

DISCLOSURES PURSUANT TO AS-15 EMPLOYEE BENEFITS

Note no. 20.1 LEAVE SALARY

(₹ in Lacs)

| Amounts recognized in the balance sheet | 2013-14 | 2012-13 |
|---|----------|----------|
| Present value of unfunded obligation | 16135.59 | 12312.99 |
| Fair Value of Plan Assets | -- | -- |
| Unrecognized past service cost | -- | -- |
| Net Liability recognised in the Balance Sheet | 16135.59 | 12312.99 |

| Cost for the period | 2013-14 | 2012-13 |
|---|---------|----------|
| Current Service Cost | 1159.54 | 1242.48 |
| Interest on obligation | 985.04 | 1050.12 |
| Expected return on plan assets | -- | -- |
| Net Actuarial (Gains) / Losses recognised in the year | 3052.81 | -1924.17 |
| Past Service Cost | -- | -- |
| Losses / (Gains) on Curtailments and Settlements | -- | -- |
| Expenses recognised in the statement of Profit & Loss (Leave Encashment provided for the year) | 5197.39 | 368.43 |

| Change in Benefit Obligations | 2013-14 | 2012-13 |
|------------------------------------|----------|----------|
| Opening defined benefit obligation | 12312.99 | 13126.47 |
| Prior period adjustments | -- | -- |
| Current Service Cost for the year | 1159.54 | 1242.48 |
| Past Service Cost | -- | -- |
| Interest on obligation | 985.04 | 1050.12 |
| Actuarial (Gains) / Losses | 3052.81 | -1924.17 |
| Benefits paid | -1374.79 | -1181.90 |
| Closing defined benefit obligation | 16135.59 | 12312.99 |

| Changes in Plan Assets | 2013-14 | 2012-13 |
|---|----------|----------|
| Opening fair value of Plan Assets | -- | -- |
| Expected return on Plan Assets | -- | -- |
| Actuarial Gains / (Losses) | -- | -- |
| Employers Contributions | -- | -- |
| Assets acquired in an amalgamation in the nature of purchase | -- | -- |
| Exchange differences on foreign plans | -- | -- |
| Benefits paid | -1374.79 | -1181.90 |
| Closing fair value of Plan Assets | -- | -- |

| Principal Actuarial Assumptions | 2013-14 | 2012-13 |
|---------------------------------|---------|---------|
| Rate of Discounting | 8% | 8% |
| Annual increase in Salary Costs | 10% | 10% |

NOTES:

- 1 The estimates of Future salary increase considered in actuarial valuation, take account of inflation rate, seniority and promotion and other relevant factors such as supply and demand in the employment market.
- 2 In terms of the accounting policy, Provision of ₹5197.39 Lacs in respect of leave encashment is accounted on the basis of actuarial valuation made by Life Insurance Corporation of India during the year.



NOTE NO 20.2 GRATUITY:

The company has defined benefit gratuity plan and the funds are managed by LIC. The following comparative tables of 2013-14 and 2012-13 summarize the component of net benefit expenses recognized in the profit and loss account of the company and assets and liabilities are recognized in the balance sheet of GUVNL.

(₹ in Lacs)

| Amounts to be recognized in Balance Sheet | 2013-14 | 2012-13 |
|--|----------|----------|
| Present value of funded obligations | 11660.86 | 11943.13 |
| Fair value of plan assets | 11660.86 | 11943.13 |
| Present value of unfunded obligations | 11677.26 | 9510.36 |
| Unrecognized past service cost | -- | -- |
| Net liability recognized in the balance sheet of GUVNL | 11677.26 | 9510.36 |
| Liabilities | 23338.11 | 21453.49 |
| Assets | 11660.86 | 11943.13 |
| Net liability recognized in the balance sheet of GUVNL | 11677.25 | 9510.36 |

| Expenses recognized in Income Statement | 2013-14 | 2012-13 |
|--|----------|----------|
| Current service cost | 990.44 | 937.08 |
| Interest on obligation | 1716.28 | 1578.03 |
| Expected return on plan assets | -1071.39 | -1006.95 |
| Net actuarial losses /(gains) recognized in the year | 1640.71 | 1590.80 |
| Past service cost | -- | -- |
| Losses /(gains) on curtailments and settlement | -- | -- |
| Expense recognized in P&L (Gratuity provided for the year) | 3276.04 | 3098.96 |

| Table Showing Change in Benefit Obligation | 2013-14 | 2012-13 |
|--|----------|----------|
| Opening Defined Benefit Obligation | 21453.49 | 19725.41 |
| Service cost for the year | 990.44 | 937.08 |
| Past service cost | -- | -- |
| Interest cost for the year | 1716.28 | 1578.03 |
| Actuarial losses/ (gains) | 1620.05 | 1502.79 |
| Benefits paid | -2442.15 | -2289.82 |
| Closing defined benefit obligation | 23338.11 | 21453.49 |



| Table of Fair Value of Plan Assets | 2013-14 | 2012-13 |
|---------------------------------------|----------|----------|
| Opening fair value of plan assets | 11943.12 | 10174.81 |
| Expected return | 1071.39 | 1006.95 |
| Actuarial gains/ (losses) | -22.88 | -88.01 |
| Assets distributed on settlements | -- | -- |
| Contributions by employer | 1111.38 | 3139.19 |
| Exchange differences on foreign plans | -- | -- |
| Benefits paid | -2442.15 | -2289.82 |
| Closing balance of fund | 11660.86 | 11943.12 |

| Tables showing Category of plan Assets | 2013-14 | 2012-13 |
|--|---------|---------|
| Government of India Securities | -- | -- |
| High quality corporate bonds | -- | -- |
| Equity shares of listed companies | -- | -- |
| Property | -- | -- |
| Funds managed by insurer | 100% | 100% |
| Bank Balance | -- | -- |

| Principal Actuarial Valuation | 2013-14 | 2012-13 |
|--|---------|---------|
| Discount rate as on 31-03-2014 | 8.00% | 8.00% |
| Expected return on plan assets at 31-03-2014 | 9.50% | 9.50% |
| Annual increase in Salary costs | 10.00% | 10.00% |

| Table Showing Surplus / (Deficit) | 2013-14 | 2012-13 |
|-----------------------------------|-----------|----------|
| Defined Benefit Obligation | 23338.11 | 21453.49 |
| Plan assets | 11660.86 | 11943.13 |
| Surplus / (deficit) | -11677.25 | -9510.36 |

NOTES:

- 1 The estimates of Future salary increase considered in actuarial valuation, take account of inflation rate, seniority and promotion and other relevant factors such as supply and demand in the employment market.
- 2 The company has provided the amount of ₹ 3276.04 Lacs towards gratuity expense for year 2013-14. However the provision for the gratuity appears in the Balance Sheet of GUVNL.



PASCHIM GUJARAT VIJ COMPANY LIMITED
NOTES to PROFIT & LOSS

21 REVENUE FROM OPERATIONS

(₹ in Lacs)

| Particulars | As at 31st March, 2014 | As at 31st March, 2013 |
|--|---------------------------|---------------------------|
| A. Revenue from Sale of Power | | |
| Residential General Purpose (Domestic or Residential) | 139048.40 | 127194.16 |
| General Lighting Purpose (Commercial) | 4350.98 | 4061.66 |
| Low Tension Maximum Demand and Non Residential General Purpose (Industrial low & medium voltage) | 166120.26 | 158472.93 |
| Industrial high voltage | 336306.13 | 329510.04 |
| Public lighting | 4230.18 | 3946.87 |
| Irrigation agricultural | 144285.63 | 134631.82 |
| Public water works and sew.pumps | 23845.99 | 20290.94 |
| Supply in Bulk-Licensee | 1479.70 | .0 |
| Sale of Power to GUVNL | 131088.59 | 131474.94 |
| Unscheduled Interchange | 6885.66 | 7248.43 |
| Total revenue from Sale of Power | 957641.52 | 916831.79 |
| B. Electricity Duty | | |
| Ele. Duty - assessed | 83326.13 | 76447.01 |
| Electricity Duty Assessed | 83326.13 | 76447.01 |
| Less: Ele. Duty assessed (contra) | 83326.13 | 76447.01 |
| C. Inter State Sale of Power | 1.56 | 1.78 |
| Total | 1.56 | 1.78 |
| D. Other Revenue related to Sale of Power | | |
| Meter Rent / Service Line Rental | 6890.90 | 6481.70 |
| Recoveries for Theft of Power/Malpractices Non-Cons. | 6616.77 | 7944.75 |
| Misc. charges from consumers | 6633.76 | 5417.04 |
| Total Miscellaneous revenue | 20141.43 | 19843.49 |
| Total Revenue | 977784.51 | 936677.06 |

21.1 Unscheduled Interchange

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

22 REVENUE SUBSIDIES AND GRANTS

(₹ in Lacs)

| Particulars | As at 31st March, 2014 | As at 31st March, 2013 |
|---|---------------------------|---------------------------|
| Agriculture Subsidy (H P Based) as allocated by GUVNL | 43830.65 | 42940.96 |
| Total | 43830.65 | 42940.96 |



PASCHIM GUJARAT VIJ COMPANY LIMITED
NOTES to PROFIT & LOSS

23 OTHER INCOME

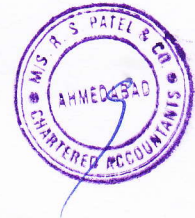
| Particulars | (₹ in Lacs) | |
|--|---------------------------|---------------------------|
| | As at 31st March, 2014 | As at 31st March, 2013 |
| INTEREST | | |
| Interest on Staff Loans and Advances | 245.54 | 214.92 |
| Interest on Other Loans and Advances | 0.03 | 0.29 |
| Interest from Banks (on delayed remittance by bank). | 2.22 | 0.00 |
| Delayed Payment Charges from Consumers | 5334.87 | 7048.36 |
| Sub-Total | 5582.66 | 7263.57 |
| Penalties received from Suppliers | 51.28 | 53.57 |
| Gain on Sale of Fixed Assets (Net) | 256.10 | 435.16 |
| Grant for Energy Conservation from Govt. of Gujarat | 18.14 | 1200.46 |
| Recovery of Reactive charges | 50.20 | 77.68 |
| Miscellaneous Income | 2502.07 | 1763.92 |
| Govt Grants / Consumers Contribution (Deferred amount 10% Written Back) | 16273.04 | 15366.03 |
| Excess Provision written back | 94.77 | 98.26 |
| Total | 24828.26 | 26258.65 |

24 PURCHASE OF STOCK IN TRADE (POWER PURCHASE)

| Particulars | (₹ in Lacs) | |
|--|---------------------------|---------------------------|
| | As at 31st March, 2014 | As at 31st March, 2013 |
| From GUVNL | 921216.22 | 897241.58 |
| Unscheduled Interchange Power Purchase | 1116.45 | 8124.88 |
| From Wind Farm | 3530.64 | 3990.64 |
| Solar power purchase | 902.30 | 843.31 |
| Reactive Energy charges | 15.02 | 64.52 |
| Total | 926780.63 | 910264.93 |

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.
- b) Refer note no. 21.1 of Revenue From Operations



PASCHIM GUJARAT VIJ COMPANY LIMITED
NOTES to PROFIT & LOSS

25 EMPLOYEE BENEFITS EXPENSE

(₹ in Lacs)

| Particulars | As at 31st March, 2014 | As at 31st March, 2013 |
|--|---------------------------|---------------------------|
| Salaries & Allowances | 42586.64 | 39393.64 |
| Bonus | 63.33 | 65.72 |
| Staff Welfare | 989.07 | 774.73 |
| Sub-Total | 43639.04 | 40234.09 |
| Leave Encashment (Provided for the year) | 5197.39 | 368.43 |
| Terminal Benefits | 888.56 | 862.80 |
| Contribution to PF & Other Funds | 3404.32 | 3011.86 |
| Gratuity (Provided for the year) | 3276.04 | 3098.96 |
| Sub-Total | 12766.31 | 7342.05 |
| Total | 56405.35 | 47576.14 |

26 FINANCE COST

(₹ in Lacs)

| Particulars | As at 31st March, 2014 | As at 31st March, 2013 |
|-------------------------------|---------------------------|---------------------------|
| Interest on Term Loans | 11161.83 | 9867.14 |
| Interest on Working Capital | 9252.60 | 2254.30 |
| Interest on Others | 8013.02 | 8112.27 |
| Bank Charges & Guarantee Fees | 674.82 | 656.62 |
| Total | 29102.27 | 20890.33 |

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, 2014 | As at 31st March, 2013 |
|--|---------------------------|---------------------------|
| Amortisation on Lease hold Land | 0.78 | 0.78 |
| Depreciation on Buildings | 84.73 | 70.48 |
| Depreciation on Hydraulic Works | 0.49 | 0.60 |
| Depreciation on Other Civil Works | 9.78 | 9.02 |
| Depreciation on Plant & Machineries | 11572.58 | 9399.67 |
| Depreciation on Lines & Cable Net Works | 25982.74 | 21966.21 |
| Depreciation on Vehicles | 18.11 | 24.79 |
| Depreciation on Furniture, Fixtures & electric light & fan installations | 66.87 | 62.83 |
| Depreciation on Office Equipments | 267.20 | 355.02 |
| Total | 38003.28 | 31889.40 |

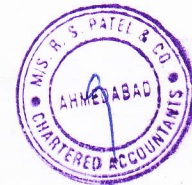


PASCHIM GUJARAT VIJ COMPANY LIMITED
NOTES to PROFIT & LOSS

28 OTHER EXPENSES

(₹ in Lacs)

| Particulars | As at 31st March, 2014 | As at 31st March, 2013 |
|--|---------------------------|---------------------------|
| <u>Repairs & Maintenance</u> | | |
| Plant & Machinery | 2795.04 | 2933.90 |
| Restoration of damage due to Flood, Cyclone etc.(Net of subsidy) | 1662.28 | .0 |
| Buildings | 34.36 | 18.81 |
| Civil Works | 57.16 | 58.67 |
| Lines, Cable Network etc. | 2357.24 | 3172.63 |
| Vehicles. | 45.35 | 51.68 |
| Furniture, Fixtures. | 30.38 | 28.97 |
| Office Equipments (Including ₹ 619.29 Lacs for user charges of E-Urja. P.Y ₹ 609.40 Lacs) | 715.06 | 776.94 |
| Sub-Total | 7696.87 | 7041.60 |
| <u>Administrative Expenses</u> | | |
| Rent | 243.55 | 227.40 |
| Rates & Taxes | 110.45 | 175.50 |
| Insurance | 10.35 | 9.25 |
| Contributions & Charities | 26.52 | .0 |
| Telephone Expenses | 424.82 | 386.68 |
| Auditor's Remuneration | 16.91 | 14.95 |
| Travelling & Conveyance | 3282.15 | 3916.65 |
| Printing & Stationery | 475.26 | 442.43 |
| Computer Expenses | 124.86 | 179.70 |
| Advertisement (other than purchase related) | 36.20 | 32.17 |
| Electricity Charges | 362.30 | 378.25 |
| Expenditure on Training to Staff. | 141.36 | 145.46 |
| Legal & Professional Fees | 462.82 | 204.73 |
| Miscellaneous Expenses | 4077.20 | 3612.28 |
| Sub-Total | 9794.75 | 9725.45 |
| <u>Miscellaneous Losses & Write Offs</u> | | |
| Bad & Doubtful Debts Written off/Provided for | 2244.07 | 7379.88 |
| Miscellaneous Losses & Write-offs. | 464.57 | 370.61 |
| Total | 2708.64 | 7750.49 |



PASCHIM GUJARAT VIJ COMPANY LIMITED
NOTES to PROFIT & LOSS

| <u>Prior Period Expense/Income</u> | | |
|--|-----------------|-----------------|
| Expense | | |
| Employee cost | .91 | 2.56 |
| Depreciation | 14.17 | 11.78 |
| Interest cost | 47.31 | 3.68 |
| Other charges relating to prior period | 74.66 | 7.13 |
| Sub-Total | 137.05 | 25.15 |
| Income | | |
| Depreciation | 7.94 | 18.76 |
| Interest | 25.76 | 2.56 |
| Other adjustments | 14.99 | 11.05 |
| Sub-Total | 48.69 | 32.37 |
| Net Prior Period Expense | 88.36 | -7.22 |
| Total | 20288.62 | 24510.32 |

28.1 AUDITOR REMUNERATION

a) STATUTORY AUDITOR

(₹ in Lacs)

| Particulars | (₹ in Lacs) | |
|---|---------------------------|---------------------------|
| | As at 31st March, 2014 | As at 31st March, 2013 |
| Audit fees including service tax | 15.45 | 13.64 |
| Out of Pocket expenses paid during the year | 1.46 | 1.30 |
| Total | 16.91 | 14.94 |

b) COST AUDITOR

(₹ in Lacs)

| Particulars | (₹ in Lacs) | |
|---|---------------------------|---------------------------|
| | As at 31st March, 2014 | As at 31st March, 2013 |
| Audit fees including service tax | 0.53 | 0.53 |
| Out of Pocket expenses paid during the year | 0.04 | 0.05 |
| Total | 0.57 | 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 in the year 2012-13.

Furthermore, accounting was done in the year 2013-14 for the waiver proposals of certain cases under Amnesty Scheme received upto 31.12.2012 but pending at various stages for approval during the year 2013-14.



PASCHIM GUJARAT VIJ COMPANY LIMITED
NOTES to PROFIT & LOSS

29 OTHER EXPENSES CAPITALISED/ABSORBED

(₹ in Lacs)

| Particulars | (₹ in Lacs) | |
|-----------------------------------|---------------------------|---------------------------|
| | As at 31st March, 2014 | As at 31st March, 2013 |
| Employee Costs | 19217.36 | 22483.72 |
| Administration & General Expenses | 5079.29 | 5747.93 |
| Interest | 492.97 | 473.75 |
| Fabrication Charges Absorbed | 1284.18 | 1612.72 |
| Total | 26073.80 | 30318.12 |

30 TAX EXPENSES

(₹ in Lacs)

| Particulars | (₹ in Lacs) | |
|-------------------|---------------------------|---------------------------|
| | As at 31st March, 2014 | As at 31st March, 2013 |
| Income Tax----MAT | 896.67 | 0.00 |
| Total | 896.67 | 0.00 |

31 EARNING PER SHARE

| Particulars | (₹ in Lacs) | |
|--|---------------------------|---------------------------|
| | As at 31st March, 2014 | As at 31st March, 2013 |
| BASIC | | |
| Profit after Tax (₹ In Lacs) | 1042.88 | 1063.67 |
| Weighted Average no. of equity shares for Basic EPS | 79 65 50 289 | 62 67 17 595 |
| Nominal Value per Share | 10.00 | 10.00 |
| Basic EPS | 0.13 | 0.17 |
| Face Value Per Share | 10.00 | 10.00 |
| DILUTED | | |
| Profit after Tax (₹ In Lacs) | 1042.88 | 1063.67 |
| Weighted Average no. of equity shares for Basic EPS | 79 65 50 289 | 62 67 17 595 |
| Add : Adjustment for Share Application Money pending allotment | .0 | 4 05 14 849 |
| Weighted Average no. of equity shares for Diluted EPS | 79 65 50 289 | 66 72 32 444 |
| Nominal Value per Share | 10.00 | 10.00 |
| Diluted EPS | 0.13 | 0.16 |
| Face Value Per Share | 10.00 | 10.00 |

