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**BOARD OF DIRECTORS**

Shri D.J.Pandian, IAS	Chairman
Shri Atanu Chakraborty, IAS	Director
Shri P. H. Rana	Director (Technical)
Shri R.N.Singh	Director (w.e.f. 16-03-10)
Shri Bimal N. Patel	Director (w.e.f. 16-03-10)
Shri L. Chuaungo, IAS	Managing Director

**DIG (SECURITY)**

Shri V.J.Gautam, IPS (w.e.f. 6-8-2010)

**EXECUTIVE DIRECTOR (FINANCE)**

Shri S.B.Khyalia

**VICE PRESIDENT (CO-ORDINATION)**

Shri Dinesh Patel, GAS

**COMPANY SECRETARY**

Shri Parthiv Bhatt

**BANKERS**

UCO Bank	Canara Bank
State Bank of India	Allahabad Bank
Bank of India	Syndicate Bank
Central Bank of India	Bank of Baroda
Union Bank of India	Indian Overseas Bank
Dena Bank	The Karur Vysya Bank Ltd.
Indian Bank	
Vijaya Bank	

**SR. EXECUTIVES**

1. Shri K.M. Shringarpure  
General Manager (F &A)
2. Shri K. K. Soni  
General Manager (HR)
3. Shri P. A. Shah  
Chief Engineer (Tech.)

**AUDITORS**

M/s S.C.Bapna & Associates.

Chartered Accountants

**Vadodara.**

**REGISTERED OFFICE**

Sardar Patel Vidyut Bhavan  
Race Course  
Vadodara - 390 007  
Phone: 0265-2310582-86, Fax: 0265-2337918  
Web Site : www.guvnl.com

**SUBSIDIARY COMPANIES**

1. Gujarat State Electricity Corp. Ltd
2. Gujarat Energy Transmission Corp. Ltd
3. Uttar Gujarat Vij Co. Ltd.
4. Dakshin Gujarat Vij Co.Ltd
5. Paschim Gujarat Vij Co.Ltd
6. Madhya Gujarat Vij Co. Ltd.



**NOTICE TO SHAREHOLDERS**

**NOTICE** is hereby given that the **Sixth Annual General Meeting** of the Members of Gujarat Urja Vikas Nigam Limited will be held (at shorter notice under section 171(2)(i) of the Companies Act, 1956, pursuant to consent received from all the members) on **Tuesday, the 28th December, 2010 at 1.00 p.m. at the Registered office of the Company at Sardar Patel Vidyut Bhavan, Race Course, Vadodara-390 007** to transact the following business:

**ORDINARY BUSINESS:**

- 1** To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2010 and Profit & Loss Account for year ended on that date and the Reports of the Board of Directors, Statutory Auditors thereon along with Comments of the Comptroller and Auditor General of India.
- 2** To decide the remuneration payable to Statutory Auditors appointed by the Comptroller and Auditor General of India (C&AG), New Delhi for the financial year 2010-11.

**SPECIAL BUSINESS:**

- 3.** To consider and if thought fit, to pass ,with or without modification(s),the following Resolution as an Ordinary Resolution:  
"RESOLVED THAT Shri R.N.Singh, who was appointed as an Additional Director of the Company on 16<sup>th</sup> March,2010, under section 260 of the Companies Act,1956 and who holds such office up to the date of this Annual General Meeting and who is eligible for re-appointment, be and is hereby appointed as a Director of the Company, liable to retire by rotation".
- 4.** To consider and if thought fit, to pass, with or without modification(s),the following Resolution as an Ordinary Resolution:  
"RESOLVED THAT Shri Bimal N.Patel, who was appointed as an Additional Director of the Company on 16<sup>th</sup> March, 2010, under section 260 of the Companies Act,1956 and who holds such office up to the date of this Annual General Meeting and who is eligible for re-appointment, be and is hereby appointed as a Director of the Company, liable to retire by rotation".

By Order of the Board

Date : 22-12-2010

Place : Vadodara

Parthiv Bhatt  
Company Secretary

**REGISTERED OFFICE :**

Sardar Patel Vidyut Bhavan  
Race Course  
Vadodara – 390 007



**NOTES:**

- 1 A MEMBER ENTITLED T O ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF. A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
- 2 Proxies in order to be effective must be received by the Company at its Registered Office not later than 48 hours before the time for holding of the meeting.
- 3 Explanatory Statement pursuant to Section 173(2) of the Companies Act,1956 is annexed here to as Anexture to the Notice.
- 4 The Statutory Auditors M/s S.C.Bapna & Associates, Chartered Accountants, Vadodara were appointed by the Office of the Comptroller and Auditor General of India (C & AG) for F.Y.2009-10 . M/s. S.C. Bapna & Associates, Chartered Accountants, Vadodara have been reappointed as the Statutory Auditors of the Company for the financial year 2010-11 by the office of C & AG as the Company continues to attract the provisions of Section 617 read with the provisions of section 619 (2) of the Companies Act, 1956. As per the provisions of the section 224(8)(aa) of the Companies Act remuneration of Statutory Auditors appointed by the C&AG of India shall be fixed by the Company in General Meeting or in such manner as the Company in General meeting may determine.



**ANNEXURE TO THE NOTICE:**

**Explanatory Statement pursuant to Section 173(2) of the Companies Act,1956**

**Item No. 3**

Shri R.N.Singh was appointed as an Independent Director on the Board of the Company as approved by Government of Gujarat. He was appointed as an Additional Director pursuant to section 260 of the Companies Act,1956 and Article 66 of the Articles of Association of the Company by Board of Directors w.e.f. 16<sup>th</sup> March,2010. He holds office as an Additional Director up to the date of this Annual General Meeting(AGM).

Shri R.N.Singh, BSc Engineering has a very rich experience in Power Sector including as former Director(Power), Neyveli Lignite Corporation Limited.

Your Directors recommend the resolution for your approval.

None of the Directors, except Shri R.N.Singh is interested or concerned in this resolution.

**Item No. 4**

Shri Bimal N.Patel was appointed as an Independent Director on the Board of the Company as approved by Government of Gujarat. He was appointed as an Additional Director pursuant to section 260 of the Companies Act,1956 and Article 66 of the Articles of Association of the Company by Board of Directors w.e.f. 16<sup>th</sup> March,2010. He holds office as an Additional Director up to the date of this Annual General Meeting(AGM).

Shri Bimal N.Patel, BSc(India), MA, LLM, Post graduate studies in International Relations and Development, International Relations and Law(the Netherlands), foreign policy and Govt. (Norway) is an academician and scholar in International Law and diplomacy and has a rich experience in the legal/academic field. He is presently working as Director- Vice Chancellor, Gujarat National Law University, Gandhinagar.

Your Directors recommend the resolution for your approval.

None of the Directors ,except Shri Bimal N. Patel is interested or concerned in this resolution.

By Order of the Board

Date : 22-12-2010

Place : Vadodara

Parthiv Bhatt

Company Secretary

**REGISTERED OFFICE :**

Sardar Patel Vidyut Bhavan  
Race Course  
Vadodara – 390 007.

**DIRECTORS' REPORT**

To,

The Members,

Your Directors are pleased to present the **SIXTH ANNUAL REPORT** together with Audited Accounts for the Sixth Financial Year ended 31<sup>st</sup> March, 2010.

**FINANCIAL RESULTS:**

The Company was operationalized w.e.f. Financial Year 2005-06. The Company has continued the efforts to sustain the performance and growth momentum over the years. The financial results of the F.Y. 2009-10 are as under:

<b>Particulars</b>	<b>₹ in lakh 2009-10</b>	<b>₹ in lakh 2008-09</b>
Total Turnover	1743487.61	1767829.09
Total Expenditure	1737811.17	1767314.94
Profit Before Tax	5676.44	514.15
Provisions for Income tax -		
- Fringe Benefit Tax	0.00	13.00
- Current	1034.10	0.00
- Past Year	2656.00	0.00
Profit After Tax	1986.34	501.15
Carried forward loss of erstwhile GEB	(61923.30)	(62424.45)
Balance carried to Balance Sheet	(59936.96)	(61923.30)

During the F.Y. 2009-10, considering the total income of ₹ 17,434.88 Crores and total expenditure of ₹ 17,378.12 Crores, the Company has earned Profit Before Tax of ₹ 56.76 Crores as against ₹ 5.14 Crores in the previous year. Since the Income Tax Act provides for payment of Minimum Alternate Tax (MAT) on book profit, a provision of ₹ 10.34 Crores is made towards MAT liability. In addition, on account of demand from the Income Tax Department of ₹ 26.56 Crores in respect of Assessment Year 2007-08 a provision is made to take care of this liability though the Company has contested this demand. This leaves a Profit After Tax (PAT) of ₹ 19.86 Crores as against ₹ 5.01 Crores in the previous year. Since the Company inherited a loss of ₹ 737.24 Crores from erstwhile GEB, despite net profit for the 5 consecutive years, the Company has to carry forward a loss of ₹ 599.37 Crores.



Reduction in total turnover as compared to previous year is attributable to reduction in power purchase cost & fuel price, more particularly the price of gas which resulted in to lower Fuel Price & Power Purchase cost Adjustment (FPPPA). However despite reduction in turn over, the Company has achieved higher Profit After Tax as Compared to previous year due to substantial reduction in interest cost. The interest cost reduction was achieved through use of innovative & dynamic financial instruments.

**SHARE CAPITAL:**

During the year 2009-10, 15,30,33,600 no. of equity shares of ₹ 10/- each were allotted to Govt. of Gujarat against capital contribution to GUVNL for Capital Infusion in Subsidiary Companies/ implementation of Govt. Schemes pursuant to various Govt. of Gujarat Resolutions. With this the paid up capital as on 31-03-2010 is ₹ 3415.34 Crores.

**SECTORAL PERFORMANCE:**

This is the 5<sup>th</sup> year post operationalization of the Companies. The performance of GUVNL and its subsidiary companies (sector) as a whole has gained momentum. The Sector continued various measures to improve the financial health as well as the internal efficiencies. Resultantly the Sector has recorded a Profit After tax of ₹ 26,552 Lakhs for the year 2009-10 as against profit of ₹ 12,597 Lakhs for the year 2008-09 a rise of 111%. A summarized sectoral performance is given hereunder:

Sr. No.	Particulars	₹ in lakh 2009-10	₹ in lakh 2008-09
1.	Total Turnover	2021821	2009212
2.	Total Expenditure	1983314	1994337
3.	Profit Before Tax	38507	14875
4.	Provision for income tax:		
	Current	9260	1726
	Past year	2692	-
	Fringe benefit	-	549
	Wealth tax	3	3
5.	<b>Profit After Tax</b>	26552	12597

**DIVIDEND:**

The company being in consolidation phase and having carried forward losses, your Directors do not recommend any dividend on Equity Shares for the financial year 2009-10.

**INDUSTRY OVERVIEW:**

Power is a vital building block for development and growth of all the sectors of the economy. Availability of quality power at reasonable rates is essential for sustained socio economic growth. However, being highly capital intensive in nature, mobilizing adequate financial resources at competitive cost for developing generation, transmission and distribution infrastructure has always been a challenge for the Power Sector; and this has been a major factor that contributed to less than required generation and transmission capacity addition in the Country. Although electricity generation has increased substantially in recent years, the demand for electricity in India is still substantially higher than the available supply. The data of Nation as a whole with respect to gap between demand and supply is given in following table:

Fiscal Year	Energy Requirement (Million units)	Energy Availability (Million units)	Energy Shortage	
			(Million units)	%
2005-06	631554	578819	52735	8.4
2006-07	690587	624495	66092	9.6
2007-08	737052	664660	72392	9.8
2008-09	777039	691038	86001	11.1
2009-10 (upto January, 2010, Data provisional)	688171	620003	68168	9.9

Source: - Ministry of Power Annual Report 2009-10.

**OPERATIONS:**

The total generating capacity of the various sources at the beginning of the year 2009-10 was 9864 MW. The total installed power generating capacity in the state at the end of year 2009-10 was as under:-

**IN MW**

SR. NO	PLANTS	GSECL	State Owned IPP	Pvt. Sector	Central Sector	Addition during the year	Total Gujarat
1	Thermal	3865	500	400	1462	622	6849
2	Gas	354	466	1055	424	1522	3821
3	Nuclear	0	0	0	559	0	559
4	Hydro	547	0	0	232	0	779
5	Total	4766	966	1455	2677	2144	12008





During the year 2009-10, in Central Sector, Kahalgaon Thermal Power Project stage –II was commissioned, from which Gujarat has a share of 47 MW. Gujarat State Electricity Corporation has commissioned Utran Gas Based Power Station – Extension of 375 MW and Kutch Lignite Thermal Power Station – Unit No 4 of 75 MW. Further, Mundra Power Project of M/s Adani has commissioned Unit No 1 & 2 of 330 MW each out of which Gujarat is getting 500 MW. Torrent Power Ltd has commissioned SUGEN Power Plant of 1147.5 MW. Continuing with the “Green Energy” initiative, the installed capacity of WTG which was at 1463 MW at the beginning of the year increased to 1782 MW at the end of F.Y. 2009-10. In furtherance of this noble cause, GUVNL executed 39 numbers of Power Purchase Agreements of aggregate capacity of 202 MW with Wind Power Projects Developers during the year 2009-10.

Apart from the above, system is receiving wind power generation from the total installed wind capacity of 1782 MW owned by various Producers out of which 928 MW is for supply of power to the State under Power Purchase Agreements and balance 854 MW is wheeled for captive use by owners.

Further, envisaging the long term power requirement, GUVNL has tied up 2610 MW power through competitive bidding process in April, 2010. This long term power has been tied up at very competitive levelised rates of maximum ₹ 2.80 per unit. Further, to encourage renewable sources of energy, GUVNL has signed 365 MW of Power Purchase Agreements with Solar Power Project Developers by 31<sup>st</sup> May 2010

**PURCHASE OF POWER:**

For meeting the demand of power in the State, power is purchased from all the available sources. The detail of power purchased during the year 2009-10 is as under:-

<b>Sr. No.</b>	<b>Name of Agency</b>	<b>2009-10 MUs</b>
1	NPC	2690
2	NTPC	14553
3	SSNNL	392
4	Inter-State UI	437
	<b>TOTAL CENTRAL SECTOR (1 TO 4)</b>	<b>18072</b>
5	GSEG	1087
6	GIPCL – Stage II	1043
7	GIPCL – SLPP	1615
8	GMDC	1195
9	GSECL	26155
	<b>TOTAL STATE SECTOR (5 TO 9)</b>	<b>31095</b>
10	ESSAR	1402
11	GPEC	4541
12	ADANI - Mundra Power Project	914
	<b>TOTAL IPPs (10 TO 12)</b>	<b>6857</b>
13	BILATERAL PURCHASE	32
14	POWER EXCHANGE	22
15	WIND FARMS	1374
16	OTHERS – CPP etc	1768
17	Intra State UI	526
	<b>TOTAL POWER PURCHASE</b>	<b>59746</b>

**SALE OF POWER:**

The bulk power purchased by GUVNL has been supplied to subsidiary distribution companies to meet their power requirement. Further, GUVNL has also supplied bulk power to Torrent Power up to July 2009 for onward supply to their Ahmedabad, Gandhinagar and Surat licensee areas and Kandla Port Trust. The details of power supplied to subsidiary distribution companies and licensees during the year 2009-10 are as under:-

<b>Sr. No.</b>	<b>Name of Licensee</b>	<b>2009-10 MUs</b>
1	DGVCL	11248
2	UGVCL	15602
3	PGVCL	21066
4	MGVCL	7177
5	Torrent Power Ahmedabad	487
6	Torrent Power Surat	403
7	Kandla Port Trust	14
<b>8</b>	<b>TOTAL</b>	<b>55997</b>

**Note:** The Bulk power supply to Torrent Power Ltd was against their contract demand with GUVNL as a stand by demand and that has been discontinued from 1st August 2009, on commissioning of SUGEN Power Plant (1147.50 MW).

Moreover, GUVNL has disposed of surplus power to other states during the lean load to avoid the situation of keeping machine idle, to optimize power generation and to reduce overall power purchase cost in addition to power exported under unscheduled interchange (UI). GUVNL has sold the surplus power through bilateral agreements as well as through Power Exchanges.

GUVNL has exported 1852 MUs amounting to ₹ 840 Crores at the average rate of ₹ 4.53 per unit during the year 2009-10 as against 553 MUs amounting to ₹ 333 Crores at the average rate of ₹ 6.03 per unit during the year 2008-09 under Unscheduled Interchange.

The power sold outside the state through bilateral arrangement during the year 2009-10 is 925 Mus amounting to ₹ 526 Crores at the average rate of ₹ 5.69 per unit as against 462 MUs amounting to ₹ 357 Crores at the average rate of ₹ 7.71 per unit during the year 2008-09. Further, surplus power sold through Power Exchange during the year 2009-10 is 827 MUS amounting to ₹ 415 Crores at the average rate of ₹ 5.02 per unit as against 313 MUs amounting to ₹ 249 Crores at the average rate of ₹ 7.95 per unit during the year 2008-09.

**IMPLEMENTATION OF INTRA STATE AVAILABILITY BASED TARIFF (ABT):**

The intra state ABT has been implemented in the State with effect from 5<sup>th</sup> April 2010 as per the directives of Gujarat Electricity Regulatory Commission (GERC) vide its order dated 2nd April 2010. Gujarat is the only State in country to have implemented Intra State ABT in entirety.

**TRANSMISSION CHARGES**

GUVNL also pays for the transmission of the power within the State to Gujarat Energy Transmission Corporation (GETCO) which is the Company responsible for transmission of power. The transmission charges for transmission of power from the Central Sector Generating Stations through the Central Transmission Utility – PGCIL owned lines are determined by the Central Electricity Regulatory Commission and GUVNL is sharing the transmission charges in accordance with the methodology specified by the CERC under the Regulations for Terms & Conditions of tariff as amended from time to time.

**PROGRESS OF VARIOUS GOVT. SCHEMES :****I. ELECTRIFICATION UNDER TRIBAL AREA SUB-PLAN :**

Electricity is a basic requirement for establishing the infrastructure in the developing economy leading to socio-economic transformation in the Rural Area. The Distribution Companies of Gujarat Urja Vikas Nigam Ltd. undertake the work of Rural Electrification in the Tribal Areas under Tribal Area Sub-Plan(TASP). The TASP scheme is financed by State Government for electrification of villages and also extensive electrification of petaparas of the villages electrified earlier. From the year 1998-99 Govt. is providing grant under this scheme for electrification of petaparas and Agricultural wells. All inhabited tribal villages feasible for electrification have also been electrified along with 100% village electrification in the State.

Grant of ₹ 15190.34 lakhs was given to GUVNL for the year 2009-10 to electrify 11300 Nos. of wells and 105 Nos. of petaparas. Against this at the end of March-10, 10699 wells and 105 Nos. of petaparas were electrified at a cost of ₹ 15190.71 lakhs. Thus GUVNL has achieved 100% financial target under this scheme.

**II. TRIBAL AREA SUB PLAN (TASP) TRANSMISSION LINES AND SUB STATIONS**

Electric Power is basic requirement for establishing infrastructure in developing economy leading to socio-economic transformation in Tribal rural area. In the tribal area such works are carried by the Company through its transmission subsidiary company (GETCO) along with Normal Static Plan work under TASP Scheme. For execution of the scheme grant is given by the State Govt.

The Transmission Company (GETCO), the subsidiary company of GUVNL, executes the infrastructure work for development of the Tribal Area by creation of new substations with associated lines, link lines for system improvement and addition of installed capacity of existing substations.

During the Financial Year 2009-10 an amount of ₹ 15100/- lakhs was given as grant by the State Govt. for creation of new sub-stations and associated lines, link lines for system improvement and addition of installed capacity of existing substations under the Tribal Area Sub Plan (TASP).An expenditure of ₹ 15144.20 lakhs is incurred in creation of 66 KV Sub-stations and transmission lines in tribal areas of Gujarat. The financial target is achieved.

**SUBSTATIONS COMMISSIONED**

- |  |                   |
|--|-------------------|
| (1) 66KV Panwad Substation<br>Commissioned on 08.01.2010 | Dist- Vadodara.   |
| (2) 66KV Movasa Substation<br>Commissioned on 15.02.2010 | Dist – Panchmahal |



- |   |             |
|---|-------------|
| (3) 66KV Borda Substation<br>Commissioned on 22.03.2010         | Dist – Tapi |
| (4) 66KV Pahada(Torda) Substation<br>Commissioned on 25.03.2009 | Dist – S.K. |
| (5) 66KV Rumkitalav Substation<br>Commissioned on 25.03.2009    | Dist – Tapi |

**Total 5 Nos. of Substations are commissioned against target of 6 Nos. of Substations.**

**(B) TRANSMISSION LINES COMMISSIONED**

- |  |                             |
|--|-----------------------------|
| (1) 220KV LILO at Kosamba from Kim Zagadia<br>(Line commissioned on 08.07.2009)  | - 9.26 CKM.                 |
| (2) 220KV Utran-Kosamba Line No.1<br>Established on 06.11.2009 from Utran end up to loc.<br>50No. from existing 220 KV Kim-Vav line                      | - 64.53 CKM.                |
| (3) 132KV S/C Godhra-Dahod (81.8KM)<br>Commissioned on 21.01.2010  | - 53.13 CKM.                |
| (4) 66 KV LILO at 220 KV MOTA(Bardoli)<br>From Vav-Sampura -Kadodline<br>Commissioned on 27.12.2009  | - 10.97 CKM                 |
| (5) 66KV LILO at GangavaS/S from jalotra-Danta<br>Commissioned on 01.04.2009<br>66KV LILO at Panvad S/S from Vasedi-kavant<br>Commissioned on 08.01.2010 | - 3.60 CKM.<br>- 0.600 CKM. |
| (6) 66KV LILO at Movasa S/S from Lunawada-Santrampur<br>Commissioned on 15.02.2010   | - 17.72 C.K.M.              |
| (7) 66KV Lunawada-Santrampur line<br>Commissioned on 05.02.2010  | - 38.20 CKM                 |
| (8) 66KV LILO at Borda S/S from Ukai-Sagbara line<br>Commissioned on 19.02.2010  | - 0.600 CKM.                |
| (9) 66 KV S/C LILO at Pahada(torda) S/S from Bhilod-Dantod<br>Commissioned on 26.03.2010   | - 5.10 CKM.                 |
| (10) 66KV LILO at Rumkitalav S/S from Uchchhal-Nizar line<br>Commissioned on 28.03.2010  | - 0.400 CKM.                |

**Total 204.11 CKM transmission line is commissioned**

**III. KUTIR JYOTI SCHEME**

Gujarat Government is providing grant to give single point residential lighting connection in Tribal area free of cost. The BPL family or family whose annual income is less than ₹ 11,000/- is eligible to avail single phase lighting connection. The list of beneficiaries is to be prepared by Project Officer for Tribal area and to be submitted to concerned Distribution Company of GUVNL. Kutir Jyoti connection is given to the beneficiary house hold situated up to 100



meters from the existing low tension line. Beneficiary has to pay the energy bill. This scheme is in operation from the year 1990-91.

Grant of ₹ 900 lakhs was given to GUVNL to electrify 30000 Nos. of Kutir Jyoti connection for the year 2009-10. Against this at the end of March-10, 27735 Nos of Kutir Jyoti connections were given at a cost of ₹ 900.25 lakhs. Thus GUVNL has achieved 100% financial target under this scheme.

#### **IV. ZUPADPATTI SCHEME**

To meet the basic requirement of poor families in Gujarat State, Government of Gujarat sponsored Zupadpatti Scheme (Hutments). Under this scheme, single phase Connections with one point wiring is being given free of cost with CFL bulb. The BPL beneficiaries and family whose annual income is less than ₹ 11,000/- is eligible to avail single phase lighting connection. The list of beneficiaries is to be prepared by District Social Welfare Officer/ Taluka Panchayat for rural area and Chief Officer / Municipal Commissioner for Urban area and to be submitted at concerned field office of DISCOM. List of beneficiaries is prepared at local level by above authority by collecting Registration Fees. For rural area the beneficiaries have to pay ₹ 50/- and for urban area the beneficiaries have to pay ₹ 100/- as registration fees. The beneficiaries will have to pay the energy bills for energy utilized regularly as per the company's norms.

Grant of ₹ 4200.00 lakhs was given to GUVNL to electrify 110000 Nos. of house holds connection for the year 2009-10. Against this at the end of March-10, 63947 Nos. of house holds connection were given at a cost of ₹ 4200.10 lakhs, Thus GUVNL has achieved 100% financial target under this scheme.

#### **V. SCHEDULED CASTE SUB PLAN SCHEME**

For electrification of Scheduled Caste Localities, State Govt. is allocating the funds as grant to GUVNL every year for implementing the program under scheduled caste sub plan scheme. From the year 1998-99, this fund is being made available to GUVNL. The electrification (including intensive electrification ) is being carried out every year in the localities from where demands are coming. From the year 2009-10 State Govt. is also releasing funds for Agriculture connection of Scheduled Caste Beneficiaries under this scheme.

Grant of ₹ 2297.00 lakhs was given to GUVNL for the year 2009-10 for electrification of 5170 Nos. of house hold connection and 1397 Nos. of Agriculture connection of SC beneficiaries. Against this at the end of March-10, 7063 Nos. of house hold connections and 1384 Nos. of Agriculture connection of SC beneficiaries were electrified at a cost of ₹ 2297.30 lakhs, Thus GUVNL has achieved 100% financial target under this scheme.

#### **VI. SAGARKHEDU SARVANGI VIKAS YOJANA**

Humidity and the saline atmosphere of the Coastal area cause corrosion of Conductors, corrosion of Poles, , failure of Disk and pin insulators, corrosion of Distribution Boxes and service lines etc. which affect the quality of power supply. Therefore to improve the infrastructure and uplift the life of the people living in the coastal belt, State government has declared " Sagarkhedu Sarvangi Vikas Yojana". This Scheme is a 12 point Programme. Energy Development is one of them. This Scheme covers 12 Coastal Districts of Valsad, Navsari, Surat, Bharuch, Anand, Ahmedabad, Jamnagar, Junagadh, Porbandar, Kutchh, Bhavnagar and Amreli comprising of 38 Talukas. Under this scheme activities such as Strengthening of Distribution line, Strengthening of Transmission Line with Replacement of



Conductors, Erection of new 66 KV Substation are carried out. Due to these activities people residing in coastal belt get benefit such as noticeable reduction in line faults, availability of quality Power Supply at adequate Voltage, reduction in losses to the Industries in coastal area, reduction in accidents due to breakage of Conductors, reduction in Transformer failure and reduction in burning of electric motors, reduction in maintenance cost of lines, reduction in Transmission and distribution losses.

During the year 2009-10, ₹ 8842.60 lakhs have been spent for strengthening of distribution line with replacing Conductors, poles, insulators, distribution boxes, service lines, etc, Strengthening of Transmission lines and creation of new 66 KV sub stations against ₹ 8800 Lakhs released by State Govt.

### **VII. REPLACEMENT OF EXISTING PUMP SETS BY ENERGY EFFICIENT PUMPS**

As part of energy conservation and demand side management, project for replacement of existing pump sets of farmers with Energy efficient pump sets to reduce the power demand in Ag. Sector is taken up. With this measure it is possible to achieve 10 to 15 % energy savings. The project is being implemented on tripartite basis and the project cost is shared equally by the State Govt., DISCOM & Ag. Consumer, who is willing to take benefit under this scheme. This project is undertaken in Vijapur, Mehsana & Visnagar Taluka of Mehasana District, Mansa and Gandhinagar Taluka of Gandhinagar District, Himatnagar & Prantij Taluka of Sabarkantha District, Halvad Taluka of Surendranagar District, Deesa, Dhanera & Kankrej Taluka of Banaskantha District and Amreli taluka of Amreli District.

During the year 2009-10, 13534 existing pump sets were replaced by Energy efficient pump sets at cost of ₹ 6596.77 lakhs having Contribution from consumers-₹ 2260.66 lakhs, DISCOMs ₹ 2168.05 lakhs and GOG- ₹ 2168.06 lakhs.

### **VIII. JYOTI GRAM YOJANA**

The Jyoti Gram Yojana (JGY) is a scheme by Government of Gujarat to make available three phase quality power supply for 24 hours to all the villages and their Hamlets for non-agricultural activities while ensuring improved quality power supply to agriculture implemented in a record time of just 30 months! The scheme started in September 2003 and completed by March 2006. The scheme involved laying of a parallel rural distribution network across the state to separate agricultural consumers to facilitate load management and regulate agricultural consumption without affecting power supply to other consumers by laying 78,454 Kilometers of new lines, 2012 No's of JGY Feeders, 18,724 Nos of new transformer centres and 3924 Special Designed Transformers have been installed. All 18000 villages are covered under the scheme with a total expenditure of ₹ 129029.72 Lakhs out of which ₹ 111037.43 Lakhs is the contribution from GOG. Thus all 18000 villages have benefited from the scheme.

### **IX. RAJIV GANDHI VIDYUTIKARAN YOJANA (RGGVY)**

Under this Central Government Scheme, Rural Electrification Corporation provides 90% of the expenditure as subsidy and 10% as soft loan to State Government. State Government has to provide analogous electricity to urban and rural areas. The financial assistance is provided for electrification of villages, petaparas. All Below Poverty Line families are considered under the scheme and they are provided electric connection free of cost. Electrification of all beneficiaries includes one point wiring in the house with one CFL bulb. The beneficiaries have to pay the bills for energy utilized regularly as per the company's norms.



During the year 2009-10, 147507 BPL house holds have been electrified.

## **X. RESTRUCTURED ACCELERATED POWER DEVELOPMENT AND REFORMS PROGRAMME. (RAPDRP) UNDER XITH PLAN**

The RAPDRP schemes are to be implemented in towns during XI Five year plan as per GoI order dated: 19.09.2008. The RAPDRP scheme is divided in to three parts i.e. Part-A, Part-B and Part C. The provision under RAPDRP for nation as whole, towards Part A is ₹ 10,000 Crs, Part B ₹ 40,000 Crs and Part C ₹ 1177 Crs. during the 11<sup>th</sup> Five Year Plan. The nodal agency for implementing APDRP is Power Finance Corporation Limited - PFC, New Delhi.

The subsidiary companies of Gujarat Urja Vikas Nigam Ltd i.e. Dakshin Gujarat Vij Company Limited – DGVCL, Madhya Gujarat Vij Company Limited – MGVL, Paschim Gujarat Vij Company Limited – PGVCL, Uttar Gujarat Vij Company Limited – UGVCL are entitled for Part A and Part B.

- ❖ The part-A consists of establishing base line data for converting existing system in to IT base, including consumer indexing, DTR metering etc. This part is to be implemented within 3 years to avail the benefit of loan as grant; otherwise it will be treated as loan only.
- ❖ Total scheme include Data center, Disaster Recovery center, Customer care center, GPS survey, Consumer Indexing, AMR for DTR&HT consumers, GPRS Modem, Hand Held quipment, Computers, Printers, Servers for Data Center & disaster center, Server at sub division for AMR, Upgradation of existing Network, connectivity Softwares for new applications as mentioned above etc.

All the four DISCOMs viz. DGVCL, MGVL, PGVCL and UGVCL have submitted their proposals for part A of RAPDRP to Nodal Agency for implementing RAPDRP - Power Finance Corporation Ltd., Ministry of Power New Delhi on 10.02.2009 amounting to ₹ 23.38 Crores, ₹ 86.85 Crores, ₹ 75.26 Crores and ₹ 32.97 Crores and sanctioned by M/S PFC respectively with Data Center cost of ₹ 28.23 crs and Disaster Recovery cost of ₹ 18.15 crs. Amount of ₹ 68.00 Crores is released by PFC against total amount of ₹ 225.36 Crores under Part-A.

The IT consultant is finalized for all four DISCOM. The order as ITIA for Part A of RAPDRP is issued to M/s TCS for all DISCOM.

- ❖ The Part-B consists of renovation, modernization and strengthening of 11 KV system including Reconductoring, load bifurcation, feeder separation, HVDS, Replacement of Electro Magnetic energy meters with tamper proof electronic meters along with strengthening of weak sub transmission system if required. The loan shall be converted in to grant up to 50% if target of AT&C loss is achieved in the project areas and the project is completed within stipulated time; otherwise it will be treated as a part of central assistance to State.
- ❖ The DPR of the Part – B projects were submitted by all DISCOMs DGVCL, MGVL, PGVCL and UGVCL amounting to ₹ 183.22 Crores, ₹ 103.03 Crores, ₹ 562.34 Crores and ₹ 24.62 Crores and sanctioned by M/s PFC Ltd. respectively.
- ❖ The Part C is to be implemented by MOP / PFC.



**XI. KISAN HEET URJA SHAKTI YOJANA ( KHUSHY- HVDS)**

**KHUSHY** is a High Voltage Distribution System of installing smaller size of Distribution Transformers and thereby reduction of LT Lines up to negligible level by converting it into HV Line. In rural area the existing distribution systems consists of 11KV Lines with lengthy 3 Ph 4 wire LT lines. In this system, the Line Losses are very high; Voltage profile and reliability are also unsatisfactory.

To improve Voltage profile in rural area the small capacity of Distribution Transformers are to be installed by extending 11KV Line as possible as nearer to the load and Distribution Transformer of the capacity of 10, 16 KVA are erected and supply is released to consumer through a short length of LT Lines preferably through insulated overhead cables known as Aerial Bunched Cable (ABC)/PVC Cable. In Order to ensure pilferage free system, one of several remedial measures is reducing LT line (System) being exposed to theft. The whole idea is to have Less LT system and gradually move on to LT Less system. Even the short LT Lines are to be laid using ABC /PVC Cables.

During the year 2009-10, 28312 Nos. of small capacity transformers installed under KHUSHY at the expenditure of ₹ 443.09 Crores. (1430 Nos. of small capacity transformers installed under KHUSHY-Energy Conservation at the expenditure of ₹ 19.58 Crores.). State Govt. gave a financial assistance of ₹ 4000 Lakhs in the form of loan for implementation of the Scheme.

**AWARDS/PRIZES:**

**The State of Gujarat and GUVNL and Subsidiary Companies received various awards/prizes for various achievements in the Energy Sector. The details are given hereunder.**

- ▶▶ State of Gujarat has won Power India Excellence Award 2009 at the 11<sup>th</sup> International Exhibition and Conference organized by India Tech Foundation for excellent work in Power Sector Reforms and Initiatives at the function held at Mumbai on 25-11-09.
- ▶▶ Uttar Gujarat Vij Company Ltd. awarded Trophy under Second India Power Award 2009 for overall utility performance under AG dominant category by Council of Power Utility at New Delhi on 17-11-09.
- ▶▶ State of Gujarat has won India Tech Excellence Award 2009 for Power Sector Initiatives in Gujarat (All India winner) awarded by India Tech Foundation, Mumbai on 25-11-2009
- ▶▶ Madhya Gujarat Vij Company Ltd. has won Enertia Award under Category "Utilities and T&D Awards" – Best Performing PSU for Sustainable Energy and Power awarded by Falcon Media on 28-11-2009
- ▶▶ State of Gujarat has won Best State Award for excellent work given by Falcon Media on 28-11-2009
- ▶▶ Madhya Gujarat Vij Company Ltd. has won Award for Meritorious Performance in Power Distribution 2008-09 given by Ministry of Power, New Delhi on 29-1-2010
- ▶▶ Govt. of Gujarat has won Innovation for India Award-2010 (Jyoti Gram Yojana - Public Service Innovation Award) given by Merico Innovation Foundation on 17-5-2010.





- ▶▶ Govt. of Gujarat has won EMPI – Indian Express Indian Innovation Awards 2009-10 for introducing Jyotigram Yojana given by EMPI Group of Institutions along with The Indian Express Group on 12-7-2010.
- ▶▶ Govt. of Gujarat has won Power Excellence Award 2010 for Best Performance of State Power Utility – Rated Third – Award given by Indian Chamber of Commerce, Kolkata on 23-8-2010
- ▶▶ Govt. of Gujarat has won India Tech Excellence Award 2010 for Application of IT in Power, e-Urja, ERP based End –to-End Solution given by India Tech Foundation, Mumbai on 27-9-2010.
- ▶▶ State of Gujarat has bagged Power India Excellence Award 2010 presented by her Excellency, the President of India Smt. Pratibha Patil on 27-10-10 for outstanding performance in Power Sector given by India Tech Foundation.
- ▶▶ GUVNL bagged Prestigious 3rd KPMG Infrastructure Today Award 2010 for being most admired State entity in Power Sector. The Award was received by Shri L. Chuaungo, IAS, MD, GUVNL from Shri Kamalnath, Union Minister for Roads, Transport and Highways in function held at Delhi on 02-12-10.

**E-URJA PROJECT:**

**END-TO-END IT SOLUTION FOR GUVNL AND ITS SUBSIDIARIES**

The e-Urja system implemented in GUVNL and all its subsidiary companies is under the implementation cum maintenance support phase.

Major activities related to e-Urja Project carried out during the year:

- ▶▶ GUVNL and all its subsidiary companies continued to carry out all transactions for day to day business activities of their offices e-Urja based, for all the modules related to Generation, transmission and distribution and reinforcement of e-Urja system.
- ▶▶ The module-wise daily monitoring tool, for the usage of e-Urja system, based on average of last 7 days transactions, compared with module wise benchmark of last 6 months transactions, developed.
- ▶▶ Period closure till Dec. 09 carried out for various Technical/finance functionalities after observing proper reconciliation.
- ▶▶ Fuel Management Module: TCS developed Fuel accounting part for coal in the Fuel Management module as per requirements.
- ▶▶ Plan for decommissioning the legacy system taken up on hand. Change Management Group (CMG) Conveners identified for each module. They will prepare road map in this regard in consultation with implementing agency identifying activities to be carried out with specific time line.
- ▶▶ All DISCOMs are issuing bills for HT Consumers through e-Urja system. Cash collection process enhanced and deployed the system such that consumers can pay their HT/LT bills at any window within company.
- ▶▶ DISCOMs continued to use e-Urja as well as legacy system in parallel for LT Billing. Required key modifications carried out in e-Urja system to bring it at par with legacy.



CRM- Billing Interface and Testing phase in pilot sub-division over. Preparations completed to facilitate deploying e-Urja-LT billing in all subdivisions of four Identified Circles for migrating billing data. After two months of successful performance in the pilot circles, it is planned to roll out in the remaining subdivisions.

- ▶▶ The tenure of 50000 Oracle comprehensive ERP & HR/ESS Universal licenses and its support by Oracle expired by Feb, '10. The Annual Technical Support (ATS) for these licenses extended for a further period of one year up to 24.02.11.
- ▶▶ Information Security Management Service (ISMS): Action plan prepared for up gradation of the antivirus solutions from the Desktop Edition to the Enterprise Edition with additional features, which are essential for our Network. The Trend Micro antivirus licenses expired by Oct. 09. GUVNL procured the most comprehensive solution Antivirus Trend Micro Neat Suite Premier software from M/s. Trend Micro so as to optimize the resources utilization and to provide strong integrated security at all the network points to prevent any kind of threats entering the network, through out GUVNL and all subsidiaries.
- ▶▶ Bandwidth Enhancements: The Internet Band Width capacity at GUVNL level has been increased from total 12 Mbps to 30 Mbps (2x15 Mbps) catering the requirement of e-payment and faster access of Internet.
- ▶▶ As a part of performance tuning of the applications, tuning of custom queries and purging workflow were carried out and purged all completed workflow till Sept. '2009. A significant improvement in process time achieved for number of processes resulting into reduced time to the extent from 71 minutes to 1 minute for a process.
- ▶▶ Govt. of India is sponsoring R-APDRP project for all DISCOMs aimed at improving operational efficiency. In order to ensure proper deployment of the hardware and software of the project, Board approved the proposal for creation of R-APDRP Data center at GSECL 1<sup>st</sup> floor Vadodara, above the existing e-Urja Data Centre. Accordingly, M/s. (n) Code solutions has been assigned the total turn key execution job of setting up Data center, Physical Infrastructure comprising supply of Data Center Equipments, AMC & Manpower requirement, Shifting of existing setup of WAN room located at 7<sup>th</sup> floor of GUVNL building and Electrical/Networking etc. The work is in progress and scheduled to complete during the year 2010-11.
- ▶▶ e-Payments Facility: As an extension of e-Urja billing system the Company has created e-Payment facility, through Bill-Desk, for the benefit of all the consumers of Distribution companies, to view and pay their Bills online- over the Internet. This facility has started functioning. Now the consumers can login through the DISCOM's website and pay their electricity bills either by way of credit card, debit card or internet banking.
- ▶▶ GUVNL decided to host final Disaster Recovery Site (DR) for R-APDRP & e-Urja project at Ahmedabad, as a Business Continuity Plan
- ▶▶ **Awards/Prizes:** ISMS Project implemented by GUVNL has bagged the PC Quest – Best IT Implementations of the Year 2010 nomination, awarded by Asia's most influential IT publication, PC Quest.

## GETRI ACTIVITIES :

Gujarat Energy Training and Research Institute (GETRI) is an autonomous institute promoted by Gujarat Urja Vikas Nigam Limited and its group companies and registered under Bombay Public Trust



Act. This institute has been established with a view to provide a platform for continuous development of employees by imparting various training, supported by research and documentation of best practices needed in the modern era. GETRI caters training needs of all group companies of GUVNL. GETRI is organizing various types of Training Programme covering Technical Subjects, HR, Finance & Accounts, Commerce, Softskill, Customer Care and Safty etc. and programme on different important topics of Power Sector through Inhouse/ External Faculty at GETRI as well as at GEKCs.

There are ten Gujarat Energy Knowledge Centres (GEKC) in all over Gujarat located at Surat, two in Vadodara, Vallabh Vidyanagar, Wanakbori (Power Station), Sabarmati, Mahesana, Rajkot, Jamnagar and Porbandar where training is imparted.

Executive/ Officer and Staff including Union leaders are also nominated for training/ Conference/ Seminar by external agency/ institution located in different parts of India to upgrade their knowledge and broaden their out look.

**Achievement : 2009-10**

<b>Sr. No.</b>	<b>Particulars</b>	<b>No. of Training Programmes</b>	<b>No. of Employees Trained</b>	<b>No. of Man-days Trained</b>
01	GETRI	501	9419	19041
02	External Training	308	2226	7815
03	Generation Trg. (WTPS)	81	2060	9987
04	GEKC – (GETCO)	264	7124	7516
05	GEKCs – (DISCOMs)	411	11794	23577
06	Other in-house trg	162	4257	6482
07	Other Employee	2	64	64
	<b>TOTAL</b>	<b>1729</b>	<b>36944</b>	<b>74482</b>

- ▶▶ During the year 2009–10 the target for training **30,000** employees was given to GETRI along with GEKCs, against which **36,944 (74,482 mandays)** have been trained during the year 2009 – 10.
- ▶▶ GETRI has organized eight batches Induction Training Programmes (21 working days) for the newly recruited JE (VS) DISCOMs.
- ▶▶ Wanakbori TPS Training Centre has been accredited by Central Electricity Authority, New Delhi for a period of two years w.e.f. August, 2008.
- ▶▶ GETRI has been accredited by Central Electricity Authority, New Delhi for a period of three years w.e.f. from 9 January, 2009.
- ▶▶ GETRI is certified ISO 9001:2008 institution w.e.f. from 30 July, 2009.

**HUMAN RESOURCES :**

The Human Resources being the most valuable asset the Company endeavors to provide an environment so that each employee is motivated to contribute his/her best to achieve the Company's Goals/Objectives. The Company has taken series of proactive HR initiatives including need based



training and development programmes with special emphasis on developing competencies of employees and thereby enhancing organizational effectiveness. The Industrial Relations remained cordial during the year.

**STAFF WELFARE ACTIVITIES:**

For the best administration of any Company an officer/employee should have quality of better planning, greater involvement and deeper unity. Employee Welfare plays an important role to cultivate the above qualities and to motivate the employees. GUVNL has taken utmost care and given ample importance in the field of welfare activities. Apart from Statutory Welfare Provisions, the Company has given due importance to the non-statutory welfare activities. A good number of welfare activities have continued to be handled in GUVNL even for subsidiary companies for the sake of synergy, coordination and functional needs. A number of staff welfare activities were carried out during the year like sports, AIESCB tournaments, Grant to Employees Organization for cultural programmes, Inter Company Music Competition, Inter Company Drama Competition, Loans to Cooperative Society, Staff Voluntary Retirement Cum death Benevolent Fund Scheme-II, Merit Awards to the employees and their family members for their bright performance in the field of Education, Sports and Fine Arts, Sports Complex at Vidyutnagar Colony, Vadodara, Gymnasium at Corporate Office, Colony and GETRI etc.

**DIRECTORS :**

During the period under review, Shri R.N.Singh and Shri Bimal N.Patel were appointed as an Additional Directors (Independent Directors) effective from 16<sup>th</sup> March,2010 in accordance with section 260 of the Companies Act,1956. Shri R.N.Singh, BSc Engineering has a very rich experience in Power Sector including as former Director(Power), Neyveli Lignite Corporation Limited while Shri Bimal N.Patel, BSc(India), MA,LLM has a very rich experience in the legal/academic field and is presently working as Director- Vice Chancellor, Gujarat National Law University, Gandhinagar. They hold office up to the date of ensuing Annual General Meeting and they are recommended to be appointed as Director at the ensuing Annual General Meeting.

**AUDITORS :**

M/s S.C.Bapna & Associates, Chartered Accountants, Vadodara have been appointed as Statutory Auditors of the Company for F.Y.2010-11 by the office of Comptroller & Auditor General of India, New Delhi. As per the provisions of Section 224(8)(aa) of the Companies Act, 1956, remuneration of Statutory Auditors appointed by C&AG is required to be fixed by the Company in General Meeting.

**AUDITORS' REPORT AND C&AG COMMENTS:**

The notes to the accounts referred to in Statutory Auditors' Report are self explanatory and therefore, do not call for any further comments pursuant to section 217(3) of the Companies Act,1956.

The Nil Comments certificate dated 13-12-2010 received from the Comptroller & Auditor General of India pursuant to Section 619(4) of the Companies Act,1956 is attached with this Report.

**COST AUDITORS:**

The Government of India, Ministry of Finance has issued Cost Audit Order under Section 233B of the Companies Act, 1956 to appoint Cost Auditor to audit the Cost Accounting Records and Books of Accounts maintained by the Company in respect of Electricity Industry. Accordingly, the Board of Directors appointed M/s. R.K.Patel & Co, Vadodara as Cost Auditors for the Financial Year 2009-10 which has been approved by the Central Government for auditing the Cost Accounts relating to Bulk



Purchase and Sale of Electricity. The Cost Auditors have submitted the cost audit report for the Financial Year 2009-10 and the same has been filed with the Central Govt.

## **SUBSIDIARY COMPANIES:**

The documents required to be attached to the Balance sheet of holding company and the statement referred to in sub section 3 of section 212 of the Companies Act, 1956 shall be sent as an addendum forming part of this report in respect of following subsidiary companies.

1. Gujarat State Electricity Corp. Ltd.
2. Gujarat Energy Transmission Corp. Ltd.
3. Uttar Gujarat Vij Co.Ltd.
4. Dakshin Gujarat Vij Co.Ltd.
5. Paschim Gujarat Vij Co.Ltd.
6. Madhya Gujarat Vij Co.Ltd.

## **AUDIT COMMITTEE :**

Pursuant to Section 292 A of the Companies Act, 1956, the 'Audit Committee' is presently constituted consisting of the following Directors w.e.f. 19-12-09.

- |                                |          |
|--------------------------------|----------|
| 1. Shri Atanu Chakraborty, IAS | Chairman |
| 2. Shri R.N.Singh              | Member   |
| 3. Shri Bimal Patel            | Member   |
| 4. Shri P.H.Rana               | Member   |

The Audit Committee held its meetings on 8-10-2009 and 5-2-2010 during the year 2009-10. The Audit Committee has, at its meeting held on 23.09.10, reviewed and recommended Annual Accounts 2009-10 to the Board for approval which was approved by the Board.

## **DISCLOSURES:**

### **(a) Particulars of Employees:**

There was no employee during the year drawing remuneration in excess of the ceilings prescribed under the provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended.

### **(b) Energy Conservation & Technology Absorption:**

Since the Company is engaged in power trading business, the provisions are not applicable to the Company. However brief details of energy conservation measures taken through Discoms are given hereunder for information.

For the year 2009-10 funds of ₹ 4226.98 Lakhs were given to GUVNL under Energy Conservation Programme. Under this, activities like replacement of existing Ag. Pumps with Energy Efficient Pump sets, Installation of APFC Panels, Kisan Heet Urja Shakti Yojana (KHUSHY-HVDS), IEC (Information, Education, Communication) were planned.

**The Energy Efficient Pump Sets Project** was implemented in selected 5 talukas of UGVCL & PGVCL as a pilot project. Later on, 6 more talukas were covered. Under this project, the HP Based Ag connections are offered the EE pump sets at 1/3<sup>rd</sup> of the total



cost of the set. Balance 2/3<sup>rd</sup> amount is equally borne by Govt. of Gujarat & DISCOMs respectively. Approximately 10 to 15 % energy saving is achieved in each EE pump set which ultimately reduces the demand of Ag Load.

**KHUSHY** is a High Voltage Distribution System of installing smaller size of Distribution Transformers and thereby reduction of LT Lines up to negligible level by converting it into HV Line. In rural area the existing distribution systems consists of 11KV Lines with lengthy 3 Ph 4 wire LT lines, in this system, the Line Losses are very high; Voltage profile and reliability are also unsatisfactory. To improve Voltage profile in rural area the small capacity of Distribution Transformers are to be installed by extending 11KV Line as possible as nearer to the load and Distribution Transformer of the capacity of 10, 16 KVA are erected and supply is released to consumer through a short length of LT Lines preferably through insulated overhead cables known as Aerial Bunched Cable (ABC)/PVC Cable. In Order to ensure pilferage proof system, one of several remedial measures is reducing LT line (System) being exposed to theft. The whole idea is to have Less LT system and gradually move on to LT Less system. Even the short LT Lines are to be laid using ABC /PVC Cables.

**(c) Foreign Exchange Earnings & Outgo:**

During the year under review, there was no foreign exchange earning or outgo.

**DIRECTORS' RESPONSIBILITY STATEMENT :**

In accordance with Section 217 (2AA) of the Companies Act, 1956, the Directors confirm that:

1. in the preparation of annual accounts for the financial year ended 31<sup>st</sup> March,2010, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any.
2. accounting policies have been selected and consistently applied 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 as at 31<sup>st</sup> March, 2010 and of the profit of the Company for the year ended on that date;
3. proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities, and
4. the annual accounts for the financial year ended 31<sup>st</sup> March,2010 have been prepared on a going concern basis.

**ACKNOWLEDGEMENT:**

Your Directors place on record their appreciation of the valuable guidance, support and assistance received from the Ministry of Power, Govt. of India, Government of Gujarat, GERC and other Central and State Govt. Authorities/Departments, Banks, Financial Institutions, GSFS, GPCL,GIPCL and for the valuable services rendered by the employees of the GUVNL and its subsidiary Companies.

For and on behalf of the Board

Date : 16-12-2010  
Place : Gandhinagar

**D. J. Pandian**  
Chairman





**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 619(4) OF THE COMPANIES ACT, 1956 ON THE ACCOUNTS OF GUJARAT URJA VIKAS NIGAM LIMITED FOR THE YEAR ENDED 31 MARCH 2010.**

The preparation of financial statements of Gujarat Urja Vikas Nigam Limited for the year ended 31 March 2010 in accordance with the financial reporting framework prescribed under the Companies Act, 1956 is the responsibility of the management of the Company. The Statutory Auditor appointed by the Comptroller and Auditor General of India under Section 619(2) of the Companies Act, 1956 is responsible for expressing opinion on these financial statements under section 227 of the Companies Act, 1956 based on independent audit in accordance with the auditing and assurance standards prescribed by their professional body the Institute of Chartered Accountants of India. This is stated to have been done by them vide their Audit Report dated 23 September 2010.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under section 619(3) (b) of the Companies Act, 1956 of the financial statements of Gujarat Urja Vikas Nigam Limited for the year ended 31 March, 2010. This supplementary audit has been carried out independently without access to the working papers of the Statutory Auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records. On the basis of my audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to Statutory Auditor's report under section 619(4) of the Companies Act, 1956.

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

**Sd/-**

**(Dr. Prasenjit Mukherjee)**  
Principal Accountant General

Place : **Ahmedabad**  
Date : **13-12-2010**



**ADDENDUM TO DIRECTORS' REPORT 2009-10**

**To,  
The Members,  
Gujarat Urja Vikas Nigam Ltd.**

**Documents of Subsidiary Companies.**

As required by section 212 of the Companies Act, 1956 the statement referred to in sub section 3 and the documents required to be attached to the Balance Sheet of holding Company are attached in respect of following Subsidiary Companies;

1. Gujarat State Electricity Corp.Ltd.
2. Gujarat Energy Transmission Corp. Ltd.
3. Madhya Gujarat Vij Co.Ltd.
4. Uttar Gujarat Vij Co.Ltd.
5. Dakshin Gujarat Vij Co.Ltd.
6. Paschim Gujarat Vij Co.Ltd.

**For and on behalf of the Board**

**D. J. Pandian**  
Chairman

Date : **23-12-2010**  
Place : **Gandhinagar**





## **AUDITOR'S REPORT**

### **TO THE MEMBERS OF GUJARAT URJA VIKAS NIGAM LIMITED, VADODARA**

1. We have audited the attached Balance Sheet of GUJARAT URJA VIKAS NIGAM LIMITED, as at 31st March, 2010 and also the annexed Profit and Loss Account and the Cash Flow statement of the Company for the year ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation; we believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 as amended by the Companies (Auditor's Report) (Amendment) Order, 2004 issued by the Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.

Further to our comments in the annexure referred to above, we report that:

- a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our Audit.
- b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of the books of account.
- c) The Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this Report are in agreement with the books account of the Company.



- d) The Company being a Government Company, in view of the Notification No. GSR 829 (E) Dated 21st October, 2003 issued by the Government of India, the provisions of clause (g) of sub section (i) of Section 274 of the Companies Act, 1956 are not applicable to the Company.
- e) In our opinion the Profit and Loss Account, the Balance Sheet and the Cash Flow Statement dealt with by this report comply with the other Accounting Standards as referred to in the Section 211 (3c) of the Companies Act, 1956 and
- f) In our opinion and to the best of our information and according to the explanations given to us and read with the other notes appearing thereon, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
- i) In the case of the Balance Sheet of the state of affairs of the Company as at 31st March, 2010 and;
- ii) In the case of the Profit and Loss Account of the profit for the year ended on that date.
- iii) In the case of the Cash Flow Statement, of the cash flow for the year ended on that date.

**For S.C. Bapna & Associates  
Chartered Accountants**  
Firm Reg. No.: 115649W

**sd/-  
(S.C. Bapna)  
Partner  
M.No.71765**

**CAMP : GANDHINAGAR  
DATE : 23-09-2010**



**ANNEXURE TO THE AUDITORS REPORT**  
**(AS REFERRED TO IN PARAGRAPH 1 OF OUR REPORT OF EVEN DATE)**

1. a) The Company has compiled the fixed assets register in respect of Assets purchased / constructed as well as Assets of erstwhile GEB transferred to the Company under the Notification dated 03/10/2006 issued by the Government of Gujarat showing particulars including quantitative details, except that certain details such as location, identification no. etc of Fixed Assets are in the process of being updated.  
b) As informed, the fixed assets have been physically verified by the management during the current year. According to the information and explanation given to us, no material discrepancies were found on such verification.  
c) No substantial part of the fixed assets has been disposed off during the year.
2. The Company does not hold any inventory of goods. Accordingly sub-clauses (a), (b) & (c) of clause (ii) are not applicable.
3. In our opinion and according to the information and explanation given to us, the Company has not granted any loans secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.  
On the strength of a legal opinion obtained by the Company, it has represented that the provisions of section 299, 300 and 301 of the Companies Act, 1956 are not attracted to the transaction entered in to by the company with its subsidiaries and are not liable to be listed in the register maintained under section 301 of Companies Act, 1956.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures / system commensurate with the size of the Company and the nature of its business with regard to purchase of inventory, fixed assets and with regard to sale of electricity. Further, on the basis of our examination of the books and records of the Company carried out in accordance with the auditing standards generally prevalent in India, we have neither come across nor have been informed of any continuing failure to correct major weakness in the aforesaid internal control system.
5. The Company has entered into contracts / arrangements with Company / Companies being its Subsidiary Company. As per the information and explanations given to us and based on the legal opinion obtained by the Company, the transactions pursuant to these contracts and / or arrangement are not falling under the provisions of sections 301 of the Companies Act, 1956 and accordingly these transactions are not entered into the register required to be maintained under section 301 of the Companies Act, 1956.
6. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits within the meaning of Section 58A, 58AA or any other relevant provision of the Companies Act, 1956 and the rules framed there under.



7. The Company has appointed an independent firm of Chartered Accountants as an internal auditor with defined scope, which in our opinion is commensurate with the size of the Company and the nature of its business.
8. The Central Government has prescribed maintenance of Cost records under section 209(1)(d) of the Companies Act 1956. The Company has appointed a firm of Cost Accountants for the preparation of Cost Records. We have broadly reviewed the cost records and are of the opinion that, prima facie, the prescribed records have been made and maintained.
9. According to the information and explanation given to us in respect of statutory and other dues:
  - a) The Company is generally regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Income Tax, Wealth Tax, Service Tax, Custom Duty, Cess and any other statutory dues with the appropriate authorities. According to information and explanations given to us, no undisputed amount payable in respect of such statutory dues were in arrears as at 31.03.2010 for the period of more than six months from the date they become payable as on date.
  - b) According to the information and explanations given to us, there are no dues of Income Tax, Wealth Tax, Service Tax, Customs duty and Cess, which have not been deposited on account of any dispute except as under:

<b>Sr. No.</b>	<b>Nature of the Statute</b>	<b>Nature of the Dispute</b>	<b>Amount (in ₹ )</b>	<b>Period</b>	<b>Forum where dispute is Pending</b>
1.	Bombay Stamp Act	Stamp Duty on Mortgage Deed	11,08,00,000	Demand pertaining to erstwhile GEB	Chief Controller of Revenue Authority, Gandhinagar
2.	Income Tax Act, 1961	Recomputed MAT and Interest u/s 234B and 234C	26,55,95,878	A.Y. 2007-08	ITAT(A) Ahmedabad
3.	Income Tax Act, 1961	TDS on Transmission charges	3,15,06,526	A.Y. 2006-07 to 2009-10	ITAT(A) Ahmedabad

10. The accumulated losses of the company are less than fifty percent of its net worth and the company has not incurred cash losses during the current financial year or in the immediately preceding financial year.
11. In our opinion and according to the information and explanations given to us the Company has not defaulted in repayment of dues to a financial institution or bank or debentures holders.
12. The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.



13. The provisions of any special statutes applicable to chit fund, nidhi and mutual benefit funds / society are not applicable to the Company.
14. Based on examination of the accounts and as per the information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures and other investment.
15. In our opinion, the terms and conditions on which the Company has given guarantees for loans taken by subsidiary Companies from banks or financial institutions are not prejudicial to the interest of the Company.
16. In our opinion, the term loans have been applied for the purposes for which they were raised.
17. According to information and explanations given to us and on overall examination of the balance sheet of the Company, we report that no funds raised during the year on short-term basis have been used for long term investment and no long-term funds raised during the year have been used to finance short-term assets except permanent working capital.
18. Based on a legal opinion obtained by the Company, the provisions of Section 301 of the Companies Act, 1956 are not applicable to the Company. In view of the above, this clause in respect of preferential allotment of shares is not applicable.
19. The liabilities under the bonds issued by the erstwhile GEB transferred to the Company are secured by a guarantee given by Government of Gujarat.
20. The Company has not raised money by public issue during the year.
21. We have been informed that the vigilance department of the Company is regularly investigating frauds and other irregularities involved in the Company's transactions. To the best of our knowledge and belief, and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

**For S.C. Bapna & Associates  
Chartered Accountants  
Firm Reg. No.: 115649W**

**CAMP : GANDHINAGAR  
DATE : 23-09-2010**

**sd/-  
(S.C. Bapna)  
Partner  
M.No.71765**



# GUJARAT URJA VIKAS NIGAM LIMITED

6<sup>th</sup>  
Annual Report  
2009-10

## BALANCE SHEET AS AT 31<sup>ST</sup> MARCH , 2010

Sr. No.	Particulars	Schedule Number	[ ₹ IN LAKHS]	
			AS AT 31 <sup>ST</sup> MARCH, 2010	AS AT 31 <sup>ST</sup> MARCH, 2009
	<b>SOURCES OF FUNDS</b>			
	<b>SHAREHOLDERS FUND</b>			
1	Share Capital	1	341534.32	326230.96
2	Share Application Money	2	0.00	5505.90
3	Reserves & Surplus	3	25000.00	25000.00
	<b>LOAN FUNDS</b>			
4	Secured Loans	4	108763.75	139721.75
5	Unsecured Loans	5	205487.75	189032.89
<b>6</b>	<b>TOTAL</b>		<b>680785.82</b>	<b>685491.50</b>
	<b>APPLICATION OF FUNDS</b>			
	<b>FIXED ASSETS</b>			
7	Gross Block	6	19736.83	19544.24
8	Less : Accumulated Depreciation		7477.08	4530.30
<b>9</b>	<b>Net Block</b>		12259.75	15013.94
10	Assets not in use		17.12	21.03
<b>11</b>	<b>Investments</b>	7	686971.93	664856.04
	<b>CURRENT ASSETS, LOANS &amp; ADVANCES</b>			
12	Sundry Debtors	8	26159.44	12489.36
13	Cash & Bank Balances	9	12561.80	43826.33
14	Loans & Advances	10	192202.22	127922.61
<b>15</b>	<b>Total Current Assets</b>		<b>230923.46</b>	<b>184238.30</b>
	<b>Less: Current Liabilities &amp; Provisions</b>			
16	Current Liabilities	11	251760.14	207216.09
17	Provisions	12	57563.25	33345.01
<b>18</b>	<b>Total Current Liabilities &amp; Provisions</b>		<b>309323.39</b>	<b>240561.10</b>
<b>19</b>	<b>Net Current Assets</b>		<b>-78399.93</b>	<b>-56322.80</b>
<b>20</b>	<b>Miscellaneous Expenditure</b> (To the extent not written off or adjusted )			
	<b>Profit &amp; Loss Account as per Annexed Accounts</b>		59936.96	61923.29
	Significant Accounting Policies & Notes on Accounts	22		
	<b>TOTAL</b>		<b>680785.82</b>	<b>685491.50</b>

As per our report of even date

For and on behalf of the Board

**For S.C. BAPNA & ASSOCIATES**

Chartered Accountants  
Firm Reg.No. 115649W

**S. C. BAPNA**

Partner  
Membership No.71765

**S. B. KHYALIA**

Executive Director (Fin)

**D.J.PANDIAN, IAS**

Chairman

**K.M.SHRINGARPURE**

General Manager (F&A)

**L. CHUAUNGO, IAS**

Managing Director

**PARTHIV BHATT**

Company Secretary

Place : **GANDHINAGAR**

Date : **September 23, 2010**

Place : **GANDHINAGAR**

Date : **September 23, 2010**





**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH , 2010**

Sr No	Particulars	Schedule Number	[ ₹ IN LAKHS]	
			Year ended 31 <sup>st</sup> March, 2010	Year ended 31 <sup>st</sup> March, 2009
	<b>INCOME</b>			
1	Sale of Power	13	1728689.96	1736735.28
2	Other Income	14	14797.65	31093.81
3	<b>TOTAL INCOME</b>		<b>1743487.61</b>	<b>1767829.09</b>
	<b>EXPENDITURE</b>			
4	Purchase of Power	15	1716777.79	1738640.56
5	Repairs & Maintenance	16	136.49	115.10
6	Payments to and Provisions for Employees	17	2022.78	1468.55
7	Interest and Finance Charges	18	14527.94	23656.25
8	Administration and Other Expenses	19	729.43	678.03
9	Depreciation	20	2963.06	2933.51
10	<b>TOTAL EXPENDITURE</b>		<b>1737157.49</b>	<b>1767492.00</b>
11	<b>PROFIT / (LOSS) BEFORE TAX AND PRIOR PERIOD ADJUSTMENTS</b>		<b>6330.12</b>	<b>337.09</b>
12	Prior Period Income / (Expenditure) (Net)	21	(653.69)	177.05
13	<b>PROFIT BEFORE TAX</b>		<b>5676.44</b>	<b>514.15</b>
14	Provision for Income Tax		0.00	13.00
	Fringe Benefit Tax			
	Current		1034.10	0.00
	Past Year		2656.00	0.00
15	<b>PROFIT AFTER TAX</b>		<b>1986.34</b>	<b>501.15</b>
16	Balance brought forward from last Balance Sheet		(61923.29)	(62424.45)
17	<b>Balance Carried To The Balance Sheet</b>		<b>(59936.96)</b>	<b>(61923.29)</b>
18	<b>Earnings Per Share (Basic) (in ₹)</b>		<b>0.0594</b>	<b>0.0162</b>
18	<b>Earnings Per Share (Diluted) (in ₹)</b>		<b>0.0594</b>	<b>0.0159</b>
19	Significant Accounting Policies & Notes on Accounts	22		

**As per our report of even date**

**For and on behalf of the Board**

**For S.C. BAPNA & ASSOCIATES**

Chartered Accountants  
Firm Reg.No. 115649W

**D.J.PANDIAN, IAS**

Chairman

**L. CHUAUNGO, IAS**

Managing Director

**S. C. BAPNA**

Partner  
Membership No.71765

**S. B. KHYALIA**

Executive Director (Fin)

**K.M.SHRINGARPURE**

General Manager (F&A)

**PARTHIV BHATT**

Company Secretary

Place : **GANDHINAGAR**

Date : **September 23, 2010**

Place : **GANDHINAGAR**

Date : **September 23, 2010**

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

Particulars	[ ₹ IN LAKHS ]	
	Year ended 31 <sup>st</sup> March, 2010	Year ended 31 <sup>st</sup> March, 2009
<b>Cash Flow from Operating Activities</b>		
<b>Net Profit Before Tax &amp; Prior Period Adjustments</b>	<b>6330.12</b>	<b>337.09</b>
<b>Adjustments For: Add / (Less) :-</b>		
Dividend Income	(997.78)	(1116.61)
Provision for Wage revision	0.00	66.56
Provision for Gratuity	20831.60	4110.64
Provision for Leave Encashment	61.39	213.98
Depreciation	2963.06	2933.51
Interest and Financing charges	14527.94	23656.25
Loss / Gain on Sale of Fixed Assets	11.11	0.00
Prior Period Income (Net of Expenses)	(653.69)	177.05
<b>Operating Profit Before Working Capital Changes</b>	<b>43073.76</b>	<b>30378.47</b>
(Increase) /Decrease In Sundry Debtors	(13670.08)	12515.93
(Increase) /Decrease In Loan & advances	(62486.13)	(34611.91)
Increase /(Decrease) In Provisions	(364.85)	(157.50)
Increase /(Decrease) In Trade Payables and other liabilities	43308.31	871.09
<b>CASH GENERATED FROM OPERATIONS</b>	<b>9861.00</b>	<b>8996.08</b>
Less : Direct Tax (Including FBT) Paid	557.72	367.19
<b>A. NET CASH FROM OPERATING ACTIVITIES</b>	<b>9303.28</b>	<b>8628.89</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets (Net)	(216.06)	(631.40)
(Increase)/Decrease in CWIP	0.00	0.00
Dividend Income	997.78	1116.61
Purchase of Other Investments	(22115.90)	(20447.00)
<b>B. NET CASH FROM INVESTING ACTIVITIES</b>	<b>(21334.18)</b>	<b>(19961.79)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Share application money	0.00	5505.90
Equity Share Capital	9797.46	6563.79
(Repayment) / Proceeds From Borrowings	(14503.14)	11524.47
Capital Grant received from Govt	0.00	25000.00
Interest & Financing Charges Paid	(14527.94)	(23656.25)



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

	Particulars	[ ₹ IN LAKHS ]	
		Year ended 31 <sup>st</sup> March, 2010	Year ended 31 <sup>st</sup> March, 2009
<b>C.</b>	<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>(19233.62)</b>	<b>24937.91</b>
	<b>NET INCREASE IN CASH &amp; CASH EQUIVALENTS (A+B+C)</b>	<b>(31264.53)</b>	<b>13605.01</b>
	<b>CASH AND CASH EQUIVALENT AS AT 1-4-2009</b>	<b>43826.33</b>	<b>30221.30</b>
	<b>CASH AND CASH EQUIVALENT AS AT 31-3-2010</b>	<b>12561.80</b>	<b>43826.33</b>

**Note :**

- (i) The above Cash Flow has been prepared under the Indirect Method as set out in AS - 3 on Cash Flow Statement.
- (ii) Components of Cash and Cash Equivalent as on 01.04.2009 and 31.03.2010 are as per Schedule 9 forming part of Balance Sheet.
- (iii) Cash flow from operating activities excludes non-cash transaction relating to transfer of Inter Company Balances amounting to ₹1235.75 lakhs as appearing in the books of subsidiary companies and Provision for Current as well as Past Income Tax Liability of ₹ 1034.10 lakhs and ₹ 2656 lakhs respectively.
- (iv) Cash flow from investing activities excludes non-cash transaction relating to Loss and Gain on Sale of Assets amounting to ₹11.11 lakhs.
- (v) Cash flow from financing activities excludes non-cash transaction of conversion of Share Application Money to Equity Share Capital amounting to ₹ 5505.90 lakhs.

**As per our report of even date****For S.C. BAPNA & ASSOCIATES**

Chartered Accountants  
Firm Reg.No. 115649W

**S. C. BAPNA**

Partner  
Membership No.71765

**S. B. KHYALIA**

Executive Director (Fin)

**For and on behalf of the Board****D.J.PANDIAN, IAS**

Chairman

**L. CHUAUNGO, IAS**

Managing Director

**K.M.SHRINGARPURE**

General Manager (F&A)

**PARTHIV BHATT**

Company Secretary

Place : **GANDHINAGAR**

Date : **September 23, 2010**

Place : **GANDHINAGAR**

Date : **September 23, 2010**



**SCHEDULES 1 to 12 & 22 FORMING PART OF BALANCE SHEET AS AT 31<sup>ST</sup> MARCH , 2010**

**SCHEDULE: 1  
SHARE CAPITAL**

Sr. No.	Particulars	[ ₹ IN LAKHS]	
		As at 31 <sup>st</sup> March, 2010	As at 31 <sup>st</sup> March, 2009
1	<b>AUTHORISED</b> <b>500,00,00,000</b> (Previous Year 500,00,00,000) Equity Shares each of ₹ 10 each	500000.00	500000.00
2	<b>ISSUED, SUBSCRIBED and PAID-UP</b> <b>*341,53,43,195</b> (Previous Year:326,23,09,595) Equity Shares of ₹ 10 each fully paid-up	341534.32	326230.96
3	<b>TOTAL</b>	<b>341534.32</b>	<b>326230.96</b>
<p>*Out of the above, 162,87,12,000 Equity Shares are issued to Government of Gujarat as fully paid-up pursuant to the Notification No. GHU-2006-91-GUV-1106-590-K dated 3<sup>rd</sup> October, 2006 without payment being received in cash and 62,30,60,695 Equity Shares are allotted to Government of Gujarat on conversion of loans vide G R No.GUV-1106-K dtd.22<sup>nd</sup> March, 2007.</p>			
<p>During the year the Company has issued 15,30,33,600 (P.Y.6,56,37,900 Equity Shares against cash and 61,20,43,000 Equity Shares in lieu of Jyoti Gram Yojana financial assistance) Equity Shares to Government of Gujarat as fully paid-up against consideration received in cash.</p>			

**SCHEDULE: 2  
SHARE APPLICATION MONEY**

Sr. No.	Particulars	[ ₹ IN LAKHS]	
		As at 31 <sup>st</sup> March, 2010	As at 31 <sup>st</sup> March, 2009
1	Share Application Money	0.00	5505.90
2	<b>TOTAL</b>	<b>0.00</b>	<b>5505.90</b>

**SCHEDULE: 3  
RESERVES & SURPLUS**

Sr. No.	Particulars	[ RS. IN LAKHS]	
		As at 31 <sup>st</sup> March, 2010	As at 31 <sup>st</sup> March, 2009
1	Capital Reserve	25000.00	25000.00
2	<b>TOTAL</b>	<b>25000.00</b>	<b>25000.00</b>

**SCHEDULES 1 to 12 & 22 FORMING PART OF BALANCE SHEET AS AT 31<sup>ST</sup> MARCH , 2010****SCHEDULE: 4  
SECURED LOANS**

Sr. No.	Particulars	[ ₹ IN LAKHS]	
		As at 31 <sup>st</sup> March, 2010	As at 31 <sup>st</sup> March, 2009
<b>1</b>	<b>LOAN FROM BANKS</b>		
i	Term Loans	43813.46	63972.21
	Interest Accrued and Due (Due within one year ₹ 240.34 Crs., Previous year ₹ 172.34 Crs.)	125.80	252.16
ii	Bills Discounting under DPG (Due within one year ₹ 1.28 Crs., Previous year ₹ 5.39 Crs.)	128.10	667.28
iii	Cash Credit	61837.12	69074.59
	Interest Accrued and Due	0.38	0.00
<b>2</b>	<b>LOAN FROM FINANCIAL INSTITUTIONS</b> (Due within one year ₹ 15.73 Crs., Previous year ₹ 28.97 Crs.)	2858.89	5755.51
<b>3</b>	<b>TOTAL</b>	<b>108763.75</b>	<b>139721.75</b>

**Notes :**

1	Loan from State Bank of India is secured against the hypothecation charge on the assets of Valsad & Surat O&M Circles, Ankleshwar Indl. and O&M Division, Bharuch City and O&M Division and Rajpipla O&M Division of DGVCL.
2	Loan from Oriental Bank of Commerce is secured against the hypothecation charge on the assets of Baroda City Circle and Jambuva O&M Division of MGVCL.
3	Loan from Central Bank of India is secured against the hypothecation charge on the assets of Rajkot Rural Division & Rajkot RSO of PGVCL.
4	Loan from State Bank of India is secured against the hypothecation charge on the Plant & Machinery of Dhrangadhra O & M Division of PGVCL.
5	Loan from Indian Overseas Bank is secured against the hypothecation charge on the assets of Dhrangadhra and Surendranagar O & M Division of PGVCL.
6	Loan from State Bank of India is secured against the hypothecation charge on the assets of Gondal, Jetpur, Rajkot, Jamnagar, Dhoraji and Ranasan TR. Division of GETCO.
7	Loan from Bank of Baroda is secured against the hypothecation charge on the assets of Rajkot, Amreli, Bhuj O & M Circle & Jamnagar Rural Division of PGVCL.
8	Loan from Dena Bank is secured against the hypothecation charge on the assets of Amreli, Dhasa & Vertej Tr. Division of GETCO.
9	Loan from Indian Overseas Bank is secured against the hypothecation charge on the assets of Vijapur, Mehsana & Chhatral Tr. Division of GETCO.
10	Loan from Union Bank of India is secured against the hypothecation charge on the assets of Soja, Dhansura & Chhatral Tr. Division of GETCO.
11	Loan from Bank of Baroda is secured against the hypothecation charge on the assets of Bhavnagar, Junagadh Rural, Botad, Mahuva, Bhavnagar City, Keshod (No.1), Keshod REC & Surendranagar O & M Division of PGVCL.



**SCHEDULES 1 to 12 & 22 FORMING PART OF BALANCE SHEET AS AT 31<sup>ST</sup> MARCH , 2010**

12	Loan from Allahabad Bank is secured against the hypothecation charge on the assets of Sabarmati, Gandhinagar & Bavla O & M Division of UGVCL
13	Loan from State Bank of India is secured against the hypothecation charge on the assets of Valsad, Surat, Ankleshwar Indl. Divn., Bharuch City Divn., Bharuch O & M Divn and Ankleshwar O & M Division of DGVCL
14	Loan from Bank of Baroda is secured against the hypothecation charge on the assets of Amreli, Bhuj, Jamnagar Rural Divn., Mahuva O & M Division, Keshod REC Divn., Surendranagar O & M Divn of PGVCL
15	Loan from Canara Bank is secured against the hypothecation charge on the assets of Halol O & M Divn, Baroda O & M Divn and Dabhoi O & M Divn of MGVCL
16	Loan from Syndicate Bank is secured against the hypothecation charge on the assets of Palanpur Transmission Circle of GETCO.
17	Loan from Canara Bank is secured against the hypothecation charge on the assets of Godhra O & M Divn and Baroda O & M Divn of MGVCL.
18	Loan from PFC is secured against the mortgage charge on the assets of Bharuch Transmission Circle of GETCO.
19	Loan from Rural Electrification Corporation is secured against the hypothecation charge on the assets of Idar & Talod O&M Divisions of UGVCL.
20	Bills Discounting limits availed from ICICI Bank, SIDBI, HDFC Bank, State Bank of India and Allahabad Bank are secured under the Deferred Payment Guarantees issued by consortium member banks.
21	Cash Credit Limit is secured against the hypothecation charge in favour of UCO Bank Consortium & SBI Consortium on the Stocks and Book Debts of the Company and its six Subsidiary Companies ranking pari passu.

**SCHEDULE: 5  
UNSECURED LOANS**

Sr. No.	Particulars	[ ₹ IN LAKHS ]	
		As at 31 <sup>st</sup> March, 2010	As at 31 <sup>st</sup> March, 2009
<b>1</b>	<b>BONDS</b>		
i	12% S L R Bonds (Due within one year ₹ Nil, Previous year ₹ Nil)	521.27	521.27
ii	11.50% S L R Bonds (Due within one year ₹ 4.74 Crs., Previous year ₹ 6.07 Crs.)	473.89	1081.26
iii	Series V 12% Privately Placed Bonds (Due within one year ₹ Nil, Previous year ₹ 5.14 Crs.)	0.00	514.43
iv	Series VI 11.25% Privately Placed Bonds (Op. I) (Due within one year ₹ Nil, Previous year ₹ 7.37 Crs.)	0.00	736.73
v	Series VI 8.50% Privately Placed Bonds (Op. I) (Due within one year ₹ Nil, Previous year ₹ 8.32 Crs.)	0.00	831.85

**SCHEDULES 1 to 12 & 22 FORMING PART OF BALANCE SHEET AS AT 31<sup>ST</sup> MARCH , 2010****SCHEDULE: 5  
UNSECURED LOANS**

Sr. No.	Particulars	[ ₹ IN LAKHS ]	
		As at 31 <sup>st</sup> March, 2010	As at 31 <sup>st</sup> March, 2009
vi	Series VI 11.50% Privately Placed Bonds (Op. II) (Due within one year ₹ 7.86 Crs., Previous year ₹ Nil)	2621.33	2621.33
vii	Series VI 11.75% Privately Placed Bonds (Op. III) (Due within one year ₹ Nil, Previous year ₹ Nil)	749.94	749.94
viii	Series VI 7.50% Privately Placed Bonds (Op. III) (Due within one year ₹ Nil, Previous year ₹ Nil)	1385.87	1385.87
ix	Series VII 11.25% Privately Placed Bonds (Op. II) (Due within one year ₹ Nil, Previous year ₹ Nil)	36.59	36.59
x	Series VII 11.50% Privately Placed Bonds (Op. III) (Due within one year ₹ Nil, Previous year ₹ Nil)	491.80	491.80
xi	Series VIII 8.95% Privately Placed Bonds (Due within one year ₹ Nil, Previous year ₹ Nil)	4728.49	4728.49
xii	Series IX 8% Privately Placed Bonds (Due within one year ₹ Nil, Previous year ₹ Nil)	923.91	923.91
xiii	Series X 8% Privately Placed Bonds (Due within one year ₹ Nil, Previous year ₹ Nil)	2771.74	2771.74
<b>2</b>	<b>LOAN FROM BANKS</b>	132838.02	96543.46
	Interest Accrued and Due (Due within one year ₹ 1296.11 Crs., Previous year ₹ 916.32 Crs.)	0.00	17.72
<b>3</b>	<b>LOAN FROM FINANCIAL INSTITUTIONS</b>	22851.26	36889.00
	(Due within one year ₹ 214.38 Crs., Previous year ₹ 219.56 Crs.)		
<b>4</b>	<b>LOAN FROM GOVERNMENT OF GUJARAT</b>	34658.86	37752.72
	Interest Accrued and Due (Due within one year ₹ 30.94 Crs., Previous year ₹ 30.94 Crs.)	0.00	0.00
<b>5</b>	<b>LOAN FROM CENTRAL ELECTRICITY AUTHORITY</b>	353.21	353.21
	Interest Accrued and Due (Due within one year ₹ 4.35 Crs, Previous year ₹ 4.35 Crs.)	81.57	81.57
<b>6</b>	<b>TOTAL</b>	<b>205487.75</b>	<b>189032.89</b>



**SCHEDULES 1 to 12 & 22 FORMING PART OF BALANCE SHEET AS AT 31<sup>ST</sup> MARCH , 2010**

**SCHEDULE: 6  
FIXED ASSETS**

[ ₹ IN LAKHS ]

ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	AS AT 01-04-2009	ADDITIONS DURING THE YEAR	DEDUCTIONS DURING THE YEAR	AS AT 31-03-2010	AS AT 01-04-2009	ADDITIONS DURING THE YEAR	DEDUCTIONS / WRITE BACK DURING THE YEAR	AS AT 31-03-2010	AS AT 31-03-2010	AS AT 31-03-2009
	1	2	3	4	5	6	7	8	9	10
BUILDING	380.97	0.00	0.00	380.97	20.18	6.21	0.00	26.39	354.58	360.79
PLANT AND MACHINERY	577.56	7.89	0.00	585.45	206.94	21.98	0.00	228.92	356.53	370.62
INES & CABLE NETWORK	15.57	0.00	0.00	15.57	3.91	1.48	0.00	5.39	10.18	11.66
FURNITURE & FITTINGS	617.53	0.00	0.00	617.53	307.63	39.09	0.00	346.72	270.81	309.90
COMPUTERS	17716.21	156.89	0.00	17873.09	3886.75	2877.93	0.00	6764.68	11108.42	13829.45
OTHERS	91.06	9.33	0.00	100.40	17.50	4.64	0.00	22.13	78.26	73.56
VEHICLES	145.33	44.85	26.36	163.82	87.38	11.73	16.27	82.84	80.98	57.95
<b>TOTAL</b>	<b>19544.24</b>	<b>218.96</b>	<b>26.36</b>	<b>19736.83</b>	<b>4530.30</b>	<b>2963.05</b>	<b>16.27</b>	<b>7477.08</b>	<b>12259.75</b>	<b>15013.94</b>
<b>PREVIOUS YEAR (2008-09)</b>	<b>18970.57</b>	<b>632.91</b>	<b>59.24</b>	<b>19544.24</b>	<b>1635.75</b>	<b>2927.70</b>	<b>33.15</b>	<b>4530.30</b>	<b>15013.94</b>	<b>17334.81</b>



## SCHEDULES 1 to 12 & 22 FORMING PART OF BALANCE SHEET AS AT 31<sup>ST</sup> MARCH , 2010

### SCHEDULE: 7 INVESTMENTS

Sr. No.	Particulars	[ ₹ IN LAKHS]	
		As at 31 <sup>st</sup> March, 2010	As at 31 <sup>st</sup> March, 2009
	<b>INVESTMENTS (AT COST):</b>		
<b>1</b>	<b>Govt. Promissory Notes</b>	0.00	1.25
<b>2</b>	<b>Investment in Subsidiary Companies</b>		
	<b>Unquoted, Non-Trade</b>		
I(a)	91,29,72,424 (Previous year 91,29,72,424) Equity Shares of ₹10/- each in Gujarat State Electricity Corporation Ltd., fully paid-up.	190498.95	190498.95
I(b)	Share Application Money in Gujarat State Electricity Corporation Ltd.	51783.75	36956.60
II(a)	47,29,16,674 (Previous Year 38,97,16,674 ) Equity Shares of ₹10/- each in Gujarat Energy Transmission Corporation Ltd., fully paid-up.	164071.65	155751.65
II(b)	Share Application Money in Gujarat Energy Transmission Corporation Ltd.	3720.00	5000.00
III(a)	26,77,25,547(Previous Year 23,77,25,547 ) Equity Shares of ₹10/- each in Dakshin Gujarat Vij Company Ltd., fully paid-up.	48641.34	45641.34
III(b)	Share Application Money in Dakshin Gujarat Vij Company Ltd.	0.00	3000.00
IV(a)	24,26,41,422 (Previous Year 21,26,41,422 ) Equity Shares of ₹10/- each in Madhya Gujarat Vij Company Ltd., fully paid-up.	44356.65	41356.65
IV(b)	Share Application Money in Madhya Gujarat Vij Company Ltd.	0.00	3000.00
V(a)	42,29,03,896 (Previous Year 42,29,03,896 ) Equity Shares of ₹10/- each in Paschim Gujarat Vij Company Ltd., fully paid-up.	107513.03	107513.03
V(b)	Share Application Money in Paschim Gujarat Vij Company Ltd.	4000.00	4000.00
VI(a)	20,71,48,722 (Previous Year 20,71,48,722 ) Equity Shares of ₹10/- each in Uttar Gujarat Vij Company Ltd., fully paid-up.	53983.82	53983.82
VI(b)	Share Application Money in Uttar Gujarat Vij Company Ltd.	3000.00	3000.00
<b>3</b>	<b>Investment in Other Companies</b>		
	<b>A Quoted, Non-Trade</b>		
i	1,13,50,000 (Previous Year 1,13,50,000 ) Equity Shares of ₹10/- each in Gujarat State Petronet Ltd.,fully paid-up.	1135.00	1135.00
ii	3,83,84,397 (Previous Year 3,83,84,397 ) Equity Shares of ₹10/- each in Gujarat Industrial Power Ltd., fully paid-up.	9092.35	9092.35
	<b>B Un-quoted, Non-Trade</b>		
i	19,30,000 (Previous Year 19,30,000 ) Equity Shares of ₹100/- each in Gujarat Power Corporation Ltd., fully paid-up.	1930.00	1930.00
ii	2,90,03,636 (Previous Year 2,90,03,636 ) Equity Shares of ₹10/- each in Gujarat State Energy Generation Ltd., fully paid-up.	2990.40	2990.40
iii	50,000 (Previous Year 50,000 ) Equity Shares of ₹10/- each in GSPC Gas Co. Ltd., fully paid-up.	5.00	5.00
iv	25,00,000 (Previous Year Nil) Equity Shares of ₹10/- each in Power Exchange of India Ltd., fully paid-up	250.00	0.00
<b>4</b>	<b>TOTAL</b>	<b>686971.93</b>	<b>664856.04</b>
	<b>Aggregate Cost of Quoted Investments</b>	<b>10227.35</b>	<b>10227.35</b>
	<b>Market Value of Quoted Investments</b>	<b>47319.85</b>	<b>20001.67</b>

**SCHEDULES 1 to 12 & 22 FORMING PART OF BALANCE SHEET AS AT 31<sup>ST</sup> MARCH , 2010****SCHEDULE: 8  
SUNDRY DEBTORS**

Sr. No.	Particulars	[ ₹ IN LAKHS ]	
		As at 31 <sup>st</sup> March, 2010	As at 31 <sup>st</sup> March, 2009
	<b>SUNDRY DEBTORS (UNSECURED, CONSIDERED GOOD)</b>		
1	Debts exceeding Six Months	0.00	0.00
2	Other Debts	26159.44	12489.36
<b>3</b>	<b>TOTAL</b>	<b>26159.44</b>	<b>12489.36</b>

**SCHEDULE: 9  
CASH AND BANK BALANCES**

Sr. No.	Particulars	[ ₹ IN LAKHS ]	
		As at 31 <sup>st</sup> March, 2010	As at 31 <sup>st</sup> March, 2009
1	Cash on hand	2.29	1.89
2	Cheques on hand	749.56	37701.52
3	Imprest with Staff	0.08	0.00
4	Balance with Scheduled Banks :		
	In Current Accounts	11769.70	6080.54
	In Fixed Deposit Accounts	40.17	42.38
<b>5</b>	<b>TOTAL</b>	<b>12561.80</b>	<b>43826.33</b>



**SCHEDULES 1 to 12 & 22 FORMING PART OF BALANCE SHEET AS AT 31<sup>ST</sup> MARCH , 2010****SCHEDULE: 10  
LOANS AND ADVANCES\***

Sr. No.	Particulars	[ ₹ IN LAKHS]	
		As at 31 <sup>st</sup> March, 2010	As at 31 <sup>st</sup> March, 2009
1	Advances Recoverable in Cash or in kind or for value to be received	6818.43	19018.95
2	Loans & Advances to Staff	89.59	104.55
3	Interest Accrued but not due on Loan	276.53	309.98
4	Deposits	320.72	658.59
5	Advances to Subsidiary Companies	111923.67	47466.52
6	Subsidy Receivable from Government of Gujarat	72773.27	60364.04
<b>7</b>	<b>TOTAL</b>	<b>192202.22</b>	<b>127922.61</b>
	* Unsecured considered good		

**SCHEDULE: 11  
CURRENT LIABILITIES**

Sr. No.	Particulars	[ ₹ IN LAKHS]	
		As at 31 <sup>st</sup> March, 2010	As at 31 <sup>st</sup> March, 2009
1	Sundry Creditors	179431.92	95480.98
2	Advance received from Subsidiary Companies	67210.59	107307.53
3	Deposits	2460.91	2838.06
4	Interest Accrued But Not Due	1220.86	1396.61
5	Other Current Liabilities	1435.86	192.90
<b>6</b>	<b>TOTAL</b>	<b>251760.14</b>	<b>207216.09</b>

**SCHEDULE: 12  
PROVISIONS**

Sr. No.	Particulars	[ ₹ IN LAKHS]	
		As at 31 <sup>st</sup> March, 2010	As at 31 <sup>st</sup> March, 2009
1	Provision for:		
	(i) Income Tax - Past Year (Net of payment)	2656.00	0.00
	(ii) Income Tax - MAT (Net of payment)	753.95	84.54
	(iii) Fringe Benefit Tax (Net of payment)	1.91	2.07
2	Provision for Gratuity	53535.65	32704.05
3	Provision for Leave Encashment	615.74	554.35
<b>4</b>	<b>TOTAL</b>	<b>57563.25</b>	<b>33345.01</b>



**SCHEDULES 13 to 22 FORMING PART OF PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2010**

**SCHEDULE : 13  
REVENUE FROM SALE OF POWER**

Sr. No.	Particulars	[ ₹ IN LAKHS ]	
		Year ended 31 <sup>st</sup> March, 2010	Year ended 31 <sup>st</sup> March, 2009
1	Supplies in bulk to licensees	35718.19	170794.80
2.	<b>Sub Total</b>	<b>35718.19</b>	<b>170794.80</b>
	<b>Sale of Power to Subsidiaries ...</b>		
3	Madhya Gujarat Vij Company Ltd (MGVCL)	227315.03	224988.36
4	Paschim Gujarat Vij Company Ltd (PGVCL)	485938.93	480369.77
5	Uttar Gujarat Vij Company Ltd (UGVCL)	397330.57	371564.87
6	Dakshin Gujarat Vij Company Ltd (DGVCL)	404288.99	395109.16
	<b>Sub Total</b>	<b>1514873.52</b>	<b>1472032.16</b>
	<b>Sale of Power to Others</b>		
7	Sale of Power through Power Exchanges and Bilateral Arrangements.	94138.75	60563.56
	<b>Sub Total</b>	<b>94138.75</b>	<b>60563.56</b>
8	<b>Total Rev. from Sale of Power to Licensees, Subsidiaries and Others</b>	<b>1644730.45</b>	<b>1703390.52</b>
9	U I Charges Recoveries	83959.50	33344.76
10	<b>Total Miscellaneous revenue</b>	<b>83959.50</b>	<b>33344.76</b>
11	<b>TOTAL</b>	<b>1728689.96</b>	<b>1736735.28</b>

**SCHEDULE : 14  
OTHER INCOME**

Sr. No.	Particulars	[ ₹ IN LAKHS ]	
		Year ended 31 <sup>st</sup> March, 2010	Year ended 31 <sup>st</sup> March, 2009
<b>1</b>	<b>INTEREST</b>		
i	Interest on Staff Loans and Advances.	16.83	22.36
ii	Interest on Other Loans and Advances	23.19	38.78
iii	Interest from Banks (other than on Fixed Deposits).	0.16	0.00
iv	Interest on UI Pool Account	147.73	486.22
	<b>Total Interest (i to iv)</b>	<b>187.91</b>	<b>547.36</b>
2	Dividend	997.78	1116.61
3	Interest Provision no longer required	0.00	1370.04
4	Rebate for Prompt Payment	13512.19	27948.06
5	Cash Discount	26.13	11.43
6	Gain on Sale of Fixed Assets	0.66	0.00
7	Grant for Energy Conservation from Govt. of Gujarat	0.00	50.00
8	Miscellaneous Income	72.99	50.31
9	<b>TOTAL</b>	<b>14797.65</b>	<b>31093.81</b>

**SCHEDULES 13 to 22 FORMING PART OF PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH , 2010****SCHEDULE : 15  
PURCHASE OF POWER**

Sr. No.	Particulars	[ ₹ IN LAKHS ]	
		Year ended 31 <sup>st</sup> March, 2010	Year ended 31 <sup>st</sup> March, 2009
<b>A.</b>	<b>Power purchased from Central Sector...</b>		
1	NPC- Tarapur APS	10843.17	10694.51
2	NPC- Kakrapar APS	5764.41	6260.78
3	NPC- Tarapur APS - Extn.	30017.89	25485.59
4	NTPC-Vindhyachal- I	32764.94	26127.34
5	NTPC-Vindhyachal-II	38416.79	31580.54
6	NTPC-Korba	34967.14	27802.58
7	NTPC-Kawas	35347.53	65140.69
8	NTPC-Gandhar	48375.13	74839.71
9	NTPC-Northern Region	49023.43	44544.28
10	NTPC-Eastern Region	12784.43	6066.65
11	NTPC-Southern Region	38476.77	19429.07
<b>A.</b>	<b>Total purchase from Central Sector (A.1 to 11)</b>	<b>336781.64</b>	<b>337971.74</b>
<b>B.</b>	<b>Power purchased from IPPs</b>		
1	Sardar Sarovar Narmada Nigam Ltd	8028.72	7440.20
2	ESSAR Power Limited	66408.20	59409.38
3	Gujarat Paguthan Energy Corporation Pvt. Ltd.	160493.98	222964.56
4	Gujarat Industries Power Company Ltd 160 MW	25659.54	40429.52
5	Gujarat Industries Power Company Ltd SLPP	34246.90	31200.08
6	Gujarat State Energy Generation Limited (Hazira)	31788.08	29971.32
7	Gujarat Mineral Development Corporation (GMDC)	29085.72	18609.92
8	Adani Power Ltd.	25435.37	0.00
9	Gujarat State Electricity Coporation Ltd.- Sikka	47856.73	45002.84
10	Gujarat State Electricity Coporation Ltd.- Ukai TPS	99426.01	89701.11
11	Gujarat State Electricity Coporation Ltd.- Wanakbori # 1 to 6	222103.85	197280.37
12	Gujarat State Electricity Coporation Ltd.- Gandhinagar # 1 to 4	119589.23	108090.40
13	Gujarat State Electricity Coporation Ltd.- Gandhinagar	44142.63	41112.37
14	Gujarat State Electricity Coporation Ltd.- Wanakbori	43078.00	38164.54
15	Gujarat State Electricity Coporation Ltd.- Dhuvaran	42546.08	56715.81
16	Gujarat State Electricity Coporation Ltd.- Dhuvaran-Old	27373.18	67735.85
17	Gujarat State Electricity Coporation Ltd.- KLTPS	25081.74	26707.57
18	Gujarat State Electricity Coporation Ltd.- Utran	53464.30	30252.46
19	Gujarat State Electricity Coporation Ltd.- Ukai Hydro	2569.07	2626.99
20	Gujarat State Electricity Coporation Ltd.- Kadana Hydro	6830.18	6221.38
<b>B.</b>	<b>Total purchase from IPPs (B.1 to 20)</b>	<b>1115207.50</b>	<b>1119636.68</b>
<b>C.</b>	<b>Power purchased from Sanction Holders and Others</b>		
1	Gujarat Industries Power Company Ltd 145 MW	10399.20	19420.83
2	Wind Farms	46640.21	43188.98
3	GSECL Wind Farm	582.72	510.93



**SCHEDULES 13 to 22 FORMING PART OF PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH , 2010**

Sr. No.	Particulars	[ ₹ IN LAKHS]	
		Year ended 31 <sup>st</sup> March, 2010	Year ended 31 <sup>st</sup> March, 2009
4	Captive Power Plants	49663.42	19684.27
5	Short Term Purchase of Power	2223.17	65082.37
6	Purchase of Power through Power Exchange of India	689.26	218.35
7	Purchase of Power through India Energy Exchange	712.13	0.00
8	UI Expenses—Intra State ABT	20547.04	0.00
9	UI Expenses	16116.69	40195.92
<b>C.</b>	<b>Total Power Purchased (C.1 to 9)</b>	<b>147573.83</b>	<b>188301.66</b>
<b>D.</b>	<b>Wheeling Charges</b>		
1	Transmission Charges to Power Grid Corporation	24722.45	23850.49
2	Wheeling Charges to WREB Constitutents	67.02	1084.34
3	Wheeling Charges.	670.53	451.84
4	Wheeling /Transmission Charges payable to GETCO	91754.82	67343.82
<b>D.</b>	<b>Total Wheeling Charges (D.1 to 4)</b>	<b>117214.82</b>	<b>92730.48</b>
<b>E.</b>	<b>TOTAL (A+B+C+D)</b>	<b>1716777.79</b>	<b>1738640.56</b>

**SCHEDULE : 16  
REPAIRS & MAINTENANCE**

Sr. No.	Particulars	[ ₹ IN LAKHS]	
		Year ended 31 <sup>st</sup> March, 2010	Year ended 31 <sup>st</sup> March, 2009
	<b>Repairs &amp; Maintenance</b>		
1	Building	31.72	0.00
2	Civil Works	3.25	89.35
3	Hydraulic Works	0.28	0.00
4	Lines & Cable Networks	0.11	7.37
5	Vehicles	7.92	11.06
6	Furniture & Fixtures	12.30	1.79
7	Office Equipments	80.90	5.53
<b>8</b>	<b>TOTAL</b>	<b>136.49</b>	<b>115.10</b>

**SCHEDULE : 17  
PAYMENTS TO AND PROVISIONS FOR EMPLOYEES**

Sr. No.	Particulars	[ ₹ IN LAKHS]	
		Year ended 31 <sup>st</sup> March, 2010	Year ended 31 <sup>st</sup> March, 2009
1	Salaries & Allowances	1351.84	1039.33
2	Leave Encashment	100.38	274.12
3	Contribution to PF & Other Funds	100.09	63.18
4	Gratuity	420.86	48.46
5	Staff Welfare	49.61	43.46
<b>6</b>	<b>TOTAL</b>	<b>2022.78</b>	<b>1468.55</b>

**SCHEDULES 13 to 22 FORMING PART OF PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2010****SCHEDULE : 18****INTEREST AND FINANCE CHARGES**

Sr. No.	Particulars	[ ₹ IN LAKHS ]	
		Year ended 31 <sup>st</sup> March, 2010	Year ended 31 <sup>st</sup> March, 2009
1	Term Loans	3043.23	9789.81
2	Cash Credit for Working Capital	9949.08	12504.69
3	Others	1087.94	848.63
4	Bank Charges & Guarantee Fees	447.69	513.12
<b>5</b>	<b>TOTAL</b>	<b>14527.94</b>	<b>23656.25</b>

**SCHEDULE : 19****ADMINISTRATION & OTHER EXPENSES**

Sr. No.	Particulars	[ ₹ IN LAKHS ]	
		Year ended 31 <sup>st</sup> March, 2010	Year ended 31 <sup>st</sup> March, 2009
1	Rent, Rates & Taxes	6.81	0.00
2	Insurance	8.50	0.67
3	Telephone & Postage Expenses	23.23	24.52
4	Audit Fees	5.74	4.41
5	Travelling & Conveyance	75.39	118.53
6	Printing & Stationery	28.71	27.80
7	Computer Expenses	9.02	8.87
8	Advertisement	3.59	1.44
9	Electricity Charges	91.75	88.56
10	Loss on Sale of Assets	11.77	0.00
11	Expenditure on Training to Staff	4.55	2.78
12	Refund of Penalty to Suppliers (Net of Income)	9.30	34.56
13	Legal & Professional Fees	257.58	282.42
14	Expenses for Energy Conservation	3.26	22.87
15	Miscellaneous Expenses	190.23	60.61
<b>16</b>	<b>TOTAL</b>	<b>729.43</b>	<b>678.03</b>

**SCHEDULES 13 to 22 FORMING PART OF PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2010****SCHEDULE : 20****DEPRECIATION AND RELATED DEBITS**

Sr. No.	Particulars	[ ₹ IN LAKHS ]	
		Year ended 31 <sup>st</sup> March, 2010	Year ended 31 <sup>st</sup> March, 2009
1	Depreciation on Buildings	6.21	6.21
2	Depreciation on Plant & Machineries	21.98	21.80
3	Depreciation on Lines & Cable Net Works	1.48	1.48
4	Depreciation on Vehicles	11.73	10.44
5	Depreciation on Furniture & Fixtures	39.09	39.09
6	Depreciation on Office Equipments & Computers	2882.56	2848.69
7	Depreciation Small & Low value Items	0.01	5.81
<b>8</b>	<b>TOTAL</b>	<b>2963.06</b>	<b>2933.51</b>

**SCHEDULE : 21****PRIOR PERIOD INCOME / (CHARGES)**

Sr. No.	Particulars	[ ₹ IN LAKHS ]	
		Year ended 31 <sup>st</sup> March, 2010	Year ended 31 <sup>st</sup> March, 2009
	<b>PRIOR PERIOD INCOME</b>		
1	Interest Income for Prior Periods	0.00	68.88
2	Power Purchase	7.60	25.61
3	Other Income	0.00	129.19
	<b>Total</b>	<b>7.60</b>	<b>223.68</b>
	<b>PRIOR PERIOD EXPENDITURE</b>		
1	Power Purchase	593.78	63.95
2	Employees Cost	12.16	3.98
3	Interest & Finance Charges	0.00	0.07
4	Admn. Expenses	38.39	(21.47)
5	Other Adjustments relating Prior Period	16.96	0.09
	<b>Total</b>	<b>661.29</b>	<b>46.63</b>
	<b>Net Prior Period Income / (Charges)</b>	<b>(653.69)</b>	<b>177.05</b>



**SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS  
FORMING PART OF THE ACCOUNTS  
FOR THE YEAR ENDED MARCH 31, 2010**

**SCHEDULE – 22**

**PART: A**

**SIGNIFICANT ACCOUNTING POLICIES**

The Company is wholly owned by Government of Gujarat. It was promoted as a part of restructuring plan of Gujarat Electricity Board ("GEB"), to buy and sell electricity, hold the shares in other companies, and acquire and hold residual assets and liabilities of GEB.

**1) BASIS OF ACCOUNTING:**

The Company prepares its Financial Statements under historical cost convention on accrual basis as a going concern, unless otherwise stated and the same comply with the generally accepted Accounting Principles (Indian GAAP) and the relevant Accounting Standards issued by the Institute of Chartered Accountants of India referred to in Section 211 (3C) of the Companies Act, 1956 unless otherwise stated.

**2) FIXED ASSETS:**

- a) Fixed assets are stated at cost of acquisition or construction less accumulated depreciation. In case of fixed assets, for new projects / extension the related expenses and interest cost up to the date of commissioning attributable to such project / expansion are capitalized.
- b) Expenses incurred during project implementation and on trial run are treated as incidental expenditure during construction and capitalized.

**3) DEPRECIATION:**

- a) Depreciation is provided on Straight Line Method at the rates and on the basis specified in Schedule XIV to the Companies Act, 1956.
- b) Depreciation on addition / deletion of assets during the year is provided on pro-rata basis from the date when the asset is put to use.

**4) INVESTMENTS:**

Long term investments are stated at cost. Diminution in value, if any, which is of a temporary nature, is not provided for.

**5) PROVISIONS:**

Provisions involving substantial degree of reliable estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources to settle the obligations. Provisions are not discounted to the present value and are determined based on the best estimate required to settle the obligation at the year end date. These are reviewed at each year-end date and adjusted to reflect the best current estimate.



**6) CONTINGENT LIABILITIES :**

Contingent liabilities are disclosed in respect of which there are possible or present obligations that arise from past events but their existence is confirmed on occurrence or non-occurrence of one or more uncertain future events and in respect of which there may not probably be any outflow of resources.

**7) PROVISION FOR TAXES:**

- a) Provision for taxation is made at the current rate of tax on the basis of assessable profits computed in accordance with the provisions of the Income Tax Act, 1961.
- b) Deferred Tax is recognized, subject to the consideration of prudence, on timing differences, being the differences between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. The deferred tax asset is recognized and carried forward only to the extent that there is a reasonable certainty except for carried forward losses and unabsorbed depreciation which is recognized on virtual certainty that the assets will be realized in future.

**8) EMPLOYEE COST & RETIREMENT BENEFITS:**

- a) The Company has a defined gratuity plan. Every employee who has rendered continuous service of five years or more is entitled to get gratuity at 15 days salary ( $15/26 \times$  last drawn basic salary plus dearness allowance) for each completed year of service subject to a maximum of Rs.10 lakhs, on superannuation, resignation, termination, disablement or on death. The scheme is funded by the Company and is managed by a separate trust through Life Insurance Corporation of India (LIC). The year's liability estimated on the basis of actuarial valuation made by LIC is charged to Profit & Loss Account.
- b) Leave encashment benefit available on retirement is provided on the basis of actuarial valuation made by LIC and the year's liability is charged to Profit & Loss Account.
- c) The retirement benefits in the nature of employer's contribution towards the contributory provident fund, employee pension scheme, and group insurance EDLI etc. are paid / deposited with appropriate authorities during the year and charged to Profit and Loss Account.

**9) BORROWING COST:**

Borrowing Costs directly attributed to the acquisition of fixed assets are capitalized as a part of the cost of asset up to the date the asset is put to use. Other Borrowing Costs are charged to the Profit and Loss Account in the year in which they are incurred.

**10) SUBSIDY AND GRANTS:**

Subsidies from Govt. of Gujarat are accounted on accrual basis whereas the Grants from Govt. of Gujarat are accounted on receipt basis.





**11) IMPAIRMENT OF ASSETS:**

The impairment of assets i.e. "The cash generating unit" as defined in Accounting Standard-28 issued by the Institute of Chartered Accountants of India on "Impairment of Assets" are identified at the Balance Sheet date with respect to carrying amount of the asset vis-à-vis its estimated revenue generation during balance useful life of that asset and the loss, if any, is recognized in Profit and Loss Account.

**12) REVENUE RECOGNITION :**

Energy sales are accounted on the basis of billing on Bulk supply Tariff agreements entered into with Distribution Companies viz. Dakshin Gujarat Vij Co. Ltd., Madhya Gujarat Vij Co. Ltd., Paschim Gujarat Vij Co. Ltd. and Uttar Gujarat Vij Co. Ltd. and the contracts entered into with the Licensees viz. Torrent Power AEC Ltd., Torrent Power SEC Ltd. & Kandla Port Trust and Traders.

Surplus power, if any, is sold through bilateral transactions or by putting bids in Power Exchange on day to day basis and the same is accounted on acceptance of bids.

**13) POWER PURCHASE:**

Purchase of Energy from GSECL has been accounted on the basis of GERC Tariff order as applicable from time to time for the power stations transferred under the Financial Restructuring Plan approved by Govt. of Gujarat and for the existing power stations with GSECL prior to unbundling, as per the provisions of respective Power Purchase Agreements (PPAs).

Power purchased from IPPs is accounted on the basis of Power Purchase Agreements entered into with the respective parties.

Power purchased from Central Sector is accounted on the basis of tariff determined by Central Electricity Regulatory Commission (CERC) through various orders.

Power purchased from Wind Farms and Traders (Bilateral) is accounted on the basis of contracts entered into with the respective parties.

Need based power is purchased by putting bids in Power Exchange on day to day basis and the same is accounted on acceptance of bids.

**14) PENALTY :**

Penalty for delay in supply of materials is recovered as per the terms of purchase order at the time of accounting the purchases whereas refund of penalty is accounted when the order is fully executed by the supplier and the refund is approved by the competent authority.

**15) DIVIDEND INCOME:**

Dividend on investment is recognized as and when received.

**16) OTHER INCOME:**

Other Income is recognized on crystallization of claims / receipts.

**PART: B****NOTES FORMING PART OF ACCOUNTS**

1. The Contingent Liabilities not provided for in respect of
  - a. Letter of Credit opened by Banks ₹ 32146.25 Lakhs (Previous Year ₹ 13734.70 Lakhs)
  - b. Guarantee issued by the Banks on behalf of the Company ₹ 11163.42 Lakhs (Previous Year ₹ 21823.87 Lakhs)
  - c. Bills discounted with various Banks ₹ 132914.33 Lakhs (Previous Year ₹ 101481.43 Lakhs)
  - d. Claims against the erstwhile GEB not acknowledged as Debts: ₹ 1783.72 Lakhs (Previous Year ₹ 1900.00 Lakhs) and disputed by the Company.
  - e. Corporate Guarantee given by the Company for and on behalf of the subsidiary companies as under:

Company	2009-10		2008-09	
	Amount (₹ Lakhs)	Beneficiary	Amount (₹ Lakhs)	Beneficiary
All Subsidiaries except UGVCL	325300	UCO Bank Consortium for working capital limits	292600	UCO Bank Consortium for working capital limits
UGVCL	36850	State Bank Of India Consortium for working capital limits	36750	State Bank Of India Consortium for working capital limits
GETCO	6694	State Bank of Saurashtra for term loan	7702	State Bank of Saurashtra for term loan
MGVCL	1500	Indian Overseas Bank for term loan	3500	Indian Overseas Bank for term loan
GSECL	1667	GSFS (Comfort letter)	30000	GSFS (Comfort letter)
GETCO	30000	GSFS (Comfort letter)	0	---

- f. Stamp duty payable on mortgage deed for loans from LIC availed by erstwhile GEB: ₹ 1108 Lakhs (Previous Year ₹ 1108 Lakhs) and disputed by the Company.
- g. Various claims by the employees against the erstwhile GEB: Amount is not ascertainable (Previous Year amount is not ascertainable).



- h. Disputed demand of Income Tax against erstwhile GEB: Amount is not ascertainable (Previous Year amount is not ascertainable).
- i. Disputed demand of Income Tax against the Company: ₹ 315 Lakhs (Previous Year ₹ 4987 Lakhs).
- j. Estimated amount of Contracts remaining to be executed on Capital Account and not provided for (net of advances) ₹ 495 Lakhs (Previous Year ₹ Nil).

## 2. Segment Reporting

Since the Company has one segment, namely, Purchase and Sale of Power, there is no reportable segment.

## 3. Investment in Shares of Subsidiary Companies and Other Companies

The Company has made following investments in shares of subsidiary companies and other companies:

(₹ IN LAKHS)

SUBSIDIARIES	SHARE CAPITAL	SHARE APPLICATION MONEY	SHARE PREMIUM	TOTAL
GSECL	91297.24	51783.75	99201.71	<b>242282.70</b>
GETCO	47291.67	3720.00	116779.98	<b>167791.65</b>
DGVCL	26772.55	0.00	21868.78	<b>48641.33</b>
MGVCL	24264.14	0.00	20092.51	<b>44356.65</b>
PGVCL	42290.39	4000.00	65222.64	<b>111513.03</b>
UGVCL	20714.87	3000.00	33268.95	<b>56983.82</b>
<b>TOTAL</b>	<b>252630.86</b>	<b>62503.75</b>	<b>356434.57</b>	<b>671569.18</b>

(₹ IN LAKHS)

OTHER COMPANIES	SHARE CAPITAL	SHARE PREMIUM	TOTAL
GSPL	1135.00	0.00	<b>1135.00</b>
GIPCL	3838.44	5253.91	<b>9092.35</b>
GPCL	1930.00	0.00	<b>1930.00</b>
GSEG	2900.36	90.04	<b>2990.40</b>
GSPC GAS	5.00	0.00	<b>5.00</b>
POWER EXCHANGE OF INDIA	250.00	0.00	<b>250.00</b>

**4. Borrowings and Borrowings Cost**

The borrowings from Banks and Financial Institutions, etc. made during the year and the cost of borrowings incurred during the year has been apportioned amongst all the seven companies on the basis of the Financial Restructuring Plan approved by the Govt. of Gujarat.

The Company has not executed the transfer agreements in respect of following loans availed from Banks, Financial Institutions, etc though the loans are apportioned amongst all the subsidiary companies:

Sr. No	Institutions	Amount Outstanding (₹ IN LAKHS)	
		31-03-2010	31-03-2009
1	REC	21589.99	34136.19
2	Banks	201258.46	254307.80
3	Bonds	144453.17	170882.39
4	Bills Discounting under DPG	7986.23	26939.39
5	GSFS	103839.60	154576.64
6	Govt. of Gujarat	59264.02	57978.39
	<b>Total</b>	<b>538391.48</b>	<b>698820.80</b>

Govt vide G R No. GEB-1104-7319-K dtd. 07.11.2008 has resolved to waive the interest on outstanding Govt. loans of ₹ 84177.39 Lakhs (as on 31.03.2005) which was earlier deferred till 2010-11 while approving the Financial Restructuring Plan of erstwhile GEB. Accordingly, no provision for interest is required to be made on these loans till 2010-11.

**5. Subsidy and Grants**

Various Subsidies and Grants received / receivable during the year from the Government of Gujarat including the grant under FRP have been apportioned amongst the subsidiary companies on appropriate basis.

**6. Impairment of Assets**

The Company does not have any "Cash Generating Unit" as defined in Accounting Standard-28 issued by the Institute of Chartered Accountants of India on "Impairment of Assets" and as such, no exercise for assessment of residual life of the assets is necessary.

**7. Employee Benefits****(a) Defined contribution to provident fund, employee pension scheme and Employees Death Linked Insurance.**

The company makes contribution towards Employees' Provident Fund, Employees' Pension Scheme and Employees' Death Linked Insurance. In accordance with the provisions of these schemes, the Company is required to contribute a specified percentage of payroll costs. The Company has, during the year, recognized the sum of ₹ 158.97 Lakhs (P.Y. ₹ 89.88 Lakhs) as expense towards contributions to these plans.

**(b) Defined contribution towards retirement benefits:**

The following table sets out the status of the gratuity and leave encashment scheme plans as at 31st March, 2010:

**(₹ IN LAKHS)**

<b>Particulars</b>	<b>Leave Encashment</b>		<b>Gratuity</b>	
	<b>2009-10</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2008-09</b>
<b>Amounts recognized in the balance sheet</b>				
Present value of obligation	615.74	554.35	937.15	516.93
Fair Value of Plan Assets	NIL	NIL	366.89	242.58
Unrecognized past service cost	NIL	NIL	NIL	NIL
Net Liability in the Balance Sheet	615.74	554.35	570.26	274.35
<b>Cost for the period</b>				
Current Service Cost	4.69	4.87	31.77	4.72
Interest on obligation	44.35	24.18	41.35	38.64
Expected return on plan assets	NIL	NIL	(27.79)	(19.84)
Net Actuarial (Gains) / Losses recognised in the year	51.34	245.07	(43.59)	24.94
Past Service Cost	NIL	NIL	419.12	NIL
Losses / (Gains) on Curtailments and Settlements	NIL	NIL	NIL	NIL
Expenses recognised in the statement of Profit & Loss	100.38	274.12	420.86	48.46
Change in Benefit Obligations				
Opening defined benefit obligation	554.35	302.27	516.93	482.96
Prior period adjustments	NIL	NIL	NIL	NIL
Current Service Cost	4.69	4.87	31.77	4.72
Past Service Cost	NIL	NIL	419.12	NIL
Interest on obligation	44.35	24.18	41.35	38.64
Actuarial (Gains) / Losses	51.34	245.07	(46.98)	22.54
Benefits paid	(38.99)	(22.04)	(25.04)	(31.93)
Closing defined benefit obligation	615.74	554.35	937.15	516.93
<b>Changes in Plan Assets</b>				
Opening fair value of Plan Assets	NIL	NIL	242.58	192.47
Expected return on Plan Assets	NIL	NIL	27.79	19.84
Actuarial Gains / (Losses)	NIL	NIL	(3.39)	(2.40)
Employers Contributions	NIL	NIL	124.95	64.60
Assets acquired in an amalgamation in the nature of purchase	NIL	NIL	NIL	NIL
Exchange differences on foreign plans	NIL	NIL	NIL	NIL
Benefits paid	(38.99)	(22.04)	(25.04)	(31.93)
Closing fair value of Plan Assets	NIL	NIL	366.89	242.58

Govt. of India vide Notification No. 1007 published in Govt. Gazette dtd.24th May, 2010 amended the Payment of Gratuity Act, 1972 for revision in the gratuity limit from existing ₹ 3.50 Lakhs to ₹ 10 Lakhs w.e.f. 24.05.2010. Consequent upon such amendment, the Company has recognised the gratuity liability with a ceiling of ₹ 10 Lakhs based on actuarial valuation as carried out by LIC of India. On account of such amendment to the Act, the Company has provided incremental liability to the tune of ₹ 419.12 Lakhs and charged the same to P & L Account for the year being in the nature of exceptional item.



The erstwhile Gujarat Electricity Board has established a Master Trust to manage the affairs of the gratuity. Post restructuring, the Company has inherited the said Master Trust and managing the same for and on behalf of itself and its subsidiary companies. On account of this arrangement, the gratuity liability of subsidiary companies is also accounted for in the books of the Company. The total liability thus represents the liability of the Company as well as the liability of its subsidiary companies as under:

(₹ IN LAKHS)

<b>COMPANY</b>	<b>TOTAL LIABILITY</b>
GUVNL	570.26
GSECL	11718.33
GETCO	10967.34
DGVCL	4931.96
MGVCL	6677.10
PGVCL	10483.02
UGVCL	8187.64
<b>TOTAL</b>	<b>53535.65</b>

Further, on account of amendment to the Payment of Gratuity Act, 1972 with increase in ceiling from ₹ 3.50 Lakhs to ₹ 10 Lakhs, the incremental liability of the Company and its Subsidiary Companies of ₹ 27993.79 Lakhs is accounted for by the Company during the year.

## **8. Related Party Disclosure**

As per Para 9 of A.S 18 on "Related Party Disclosure", no disclosure is required in the financial statements as regards related party relationship with other state controlled enterprises and transactions with such enterprises.

## **9. Earnings Per Share**

<b>Sr. No.</b>	<b>Particulars</b>	<b>For the year ended 31-03-10</b>	<b>For the year ended 31-03-09</b>
1	Profit After Tax (₹ in lakhs)	1986.34	501.15
2	Wtd. Average number of Equity Shares		
	Basic	3342324619	3101412659
	Diluted	3342324619	3156471659
3	Face Value per Share (₹)	10	10
4	Basic Earnings per Share (₹)	0.0594	0.0162
5	Diluted Earnings per Share (₹)	0.0594	0.0159

**10. Break-up of Managerial Remuneration****(₹ IN LAKHS)**

Particulars	For the year ended 31-03-10	For the year ended 31-03-09
<b>Paid to Managing Director and Whole time Directors</b>		
Salaries	17.86	13.19
Contribution to Funds	1.71	3.44
Value of Perquisites	Nil	Nil

**11. Auditors' Remuneration****(₹ IN LAKHS)**

Sr. No.	Particulars	For the year ended 31-03-10	For the year ended 31-03-09
1	Audit fees	5.20	4.00
2	Reimbursements:		
a.	Service Tax	0.54	0.41
	<b>Total:</b>	<b>5.74</b>	<b>4.41</b>

**12. Dues to SSIs and Interest on Delayed Payments:**

- (i) Based on the details available with the Company regarding the status of the suppliers as defined under the "Micro, Small and Medium Enterprises Development Act, 2006" there are no dues to micro, small and medium enterprises as at 31st March 2010 on account of principal amount together with interest for delayed payment under the Act (previous year Nil).
- (ii) The Company has not received any claim for interest from any suppliers under the "Interest on Delayed Payments to Small Scale and Ancillary Industrial Undertakings Act 1993".

**13. Taxation**

During the year, in accordance with the AS-22 "Accounting for taxes on income" issued by The Institute of Chartered Accountants of India, the company has recognized deferred tax on the basis of "Income Approach". The Company has huge amount of carried forward losses and unabsorbed Depreciation under the Income Tax Act and accordingly there is no virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Hence, as a matter of prudence, deferred tax assets for the year have not been recognized in books of accounts as the Company does not envisage taxable profit in the near future. The net effect in the books of accounts is, therefore, "NIL".

Deferred Tax on depreciation on the opening balances of the assets vested by the Government of Gujarat for the financial year 2005-06 under various notifications and Restructuring Plan



have not been recognized considering the permanent difference. Further, consequential difference between the amount of depreciation for accounting purpose and tax purpose in respect of such assets in subsequent years would also not be considered as timing difference.

The Deferred Tax Liability is worked out as under:

Particulars	₹ IN LAKHS)	
	Deferred Tax Asset	Deferred Tax Liability
Depreciation	41.65	-
Provision for Leave Encashment	34.03	-
Gratuity	90.53	-
Others	-	29.00
Total Deferred Tax Asset / Liability	<b>166.21</b>	<b>29.00</b>
<b>Net Deferred Tax Asset</b>		<b>137.21</b>
<b>Net effect of Deferred Tax Asset in Profit &amp; Loss A/c Asset for the year</b>		<b>-NIL-</b>
<b>Previous Year</b>		<b>-NIL-</b>

#### **14. Statement Of Management:**

- (i) The current assets, loans and advances are good and recoverable and are approximately of the values, if realized in the ordinary course of business unless and to the extent stated other wise in the Accounts. Subject to the notes and the method of accounting followed by the Company, provision for all known liabilities is adequate. There are no contingent liabilities except those stated in the notes.
- (ii) Balance Sheet, Profit & Loss Account and Cash Flow Statement read together with the schedules to the accounts and notes thereon, are drawn up so as to disclose the information required under the Companies Act, 1956 as well as give a true and fair view of the state of affairs of the Company as at the end of the year and results of the Company for the year under review.
- (iii) Since mandatory consolidation of accounts is not applicable to the Company, the management has decided not to prepare and present the consolidated Financial Statements.
- (iv) During the current year the balances with the following subsidiary companies are fully reconciled:
  1. Gujarat State Electricity Corporation Ltd.
  2. Gujarat Energy Transmission Corporation Ltd.
  3. Dakshin Gujarat Vij Company Ltd.
  4. Madhya Gujarat Vij Company Ltd.
  5. Paschim Gujarat Vij Company Ltd.
  6. Uttar Gujarat Vij Company Ltd.





The balances as on 31st March as appearing in the respective companies' books are as under:

**(₹ IN LAKHS)**

Subsidiaries	In the books of GUVNL		In the books of Subsidiaries	
	2009-10	2008-09	2009-10	2008-09
GSECL	49002.98 (Dr)	2166.59 (Dr)	49002.98 (Cr)	2166.59 (Cr)
GETCO	34650.48 (Dr)	45130.97(Dr)	34650.48 (Cr)	45130.97(Cr)
DGVCL	42142.51 (Cr)	33320.78(Cr)	42142.51 (Dr)	33325.21(Dr)
MGVCL	11549.23 (Cr)	23012.44(Cr)	11549.23 (Dr)	23012.44(Dr)
PGVCL	28005.02 (Dr)	16073.80(Cr)	28005.02 (Cr)	16073.80(Dr)
UGVCL	13518.85 (Cr)	34900.52(Cr)	13518.85 (Dr)	34900.52(Dr)

As an annual closing procedure, Inter Subsidiary Company balances duly reconciled have been transferred by all the subsidiary companies to the debit / credit of the Company's account (GUVNL) and are reflected in above balances as appearing in Current Assets / Current Liabilities.

- (v) The ownership of the land on which Gujarat Energy Training & Research Institute (GETRI), a training institute promoted by the Company and its subsidiary companies, is constructed rests with GETCO while the ownership of the building rests with the Company. Similarly, the ownership of the premises where the Company has created Data Centre for e-Urja project rests with MGVCL. The Company has not made any lease or similar agreement with GETCO and MGVCL respectively.

- 15.** Additional Information pursuant to the provision of paragraphs 3, 4C & 4D of Part II of Schedule VI to The Companies Act, 1956 (As certified by the Management):

**(i) Quantitative information in respect of Purchase and Sale of Power:**

**Purchase of Power**

For the year ended March 31, 2010		For the year ended March 31, 2009	
MUs	Amount (₹ Lakhs)	MUs	Amount (₹ Lakhs)
<b>59746.132</b>	<b>1716777.79</b>	<b>55771.21</b>	<b>1738640.56</b>

**Sale of Power**

For the year ended March 31, 2010		For the year ended March 31, 2009	
MUs	Amount (₹ Lakhs)	MUs	Amount (₹ Lakhs)
<b>59601.542</b>	<b>1728689.96</b>	<b>55586.44</b>	<b>1736735.28</b>

The difference of 144.59 million units (0.24% of purchased units) (previous year 184.77 million units 0.33%) between purchase and sales of number of units by the Company is on account of the delivery point of sale being different from that of purchase, accounting of transmission losses of the energy sold through bilateral agreements (Trading) as per terms of agreements, etc. Considering the volume of power purchase and sale this is not significant.

**(ii) Expenditure in Foreign Currency****(₹ IN LAKHS)**

Particulars	For the year ended March 31, 2010	For the year ended March 31, 2009
CIF Value of Imports	Nil	Nil
Remittances in Foreign Currency	Nil	Nil
Foreign Travel	Nil	Nil

**(iii) Earnings in Foreign Currency:** —————Nil—————

- 16.** Previous year figures have been regrouped / rearranged / recasted wherever necessary.
- 17.** The balances of debtors, creditors, loans and advances are subject to confirmation and reconciliation, if any.

**SIGNATURES TO SCHEDULE 1 TO 22****As per our report of even date****For and on behalf of the Board****For S.C.BAPNA & ASSOCIATES**Chartered Accountants  
Firm Reg.No. 115649W**D.J.PANDIAN, IAS**

Chairman

**L. CHUAUNGO, IAS**

Managing Director

**S. C. BAPNA**Partner  
Membership No.71765**S. B. KHYALIA**

Executive Director (Fin)

**K.M.SHRINGARPURE**

General Manager (F&amp;A)

**PARTHIV BHATT**

Company Secretary

Place : **GANDHINAGAR**Date : **September 23, 2010**Place : **GANDHINAGAR**Date : **September 23, 2010**



**STATEMENT PURSUANT TO PART IV OF SCHEDULE VI TO THE COMPANIES ACT, 1956 BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE**

**I. Registration Details**

Registration No.	U40109GJ2004 SGC 045195	State Code	04
CIN-	U40109GJ2004 SGC 045195		
Balance Sheet Date	31-03-2010		

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

Public Issue	NIL	Right Issue	NIL
Bonus Issue	NIL	Private Placement	1530336

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

Total Liabilities.	68078582	Total Assets	68078582
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**SOURCES OF FUNDS**

Paid up Capital	34153432	Reserves & Surplus.	2500000
Share Application Money	0		
Secured Loans	10876375	Unsecured Loan	20548775

**APPLICATION OF FUNDS**

Net Fixed Assets	1227687	Investments	68697193
Net Current Assets	-7839993	Misc. Expenditure	NIL
Accumulated Loss	5993696	Deferred Tax	NIL

**IV. Performance of the Company (Amount in ₹ Thousands)**

Turnover	174348761	Total Expenditure	173781118
Profit/(Loss) before tax	+567644	Profit/(Loss) after tax	+198634
Earning per share in ₹	0.0594	Dividend rate	NIL

**V. Generic Names of Three Principal Products/Services of the Company**

(as per monetary terms)

Item code No.(ITC code)	NIL
Product Description:	Purchase & Sale of Energy.

**As per our report of even date**

**For S.C. BAPNA & ASSOCIATES**

Chartered Accountants  
Firm Reg.No. 115649W

**S. C. BAPNA**

Partner  
Membership No.71765

Place : **GANDHINAGAR**  
Date : **September 23, 2010**

**For and on behalf of the Board**

**D.J.PANDIAN, IAS**

Chairman

**L. CHUAUNGO, IAS**

Managing Director

**K.M.SHRINGARPURE**

General Manager (F&A)

**PARTHIV BHATT**

Company Secretary

Place : **GANDHINAGAR**  
Date : **September 23, 2010**



**STATEMENT PURSUANT TO SECTION 212(e) OF THE COMPANIES ACT, 1956  
RELATING TO SUBSIDIARY COMPANIES**

Name of the Subsidiary Company							
Sr. No.	Particulars	Gujarat State Electricity Corporation Ltd.	Gujarat Energy Transmission Corporation Ltd.	Madhya Gujarat Vij Company Ltd.	Dakshin Gujarat Vij Company Ltd.	Uttar Gujarat Vij Company Ltd.	Paschim Gujarat Vij Company Ltd.
1.	Financial Year of the Subsidiary ended on	March 31, 2010	March 31, 2010	March 31, 2010	March 31, 2010	March 31, 2010	March 31, 2010
2.	Date from which they became subsidiary companies	April 1, 2005	April 1, 2005	April 1, 2005	April 1, 2005	April 1, 2005	April 1, 2005
3.	a) Number of shares held by Gujarat Urja Vikas Nigam Ltd. with its nominees in the subsidiaries as at 31 <sup>st</sup> March, 2010. b) Extent of interest of holding company as at 31 <sup>st</sup> March, 2010.	912972424	472916674	242641422	267725547	207148722	422903896
		100%	100%	100%	100%	100%	100%
4.	The net aggregate amount of the Profit/ (loss) so far as it concerns the members of the holding Company a) Not dealt with in the Holding Company's Accounts i) For the financial year ended 31 <sup>st</sup> March 2010 (₹ in lakhs) ii) For the previous financial years of the subsidiary companies since they become the Holding Company's subsidiary (₹ in lakhs)						
	b) Dealt with in the Holding Company's Accounts i) For the financial year ended 31 <sup>st</sup> March 2010 (₹ in lakhs) ii) For the previous financial years of the subsidiary companies since they become the Holding Company's subsidiary						
		12406.48	7344.67	1705.46	2158.29	565.08	385.04
		27562.03	12455.35	4130.60	3485.72	2554.55	4653.19
		NIL	NIL	NIL	NIL	NIL	NIL
		NIL	NIL	NIL	NIL	NIL	NIL

**For and on behalf of the Board**

**D.J.PANDIAN, IAS**  
Chairman

**L. CHUAUNGO, IAS**  
Managing Director

**S. B. KHYALIA**  
Executive Director (Fin)

**K.M.SHRINGARPURE**  
General manager (F&A)

**PARTHIV BHATT**  
Company Secretary

Place : **GANDHINAGAR**  
Date : **December 23, 2010**



**PROXY**

**GUJARAT URJA VIKAS NIGAM LIMITED**

Regd. Office: Sardar Patel Vidyut Bhavan, Race Course, Vadodara – 390 007

Folio No.  No. of shares held :

I We \_\_\_\_\_

of \_\_\_\_\_ being a Member/s of Gujarat Urja Vikas Nigam Limited, Vadodara hereby appoint \_\_\_\_\_ of \_\_\_\_\_ or failing him \_\_\_\_\_ of \_\_\_\_\_ as my/our proxy to vote for me/us and on my/our behalf at the **SIXTH ANNUAL GENERAL MEETING** of the Company to be held on Tuesday, 28<sup>th</sup> December, 2010 at 1.00 p.m. at Conference Room, GUVNL, SP Vidyutt Bhavan Race Course, Vadodara - 390 007 and any adjournment thereof.

Please affix  
Revenue  
Stamp

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2010.

Signature(s) of Member(s)  
across the Stamp

Note : The Proxy must be deposited at the Registered Office of the Company, not later than 48 hours before the time fixed for the Meeting.

**ATTENDANCE SLIP**

**GUJARAT URJA VIKAS NIGAM LIMITED**

Regd. Office: Sardar Patel Vidyut Bhavan, Race Course, Vadodara – 390 007

(Please complete this attendance slip and hand it over at the entrance of the Meeting Hall.)

I hereby record my presence at the Sixth Annual General Meeting of the Company, held on Tuesday, 28<sup>th</sup> December, 2010 at 1.00 p.m. Conference Room, GUVNL, SP Vidyutt Bhavan Race Course, Vadodara - 390 007.

Folio No.  No. of shares held :

Full Name of the Shareholder / Proxy :

Signature of Shareholder / Proxy :

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