

PASCHIM GUJARAT VIJ COMPANY LIMITED
NOTES to PROFIT & LOSS

21 REVENUE FROM OPERATIONS

(₹ in Lacs)

Particulars	As at 31st March, 2013	As at 31st March, 2012
A. Revenue from Sale of Power		
Residential General Purpose (Domestic or Residential)	127194.16	107926.86
General Lighting Purpose (Commercial)	4061.66	26728.70
Low Tension Maximum Demand and Non Residential General Purpose (Industrial low & medium voltage)	158472.93	117076.03
Industrial high voltage	329510.04	289857.28
Public lighting	3946.87	3315.07
Irrigation agricultural	134631.82	106742.58
Public water works and sew.pumps	20290.94	14177.95
Sale of Power to GUVNL	131474.94	90168.54
Unscheduled Interchange	7248.43	9882.10
Total revenue from Sale of Power	916831.79	765875.11
B. Electricity Duty		
Ele. Duty - assessed	76447.01	70726.54
Electricity Duty Assessed	76447.01	70726.54
Less: Ele. Duty assessed (contra)	76447.01	70726.54
C. Inter State Sale of Power	1.78	1.97
Total	1.78	1.97
D. Other Revenue related to Sale of Power		
Meter Rent / Service Line Rental	6481.70	6042.34
Recoveries for Theft of Power/Malpractices Non-Cons.	7944.75	4829.93
Misc. charges from consumers	5417.04	3032.92
Total Miscellaneous revenue	19843.49	13905.19
Total Revenue	936677.06	779782.27

22 REVENUE SUBSIDIES AND GRANTS

(₹ in Lacs)

Particulars	As at 31st March, 2013	As at 31st March, 2012
Agriculture Subsidy (H P Based) as allocated by GUVNL	42940.96	40694.03
Total	42940.96	40694.03



PASCHIM GUJARAT VIJ COMPANY LIMITED
NOTES to PROFIT & LOSS

23 OTHER INCOME

(₹ in Lacs)

Particulars	As at 31st March, 2013	As at 31st March, 2012
INTEREST		
Interest on Staff Loans and Advances	214.92	179.41
Interest on Fixed Deposit with Banks	0.00	0.73
Interest on Other Loans and Advances	0.29	0.13
Interest from Banks (other than on Fixed Deposits).	0.00	8.65
Delayed Payment Charges from Consumers	7048.36	4266.32
Sub-Total	7263.57	4455.24
Penalties received from Suppliers	53.57	86.34
Gain on Sale of Fixed Assets (Net)	435.16	259.05
Grant for Energy Conservation from Govt. of Gujarat	1200.46	1479.83
Recovery of Reactive charges	77.68	18.48
Miscellaneous Income	1763.92	919.50
Govt Grants / Consumers Contribution (Deferred amount 10% Written Back)	15366.03	12792.27
Excess Provision written back	98.26	11.64
Total	26258.65	20022.35

24 PURCHASE OF STOCK IN TRADE (POWER PURCHASE)

(₹ in Lacs)

Particulars	As at 31st March, 2013	As at 31st March, 2012
From GUVNL	897241.58	731128.17
Unscheduled Interchange Power Purchase	8124.88	24624.38
From Wind Farm	3990.64	3336.42
Solar power purchase	843.31	204.70
Reactive Energy charges	64.52	58.00
Total	910264.93	759351.67

24.1 POWER PURCHASE FROM GUVNL

- a) The Power Purchase from the GUVNL is accounted as per the invoices raised by GUVNL at the BST rate stated in the invoices.



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25 EMPLOYEE BENEFITS EXPENSE

(₹ in Lacs)

Particulars	As at 31st March, 2013	As at 31st March, 2012
Salaries & Allowances	39393.64	34604.84
Bonus	65.72	47.56
Leave Encashment	368.43	2930.69
Terminal Benefits	862.80	824.57
Contribution to PF & Other Funds	3011.86	2662.53
Gratuity	3098.96	3363.41
Staff Welfare	774.73	973.85
Total	47576.14	45407.45

26 FINANCE COST

(₹ in Lacs)

Particulars	As at 31st March, 2013	As at 31st March, 2012
Interest on Term Loans	9867.14	6680.61
Interest on Working Capital	2254.30	2182.73
Interest on Others	8112.27	5080.66
Bank Charges & Guarantee Fees	656.62	630.74
Total	20890.33	14574.74

26.1 INTEREST ON SECURITY DEPOSITS

Interest on Security deposit of H.T consumers is provided and the same has been reconciled with subsidiary records. In case of L.T consumers the interest is provided on the balances as per Subsidiary records which are subject to reconciliation. In the opinion of the management, provision of the interest on the balances as per subsidiary record is considered adequate having regard to the fact that cases on which interest is not provided are very old and not traceable. Interest on the same will be accounted as and when it is claimed.

27 DEPRECIATION AND AMORTIZATION

(₹ in Lacs)

Particulars	As at 31st March, 2013	As at 31st March, 2012
Amortisation on Lease hold Land	0.78	0.56
Depreciation on Buildings	70.48	63.48
Depreciation on Hydraulic Works	0.60	0.50
Depreciation on Other Civil Works	9.02	8.37
Depreciation on Plant & Machineries	9399.67	7209.43
Depreciation on Lines & Cable Net Works	21966.21	18497.90
Depreciation on Vehicles	24.79	44.69
Depreciation on Furniture, Fixtures & electric light & fan installations	62.83	58.06
Depreciation on Office Equipments	355.02	364.51
Total	31889.40	26247.50



PASCHIM GUJARAT VIJ COMPANY LIMITED
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28 OTHER EXPENSES

(₹ in Lacs)

Particulars	As at 31st March, 2013	As at 31st March, 2012
<u>Repairs & Maintenance</u>		
Plant & Machinery	2933.90	2825.79
Buildings	18.81	25.40
Civil Works	58.67	69.06
Lines, Cable Network etc.	3172.63	3203.58
Vehicles.	51.68	39.59
Furniture, Fixtures.	28.97	21.70
Office Equipments (Including ₹ 609.40 Lacs for user charges of E-Urja. P.Y ₹ 743.15 Lacs)	776.94	845.27
Sub-Total	7041.60	7030.39
<u>Administrative Expenses</u>		
Rent	227.40	164.28
Rates & Taxes	175.50	119.87
Insurance	9.25	7.64
Telephone Expenses	386.68	354.76
Auditor's Remuneration	14.95	14.19
Travelling & Conveyance	3686.27	3772.85
Printing & Stationery	442.43	375.50
Computer Expenses	179.70	348.53
Advertisement (other than purchase related)	32.17	33.25
Electricity Charges	378.25	289.69
Expenditure on Training to Staff.	145.46	136.89
Legal & Professional Fees	435.11	247.22
Miscellaneous Expenses	3612.28	3257.74
Sub-Total	9725.45	9122.41
<u>Miscellaneous Losses & Write Offs</u>		
Bad & Doubtful Debts Written off/Provided for	7379.88	1366.92
Miscellaneous Losses & Write-offs.	370.61	283.62
Deferred Expenses Amortized	0.00	216.49
Total	7750.49	1867.03



PASCHIM GUJARAT VIJ COMPANY LIMITED
NOTES to PROFIT & LOSS

Prior Period Expense/Income		
Expense		
Employee cost	2.56	1.30
Depreciation	11.78	42.59
Interest cost	3.68	91.70
Other charges relating to prior period	7.13	61.17
Sub-Total	25.15	196.76
Income		
Depreciation	18.76	4.41
Interest	2.56	398.42
Other adjustments	11.05	117.75
Sub-Total	32.37	520.58
Net Prior Period Expense	-7.22	-323.82
Total	24510.32	17696.01

28.1 AUDITOR REMUNERATION

a) STATUTORY AUDITOR

(₹ in Lacs)

Particulars	As at 31st March, 2013	As at 31st March, 2012
Audit fees including service tax	13.64	12.92
Out of Pocket expenses paid during the year	1.30	1.26
Total	14.94	14.18

b) COST AUDITOR

(₹ in Lacs)

Particulars	As at 31st March, 2013	As at 31st March, 2012
Audit fees including service tax	0.53	0.53
Out of Pocket expenses paid during the year	0.05	0.05
Total	0.58	0.58

28.2 AMNESTY SCHEME

GoG had introduced one time settlement scheme-Amnesty Scheme for the waiver and settlement of outstanding dues of the consumers vide notification no. GUV-10-2010-3596-K-1 dtd 29th March, 2012. The applicable period for the implementation of the scheme was 01.04.2012 to 31.12.2012. Accordingly, the impact of waiver towards the Amnesty scheme has been suitably considered.



PASCHIM GUJARAT VIJ COMPANY LIMITED
NOTES to PROFIT & LOSS

29 OTHER EXPENSES CAPITALISED/ABSORBED

(₹ in Lacs)

Particulars	As at 31st March, 2013	As at 31st March, 2012
Employee Costs	22483.72	17107.03
Administration & General Expenses	5747.93	4276.76
Interest	473.75	1754.55
Fabrication Charges Absorbed	1612.72	1112.37
Total	30318.12	24250.71

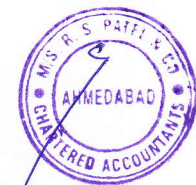
30 TAX EXPENSES

(₹ in Lacs)

Particulars	As at 31st March, 2013	As at 31st March, 2012
Income Tax----MAT	0.00	540.69
Total	0.00	540.69

31 EARNING PER SHARE

Particulars	As at 31st March, 2013	As at 31st March, 2012
BASIC		
Profit after Tax (₹ In Lacs)	1063.67	931.30
Weighted Average no. of equity shares	62 67 17 595	46 29 03 896
Basic EPS	0.17	0.20
DILUTED		
Profit after Tax (₹ In Lacs)	1063.67	931.30
Weighted Average no. of equity shares	66 72 32 444	56 53 58 691
Diluted EPS	0.16	0.16



NOTE No. 32- OTHER DISCLOSURES

32.1 INTRODUCTORY:

Pursuant to the enactment of the Electricity Act, 2003 and the Gujarat Electricity Industry (Reorganization and Regulation) Act, 2003, GoG has issued various notifications, resolutions and Transfer Schemes for vesting of the assets, liabilities, proceedings and personnel from erstwhile GEB to the GoG and then to re-vest the same into initially six companies i.e. one Generation Company, one Transmission Company and four Distribution Companies (Thereinafter referred to as Successor companies). Paschim Gujarat Vij Company Limited is one of these four Distribution Companies, registered under the provisions of Companies Act, 1956. (Herein after referred to as Successor Company.)

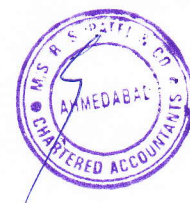
On reorganization of GEB by the Government of Gujarat, the shares issued to and allotted in the name of GEB were transmitted w.e.f 1st April, 2005, by operation of law, in the name of Gujarat Urja Vikas Nigam Limited (GUVNL), a company promoted by Government of Gujarat to carry out the residual functions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

Consequent on such transmission and transfer of shares to GUVNL and its nominees, the entire share capital of the Company is held by GUVNL and the Company has become the wholly owned subsidiary of GUVNL, a Government Company within the meaning of Section 617 of the Companies Act, 1956.

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

32.2 FINANCIAL RESTRUCTURING PLAN:

- (1) The GoG vide notification No.GEB-1105-1749-K dated 31/03/2005 had declared 01/04/2005 as the final date for transfer of the undertaking as per Schedule- F to the Transfer Schemes notified by the GoG. The GoG has notified the Final opening balance sheet of the Company comprising of the Company's own assets and liabilities as on 01/04/2005 vide notification No. GHU-2006-91-GUV-1106-590-K dated 03/10/2006 as per the Financial Restructuring Plan (FRP) approved by Govt. of Gujarat.
- (2) In accordance with the above notification aggregate values as on 01/04/2005 of the residual blocks of fixed assets (gross values, accumulated depreciation and net value), investments, current assets, long term and short term loans and current liabilities of erstwhile GEB transferred to the Company and that of existing undertaking of the Company as on 31/03/2005 have been duly incorporated in the



books of accounts of the Company. The Notification dtd. 03/10/2006 issued by GoG has not specified the values of individual items of assets and liabilities. The Management has therefore adopted following procedure for assigning value to individual items.

- a) The individual items of Fixed Assets as per the fixed assets registers maintained at the Circle Offices of the PASCHIM Distribution Zone of the erstwhile GEB have been assigned the gross values (cost of acquisition), accumulated depreciation and the net values as provided under Government Notification dtd. 03/10/2006 referred to above, in accordance with the exercise carried out and the report submitted by Chartered Accountants.
- b) Long term borrowings which are directly identifiable with the distribution undertaking of the **Western Distribution** Zone of the erstwhile GEB have been transferred to the Company as such. However, the borrowings of erstwhile GEB that were common for generation, transmission and distribution functions and not identifiable with any of these specific activities have been apportioned by the GoG and the total amounts of long term and short term loans including the identifiable loans have been transferred to the Company at aggregate values respectively vide the Government notification dtd. 03/10/2006 referred to above.
- c) The aggregate values of current assets and current liabilities as per notification dt. 03/10/2006 have been divided and allocated to individual items of current assets and current liabilities by the management on the basis of their respective values (balances) on 31/03/2005 as appearing in the books of accounts at Circle Offices of the Paschim Distribution Zone of erstwhile GEB.
- d) The consideration specified in FRP notification dtd. 03/10/2006 for the transfer of undertaking comprising of the values of assets and liabilities and the proceeding relating to distribution activities of erstwhile GEB as specified in the transfer schemes has been discharged by PGVCL in the form of equity shares of ₹ 10/- each to GUVNL, as directed by the GoG under notification of Energy & Petrochemicals Department dated 12th December, 2008.

32.3 CONTINGENCY LIABILITIES:

(₹ in Lacs)

Contingent liabilities in respect of		31 st March, 2013	31 st March, 2012
a)	Claims against company not knowledge as debt	4113.53	3657.57



32.4 COMMITMENT:

- (1) Estimated amount of Contracts remaining to be executed on Capital Account and not provided for (net of advances) ₹ 36162.96 lacs (P.Y. ₹ 7065.10 lacs)
- (2) Other commitments ₹ 1542.35 lacs (P.Y ₹ 1672.22 lacs).

32.5 CURRENT ASSETS AND CURRENT LIABILITIES:

- (1) Balances in the accounts of parties under the group sundry creditors, loans and advances (debit / credit) are subject to independent confirmation and reconciliation.

32.6 QUANTITATIVE DETAILS:

- (1) **Transmission and Distribution Losses:**

Particulars	Units (Mu's) 2012-13	Units (Mu's) 2011-12
Power Purchase from GUVNL	29000	25041
Power Purchase from Others (Wind-farm and Solar Power)	136	100
Unscheduled Interchange (UI)-Import	251	550
Less: Sale Under Short Term Open Access (STOA)	3229	2263
Less: Unscheduled Interchanged (UI) Export	220	355
Net Purchase	25938	23073
Less: Units sold to consumers	17220	16332
Transmission and Distribution Losses	8718	6741
T&D Losses %	33.61 %	29.22 %

- (2) C.I.F value of direct import during the year is ₹ Nil (previous year ₹ Nil)
- (3) Expenditure in foreign currency, Earning in foreign currency and Remittance in foreign currency is ₹ Nil (previous year ₹ Nil)

32.7 SEGMENT INFORMATION

The company is principally engaged in the business of distribution of electricity. Accordingly there are no reportable segments as per Accounting Standards (AS) 17, "Segment Reporting".



32.8 RELATED PARTY DISCLOSURES

The Company being subsidiary of a Government Company is a state controlled enterprise. No disclosure is required as per para 9 of Accounting Standard (AS) 18, on "Related Parties Disclosure" as regards related party relationships with other state controlled enterprises and transactions with such enterprise. However other information is given hereunder.

(1) Key Management Personnel.

Sr. No.	NAME	DESIGNATION	DURATION	
			FROM	TO
1	Shri S.B. Raval, IAS	Managing Director	11/12/2009	06/09/2012
2	Shri Girish Shah, IAS	Managing Director	10/09/2012	20/04/2013
3	Shri Sandeep Kumar, IAS	Managing Director	22/04/2013	Till date

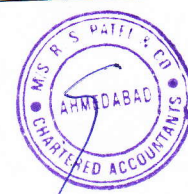
(2) Particulars of remuneration paid to them are given below.

Particulars	(₹ in Lacs)	
	2012-13	2011-12
Salary and other allowances	9.63	8.39

32.9 Deferred Tax Adjustment:

- (1) The timing differences giving rise to Deferred Tax Liabilities are lesser in value than the items giving rise to Deferred Tax Assets. As per AS-22, deferred tax assets are recognized only to the extent that there is a reasonable certainty (and in case of recognition of deferred tax assets against unabsorbed losses / depreciation, a virtual certainty) that future taxable income will be available against which such deferred tax assets can be realized. Hence, following the concept of prudence, and considering the lack of certainty, deferred tax assets are considered only to the extent of deferred tax liabilities and there will be no effect on the reserves. The components of deferred Tax assets and liabilities as on 31st March, 2013 are as under:

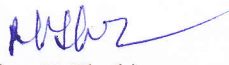
Particulars	(₹ in Lacs)	
	Deferred Tax Assets	Deferred Tax Liability
Difference in Depreciation for the year		6250.74
Provision for Leave Encashment / Gratuity/ Unabsorbed Business Loss / Unabsorbed Depreciation	32451.97	
Net Deferred Tax Assets after setting off with Deferred Tax Liability	26201.23	
Net Effect of Deferred Tax for the year 2012-13		0.00



32.10 The company has taken various premises under operating lease or leave and license agreement. The lease term in respect of such premises are on the basis of individual agreements entered into with the respective land lords. The lease payments are recognised in the Profit and Loss Account under 'Rent' in Note 28.

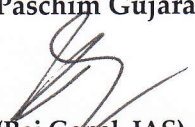
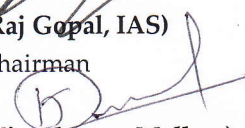
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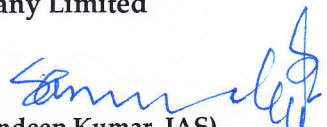
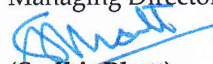
For R.S. Patel & Co.
Chartered Accountants
Firm Registration No. 107758W


(Rajan B Shah)
Partner
Membership No.101998



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


(Raj Gopal, IAS)
Chairman

(Kintukumar Malkan)
GM (F&A)


(Sandeep Kumar, IAS)
Managing Director

(Sudhir Bhatt)
Company Secretary

Place: Ahmedabad

Date: 11th September-2013

Place: Gandhinagar

Date: 11th September-2013