>41,232.78</b>	<b>37,481.07</b>
<b>Consumer Contribution towards Capital Assets</b>		
Opening balance	77,528.85	72,343.24
Received during the year	25,692.43	11,783.98
written back to statement of Profit and Loss	(7,955.11)	(6,598.38)
<b>Closing balance</b>	<b>95,266.17</b>	<b>77,528.84</b>
<b>TOTAL</b>	<b>1,36,498.95</b>	<b>1,15,009.91</b>

\* Refer note no.38 below





# Uttar Gujarat Vij Company Limited

CIN - U40102GJ2003SGC042906

16<sup>th</sup> Annual Report 2018-19



- 17.2** 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.

₹ in Lakhs

Grant received during the year comprises of	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
Grant towards Cost of Capital Assets	7714.65	3335.75
Consumer's contribution towards Cost of Capital Assets	25692.43	11783.98
<b>Total</b>	<b>33,407.08</b>	<b>15,119.73</b>

## 18 Borrowings

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
<b>Secured Loans</b>		
<b>Loan from Banks and Financial Institutions</b>		
Loan from Power Finance Corporation	1,601.06	1,981.68
<b>State Government Loans (Allocated by GUVNL)</b>		
Loan under APDRP	646.11	867.13
ADB Prog. & Proj. Loan	1,879.93	2,259.96
Loan under SKY Scheme	2,281.00	-
<b>Total</b>	<b>6,408.10</b>	<b>5,108.77</b>

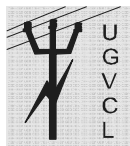
## 18.1 Current Maturity of Long Term Debts (Borrowings)

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
<b>Secured Loans</b>		
<b>Loan from Banks and Financial Institutions</b>		
Loan from Power Finance Corporation	1,432.97	1,088.14
<b>State Government Loans (Allocated by GUVNL)</b>		
Loan under APDRP	221.02	221.02
ADB Prog. & Proj. Loan	380.03	380.03
Loan under SKY Scheme	315.23	-
<b>Total</b>	<b>2,349.25</b>	<b>1,689.19</b>

## 18.2 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.



# Uttar Gujarat Vij Company Limited

CIN - U40102GJ2003SGC042906

16<sup>th</sup> Annual Report 2018-19



18.3

₹ in Lakhs

Particulars	Maturity Period			Total
	Upto 2 years	Next 2 years	Beyond 4 years	
<b>Loan from Banks and Financial Institutions</b>				
Loan from Power Finance Corporation	1,778.01	125.72	1,130.29	3,034.02
<b>State Government Loans (Allocated by GUVNL)</b>				
Loan under APDRP	442.03	425.10	-	867.13
ADB Prog. & Proj. Loan	760.07	760.06	739.83	2,259.96
Loan under SKY Scheme	649.38	729.64	1,217.21	2,596.23

18.4 Repayment Terms

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

18.5 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>				
31-03-2019 (Interest Rate - 9.00 %) - RAPDRP-A	-	-	998.61	998.61
31-03-2019 (Interest Rate - 9.00 %) - RAPDRP-B	110	7.52	20.13	360.59
31-03-2019 (Interest Rate - 9.00 %) - SCADA-A	17	87.50	384.16	674.31
31-03-2019 (Interest Rate - 9.00 %) - SCADA-B	158	14.02	30.07	1,000.51
31-03-2018 (Interest Rate - 9.00 %) - RAPDRP-A	-	-	815.97	930.71
31-03-2018 (Interest Rate - 9.00 %) - RAPDRP-B	120	7.52	22.44	379.00
31-03-2018 (Interest Rate - 9.00 %) - SCADA-A	17	87.50	204.79	732.12
31-03-2018 (Interest Rate - 9.00 %) - SCADA-B	168	14.02	44.94	1,028.00
<b>Loan under APDRP</b>				
31-03-2019 (Interest Rate - 10.69 %)	6	221.02	221.02	867.13
31-03-2018 (Interest Rate - 10.69 %)	7	221.02	221.02	1,088.15
<b>ADB Prog. &amp; Proj. Loan</b>				
31-03-2019 (Interest Rate - 12.18 %)	10	380.03	380.03	2,259.96
31-03-2018 (Interest Rate - 12.18 %)	9	380.03	380.03	2,639.99
<b>Loan under SKY Scheme</b>				
31-03-2019 (Interest Rate - 6.00 %)	7	471.01	315.23	2,596.23
31-03-2018 (Interest Rate - NIL)	-	-	-	-



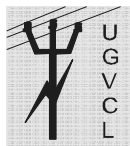
- 18.6** **A.** Loans from REC are secured against the 1<sup>st</sup> hypothecation charge on the assets of Idar & Talod O&M Divisions of UGVCL and Himatnagar Circle/Division/RSO, Modasa Division & Mehsana Circle/Division/RSO & Kalol Division.
- B.** Loan from PFC is secured against 1<sup>st</sup> hypothecation of assets constructed or under construction, under the new financed assets under RAPDRP-A and SACADA-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 re-payment made till date against this loan has been considered as repayment towards Loan's Principal Amuont. As per PFC letter no.02:10:R-APDRP(P-SCADA):2014:UGVCL/063898 dated 25.06.2019, the time limit for completion of SCADA-A project is extended upto 30.09.2019.
- C. 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 3<sup>rd</sup> 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.
- D. 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.
- E. 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.

**19 Other Financial Liabilities** ₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
Staff Welfare Schemes	51.21	70.30
Security deposit from consumers	1,40,888.30	1,25,775.59
Staff Related Liabilities/Staff retirement benefit	1,647.95	1,648.61
<b>Total</b>	<b>1,42,587.46</b>	<b>1,27,494.50</b>

**20 Long-Term Provisions** ₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
<b>Provision for Employee Benefits</b>		
Provision for Leave Encashment	18,161.72	16,652.32
<b>Total</b>	<b>18,161.72</b>	<b>16,652.32</b>



# Uttar Gujarat Vij Company Limited

CIN - U40102GJ2003SGC042906

16<sup>th</sup> Annual Report 2018-19



## 21 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, 2019	As at 31 <sup>st</sup> March, 2018
Deferred Tax Assets	40,426.77	-
Deferred Tax Liabilities	(41,122.52)	-
<b>Total</b>	<b>(695.75)</b>	<b>-</b>

Deferred Tax Asset / Liability is worked out as under :

FY 2018-19

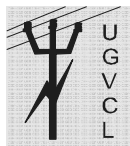
₹ in Lakhs

Particulars	Opening Balance	Recognized in profit and loss	Recognized in Other Comprehensive Income	Closing Balance
<b>Deferred Tax Liability on account of :</b>				
Depreciation	(32,781.34)	(8,341.18)	-	(41,122.52)
<b>Deferred Tax Asset on account of :</b>				
Employee Benefits	4,374.65	(1,859.82)	715.08	3,229.91
Provision for Doubtful Debts	2,087.73	10.57	-	2,098.30
Deferred Income on government grant	6,240.99	111.54	-	6,352.53
Carried forward of unused Tax Losses	14,433.74	6,817.85	-	21,251.59
Carried forward of unused Tax Credits	7,393.97	100.47	-	7,494.44
<b>Net Deferred Tax Asset/(Liability)</b>	<b>1,749.74</b>	<b>(3,160.57)</b>	<b>715.08</b>	<b>(695.75)</b>
Adjustment for Deferred tax asset not recognised in previous year (Refer note 21.1 below)	-	<b>1,749.74</b>	-	-
Amounts recognised in Balance Sheet (Refer note 21.1 below)	-	<b>(1,410.83)</b>	-	-
Amounts not recognised in Balance Sheet (Refer note 21.1 below)	<b>1,749.74</b>	-	-	-

FY 2017-18

₹ 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	(42,279.29)	9,497.95	-	(32,781.34)
<b>Deferred tax asset on account of :</b>				
Employee Benefits	8,081.88	(3,707.24)	-	4,374.65
Provision for Doubtful Debts	3,149.06	(1,061.33)	-	2,087.73
Deferred Income on government grant	8,282.07	(2,041.08)	-	6,240.99
Carried forward of unused Tax Losses	17,167.04	(2,733.30)	-	14,433.74
Carried forward of unused Tax Credits	6,145.60	1,248.38	-	7,393.97
<b>Net Deferred Tax Asset/(Liability)</b>	<b>546.36</b>	<b>1,203.38</b>	<b>-</b>	<b>1,749.74</b>
<b>Amounts recognised in Balance Sheet (Refer note below)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>



# Uttar Gujarat Vij Company Limited

CIN - U40102GJ2003SGC042906

16<sup>th</sup> Annual Report 2018-19



- 21.1 The Company had net deferred Tax Assets on account of unabsorbed depreciation and Unused Tax Credit as at the year ended 31<sup>st</sup> March 2018. In the absence of reasonable certainty and convincing evidence of sufficient future taxable income, net deferred tax asset was not recognized in the previous financial year.

## 22 Short-Term Borrowings ₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
<b>Secured</b>		
Cash Credit from Banks	567.64	3.48
<b>Total</b>	<b>567.64</b>	<b>3.48</b>
Cash credit from banks under Joint consortium agreement amongst the Company, UCO Bank (Lead Bank) & other consortium member banks, is secured against hypothecation charge on the stocks and book debts of the company ranking pari-passu interest.		

## 23 Trade Payables ₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
<b>Trade Payable for Purchase of Power</b>		
Micro, Small and Medium Enterprises	-	-
Others	335.79	357.94
<b>Total</b>	<b>335.79</b>	<b>357.94</b>

- 23.1 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 & Small Enterprises*	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
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.



# Uttar Gujarat Vij Company Limited

CIN - U40102GJ2003SGC042906

16<sup>th</sup> Annual Report 2018-19



## 24 Other Financial Liabilities

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
<b>Current maturities of Long Term Debt:</b>		
<b>Secured:</b>		
Loan from Financial Institutions	1,432.97	1,088.14
<b>Unsecured :</b>		
<b>State Government Loans (Allocated by GUVNL)</b>		
Loan under APDRP	221.02	221.02
ADB Prog. & Proj. Loan	380.03	380.03
SKY Loan	315.23	-
Interest accrued but not due on Loans	793.69	535.29
Interest payable on consumers security Deposit	7,166.41	6,922.54
Liability for O & M Supplies / Works	4,507.43	4,731.03
Staff Related Liabilities	10.80	9.44
Staff Retirement cum Death Benefit Scheme	135.02	226.45
Unclaimed amount relating to Bonds	0.59	0.59
Advance received	-	283.00
Deposits & Retentions from Suppliers / Contractors	7,200.51	5,478.27
Outstanding liability for expenses	15,590.25	18,478.78
Deposits for Electrification & Service connection	8,345.20	16,185.29
Other trade payable	87.32	75.18
Deposits for execution of Job Works	249.33	226.27
Other Liabilities	117.81	189.74
<b>Total</b>	<b>46,553.61</b>	<b>55,031.06</b>

**24.1** 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:



# Uttar Gujarat Vij Company Limited

CIN - U40102GJ2003SGC042906

16<sup>th</sup> Annual Report 2018-19



₹ in Lakhs

Total outstanding dues of Micro & Small Enterprises*	As-at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
Principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year	303.01	158.82
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.

## 25 Other Current Liabilities

₹ in Lakhs

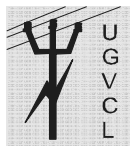
Particulars	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
Statutory Liabilities	965.18	1,641.97
Subsidy/Grant Received in Advance	-	218.19
Amount payable to EESL	741.31	148.07
Other Liability	82.77	0.30
Amount Received in Advance	52,320.56	49,708.22
Compounding of the Offence recovered from Consumers	24.48	7.16
<b>Total</b>	<b>54,134.30</b>	<b>51,723.91</b>

## 26 Short - Term Provisions

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
<b>Provision for Employee Benefits</b>		
Provision for Leave Encashment	1,606.14	1,890.06
Provision for Bonus	121.86	140.86
<b>Total</b>	<b>1,728.00</b>	<b>2,030.92</b>





# Uttar Gujarat Vij Company Limited

CIN - U40102GJ2003SGC042906

16<sup>th</sup> Annual Report 2018-19



## 27 Revenue from operations

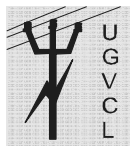
₹ in Lakhs

Particulars	For the year ended 31 <sup>st</sup> March, 2019	For the year ended 31 <sup>st</sup> March, 2018
<b>Income from Operating Activity</b>		
<b>Revenue from Sale of Power</b>		
Residential General Purpose (Domestic or Residential)	1,18,048.22	1,10,063.59
General Lighting Purpose (Commercial)	2,989.98	2,710.55
Low Tension Maximum Demand and Non Residential General Purpose (Industrial low & medium voltage)	1,39,538.05	1,27,272.50
Industrial high voltage	5,22,956.58	4,43,465.82
Public lighting	3,231.74	3,026.32
Irrigation agricultural	3,09,241.35	1,97,007.00
Public water works and sewerage pumps	39,333.02	29,434.73
Sale of Power to GUVNL	76.40	8,754.75
Deviation Settlement Mechanism Charges Income (UI)	13,965.23	8,820.84
	<b>11,49,380.57</b>	<b>9,30,556.10</b>
<b>Electricity Duty</b>		
Electricity Duty Assessed	90,596.74	77,598.65
Electricity Duty Assessed (Contra)	(90,596.74)	(77,598.65)
	-	-
<b>Other Operating Revenue</b>		
Meter Charges / Service line charges	-	5,344.78
Recoveries for theft of power / Malpractices	1,695.15	1,275.68
Wheeling Charges Recoveries	6.01	70.31
Delayed payment charges from consumers	2,801.19	2,648.64
Cross Subsidy Surcharge	1,370.84	9,388.35
Addl. Surcharge	663.22	3,202.84
Miscellaneous Charges from Consumers	8,344.97	6,392.31
Agriculture Subsidy	54,068.35	54,226.12
	<b>68,949.73</b>	<b>82,549.03</b>
<b>Total</b>	<b>12,18,330.30</b>	<b>10,13,105.13</b>

On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contract with Consumers applicable from 1<sup>st</sup> April 2018. The management has evaluated the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with Consumers and accounted for the same pursuant to Ind AS 115.

The Company has used the cumulative effect method and therefore the comparative information has not been restated and continues to be reported under Ind AS 18 and Ind AS 11. The Standard is applied to contracts that remaining in force as at 1<sup>st</sup> April, 2018. The application of the standard does not have any significant Impact on the retained earnings as at 1<sup>st</sup> April, 2018 or on these financial statements.





# Uttar Gujarat Vij Company Limited

CIN - U40102GJ2003SGC042906

16<sup>th</sup> Annual Report 2018-19



## 28 Other Income

₹ in Lakhs

Particulars	For the year ended 31 <sup>st</sup> March, 2019	For the year ended 31 <sup>st</sup> March, 2018
<b>Interest Income</b>		
-On staff advance	120.46	109.91
-On other loans and advance	32.31	0.68
-On Fixed Deposits	21.16	-
Grant for R&D Expenditure	15.28	-
Rebate for Prompt Payment	22.63	27.61
Sale of material to related parties	275.51	-
Deferred Income (Capital Grant & Consumer Contribution Written Back)	11,918.05	10,154.16
Gain on sale of Fixed Assets (Net)	115.32	-
Miscellaneous Income*	4,770.04	3,685.73
<b>Total</b>	<b>17,290.76</b>	<b>13,978.09</b>
* None of the items individually account for more than 1% of total revenue		

## 29 Purchase of Power

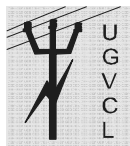
₹ in Lakhs

Particulars	For the year ended 31 <sup>st</sup> March, 2019	For the year ended 31 <sup>st</sup> March, 2018
Purchase of power from GUVNL	11,21,815.07	9,14,276.20
Purchase of power from Wind Turbin Generators/ CPP	1,165.37	1,103.67
Purchase of power from Solar Generators	2,348.80	2,269.95
SLDC Charges	99.25	349.09
<b>Total</b>	<b>11,25,428.49</b>	<b>9,17,998.91</b>
Power Purchase from GUVNL is accounted as billed by GUVNL considering the mechanism/formula approved by Gujarat Energy Regulatory Commission (GERC)		

## 30 Employee Benefits Expense

₹ in Lakhs

Particulars	For the year ended 31 <sup>st</sup> March, 2019	For the year ended 31 <sup>st</sup> March, 2018
Salaries and Allowances	44,034.36	42,752.14
Contribution to provident and other funds	4,913.77	3,762.86
Staff welfare expenses	971.73	508.56
Leave Encashment	3,596.76	3,803.96
Retirement and Other Benefits	1,387.93	1,753.33
Directly attributable cost capitalised	(7,995.82)	(5,985.25)
<b>Total</b>	<b>46,908.73</b>	<b>46,595.60</b>



# Uttar Gujarat Vij Company Limited

CIN - U40102GJ2003SGC042906

16<sup>th</sup> Annual Report 2018-19



## 31 Finance Costs

₹ in Lakhs

Particulars	For the year ended 31 <sup>st</sup> March, 2019	For the year ended 31 <sup>st</sup> March, 2018
<b>Interest Expense</b>		
Interest on State Government Loans	353.46	416.85
Interest on Bonds	-	-
Interest on Cash Credit and Working Capital	64.24	560.74
Interest to consumers on security deposits etc.	7,819.29	7,547.89
Interest on REC and PFC Loans	475.16	250.42
Interest on Income Tax	-	4.20
Other interest charges	154.44	159.01
<b>Other Borrowing Costs</b>		
Bank Charges, Commission and Others	27.93	44.22
Guarantee Fees / Charges	-	-
Directly attributable cost capitalised	(122.60)	(152.52)
<b>Total</b>	<b>8,771.92</b>	<b>8,830.81</b>

**31.1** 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.

**31.2** During the year, interest expense on loans taken for SCADA-A project amounting to ₹ 122.60 Lakhs (P.Y. ₹ 152.52 Lakhs - SCADA-B project) has been capitalised as per Ind AS-23 "Borrowing Cost".

## 32 Other Expenses

₹ in Lakhs

Particulars	For the year ended 31 <sup>st</sup> March, 2019	For the year ended 31 <sup>st</sup> March, 2018
<b>(a) Repairs and Maintenance</b>		
- Plant and Machinery	2,560.85	3,831.21
- Building and Civil works	40.24	19.04
- Lines, Cable Network etc.	4,627.18	3,469.13
- Others	250.19	412.10
<b>Total (a)</b>	<b>7,478.46</b>	<b>7,731.48</b>
<b>(b) Administrative and General Expenses</b>		
Rent, Rates and Taxes	376.63	450.29
Insurance Expenses	26.15	32.27
Testing Charges	25.29	51.35
Communication expenses	217.29	223.56
Water Charges	82.34	77.37
Printing & Stationery expenses	527.52	414.42
Remuneration to collection agencies	357.89	481.35
Auditors' Remuneration	5.90	5.90
Other professional fees	384.16	115.63
Consultancy Charges	50.75	50.54
Legal, Professional & Technical Fees	69.20	76.25
Travelling and conveyances	2,874.60	2,623.17
Expenses on Computer Billing	133.64	109.64



# Uttar Gujarat Vij Company Limited

CIN - U40102GJ2003SGC042906

16<sup>th</sup> Annual Report 2018-19



Advertisement expenses	77.15	74.84
Corporate Social Responsibilities expenses	35.00	35.00
Electricity Charges	290.35	339.82
Security Services Expenses	716.31	598.82
Freight & Other Purchase related expenses	254.20	205.25
Loss on sale of Assets (Net)	-	5.34
Directors' Sitting fees	0.71	1.94
Miscellaneous Expenses*	189.13	127.29
Expenditure on Training to Staff	110.86	142.29
Other Administration & general Expenses	1,698.94	1,668.31
Directly attributable cost capitalised	(1,228.64)	(933.94)
<b>Total (b)</b>	<b>7,275.37</b>	<b>6,976.70</b>
<b>(c) Other Debit</b>		
Expenses for Energy Conservation	28.10	20.18
R&D Expense	15.28	-
Purchase of material from related parties	288.44	-
Miscellaneous Losses & Write-offs	492.37	386.04
Waiver of Delayed Payment Charges	1.72	-
Bad & Doubtful debts writte-off**	2,552.32	30.80
<b>Provision for</b>		
- Bad & Doubtful debts	2,104.63	718.18
<b>Tota (c)</b>	<b>5,482.86</b>	<b>1,155.20</b>
<b>Total</b>	<b>20,236.69</b>	<b>15,863.38</b>

\* None of the items individually account for more than 1% of total revenue

\*\* 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 ₹ 2444.89 lakhs.

## 32.1 Auditors' Remuneration:

### (A) Statutory Auditors:

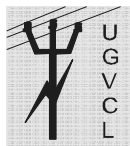
₹ in Lakhs

Particulars	F.Y. 2018 - 19	F.Y. 2017 - 18
Audit Fee	5.00	5.00
Certifications fees	-	-
Other Services	-	-
Others	-	-
<b>Total (Excluding GST)</b>	<b>5.00</b>	<b>5.00</b>

### (B) Cost Auditors:

₹ in Lakhs

Particulars	F.Y. 2018 - 19	F.Y. 2017 - 18
Audit Fee	0.60	0.60
Other Services	-	-
<b>Total (Excluding GST)</b>	<b>0.60</b>	<b>0.60</b>



# Uttar Gujarat Vij Company Limited

CIN - U40102GJ2003SGC042906

16<sup>th</sup> Annual Report 2018-19



## 33 Tax Expense

₹ in Lakhs

Particulars	For the year ended 31 <sup>st</sup> March, 2019	For the year ended 31 <sup>st</sup> March, 2018
Current Tax	94.53	1,437.94
Deferred Tax (Refer note no. 21)	1410.84	-
<b>Total</b>	<b>1,505.37</b>	<b>1,437.94</b>

## 33.1 Reconciliation of Current Tax

₹ in Lakhs

Particulars	For the year ended 31 <sup>st</sup> March, 2019	For the year ended 31 <sup>st</sup> March, 2018
Profit before tax	5,167.35	11,569.96
Current tax expense calculated using MAT rate at 20.587% (Previous year - 21.342%)	1,063.79	2,469.21
Provision for doubtful debts	(423.16)	125.71
Other Comprehensive Expense	(683.15)	(1,299.96)
Tax impact on transition adjustment	137.05	138.15
Others		4.83
<b>Current Tax expense</b>	<b>94.53</b>	<b>1,437.94</b>

## 33.2 Unrecognised deferred tax assets

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
Unused Tax Losses	-	66,981.01
Unused Tax Credits	-	7,393.97

## 34 Earnings per Equity share

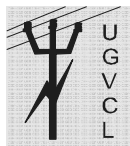
₹ In Lakhs

Particulars	Year ended 31 <sup>st</sup> March, 2019	Year ended 31 <sup>st</sup> March, 2018
Profit after tax for the year attributable to equity shareholders	3,661.98	10,132.02
Weighted average number of Equity shares		
Basic	52,14,74,539	49,58,98,540
Diluted	52,14,74,539	49,58,98,540
Earnings per equity shares (₹)		
Basic	0.70	2.04
Diluted	0.70	2.04
Face value per equity share (₹)	10.00	10.00

## 35 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 government. 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 ₹ 4985.59 Lakhs (P.Y. ₹ 3819.38 Lakhs).



# Uttar Gujarat Vij Company Limited

CIN - U40102GJ2003SGC042906

16<sup>th</sup> Annual Report 2018-19



## 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 ₹ **3596.76 Lakhs (P.Y. ₹ 3803.96 Lakhs)** has been charged to statement of Profit and Loss. Leave obligation as at 31<sup>st</sup> March, 2019 and 31<sup>st</sup> March, 2018 is ₹ **19767.85 Lakhs** and ₹ **18542.37 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 ₹ **44.84 Lakhs (P.Y. ₹ 45.14 Lakhs)** The balance of such fund as at 31<sup>st</sup> March, 2019 and 31<sup>st</sup> March, 2018 is ₹ **1647.95 Lakhs** and ₹ **1648.61 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 does not fully fund the liability and maintains a target level of funding to be maintained 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.

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

Assumptions (Current Period)		
	For the year ended 31 <sup>st</sup> March	
	2019	2018
Expected Return on Plan Assets	8.00%	8.00%
Rate of Discounting	7.50%	7.00%
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.	



# Uttar Gujarat Vij Company Limited

CIN - U40102GJ2003SGC042906

16<sup>th</sup> Annual Report 2018-19



₹ In Lakhs

Particulars	As on 31.03.2019	As on 31.03.2018
<b>Gratuity</b>		
<b>I) Reconciliation in present value of obligations (PVO)</b>		
– defined benefit obligation:		
Opening defined benefit obligation	27,097.96	20,400.54
Current Service Cost	1,406.86	856.05
Past service cost, including losses / (gain) on curtailments	-	369.98
Interest Cost	2,032.35	1,632.04
<b>Remeasurement (gains)/losses:</b>		
Actuarial gains and losses arising from	3,185.79	6,410.60
Benefits paid	(3,670.19)	(2,571.25)
<b>Closing defined benefit obligation</b>	<b>30,052.77</b>	<b>27,097.96</b>
<b>Current obligation</b>	<b>3,159.60</b>	<b>3,684.44</b>
<b>Non-Current obligation</b>	<b>26,893.16</b>	<b>23,413.52</b>
<b>II) Change in fair value of assets :</b>		
Opening fair value of plan assets	25,621.13	13,767.29
Expected return on plan assets	2,049.69	1,101.38
<b>Remeasurement gain (loss) :</b>		
Excess Return on plan assets (excluding amounts included in net interest expense) including actuarial (gains) / losses arising from experience adjustments	(132.60)	319.40
Contributions by the employer	3,159.92	13,004.30
Benefits paid	(3,670.19)	(2,571.25)
Closing fair value of plan assets	<b>27,027.95</b>	<b>25,621.13</b>
<b>III) Reconciliation of Present value of obligation and fair value of assets :</b>		
Present value of funded defined benefit obligation	30,052.77	27,097.96
Fair Value of planned assets at end of year	27,027.94	25,621.13
Funded status	Funded	Funded
<b>Net liability arising from defined benefit obligation</b>	<b>3,024.83</b>	<b>1,476.83</b>
<b>IV) Service Cost</b>		
Current Service cost	1,406.86	856.05
Past service cost and (gain) / loss from settlements	-	(369.98)
Net Interest expense	(18.60)	529.98
<b>Total Expenses to be recognised in the Statement of Profit and Loss</b>	<b>1,388.26</b>	<b>1,756.00</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, changes in demographic assumptions and changes in financial assumptions	3,185.79	6,410.60
Return on Plan Assets excluding amount included in net interest cost	132.60	(319.40)
<b>Total Expenses to be recognised in OCI</b>	<b>3,318.39</b>	<b>6,091.20</b>
Total Expense (Provision for the Period)	4,706.65	7,847.21
<b>V) Category of assets as at 31<sup>st</sup> March :</b>		
- Life Insurance Corporation of India	27,027.94	25,621.13
<b>Total Gratuity</b>	<b>27,027.94</b>	<b>25,621.13</b>



# Uttar Gujarat Vij Company Limited

CIN - U40102GJ2003SGC042906

16<sup>th</sup> Annual Report 2018-19



₹ In Lakhs

Experience Adjustment	On Plan Liabilities - Loss/(Gain)
As on 31st March, 2019	3,185.79
As on 31st March, 2018	6,410.60

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

₹ In Lakhs

Gratuity	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
<b>Gratuity</b>		
Less than 1 year	3,159.60	3,684.44
One to Three Years	3,979.36	5,862.39
Three to Five Years	6,626.67	4,147.68
More than Five Years	16,287.13	13,403.45
<b>Total</b>	<b>30,052.76</b>	<b>27,097.96</b>

**Sensitivity analysis for Gratuity**

₹ In Lakhs

Significant actuarial assumptions	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
<b>Discount Rate</b>		
- Impact due to increase of 50 basis points	(2,316.80)	(1,028.62)
- Impact due to decrease of 50 basis points	2,489.79	1,109.09
<b>Salary increase</b>		
- Impact due to increase of 50 basis points	2,463.87	1,108.67
- Impact due to decrease of 50 basis points	(2,314.68)	(1,037.51)

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.

## 36 Segment reporting

### Operating Segment

**A** 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.

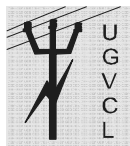
### **B Information about major customers**

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.



# Uttar Gujarat Vij Company Limited

CIN - U40102GJ2003SGC042906

16<sup>th</sup> Annual Report 2018-19



## 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.

## 37 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 follows.

₹ In Lakhs

Particulars	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
Total debt	8,757.34	6,797.96
Total equity	4,29,112.13	3,78,667.18
Net debt to equity ratio	0.02	0.02
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		

### B Categories of financial instruments

₹ In Lakhs

Particulars	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
<b>Financial assets</b>		
<b>Measured at amortised cost</b>		
(a) Trade and other receivables	81,046.46	74,693.99
(b) Cash and cash equivalents	5,901.32	4,600.13
(c) Other bank balances	1.55	191.67
(d) Loans	990.53	1,139.06
(e) Other financial assets	1,29,683.03	1,08,757.23
<b>Financial liabilities</b>		
<b>Measured at amortised cost</b>		
(a) Borrowings	6,975.74	5,112.25
(b) Trade payables	335.79	357.94
(c) Other financial liabilities	1,89,141.07	1,82,525.56





**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**

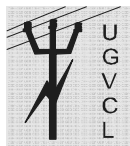
Credit risk arises from cash and cash equivalents, investments carried at amortized cost and deposits with banks as well as customers including receivables. Credit risk management considers available reasonable and supportive forward-looking information including indicators like external credit rating (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 31<sup>st</sup> March, 2018 and 31<sup>st</sup> March, 2017.

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



# Uttar Gujarat Vij Company Limited

CIN - U40102GJ2003SGC042906

16<sup>th</sup> Annual Report 2018-19



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.

₹ in Lakhs

Particulars	Less than 1 year	Between 1 and 5 years	More than 5 years	Total
<b>As at 31<sup>st</sup> March, 2019</b>				
<b>Non - current financial liabilities</b>				
Borrowings	-	4,170.57	2,237.52	6,408.10
Other Financial Liabilities		1,647.95	1,40,939.51	1,42,587.46
	-	<b>5,818.52</b>	<b>1,43,177.03</b>	<b>1,48,995.56</b>
<b>Current financial liabilities</b>				
Borrowings	567.64	-	-	567.64
Trade Payables	335.79	-	-	335.79
Other Financial Liabilities	46,553.61	-	-	46,553.61
	<b>47,457.04</b>	-	-	<b>47,457.04</b>
<b>Total financial liabilities</b>	<b>47,457.04</b>	<b>5,818.52</b>	<b>1,43,177.03</b>	<b>1,96,452.60</b>
<b>As at 31<sup>st</sup> March, 2018</b>				
<b>Non - current financial liabilities</b>				
Borrowings		3,355.31	1,753.46	5,108.76
Other Financial Liabilities		1,648.61	1,25,845.89	1,27,494.50
	-	<b>5,003.92</b>	<b>1,27,599.35</b>	<b>1,32,603.26</b>
<b>Current financial liabilities</b>				
Borrowings	3.48	-	-	3.48
Trade Payables	357.94	-	-	357.94
Other Financial Liabilities	55,031.06	-	-	55,031.06
	<b>55,392.48</b>	-	-	<b>55,392.48</b>
<b>Total financial liabilities</b>	<b>55,392.48</b>	<b>5,003.92</b>	<b>1,27,599.35</b>	<b>1,87,995.74</b>

The Company has access to committed credit facilities as described below, of which ₹ 1932.36 Lakhs were unused at the end of the reporting period (as at 31<sup>st</sup> March, 2018 ₹ 2496.52 Lakhs). The Company expects to meet its other obligations from operating cash flows and proceeds of maturing financial assets.



# Uttar Gujarat Vij Company Limited

CIN - U40102GJ2003SGC042906

16<sup>th</sup> Annual Report 2018-19



₹ in Lakhs

Secured Cash Credit facility, reviewed annually and payable at call:	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
Amount used	567.64	3.48
Amount unused	1,932.36	2,496.52

## 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)
	31 <sup>st</sup> March, 2019	1 <sup>st</sup> April, 2018		
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.

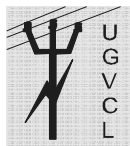
38 The subsidy claims on Government of Gujarat are made by Gujarat Urja Vikas Nigam Limited (GUVNL), the Holding Company on behalf of the Company including all other Distribution Subsidiaries. The subsidy receivable balances are recorded, reflected and presented as such in GUVNL's standalone financial 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

39 Upto 31<sup>st</sup> March, 2016 the Company was computing the grants/consumer contributions received against depreciable assets to be recognised in Statement of Profit or Loss based on reducing balance method. With effect from 1 April 2016, the Company changed its method from reducing balance method to the straight-line method and consequentially the rates at which grant would be recognised in the Statement of Profit and Loss. The rate applied for grant recognition was equivalent to rate of depreciation charge on the assets which was at 5.28%. The change was made as this would more accurately reflect the pattern of usage and the expected benefits of such grants/consumer contributions and provide greater consistency with the depreciation methods on the assets used by the Company. The Company assessed based on the principles of Ind AS, such a change to recognize grants in proportion of the depreciation expense as a change in accounting estimate. A change in accounting estimate has to be applied prospectively from the period of change as per Ind AS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" and cannot be applied retrospectively.

If the Company had applied the above change in method retrospectively, the balances of the Government grants and Consumer contributions as at 31<sup>st</sup> March, 2019 would have been higher by ₹ 18,934.82 lakhs. The above information is only for comparative purpose and has no impact on these financial statements.

#### 40 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 31.03.19.



# Uttar Gujarat Vij Company Limited

CIN - U40102GJ2003SGC042906

16<sup>th</sup> Annual Report 2018-19



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

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

₹ In Lakhs

Particulars	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
<b>I. In respect of Company</b>		
I. Income Tax	10643.64	9,036.11
II. Others	8276.43	1,471.65
<b>Total</b>	<b>18,920.07</b>	<b>10,507.76</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

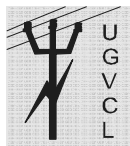
Particulars	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
<b>A. Capital Commitments</b>		
Estimated amount of Contract remaining to the executed on capital accounts (Net of Advances)	5767.08	5,305.35
<b>Total</b>	<b>5,767.08</b>	<b>5,305.35</b>

## 42 CSR Expenditure

₹ In Lakhs

Particulars	For the Year ended 31 <sup>st</sup> March, 2019	For the Year ended 31 <sup>st</sup> March, 2018
<b>The CSR expenditure comprises the following:</b>		
Gross amount required to be spent by the Company during the year	131.00	122.59
Amount spent during the year	35.00	35.00

Particulars	For the year ended 31-03-2019			For the year ended 31-03-2018		
	In Cash	Yet to be paid in cash	Total	In Cash	Yet to be paid in cash	Total
(i) Construction/acquisition of any asset	-	-	-	-	-	-
(ii) On purpose other than (i) above	35.00	-	35.00	35.00	-	35.00
<b>Total</b>	<b>35.00</b>	<b>-</b>	<b>35.00</b>	<b>35.00</b>	<b>-</b>	<b>35.00</b>



# Uttar Gujarat Vij Company Limited

CIN - U40102GJ2003SGC042906

16<sup>th</sup> Annual Report 2018-19



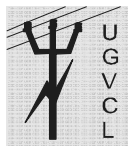
- 43** The Company has a system of physical verification of Inventory every year, Fixed assets and Capital Stores in a phased manner to cover all items over a period of three years. Adjustment differences, if any, are carried out on completion of reconciliation.
- 44** The Company did not have any long 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.

## 45 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 B. A. Shah, IAS	Key Management Personnel (KMP)
	Shri Swaroop P, IAS	Key Management Personnel (KMP)
	Shri Mahesh Singh, IFS	Key Management Personnel (KMP)
	Shri R.B. Kothari	CFO
	Shri N.M. Joshi	CS

## 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	Total
<b>1</b>	<b>Transactions during the year</b>				
	<b>Rebate on Prompt Payment of Power Purchase</b>		<b>3.33</b>		<b>3.33</b>
		-	(3.54)	-	(3.54)
	Gujarat State Electricity Corporation Limited		<b>3.33</b>		<b>3.33</b>
		-	(3.54)	-	(3.54)
	<b>Rebate on Prompt Payment of SLDC Charges</b>		<b>0.99</b>		<b>0.99</b>
		-	(3.49)	-	(3.49)
	Gujarat Energy Transmission Corporation Limited		<b>0.99</b>		<b>0.99</b>
		-	(3.49)	-	(3.49)
	<b>Reactive Charges Recievable</b>		<b>32.71</b>		<b>32.71</b>
		-	(20.91)	-	(20.91)
	Gujarat Energy Transmission Corporation Limited		<b>32.71</b>		<b>32.71</b>
		-	(20.91)	-	(20.91)
	<b>SLDC Charges</b>		<b>99.25</b>		<b>99.25</b>
		-	(349.09)	-	(349.09)
	Gujarat Energy Transmission Corporation Limited		<b>99.25</b>		<b>99.25</b>
		-	(349.09)	-	(349.09)



# Uttar Gujarat Vij Company Limited

CIN - U40102GJ2003SGC042906

16<sup>th</sup> Annual Report 2018-19



<b>Unscheduled Interchange Charges Payable</b>	-	<b>34.42</b>	-	<b>34.42</b>
	-	(594.84)	-	(594.84)
Gujarat Energy Transmission Corporation Limited	-	<b>34.42</b>	-	<b>34.42</b>
	-	(594.84)	-	(594.84)
<b>Unscheduled Interchange Charges Receivable</b>	-	<b>13,999.65</b>	-	<b>13,999.65</b>
	-	(9,454.20)	-	(9,454.20)
Gujarat Energy Transmission Corporation Limited	-	<b>13,999.65</b>	-	<b>13,999.65</b>
	-	(9,454.20)	-	(9,454.20)
<b>Allocation of e-Urja Expenses</b>	-	-	-	-
	(255.61)	-	-	(255.61)
Gujarat Urja Vikas Nigam Limited	-	-	-	-
	(255.61)	-	-	(255.61)
<b>Allocation of General Insurance Premium</b>	<b>239.35</b>	-	-	<b>239.35</b>
	(233.52)	-	-	(233.52)
Gujarat Urja Vikas Nigam Limited	<b>239.35</b>	-	-	<b>239.35</b>
	(233.52)	-	-	(233.52)
<b>Allocation of Interest</b>	<b>386.46</b>	-	-	<b>386.46</b>
	(965.88)	-	-	(965.88)
Gujarat Urja Vikas Nigam Limited	<b>386.46</b>	-	-	<b>386.46</b>
	(965.88)	-	-	(965.88)
<b>Power Purchase</b>	<b>11,21,815.07</b>	<b>351.29</b>	-	<b>11,22,166.35</b>
	(9,14,276.20)	(348.13)	-	(9,14,624.34)
Gujarat Urja Vikas Nigam Limited	<b>11,21,815.07</b>	-	-	<b>11,21,815.07</b>
	(9,14,276.20)	-	-	(9,14,276.20)
Gujarat State Electricity Corporation Limited	-	<b>351.29</b>	-	<b>351.29</b>
	-	(348.13)	-	(348.13)
<b>Sale of Excess Power</b>	<b>76.40</b>	-	-	<b>76.40</b>
	(8,754.75)	-	-	(8,754.75)
Gujarat Urja Vikas Nigam Limited	<b>76.40</b>	-	-	<b>76.40</b>
	(8,754.75)	-	-	(8,754.75)
<b>Asset Purchase</b>	-	-	-	-
	-	(5.45)	-	(5.45)
Gujarat Energy Transmission Corporation Limited	-	-	-	-
	-	(5.45)	-	(5.45)
<b>Allocation of Electricity Charges</b>	-	<b>1,181.13</b>	-	<b>1,181.13</b>
	-	(1,096.89)	-	(1,096.89)
Gujarat Energy Transmission Corporation Limited	-	<b>1,162.67</b>	-	<b>1,162.67</b>
	-	(1,080.79)	-	(1,080.79)
Gujarat State Electricity Corporation Limited	-	<b>18.46</b>	-	<b>18.46</b>
	-	(16.11)	-	(16.11)
<b>Recovery of Expense</b>	<b>1.12</b>	<b>31.54</b>	-	<b>32.66</b>
	(23.57)	(5.48)	-	(29.05)
Gujarat Energy Transmission Corporation Limited	-	<b>31.54</b>	-	<b>31.54</b>
	-	(5.48)	-	(5.48)
Gujarat Urja Vikas Nigam Limited	<b>1.12</b>	-	-	<b>1.12</b>
	(23.57)	-	-	(23.57)



# Uttar Gujarat Vij Company Limited

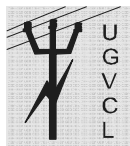
CIN - U40102GJ2003SGC042906

16<sup>th</sup> Annual Report 2018-19



<b>Reimbursement of Expense</b>	-	-	-	-
	-	(6.10)	-	(6.10)
Madhya Gujarat Vij Company Limited	-	-	-	-
	-	(6.10)	-	(6.10)
<b>Sale of Asset</b>	-	<b>393.80</b>	-	<b>393.80</b>
	-	(1,548.99)	-	(1,548.99)
Paschim Gujarat Vij Company Limited	-	<b>393.80</b>	-	<b>393.80</b>
	-	-	-	-
Madhya Gujarat Vij Company Limited	-	-	-	-
	-	(1,548.99)	-	(1,548.99)
<b>Sale of Material</b>	-	<b>325.10</b>	-	<b>325.10</b>
	-	(4.35)	-	(4.35)
Dakshin Gujarat Vij Company Limited	-	<b>77.95</b>	-	<b>77.95</b>
	-	-	-	-
Madhya Gujarat Vij Company Limited	-	<b>154.05</b>	-	<b>154.05</b>
	-	-	-	-
Paschim Gujarat Vij Company Limited	-	<b>93.10</b>	-	<b>93.10</b>
	-	-	-	-
Gujarat Energy Transmission Corporation Limited	-	-	-	-
	-	(4.35)	-	(4.35)
<b>Purchase of Material and Burnt Oil</b>	-	<b>553.88</b>	-	<b>553.88</b>
	-	-	-	-
Dakshin Gujarat Vij Company Limited	-	<b>166.17</b>	-	<b>166.17</b>
	-	-	-	-
Madhya Gujarat Vij Company Limited	-	<b>31.55</b>	-	<b>31.55</b>
	-	-	-	-
Paschim Gujarat Vij Company Limited	-	<b>348.24</b>	-	<b>348.24</b>
	-	-	-	-
Gujarat Energy Transmission Corporation Limited	-	<b>7.93</b>	-	<b>7.93</b>
	-	(6.49)	-	(6.49)
<b>New Service Connection Charges</b>	-	-	-	-
	-	(2.00)	-	(2.00)
Gujarat Energy Transmission Corporation Limited	-	-	-	-
	-	(2.00)	-	(2.00)
<b>Sitting Fees</b>	-	-	<b>0.60</b>	<b>0.60</b>
	-	-	-	-
Shri Anish Sugathan	-	-	<b>0.20</b>	<b>0.20</b>
	-	-	-	-
Shri Nirav Shah	-	-	<b>0.20</b>	<b>0.20</b>
	-	-	-	-
Shri Vasant Gandhi	-	-	<b>0.20</b>	<b>0.20</b>
	-	-	-	-
Shri H P Desai	-	-	-	-
	-	-	(0.45)	(0.45)
Shri Ajay Pandey	-	-	-	-
	-	-	(0.60)	(0.60)
Shri B A Prajapati	-	-	-	-
	-	-	(0.60)	(0.60)

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



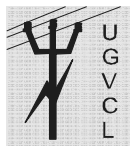
**Uttar Gujarat Vij Company Limited**  
CIN - U40102GJ2003SGC042906  
**16<sup>th</sup> Annual Report 2018-19**



<b>Remuneration</b>				
Shri B.A. Shah, IAS	-	-	2.78 (17.07)	2.78 (17.07)
Shri Swaroop P, IAS	-	-	15.20 -	15.20 -
Shri Mahesh Singh, IFS	-	-	2.07 -	2.07 -
Shri R.B. Kothari	-	-	33.68 (25.21)	33.68 (25.21)
Shri N.M. Joshi	-	-	30.57 (23.95)	30.57 (23.95)

<b>2. Balance as at:</b>				<b>₹ in Lakhs</b>
<b>Receivable/Payable</b>	<b>Holding Company</b>	<b>Fello-Subsidiary Company</b>	<b>KMP</b>	<b>Total</b>
<b>Receivables</b>	<b>103221.25</b> (82,741.08)	-	-	<b>103221.25</b> (82,741.08)
Gujarat Urja Vikas Nigam Limited	<b>103221.25</b> (82,741.08)	-	-	<b>103221.25</b> (82,741.08)
<b>Payables</b>	-	-	-	-
Gujarat Urja Vikas Nigam Limited	-	-	-	-
Note :- Figures of Previous year is shown in bracket.				





**NOTES TO THE FINANCIAL STATEMENTS**

**46. OTHER DISCLOSURES**

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

Consumer Category	F.Y. 2018-19			F.Y. 2017-18		
	Mus	Revenue (₹ in lakhs)	Average Rate ₹/unit	Mus	Revenue (₹ in lakhs)	Average Rate ₹/unit
Residential General Purpose (Domestic or Residential)	2255.92	118048.22	5.23	2101.83	110063.59	5.24
General Lighting Purpose (Commercial)	49.64	2989.98	6.02	44.83	2710.55	6.05
Low Tension Maximum Demand and Non Residential General Purpose (Industrial low & medium voltage)	1935.43	139538.05	7.21	1762.68	127272.50	7.22
Industrial high voltage	7621.20	522956.58	6.86	6418.29	443465.82	6.91
Public Lighting	55.54	3231.74	5.82	52.14	3026.32	5.80
Irrigation agricultural	9737.02	309241.35	3.18	9049.11	197007.00	2.18
Public water works and sew.pumps	744.96	39333.02	5.28	707.90	29434.73	4.16
Deviation Settlement Mechanism Charges (UI)	613.23	13965.23	2.28	418.94	8820.84	2.11
Sale to GUVNL(STOA)	2.98	76.40	2.56	292.42	8754.75	2.99
<b>Total</b>	<b>23015.92</b>	<b>1149380.57</b>	<b>4.99</b>	<b>20848.14</b>	<b>930556.10</b>	<b>4.46</b>

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

Particulars	F.Y. 2018-19	F.Y. 2017-18
	Unit in Mus	
Units Purchased from GUVNL	27325.35	23871.44
Units Purchased from Wind Turbine Generator	33.36	30.11
Units Purchased from Solar Generator	20.84	19.91
<b>Sub Total</b>	<b>27379.55</b>	<b>23921.46</b>
Less : Deviation Settlement Mechanism Charges (UI export)	613.23	418.94
Less : Unit sold to GUVNL	2.98	292.42
<b>Net Power Purchase Units</b>	<b>26763.34</b>	<b>23210.10</b>
Less : Units sold to consumer	22399.71	20136.78
<b>T &amp; D loss in Mus</b>	<b>4363.63</b>	<b>3073.32</b>
<b>T &amp; D loss in %</b>	<b>16.30%</b>	<b>13.24%</b>



## Uttar Gujarat Vij Company Limited

CIN - U40102GJ2003SGC042906

**16<sup>th</sup> Annual Report 2018-19**



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

**48. Approval of financial statements**

The Financial Statements were approved for issue by the Board of Directors on dtd. 21-Sep-2019

**SIGNATURE TO THE NOTES ON FINANCIAL STATEMENTS 1 TO 48**

As per our report of even date attached  
For Ramanlal G. Shah & Co.  
Chartered Accountants  
F.R. No. 108517W

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

Vivek S. Shah  
M. No. 112269  
ICAI UDIN-19112269AAAABG3621

Shahmeena Husain, IAS  
Chairperson  
DIN-03584560

Mahesh Singh, IFS  
Managing Director  
DIN-05147001

R.B. Kothari, ACMA  
Chief Financial Officer

N.M. Joshi, FCS  
Company Secretary

Place : Ahmedabad

Date : 21-Sep-2019

Place: Ahmedabad

Date: 21-Sep-2019



# Uttar Gujarat Vij Company Limited

CIN - U40102GJ2003SGC042906



## સ્પષ્ટ Vision

- ૧ સર્વોત્તમ સેવા થકી ગ્રાહકને સંતોષ
- ૧ Customer satisfaction through service excellence



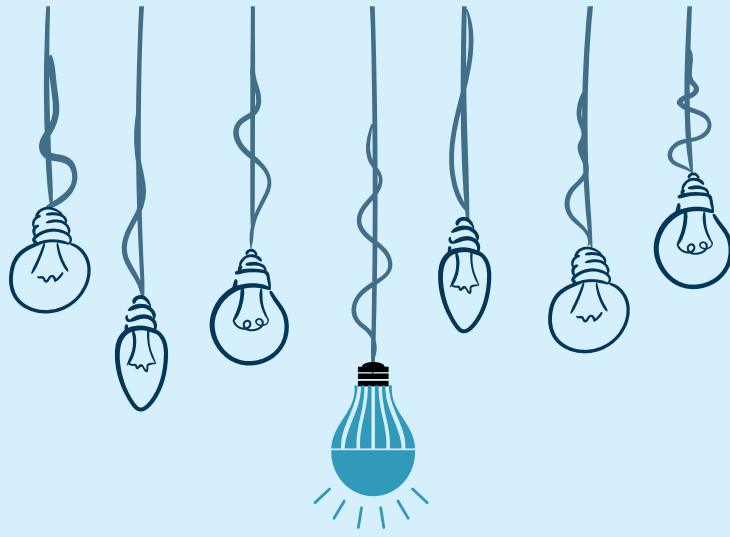
## લક્ષ્ય Mission

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



## મૂળભૂત મૂલ્યો Core values

- ૧ ગ્રાહકનો સંતોષ
- ૧ સહભાગી કાર્ય સંસ્કૃતિ
- ૧ Customer satisfaction
- ૧ Participative work culture
- ૧ સંસ્થા માટે સ્વત્વ અને સન્માન
- ૧ શ્રેષ્ઠતા
- ૧ Pride pf belongingness
- ૧ Excellence
- ૧ નૈતિક અને સામાજિક જવાબદારી પ્રત્યે સભાનતા
- ૧ 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)