



# 20<sup>th</sup> Annual Report 2012-13



**GUJARAT STATE ELECTRICITY CORPORATION LTD**  
(A wholly owned Subsidiary of Gujarat Urja Vikas Nigam Limited )

BALANCE SHEET AS AT 31<sup>st</sup> MARCH, 2013

( ` in lakh)

	Particulars	Notes	Figures for the current reporting period (2012-13)	Figures for the previous reporting period (2011-12)
<b>I</b>	<b>EQUITY AND LIABILITIES</b>			
1	Shareholder's Funds			
a	Share Capital	2	151,377.24	145,802.24
b	Reserves and Surplus	3	257,093.74	222,665.43
2	Share Application money pending allotment	4	37,805.00	22,300.00
3	Non Current Liabilities			
a	Long Term Borrowings	5	629,231.58	566,494.47
b	Other long term liabilities	6	79,729.75	56,562.15
c	Long term provisions	7	15,755.63	13,482.93
4	Current Liabilities			
a	Short Term Borrowings	8	98,792.65	93,516.67
b	Trade Payables	9	26,886.54	45,551.14
c	Other current liabilities	10	118,286.63	96,533.75
d	Short Term Provisions	11	12,631.20	24,325.15
	<b>TOTAL</b>		<b>1,427,589.96</b>	<b>1,287,233.95</b>
<b>II</b>	<b>ASSETS</b>			
1	Non Current Assets			
a	Fixed asset			
(i)	Tangible Asset	12	623,826.08	671,234.81
(ii)	Capital Work in Progress		624,829.34	411,192.07
b	Non-current investments	13	2,052.05	2,052.05
c	Long Term Loans & Advances	14	15,329.67	29,464.98
d	Other non current assets	15	10,869.92	18,329.40
2	Current Assets			
a	Inventories	16	71,054.50	54,163.33
b	Trade receivables	17	57,952.59	70,853.18
c	Cash and cash equivalents	18	12.97	17.64
d	Short term loans and advances	19	15,105.71	23,299.04
e	Other current assets	20	6,557.13	6,627.45
	<b>TOTAL</b>		<b>1,427,589.96</b>	<b>1,287,233.95</b>
	See accompanying notes forming part of the financial statements.	1 to 49		

As per attach report of even date  
FOR P.PARIKH & ASSOCIATES.  
CHARTERED ACCOUNTANTS  
Firm Reg.No.107564W

FOR AND ON BEHALF OF THE BOARD

ASHOK RAJAGIRI  
Partner  
Mem.No. 046070

D.J.PANDIAN  
Chairman

GURDEEP SINGH  
Managing Director

M.B.KAKA  
Sr.Chief General Manager (F&A)

V.P.JANI  
Company Secretary

Place:  
Date :

Place:  
Date:

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2013

( ` in lakh)

	Particulars	Notes	Figures for the current reporting period (2012-13)	Figures for the previous reporting period (2011-12)
I	Revenue from Operations	21	818,078.73	856,015.23
II	Other Income	22	3,878.96	8,153.07
III	Total Revenue (I+II)		821,957.69	864,168.30
IV	Expenses			
	Cost of Fuel consumed	23	582,378.91	649,833.70
	Employees benefit expense	24	47,423.91	42,763.69
	Finance Cost	25	44,559.33	47,108.63
	Depreciation & Amortization Expenses	12	66,867.63	61,689.63
	Other Expenses	26	59,356.33	45,227.13
	Total Expenses		800,586.11	846,622.78
V	Profit before Exceptional , Extra ordinary Item, Prior period Items & Tax		21,371.58	17,545.52
VI	Exceptional Items	27	2,358.09	4,785.20
VII	Prior Period Adjustment	28	1,591.36	773.87
VIII	Profit before tax		22,138.31	21,556.85
IX	Tax Expenses (1) Current Tax		4,435.00	4,313.04
X	Profit for the period		17,703.31	17,243.81
XI	Earning Per Share (in Rs.)			
	1. Basic		1.17	1.18
	2. Diluted		1.10	1.14
	See accompanying notes forming part of the financial statements.	1 to 49		

As per attach report of even date  
FOR P.PARIKH & ASSOCIATES.  
CHARTERED ACCOUNTANTS  
Firm Reg.No.107564W

FOR AND ON BEHALF OF THE BOARD

ASHOK RAJAGIRI  
Partner  
Mem.No. 046070

D.J.PANDIAN  
Chairman

GURDEEP SINGH  
Managing Director

M.B.KAKA  
Sr.Chief General Manager(F&A)

V.P.JANI  
Company Secretary

Place:

Place:

Date :

Date:



## CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2013

( ` in lakhs)

PARTICULARS	For the year Ended 31-03-13	For the year Ended 31-03- 2012
Cash Flow from Operating Activities		
Net Profit Before Tax	22,138.31	21,556.85
Adjustments For:		
Add / (Less) :		
Net (Gain)/Loss on disposal of Fixed Assets	362.53	(17.22)
Depreciation	70,849.18	61689.63
Interest and financing charges	44559.33	47108.63
Dividend Received	(110.15)	(110.15)
Exceptional Items	289.32	0.00
Prior Period Adjustment	0.00	291.71
Operating Profit Before Working Capital Changes	138088.52	130519.45
Adjustments for Changes in Working Capital		
(Increase) /Decrease In Inventories	(16891.17)	(19357.87)
(Increase) /Decrease In Trade Receivable	12900.59	(37360.32)
(Increase) /Decrease In Loan & advances	8193.33	(4698.64)
Increase /(Decrease) In Trade Payables and other liabilities	22091.65	42327.83
(Increase) /Decrease In Other Current Assets	6369.58	(2264.72)
CASH GENERATED FROM OPERATIONS	170752.50	109165.72
Direct Tax Paid (Net of Refund)	(4713.63)	(3849.99)
A. NET CASH FROM OPERATING ACTIVITIES	166038.87	105315.73
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(248917.94)	(152403.58)
Advances for Capital Assets	15333.23	(4141.00)
Loan to Jont Venture Co.	(48.47)	(1036.61)
Decrease in Fixed Assets	11477.78	753.53
Dividend/Interest Received	110.15	110.15
B. NET CASH FROM INVESTING ACTIVITIES	(222045.25)	(156717.51)
CASH FLOW FROM FINANCING ACTIVITIES		
Equity Share Capital	5,575.00	0.00
Share Application money	15,505.00	0.00
Share Premium	16,725.00	0.00
( Repayment) / Proceeds From Borrowings	62737.11	93079.61
Interest Paid	(44540.40)	(45704.37)
C. NET CASH FROM FINANCING ACTIVITIES	56,001.71	47,375.24
NET INCREASE IN CASH & CASH EQUIVALENTS(A+B+C)	(4.67)	(4,026.54)
CASH AND CASH EQUIVALENT AS AT 1-4-2012(OP.BAL)	17.64	4,044.18
CASH AND CASH EQUIVALENT AS AT 31-3-2013 (CL.BAL)	12.97	17.64

Note: The above cashflow has been prepared under the indirect method as set out in the Accounting Standard-3 on cash flow statement.

As per attach report of even date

FOR P.PARIKH & ASSOCIATES.

CHARTERED ACCOUNTANTS

Firm Reg.No.107564W

FOR AND ON BEHALF OF THE BOARD

ASHOK RAJAGIRI

Partner

Mem.No. 046070

D.J.PANDIAN

Chairman

M.B.KAKA

Sr.Chief General Manager(F&A)

GURDEEP SINGH

Managing Director

V.P.JANI

Company Secretary

Place:

Date :

Place:

Date:



**Note 1 SIGNIFICANT ACCOUNTING POLICIES**

**I. Basis of Preparation of Financial Statements**

- (a) The Company is a Public Limited Company registered under the Provisions of The Companies Act, 1956 and has applied provisions of the said act for the preparation of its financial statements, unless otherwise stated. The financial statements are prepared and presented under the historical cost convention on accrual basis of accounting as going concern, in accordance with the accounting principles generally accepted in India and comply with the mandatory Accounting Standards issued by the Institute of Chartered Accountants of India. Accounting policies have been followed consistently except stated specifically.
- (b) The Government of Gujarat, under the provisions of the Gujarat Electricity Industry (Reorganization and Regulation) Act, 2003 had framed the “Gujarat Electricity Industry Reorganization and transfer of Gandhinagar Thermal Power Station Scheme, 2003” and “ The Gujarat Electricity Industry Reorganization and Comprehensive Transfer Scheme, 2003” for the purpose of providing and giving effect to the comprehensive transfer and vesting of all Assets, Liabilities and Proceedings of all the power stations of erstwhile Gujarat Electricity Board and re-vesting the same in the Company.

The Government of Gujarat vide Notification No.GEB-1105-1749-K dated March 31, 2005, has declared the date of transfer under the schemes referred to above as final with effect from 01/04/2005. In pursuance of the said notification and the final transfer of functions and activities relating to, generation of power to the Company, the entire operations have been undertaken by the Company (GSECL) with effect from 01/04/2005 and, the opening balance sheet of the company has been accordingly incorporated as on 01.04.2005 in the books of accounts of the company.

- (c) The material known liabilities are provided for on the basis of available information / estimates unless otherwise stated.

**II. Use of Estimates**

The presentation of financial statements requires certain estimates and assumptions. These estimates and assumptions affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual result and estimates are recognized in the period in which the results are known/ materialized.





### **III. Fixed Assets**

- (a) Fixed Assets are stated at cost of acquisition or construction less accumulated depreciation. The Fixed Assets of transferred generating undertaking of erstwhile Gujarat Electricity Board are stated as specified in said Notification No.GEB-1105-1749-K dated March 31, 2005 issued by the Government of Gujarat.

In case of Fixed Assets for new projects/extensions/renovation and modernization, the related expenses and interest cost up to the date of commissioning, attributable to such projects/ expansions/renovation and modernization are capitalized.

Recoveries of liquidated damages for construction delays are recorded as a reduction in the related project's construction costs as and when accepted/settled.

- (b) The amounts contributed towards the cost of Dam and Canal in respect of Ukai Power station transferred to the Company as per the scheme of restructuring of erstwhile Gujarat Electricity Board is treated as Capital Expenditure and is depreciated as "Hydraulic work dam, spillway etc."
- (c) The Company is capitalizing the capital spares purchased initially with the equipment or purchased subsequently in accordance with the provisions of Accounting Standard 10 read with Accounting Standard Interpretation 2 issued by the Institute of Chartered Accountants of India.

### **IV. Capital Work In Progress**

- (a) Cost of material consumed, erection charges and the incidental expenses incurred for the project, pending for capitalization are shown as capital work in progress till the capitalization of assets/project.
- (b) In case of Capital Work in Progress for work against Deposits/work contract where the final settlement of bills with contractor is yet to be effected, capitalization is done on provisional basis subject to necessary adjustment in the year of final settlement.
- (c) Claims for price variation/exchange rate variation in case of capital contracts are accounted for on acceptance thereof by the Company.
- (d) A portion of overhead expenses of Corporate Office and Plant Offices determined on rational basis are allocated to the project, pro-rata to their capital expenditure for the year and the same are apportioned to respective capital work in progress accounts on the basis of accretion thereto.



- (e) Capital Expenditure on assets not owned by the Company are reflected in fixed assets and the same are depreciated at relevant rates.
- (f) The cost incurred and revenue generated during the Trial Run Stage of the Project/Power Station are capitalized.

#### **V. Borrowing Cost**

Borrowing cost including interest, guarantee fees, commitment charges etc., that is directly attributable to the acquisition, construction or production of a qualifying asset is capitalized as part of the cost of that asset up to period the project is commissioned or asset is put to use. The borrowing cost incurred on common funds borrowed generally and used for the purpose of obtaining a qualifying asset, is apportioned on rational basis, the remaining borrowing cost is charged to revenue.

#### **VI. 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 & loss account. Impairment loss, if any, to be reversed subsequently is accounted for in the year of reversal.

The company has adopted the policy of carrying out impairment test once in every three financial years.

#### **VII. Depreciation and Amortisation**

- (a) The Company is providing depreciation on straight line method at the rates specified by the Central Electricity Regulatory Commission (CERC), the statutory authority established under the Electricity Act, 2003, in terms of notification No. 23/2/2005 R & R (Vol. III) dated 6<sup>th</sup> January, 2006 issued by the Ministry of Power, Government of India.
- (b) Capital spares with the company are mostly capable of being used in the group of power stations with near identical or similar technology using similar plants and machineries and are expected to be used during more than one accounting period. These spares are, therefore, depreciated over the residual useful life of the plant in accordance with Accounting Standard 10 issued by The Institute of Chartered Accountants of India.
- (d) Plant & Machinery, loose tools and items of any appliances included under different head of assets costing Rs.5,000/- or less are charged to the revenue account.



### **VIII. Investments**

Investments are classified into current and long term investments. Current investments are stated at the lower of cost and fair value. Long term investments are stated at cost price. Provision for diminution in the value of Long Term Investment is made only if such decline is not temporary in nature in the opinion of the management.

### **IX. Inventories**

- (a) The Inventories of Coal and Oil are valued at lower of grade based purchase cost plus freight and other fuel related cost on monthly weighted average basis or net realisable value (NRV).
- (b) Stores and spares are valued at lower of the weighted average cost inclusive of freight and other allocable overheads or net realisable value.
- (c) Scrap/Obsolete assets are valued at estimated cost or net realisable value, whichever is less.
- (d) Coal, Oil and Stores and spares in Transit are valued at Cost plus Freight and other Incidental expenses.

### **X. Retirement Benefits**

- (a) The Company has Defined Contribution Plan for its employees' retirement benefit comprising of provident fund (administered through Trust) and, Employees' Pension Scheme and Employees Death Linked Insurance scheme.
  - (i) The company and eligible employees make monthly contributions to provident fund trust equal to specified percentage of the covered employees' salary.
  - (ii) The amounts towards accrued liabilities for pension to employees are deposited with the Regional Provident Fund Commissioner office as per provisions of Employee Pension Act.

The company has no further obligations to the above referred plans beyond its monthly contributions.

- (b) The Defined Benefit Plan comprising of Gratuity (administered through trust and funded through Life Insurance Corporation of India) and Leave Encashment. The liability for the gratuity and leave encashment is determined and accrued on the basis of independent actuarial valuation done at year end.





## **XI. Revenue Recognition**

- (a) Energy sales are recognised on the basis of amount of invoices for supply of energy determined in accordance with the Techno-Commercial parameters approved in the relevant Power Purchase Agreement/Tariff orders by Gujarat Electricity Regulatory Commission. Revenue is recognised when there is no significant uncertainty as to the measurability and ultimate collection. In case of Unscheduled Interchange (UI) charges income, the similar treatment is given.
- (b) Income from sale of scrap, administration charges of fly ash, Interest income, Income on O & M contract and Carbon Emission Reduction (CERs) are accounted for on accrual basis and insurance claims and dividend are accounted for on their receipt.

## **XII. Expenditure**

All expenses are reflected in revenue accounts under their natural heads. Expenses shown under the generation of power, repairs & maintenance, employee cost, depreciation, administration and general expenses and interest and finance charges, are disclosed separately. In case of Long Term Service Contract entered into for the maintenance of the plants, yearly provisions are made for the expenditure to be incurred.

## **XIII. Grant from the Government**

- (a) In accordance with the Accounting Standard 12 on 'Accounting for Government Grants', issued by The Institute of Chartered Accountants of India, Grants and Subsidies received from Government are recognised on reasonable certainty of its realisability.
- (b) Grant and subsidies received for the specific assets are reduced from the cost of concerned specific assets.
- (c) Capital Grants received under Financial Restructuring Plan (FRP) as promoters Contributions are treated as Capital Reserve forming part of "Shareholders Fund".
- (d) Grants & Subsidies on Revenue account are disclosed separately as Income in the Profit & Loss Account.



#### **XIV. Taxation**

Current Tax provision is determined on the basis of estimated taxable income under the Income Tax Act, 1961 after considering permissible tax exemption, and reduction/disallowance. In the absence of any prospective taxable income for the year, the tax liability is calculated at the minimum alternate tax rate under section 115JB of the Income Tax Act, 1961.

#### **XV. Transactions in Foreign Currency**

- (a) Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of the transaction.
- (b) Any income or expense on account of exchange rate difference either on settlement or on transaction is recognised in the profit and loss account.

#### **XVI. Prior Period Items and Extra - Ordinary Items**

Adjustments arising due to errors or omission in the financial statements of earlier years are accounted as “Prior Period” Items. Items of Income & Expenditure, which are not of recurring nature viz., damages due to floods, earth quakes etc., are disclosed as Extra Ordinary items.

#### **XVII. Provisions, Contingent Liabilities and Contingent Assets**

Provisions involving substantial degree of 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. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.



# GUJARAT STATE ELECTRICITY CORPORATION LIMITED

Notes forming part of the Financial Statements.

## 2. SHARE CAPITAL

Particulars	₹ in lakh	
	Figures for the current reporting period (2012-13)	Figures for the previous reporting period (2011-12)
Authorised 350,00,00,000(PY:350,00,00,000) Equity Share of ₹ 10/- each	350,000.00	350,000.00
Issued Share Capital 1539330189 (Previous year 1483580189) Equity shares of ₹ 10 each fully paid up	153,933.01	148,358.01
Subscribed and fully paid up 1,51,37,72,424(P.Y. 145,80,22,424) Equity Shares of ₹ 10/- each fully paid held by the holding Company Gujarat Urja Vikas Nigam Limited and its nominees	151,377.24	145,802.24
<b>Total</b>	<b>151,377.24</b>	<b>145,802.24</b>

(i.)Of the above 1,51,37,72,424 ( previous year 1,45,80,22,424) Equity shares are held by "Gujarat Urja Vikas Nigam Ltd" the holding Company (GUVNL) & its nominees.

(ii) Of the above 330672354 Equity shares of ₹ 10/- each have been issued at premium as specified in Govt.GR GHU-(203)-GUH-1106-590-K Dtd. 12.12.2008 for transfer of generation undertaking of erstwhile GEB (now GUVNL)

(iii) Of the above 44,40,00,070 Equity Shares of ₹ 10/- each were allotted at par to erstwhile GEB (now GUVNL) on conversion of Unsecured Loan amounting to ₹ 44,400,01 lakhs.

(iv) Reconciliation of number of Shares outstanding at the end of year is setout below.

Particulars	As at 31st March 2013 no.of Shares	As at 31st March 2012 no.of Shares
Equity Shares at the beginning of the year	1,458,022,424	1,458,022,424
Add: Shares issued on right basis to Gujarat Urja Vikas Nigam Limited	55,750,000	-
Equity Shares at the end of the year	1,513,772,424	1,458,022,424

## 3. RESERVES AND SURPLUS

Particulars	₹ in lakh	
	Figures for the current reporting period (2012-13)	Figures for the previous reporting period (2011-12)
Capital Reserve (Capital Grant under FRP)	31,427.94	31,427.94
Share Premium	115,926.71	99,201.71
Surplus		
As per last Balance Sheet	92,035.78	74,791.97
Add: Balance of profit from Profit & Loss A/c	17,703.31	17,243.81
	109,739.09	92,035.78
<b>Total</b>	<b>257,093.74</b>	<b>222,665.43</b>

## 4. SHARE APPLICATION MONEY PENDING ALLOTMENT

Particulars	₹ in lakh	
	Figures for the current reporting period (2012-13)	Figures for the previous reporting period (2011-12)
Equity Share Application Money	37,805.00	22,300.00
<b>Total</b>	<b>37,805.00</b>	<b>22,300.00</b>

The Company has issued 9,45,12,500 equity shares of ₹ 10/-each at cash with the premium of ₹ 30/- per share to M/S. GUVNL on right basis during the month of June-2013.



# GUJARAT STATE ELECTRICITY CORPORATION LIMITED

Notes forming part of the Financial Statements.

## 5. LONG TERM BORROWINGS

Particulars	( in lakh)	
	Figures for the current reporting period (2012-13)	Figures for the previous reporting period (2011-12)
<b>SECURED LOANS</b>		
<b>A. Term Loan from Financial Institution</b>		
Power Finance Corporation Limited	210,393.79	226,885.13
Rural Electrification Corporation Limited	567.67	709.58
	210,961.46	227,594.71
<b>B. Term Loan from Bank</b>		
Oriental Bank of Commerce	38,554.25	38,287.43
Indian Bank	11,900.66	6,825.03
Dena Bank	34,556.81	24,976.50
Corporation Bank	21,428.44	10,987.28
Syndicate Bank	13,547.92	8,202.97
Canara Bank	43,465.35	14,577.92
Allahabad Bank	23,463.31	19,302.24
Kalupur Commercial Co.Op.Bank Ltd	801.53	1,443.53
Bank of Baroda	41,041.19	20,646.28
Vijya Bank	30,268.55	24,142.48
Union Bank	53,113.08	24,190.32
National Bank for Agriculture & Rural Development	1,374.08	1,551.38
	313,515.17	195,133.36
<b>C. Deferred payment Guarantee</b>	95.57	133.80
<b>Total</b>	<b>524,572.20</b>	<b>422,861.87</b>
<b>UNSECURED LOANS</b>		
<b>A. Term Loan from Financial Institution/Banks:</b>		
Power Finance Corporation Limited	1,936.17	3,643.24
Gujart State Financial Services Limited	68,459.55	100,833.33
	70,395.72	104,476.57
<b>B. Loans transferred from GUVNL Bonds.</b>	34,263.66	39,156.03
<b>Total</b>	<b>104,659.38</b>	<b>143,632.60</b>
<b>Total</b>	<b>629,231.58</b>	<b>566,494.47</b>

**Note:**

i. The above Term Loans (referred at A, B and DPG ) are secured by way of hypothecation on the whole of movable properties of the company including its movable plant and machinery, machinery spares, tools and accessories and other movables, both present and future (save and except book debts) for power generating units of the company, namely Ukai unit 1 & 2, Gandhinagar unit 1 & 2 and KLTPS unit no. 1 & 2 for R&M schemes, KLTPS unit 4, Ukai unit 6, Sikka unit 3 & 4, Utran CCPP II, Dhuvaran -III, Utran CCPP-I, Solar plant, Wind Mill 10 MW towards expansion projects of the company. Similarly, the company has raised Term Loan against hypothecation of assets for various minor R&M schemes.

ii. The above term loans are further secured by way of mortgage on all immovable properties, both present and future in respect of the power stations of the company as stated above.



# GUJARAT STATE ELECTRICITY CORPORATION LIMITED

Notes forming part of the Financial Statements.

## iii- Repayment term loan & maturity Iperiod of long teram loan

Name of FIS /Bank	Out Standing Amt.as on 31.03.13	Maturity period from 31.03.2013 (in Month)	Amount of Quarterly Instalment	Amount Outstanding 31.03.2012
<b>Secured</b>				
<b>A-Power Finance Corporation</b>				
a-KLTPS - I & II	575.24	66	26.15	679.83
b-GNR R & M	12177.59	81	451.18	13459.44
c-Ukai Unit - VI	177500.00	180	2958.33	177500.00
d-Ukai R & M I & II	13623.61	93	439.47	15381.50
eKLTPS - IV	4465.60	84	159.49	5103.54
f-DHN - II	10000.00	72	416.67	11666.67
g-DHN - I	2255.88	21	320.46	4060.59
h-PFC -KLTPS IV	8078.87	45	536.59	10233.24
i- UTRAN 135MW	1166.67	9	388.89	2722.22
<b>B-Banks.</b>				
a-Oriental Bank of Commerce	38893.41	150	1125.00	38287.43
b-Indian Bank	12000.53	150	413.00	6825.03
c-Dena Bank-Sikka project	7011.54	150	250.00	4653.12
d-Dena Bank-Utran Power plant	19398.40	91	641.00	21794.99
e-Dena Bank-Dhuvaran Project	11026.81	144	375.00	1092.39
f-Corporation Bank	21611.91	150	500.00	10987.28
g-Syndicate Bank	13663.42	150	500.00	8202.97
h-Canara Bank-Sikka Project	30349.33	150	1000.00	13695.52
i-Canara Bank-Dhuvaran Project	13116.02	144	500.00	882.39
j-Allahabad Bank-Sikka Project	13235.12	150	500.00	7377.00
k-Allahabad Bank-Utran Project	12028.65	91	397.00	13513.24
l-Kalapur Commercial Co.Op.Bank Ltd	1455.61	27	161.00	2085.53
m-Bank of Baroda-Utran power plant	19771.92	91	654.00	22217.52
n-Bank of Baroda-Dhuvaran project	24253.00	144	875.00	1044.75
o-Vijya Bank-Utran Power plan	23280.45	91	769.00	26155.00
p-Vijya Bank-Dhuvaran project	10348.90	144	375.00	1063.48
q-Union Bank of India-Dhuvaran	30000.00	144	750.00	15899.55





# GUJARAT STATE ELECTRICITY CORPORATION LIMITED

## Notes forming part of the Financial Statements.

<b>r-Union Bank of India- KLTPS-IV/Dhuvaran-II.</b>	26053.08	120	735.00	11230.77
<b>s-Nabard-Solar Project</b>	1551.38	119	44.33	1595.70
<b>C-Loan Transferred from GUVNL.</b>				
a-DENA BANK	0.00	0	80.29	321.14
b-IOB	0	0	217.28	869.12
c-ALLAHABAD	0	0	171.38	685.50
d-UNION	0.00	0	57.13	228.50
e-CANARA BANK	0	0	655.32	2621.29
<b>Un Secured</b>				
<b>A-Power Finance Corporation</b>				
a--R & M of Wanakbori TPS	195.31	9	65.10	455.71
b-R & M of Gandhinagar TPS	320.76	9	106.92	748.45
c-R & M of Ukai TPS	360.36	12	90.09	720.73
d-R & M of Wanakbori TPS	44.60	24	5.58	66.90
e-R & M Sikka TPS (2x120 MW)	24.44	18	4.07	40.73
f-R & M of KLTPS (2x70 MW)	2555.00	42	182.50	3285.00
g-RLA & LE study/Works of GTPS	38.03	12	9.51	76.07
h-R & M of Gandhinagar TPS-2x120+2x210 MW	84.58	57	4.45	102.39
i-RLA GTPS	20.15	39	1.55	26.35
j-RLA & LE study/Works of GTPS	0.00	0	5.00	5.00
<b>B-Gujarat State Financial Services.</b>				
a.-Loan-2	33333.33	36	2777.78	44444.44
b- Loan-4	37500.00	18	6250.00	50000.00
c- Loan-5	30000.00	24	3750.00	30000.00
d- Loan-6	24987.33	25		0.00
<b>C-Loan Transferred from GUVNL.</b>				
a-GSFS	0.00	0	865.21	3460.82
b-BONDS	39156.03		0.00	46407.09

Name of FIs/ Banks	Out Standing Amt.as on 31.03.13	Maturity period from 31.03.2013 (in Month)	Amount of Installment per Annum	
A-Deferred Payment Guarantee	133.80	42.00	38.23	172.03
B-Rural Electrifications Corporation Limited	709.59	60.00	141.92	851.50
<b>Total</b>	<b>728356.25</b>		<b>31740.84</b>	<b>634999.48</b>

*iv. Loans transferred from GUVNL (bonds raised by erstwhile GEB) referred at note no. 5 will be repaid by March-2017.*

### MATURITY AND RATE OF INTEREST OF PUBLIC BONDS.

BOND	Rate of Int.	2013.14	2014.15	2015.16	2016.17
11.75% Series-VI Option-III	11.75%	959.48	1279.31	0.00	0.00
7.50% Series-VI Option- III	7.50%	1773.10	2364.13	0.00	0.00
11.25% Series-VII option-II	11.25%	62.41	0.00	0.00	0.00
11.50% Series-VII option-III	11.50%	2097.38	0.00	0.00	0.00
8.95% Series-VIII	8.95%	0.00	5733.84	5733.84	7645.13
8% Series-IX	8%	0.00	911.37	911.37	1215.16
8% Series-X		0.00	2540.85	2540.85	3387.80
		4892.37	12829.51	9186.07	12248.09

## 6. OTHER LONG TERM LIABILITIES

Particulars	( in lakh)	
	Figures for the current reporting period (2012-13)	Figures for the previous reporting period (2011-12)
Staff Welfare Scheme	3,353.23	3,224.11
Deposit and Retention from Supplier And contractor	76,376.52	53,338.04
<b>TOTAL</b>	<b>79,729.75</b>	<b>56,562.15</b>



# GUJARAT STATE ELECTRICITY CORPORATION LIMITED

Notes forming part of the Financial Statements.

## 7. LONG TERM PROVISIONS

Particulars	(` in lakh)	
	Figures for the current reporting period (2012-13)	Figures for the previous reporting period (2011-12)
Provision for Employees benefits	15,755.63	13,482.93
<b>TOTAL</b>	<b>15,755.63</b>	<b>13,482.93</b>

i. The working capital loans from banks are secured by way of hypothecation on all current assets of the company viz. coal, oil, consumable spares and stores, bills receivable and book debt.

ii.-Cash Credit limit is secured against the 1<sup>st</sup> hypothecation charge in favour of UCO Bank Consortium on the Stocks and Book Debts of all the Companies except UGVCL ranking pari-passu and in favour of SBI Consortium in case of UGVCL.

## 8. SHORT TERM BORROWINGS

Particulars	(` in lakh)	
	Figures for the current reporting period (2012-13)	Figures for the previous reporting period (2011-12)
<b>Secured</b>		
<i>Working Capital Loan from Bank</i>		
Cash Credit	4,882.21	2,066.96
<b>Unsecured</b>		
Cash Credit	252.32	
Term Loan from Financial Institution/Bank		
Union Bank of India	30,000.00	40,000.00
Bank of Baroda	0.00	29,998.55
Dena Bank	30,261.16	0.00
Gujarat State Financial Services Limited	0.00	6,666.67
Purchase bill discounting	60,513.48	78,732.18
	33,396.96	14,784.49
<b>Total</b>	<b>98,792.65</b>	<b>93,516.67</b>

## 9. TRADE PAYABLE

Particulars	(` in lakh)	
	Figures for the current reporting period (2012-13)	Figures for the previous reporting period (2011-12)
<b>Fuel :</b>		
Coal	26,046.43	42,687.79
Gas	715.38	2,737.90
Oil	124.73	125.45
<b>TOTAL</b>	<b>26,886.54</b>	<b>45,551.14</b>



# GUJARAT STATE ELECTRICITY CORPORATION LIMITED

Notes forming part of the Financial Statements.

## 10. OTHER CURRENT LIABILITIES

Particulars	( ₹ in lakh)	
	Figures for the current reporting period (2012-13)	Figures for the previous reporting period (2011-12)
<b>Liabilities for</b>		
O&M Supplies/Works	3,578.32	3,983.27
Capital Supplies / works	3,096.17	3,569.86
Staff Expenses	64.12	43.57
Deposit	552.41	3,198.21
Interest accrued and due	285.95	357.68
Interest accrued but not due	1,931.01	1,701.95
Other Liabilities	10,381.64	10,362.70
	1,203.34	4,811.51
	21,092.96	28,028.75
<b>Current maturities of Long Term Debt:</b>		
<b>A Term Loan from Financial Institution</b>		
Power Finance Corporation Limited	21,156.74	15,805.99
Rural Electrification Corporation Limited	141.92	141.92
Gujarat State Financial Services Limited	57,361.11	23,611.11
<b>B. Term Loans from Bank</b>	78,659.77	39,559.02
Dena Bank	2,564.00	2,564.00
Allahabad Bank	1,588.00	1,588.00
Kalupur Commerical Co-operative Bank Ltd	642.00	642.00
Bank of Baroda	2,616.00	2,616.00
Vijaya Bank	3,076.00	3,076.00
National Bank for Agriculture & Rural Development	177.30	44.33
Union Bank of India	2,940.00	2,940.00
Deferred payment Gurantee	38.23	38.23
	13,641.53	13,508.55
<b>C. Loan Transferred from GUVNL</b>		
<b>(i) Term Loan from Banks</b>		
Dena Bank	0.00	321.14
Union Bank of India	0.00	228.50
Allahabad Bank	0.00	685.50
Indian Overseas Bank	0.00	869.12
Canara Bank	0.00	2,621.29
	0.00	4,725.55
<b>(ii) Bonds</b>	4,892.37	7,251.06
<b>(iii) Term Loan from Financial Institution</b>		
Gujarat State Financial Services Limited	0.00	3,460.82
	4,892.37	15,437.43
<b>TOTAL</b>	<b>118,286.63</b>	<b>96,533.75</b>

## 11. SHORT TERM PROVISIONS

Particulars	( ₹ in lakh)	
	Figures for the current reporting period (2012-13)	Figures for the previous reporting period (2011-12)
Provision for expenses	12,557.33	23,969.81
Provision for Obsolence of Asset	0.00	2.84
Provision for Income Tax	12,325.17	10,410.17
Less : Advance Tax, TDS and FBT	12,251.30	10,191.90
	73.87	218.27
Provision for Fringe Benefit Tax	0.00	134.23
<b>TOTAL</b>	<b>12,631.20</b>	<b>24,325.15</b>

GUJARAT STATE ELECTRICITY CORPORATION LIMITED

Notes forming part of Financial statements

Note 12 : FIXED ASSETS

IN LAKHS

SR. NO.	PARTICULARS	A/C CODE	GROSS BLOCK (AT COST)				DEPRECIATION			NET BLOCK		
			As at 1.4.2012	Additions	Deductions/ Adjustment (Note 1)	As at 31.03.2013	As at 1.4.2012	Deduction/ Adjustment (Note 2)	Credit	As at 31.03.2013	As at 31.03.2013	As at 31.03.2012
a	<b>Tangible Asset</b>											
	Land & Land rights	10.1	2,022.16	28.87	0.00	2,051.03	6.01	0.00	1.33	7.34	2,043.68	2,016.15
	Buildings	10.2	54,366.09	748.46	127.97	54,986.58	14,998.24	60.39	1,825.27	16,763.12	38,223.46	39,367.85
	Hydraulik Works	10.3	58,732.20	0.00	560.44	58,171.76	20,594.87	315.36	3,072.30	23,351.81	34,819.95	38,137.33
	Other Civil works	10.4	36,855.84	793.04	288.50	37,360.39	6,349.30	3.65	1,251.59	7,597.24	29,763.15	30,506.54
	Plant & Machinery	10.5	881,563.45	14,424.37	6,818.20	889,169.62	372,051.14	2,881.74	59,440.29	428,609.67	460,559.95	509,512.31
	Lines & Cable Net works	10.6	5,631.55	55.25	121.08	5,565.72	1,920.58	35.91	294.43	2,179.09	3,386.63	3,710.97
	Vehicles	10.7	763.58	34.92	0.00	798.50	524.98	23.48	26.21	527.71	270.78	238.60
	Furniture & Fixtures	10.8	2,359.03	59.93	13.85	2,405.11	1,424.82	13.85	170.05	1,581.02	824.09	934.21
	Office Equipments	10.9	1,786.60	188.65	8.94	1,966.31	1,069.00	5.58	191.20	1,254.62	711.69	717.60
	Cap. Exp. Resulting in assets not belonging to the board	11.1	187.97	0.00		187.97	12.57	0.00	6.28	18.85	169.12	175.40
	Cap. Spares at Gen. Stations	11.3	64,727.50	18,947.21	10,905.48	72,769.22	18,791.39	3,664.21	4,570.23	19,697.41	53,071.80	45,936.11
	<b>Total fixed assets</b>		<b>1,108,995.97</b>	<b>35,280.70</b>	<b>18,844.46</b>	<b>1,125,432.21</b>	<b>437,742.90</b>	<b>7,004.17</b>	<b>70,849.18</b>	<b>501,587.88</b>	<b>623,844.33</b>	<b>671,253.07</b>
	Impairment of Fixed Assets	46961	0.00				18.25	0.00		18.25	18.25	18.25
	<b>Total</b>		<b>1,108,995.97</b>	<b>35,280.70</b>	<b>18,844.46</b>	<b>1,125,432.21</b>	<b>437,761.15</b>	<b>7,004.17</b>	<b>70,849.18</b>	<b>501,606.13</b>	<b>623,826.08</b>	<b>671,234.81</b>
	<b>Previous Year</b>		<b>1,087,269.57</b>	<b>184,028.94</b>	<b>162,302.54</b>	<b>1,108,995.97</b>	<b>379,984.39</b>	<b>71,655.96</b>	<b>129,432.73</b>	<b>437,761.16</b>	<b>671,234.81</b>	<b>707,285.18</b>

Note:

1. It includes cost of assets sold, retired from active use and discarded assets.
2. It includes the amount of depreciation related to prior period resulted due to error in application of depreciation rates in earlier years for certain class of assets.
3. The capital spares are re-classified and re-grouped to Plant & Machinery (Refer Note 31 (b))



# GUJARAT STATE ELECTRICITY CORPORATION LIMITED

Notes forming part of the Financial Statements.

## 13. NON CURRENT INVESTMENT( Non Trade)

Particulars	₹ in lakh)	
	Figures for the current reporting period (2012-13)	Figures for the previous reporting period (2011-12)
<b>Quoted</b>		
Gujarat State Petronet Limited <i>55,00,000 Equity Shares of Rs.10/- each fully paid</i>	550.00	550.00
Gujarat Industries Power Company Limited <i>22,05,882 Equity Shares of Rs.10/- each fully paid at premium of Rs 58/- per share</i>	1,500.00	1,500.00
<b>Unquoted</b>		
Mahaguj Collieries Limited (Joint Venture Company) <i>20,000 Equity Shares of Rs. 10/- each fully paid</i>	2.00	2.00
Kalupur Commercial Co.Op.Bank Ltd <i>200 Equity Share of Rs. 25 each fully paid</i>	0.05	0.05
<b>TOTAL</b>	<b>2,052.05</b>	<b>2,052.05</b>
Aggregate cost of quoted investment	2,050.00	2,050.00
Aggregate Market Value of quoted investment	5,424.62	5,624.34
Aggregate cost of unquoted investment	2.05	2.05

## 14. LONG TERM LOANS AND ADVANCES

Particulars	₹ in lakh)	
	Figures for the current reporting period (2012-13)	Figures for the previous reporting period (2011-12)
Secured, considered good		
Capital advances (Covered by Bank Guarantee)	7,417.48	22,750.71
UnSecured, considered good		
Loan to Joint Venture Company	2,075.42	2,026.95
Advances to Staff	5,836.77	4,687.32
<b>TOTAL</b>	<b>15,329.67</b>	<b>29,464.98</b>

## 15. OTHER NON CURRENT ASSETS

Particulars	₹ in lakh)	
	Figures for the current reporting period (2012-13)	Figures for the previous reporting period (2011-12)
Fuel related Claims and Recievables	6,254.89	9,521.45
Deposit with Government and Local bodies	2,272.70	3,214.18
Deposits with others	2,342.33	5,593.77
<b>TOTAL</b>	<b>10,869.92</b>	<b>18,329.40</b>

## 16. INVENTORIES

Particulars	₹ in lakh)	
	Figures for the current reporting period (2012-13)	Figures for the previous reporting period (2011-12)
<i>As valued and certified by the Management</i>		
<b>Fuel</b>		
Coal	46,361.17	24,705.14
Coal in Transit	7,310.77	15,138.13
Oil	6,075.51	4,285.75
<b>Store and Sapres</b>	11,460.65	10,178.40
<b>Scrap Materials</b>	820.41	809.50
<b>Materials in Transit</b>	128.53	142.49
(Including materials pending Inspection)		
Less : Provision for loss	1,102.54	1,096.08
<b>TOTAL</b>	<b>71,054.50</b>	<b>54,163.33</b>





# GUJARAT STATE ELECTRICITY CORPORATION LIMITED

Notes forming part of the Financial Statements.

## 17. TRADE RECEIVABLES

Particulars	₹ in lakh)		
	Figures for the current reporting period (2012-13)		Figures for the previous reporting period (2011-12)
<b>Unsecured ,Considered good</b>			
Debts outstanding for the period exceeding six months		0.00	0.00
<b>Others</b>			
UGVCL		42.06	18.06
GUVNL			
Receivable	178,871.98		172,729.48
Payable	120,961.45	57,910.53	101,894.36
<b>TOTAL</b>		<b>57,952.59</b>	<b>70,853.18</b>

Due from holding company ₹ 1,78,871.98 Lacs( previous year ₹ 1,72,747.54)

## 18. CASH AND CASH EQUIVALENTS

Particulars	₹ in lakh)		
	Figures for the current reporting period (2012-13)		Figures for the previous reporting period (2011-12)
Cash and Stamp on hand		0.99	0.93
Balance with Scheduled Banks			
- In Current Accounts	10.18		14.57
Remittance in Transit	1.80	11.98	2.14
<b>TOTAL</b>		<b>12.97</b>	<b>17.64</b>

## 19. SHORT TERM LOANS AND ADVANCES

Particulars	₹ in lakh)		
	Figures for the current reporting period (2012-13)		Figures for the previous reporting period (2011-12)
<b>Unsecured, Considered good</b>			
<b>Advances to / for and recoverable from</b>			
- O&M supplies and works	12,712.15		21,409.20
- Staff	2,800.21		2,299.61
		15,512.36	23,708.81
Other Recievable		1.15	1.64
Less : Provision for Bad & Doubtful Debts		407.80	411.41
<b>TOTAL</b>		<b>15,105.71</b>	<b>23,299.04</b>

## 20. OTHER CURRENT ASSETS

Particulars	₹ in lakh)	
	Figures for the current reporting period (2012-13)	Figures for the previous reporting period (2011-12)
Prepaid expenses	1,482.14	875.56
Obsolete Assets	3,230.64	4,436.30
Sundry Debtors(Relating to Fly Ash sales)	1,709.88	1,242.42
Other Recievable	134.47	73.17
<b>TOTAL</b>	<b>6,557.13</b>	<b>6,627.45</b>



# GUJARAT STATE ELECTRICITY CORPORATION LIMITED

Notes forming part of the Financial Statements.

## 21. REVENUE FROM OPERATIONS

Particulars	( ` in lakh)	
	Figures for the current reporting period (2012-13)	Figures for the previous reporting period (2011-12)
<b>Income from Operating Activity</b>		
Revenue from Sale of Electrical Energy	801,878.82	833,848.25
Net Unscheduled interchange income	3,030.23	10,431.26
	<b>804,909.05</b>	<b>844,279.51</b>
<b>Income from Other Operating Activity</b>		
Income from SSNL		1,570.14
Sale of Fly Ash	11,942.17	10,283.80
Less : Excise Duty	290.41	118.22
	<b>11,651.76</b>	<b>10,165.58</b>
<b>TOTAL</b>		<b>818,078.73</b>

## 22. OTHER INCOME

Particulars	( ` in lakh)	
	Figures for the current reporting period (2012-13)	Figures for the previous reporting period (2011-12)
<b>Interest</b>		
- On Advance to staff	642.07	456.04
- Others	0.00	0.01
	<b>642.07</b>	<b>456.05</b>
<b>Dividend</b>		110.15
Penalty recovered from suppliers/Contractors		451.19
Delayed Payment Charges recovered(GUVNL)		0.00
Income from sale of Scrap/stores	1,241.40	209.59
Miscellaneous receipts	1,434.15	5,648.08
<b>TOTAL</b>		<b>8,153.07</b>

## 23. COST OF FUEL CONSUMED

Particulars	( ` in lakh)	
	Figures for the current reporting period (2012-13)	Figures for the previous reporting period (2011-12)
<b>Materials / Fuel consumed</b>		
- Coal	497,357.48	530,346.57
- Oil	11,950.80	11,307.42
- Gas	60,548.41	95,106.73
- Water	7,560.14	9,344.10
- Lime	13.30	9.74
	<b>577,430.13</b>	<b>646,114.56</b>
<b>Other Fuel related cost</b>		2,239.79
Lubricant and consumable	912.00	846.54
Station supplies	558.97	632.81
<b>TOTAL</b>		<b>649,833.70</b>

## 24. EMPLOYEES BENEFIT EXPENSES

Particulars	( ` in lakh)	
	Figures for the current reporting period (2012-13)	Figures for the previous reporting period (2011-12)
<b>Salaries, Wages and Bonus</b>		
Bonus	38,175.50	36,550.29
Contribution to Provident fund & Others	3,589.33	3,307.98
Retirement and other benefits	8,277.26	6,728.39
Staff Welfare expenses	925.62	1,055.66
	<b>50,967.71</b>	<b>47,642.32</b>
<b>Less : Allocated to capital works</b>	<b>3,543.80</b>	<b>4,878.63</b>
<b>TOTAL</b>	<b>47,423.91</b>	<b>42,763.69</b>



# GUJARAT STATE ELECTRICITY CORPORATION LIMITED

Notes forming part of the Financial Statements.

## 25. FINANCE COST

Particulars	₹ in lakh)	
	Figures for the current reporting period (2012-13)	Figures for the previous reporting period (2011-12)
<i>Interest</i>		
On Bonds and other Fixed Loans	78,545.10	73,600.88
<i>Financial charges</i>		
Guarante Fees/Charges	526.64	93.98
Bank charges and commission	118.66	773.18
Others	3,658.19	1,021.54
	4,303.49	1,888.70
Less : Allocated to capital works	38,289.26	28,380.95
<b>TOTAL</b>	<b>44,559.33</b>	<b>47,108.63</b>

## 26. OTHER EXPENSES

Particulars	₹ in lakh)	
	Figures for the current reporting period (2012-13)	Figures for the previous reporting period (2011-12)
<b>Repairs and Maintenance</b>		
- Plant and Machinery	21,176.84	19,935.22
-Building and Civil works	6,507.20	4,688.04
-Others	617.52	632.16
	28,301.56	25,255.42
Rent, Rates and Taxes	4,252.50	4,070.86
Insurances	942.68	752.04
Communications	107.10	111.03
Fees and Legal charges	653.00	640.31
Liquidated Damages	7,300.00	0.00
Auditors' Remuneration	19.34	19.34
Travelling and conveyances	257.45	188.53
Others expenses	4,403.07	3,305.18
Rebate	13,912.02	9,856.06
Misc.loss write-off	405.15	1,402.61
	32,252.31	20,345.98
Less : Allocated to capital works	1,197.54	374.27
	31,054.77	19,971.71
<b>TOTAL</b>	<b>59,356.33</b>	<b>45,227.13</b>

## 27. EXCEPTIONAL ITEMS

Particulars	₹ in lakh)	
	Figures for the current reporting period (2012-13)	Figures for the previous reporting period (2011-12)
<i>Income</i>		
Profit on sale of assets	42.62	20.98
Provision written back	2,550.88	3,397.57
Gain on Foreign Exchange variance of Rate	53.91	0.00
Excess found on physical verification of Fuel stock	0.00	1,366.65
<i>Expense</i>		
Shoratage found on physical verification of Fuel stock	289.32	0.00
<b>TOTAL</b>	<b>2358.09</b>	<b>4,785.20</b>



# GUJARAT STATE ELECTRICITY CORPORATION LIMITED

Notes forming part of the Financial Statements.

## 28. PRIOR PERIOD ADJUSTMENT

Particulars	(` in lakh)	
	Figures for the current reporting period (2012-13)	Figures for the previous reporting period (2011-12)
<b>Income</b>		
Other Income	51.96	0.32
Depreciation	0.34	0.16
	52.30	0.48
<b>Expense</b>		
Other Generation Cost	357.40	360.23
Employees cost	0.35	0.00
Depreciation	30.07	291.87
Excess provision of MAT in previous year	1,101.40	
Others	154.44	122.25
	1,643.66	774.35
<b>TOTAL</b>	<b>1,591.36</b>	<b>773.87</b>

**Notes forming part of the Financial Statements.****Notes forming part of the Financial Statement****29. Secured and Unsecured Loans****(a) Loans directly raised by company****Secured and Unsecured Loans****(a) Loans directly raised by Company.**

During the year, the Company has raised Secured and Unsecured long term loans from Nationalized Banks; (₹. 133311.56 lakhs) and Gujarat State Financial Services Limited (GSFS) (₹ 25000.00 lakhs) aggregating to ₹ 158311.56 lakhs. As these loans are secured against charge / security of fixed assets described in Note 4, the same is classified as secured loans (except loans from GSFS).

The Company has raised Short Term Loans from Union Bank of India (₹.30000 lakhs) and from Dena Bank (₹.30000 lakhs) aggregating to ₹ 60000 lakhs.

**(b) Loans transferred under the Financial Restructuring Plan (FRP) Scheme**

- (i) The loans / Bonds transferred under Clause 3 (ii) of the Gujarat Electricity Industry Re-organization & Regulation Act 2003 comprised of Loan Term secured and unsecured loans as per the details given at Note 5.
- (ii) Balance under loans and Bonds transferred from GUVNL and interest thereon received / receivable from GUVNL are accounted as per the intimations received from GUVNL.

**(c) Cash Credit (Unsecured)**

The credit balance in bank accounts amounting to ₹ 252.32 lakhs is due to cheques issued but not dispatched as on 31 March, 2013 shown as Cash Credit in Note 8

**30. Claim Settlement / Pending Reconciliation**

- (a) The reconciliation of the Coal Suppliers accounts, namely South Eastern Coalfields Limited (SECL) and Western Coalfields Limited (WCL) are reconciled up to 31st December -2012. The necessary adjustments upon reconciliation, if any, are made in the year of reconciliation.
- (b) There were total 2336 missing railway wagons of the company as on 31<sup>st</sup> March, 2013. The matter regarding its adjustment is under pursuance with the competent railway authority. Necessary Gain/Loss would be booked in the year of adjustment given by Railways.





## Notes forming part of the Financial Statements.

### 31. Fixed Assets and Depreciation

- (a) Adhering to significant accounting policy, the depreciation on assets is provided at rates prescribed by Central Electricity Regulatory Commission (CERC), which are similar to the rates as referred to in Schedule-XIV to the Companies Act, 1956 after its revision with effect from 1-04-2009, however, the depreciation provided by the Company is higher by Rs. 9979.37 lakhs as compared to the depreciation calculated as per the Companies Act.
- (b) As per the accounting policy, the Company is capitalizing the capital spares initially purchased with the plant & machinery/equipment or capital spares purchased subsequently, in accordance with the provisions of Accounting Standard 10 read with Accounting Standard Interpretation 2 issued by ICAI.

The capital spares which are installed up to 31<sup>st</sup> March, 2012, have been shown under the sub head Plant & Machinery separately and depreciation is being charged as per existing practice only. During 2011-12, the Company has re-classified/re-grouped installed capital spares of ` 157361.16 lakhs to head of account 10.598 as installed Capital Spares of respective power station from head of account 11.300. Also, the corresponding proportionate depreciation of ` 67609.06 lakhs was also transferred in the respective head of accounts. Similarly, during the year, based E-Urja report, capital spares issued of ` 10905.49 lakhs were transferred to the plant and machinery and corresponding depreciation of ` 3202.16 lakhs also transferred to appropriate head of accounts.

- (c) The Company carried out an adequate evaluation to estimate the remaining useful life of all plants and on the basis of such evaluation and in view of renovation & modernization, and considering efficient running of Unit 1 & 2 of Ukai, its life of was increased by 10 years as per standard determined by GERC.
- (d) In accordance with the provisions contained in the Accounting Standard – 6, “Depreciation Accounting” issued by The Institute of Chartered Accountants of India and in consideration of GERC MYT Order No. 1061, of March 2011 related to Unit I & II of Gandhinagar Thermal Power Station and Increased cost of Power Generation for aforesaid units, the Company has reviewed the balance useful life of these units at year end. Upon review and reassessment of balance useful life of aforesaid units, which being significantly different from previous estimates, the unamortized depreciable amount has been charged to the Statement of Profit & Loss over the revised remaining useful life up to 2015-16. Consequently, additional sum of ` 4187.20 lakhs has been charged to the Statement of Profit & Loss under the head “Depreciation” for the current financial year.



**Notes forming part of the Financial Statements.**

**32. Provision for Employees' remuneration and benefits:**

**(a) Salaries and Wages**

Employees of erstwhile GEB were transferred under the scheme with complete benefit of continuation of service on same terms and conditions as were prevailing on the effective date of transfer. The employee costs in respect of the transferred employees have been accordingly accounted.

**(b) Employee Benefits**

- (i) 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 ` 3550.70 lakhs (P.Y. ` 3307.98 lakhs) as an expense towards contributions to these plans.

- (ii) Defined contribution towards retirement benefits:

The liability on account of Gratuity (retirement benefit in the nature of defined benefit plan) is accounted as per Accounting Standard -15 dealing with Employee Benefits.

The following table sets out the status of the gratuity and leave encashment scheme plans as at 31<sup>st</sup> March, 2013.



Notes forming part of the Financial Statements.

in lakh

Particular	Gratuity		Leave Encashment	
	2012-13	2011-12	2012-13	2011-12
<b>Changes in the present value of obligation</b>				
Present value of obligation (Opening)	23239.70	21837.52	13086.45	11773.08
Interest cost	1859.18	1747.00	1046.92	941.85
Past service cost	NIL	NIL	NIL	NIL
Current service cost	765.79	766.57	1337.36	388.06
Curtailement Cost / (Gain)	NIL	NIL	NIL	NIL
Settlement Cost / (Gain)	NIL	NIL	NIL	NIL
Benefits paid	(2143.80)	(2064.53)	(1577.02)	(1163.68)
Actuarial (Gain) / Loss	1683.49	953.15	524.56	1147.14
Present value of obligation (Closing)	25300.70	23239.71	14418.26	13086.45
<b>Changes in the fair value of plan assets</b>				
Present value of plan assets(Opening)	11987.57	9946.60	NIL	NIL
Expected return on plan assets	1187.01	998.63	NIL	NIL
Actuarial Gain / (Loss)	(104.35)	(88.23)	NIL	NIL
Employers Contributions	3158.43	3195.10	NIL	NIL
Employees Contributions	NIL	NIL	NIL	NIL
Benefits paid	(2143.80)	(2064.54)	NIL	NIL
<b>Percentage of each category of plan assets to total fair value of plan assets at the year end</b>				
Bank Deposits (Special Deposit Scheme,1975)	NIL	NIL	NIL	NIL
Debt Instruments	NIL	NIL	NIL	NIL
Administered by Life Insurance Corporation of India	100%	100%	NIL	NIL
Others	NIL	NIL	NIL	NIL
<b>Reconciliation of the present value of defined benefit obligation and the fair value of assets</b>				
Present value of funded obligation as at the year end	14084.85	11987.56	NIL	NIL
Fair value of plan assets as at year end	14084.855	11987.56	NIL	NIL
Funded (Asset)/ Liability recognised in the balance sheet	NIL	NIL	NIL	NIL
Present value of unfunded obligation as at the year end	11215.84	11252.14	14418.26	13086.45
Unrecognized past service cost	NIL	NIL	NIL	NIL
Unrecognized Actuarial (Gains) / Losses	NIL	NIL	NIL	NIL
Unfunded net liability recognised in the balance sheet	11215.84	11252.14	14418.26	13086.45
<b>Amount recognized in the balance sheet (Through holding company GUVNL for gratuity)</b>				
Present value of obligation as at the year end	14084.85	11987.56	14418.26	11773.08
Fair value of plan assets as at the year end	14084.85	11987.56	NIL	NIL
(Asset) / Liability recognized in the balance sheet	(11215.15)	(11252.14)	14418.26	(13086.45)
<b>Expenses recognized in the profit &amp; loss account</b>				
Current service cost	765.79	766.57	1337.36	388.06
Past service cost	NIL	NIL	Nil	Nil
Interest cost	1859.18	1747.00	1046.92	941.85
Expected return on plan assets	(1187.02)	(998.63)	NIL	NIL
Curtailement Cost / (Credit)	NIL	NIL	NIL	NIL
Settlement Cost / (Credit)	NIL	NIL	NIL	NIL
Net Actuarial (Gain) / Loss	1684.18	1041.37	524.56	1147.14
Employee's Contribution	NIL	NIL	NIL	NIL
Total expenses recognized in the profit and loss account	3121.44	2556.32	3854.32	2865.85
<b>Principal actuarial assumption (Rate of Discounting)</b>				
Rate of discounting	8.00%	8.00%	8.00%	8.00%
Expected return on plan assets	9.50%	9.50%	-	-
Rate of increase in salaries	10.00%	5.00%	10%	5.00%
Attrition Rate (Employees opting for early retirement)	3% to 1%	3% to 1%	3% to 1%	3% to 1%

**Notes forming part of the Financial Statements.****33. Borrowings Cost and Other Cost Related To Project**

The Borrowing cost and other Financial charges includes interest on loans, Bank charges, Bank Commission, Cost of Raising finance etc.

During the year under consideration the Company has Capitalized borrowing costs amounting to ` 38289.26 Lakhs ( P.Y. ` 28380.95 lakhs) in accordance with the Accounting Slandered 16 “Borrowing Costs” issued by The Institute of Chartered Accountants of India.

The Company has Capitalized ` 4741.34 lakhs ( P. Y. ` 5252.89 lakhs) being the aggregate of the employee cost and administration cost of Project Department and other general administration cost which are apportioned to the ongoing projects and renovation and modernization schemes.

**34. Segment Reporting****Primary segment**

The company’s primary business segment is Generation of Electricity. Based on the guiding principles given in Accounting Standard 17 on “Segment Reporting” issued by The Institute of Chartered Accountants of India, this activity falls within a single primary business segment and accordingly the disclosure requirements of Accounting Standard 17 in this regard are not applicable.

**Secondary Segment**

The operations of the Company are mainly carried out within the state of Gujarat and therefore, geographical segments are not applicable.

**35. Related party disclosures**

Based on opinion obtained from eminent consultants and in accordance with the Accounting Standard 18 “Related Party Disclosures” issued by The Institute of Chartered Accountants of India, the disclosure related to the transactions with the related parties is not required and therefore such disclosures are not made.

**36. Earning per share**

Earning per share is calculated by dividing the profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. Numbers used for calculating diluted earnings per equity share includes the amount of Equity Share Application Money. The details as follows:

Sr. No.	Particulars	2012-13	2011-12
1.	Earnings Available to Equity Share Holders ( ` in lakhs)	17703.31	17,243.81
2.	Number of equity shares	1,51,37,72,424	1,45,80,22,424
3.	Face value per share ( ` .)	10.00	10.00
4.	Earnings per Share (Basic) `	1.17	1.18
5.	Number of dilutive potential equity shares	1608284924	1513772424
6.	Earnings per Share (Diluted) `	1.10	1.14

**Notes forming part of the Financial Statements.****37. Taxation**

(a) According to the legal opinion of an eminent tax consultant, the Company is eligible for the benefit of carry forward of business losses and unabsorbed depreciation of the erstwhile Gujarat Electricity Board under section 72 (A) of the Income Tax Act, 1961 read with Central Government Gazette Notification No. SO-1159(E) dated 26/12/2000.

(b) Current Taxation

In the absence of any taxable income for the year, the tax liability is calculated at Minimum Alternate Tax under Section 115JB of Income Tax 1961 and provision of ₹ 4435 lakhs has been made for the same.

(c) Deferred Taxation

The company is entitled to set off carried forwarded losses and unabsorbed depreciation against the future taxable income under the Income-tax Act. As a matter of prudence and in the absence of virtual certainty, Company is not recognizing the deferred tax assets in respect of carried forward losses and unabsorbed depreciation as provided by Accounting Standard 22 "Accounting for Taxes on Income", issued by The Institute of Chartered Accountants of India. Deferred tax assets in respect of other timing differences is also not recognised as in the opinion of the management, there will be no future sufficient income to recover such deferred tax asset.

**38. Contingent Liabilities and Capital Commitments**

Particulars	[ ₹ in Lakhs]	
	2012-13	2011-12
<b>A. Contingent Liabilities not provided for in respect of :</b>		
i. Claims against the company not acknowledged as debt. (employees related matters)	53869.00	37378.00
ii. Others	400.00	400.00
iii. Disputed Income-tax Matters and VAT matters	4092.20	3366.21
iv. Claims from lessor for disallowance of depreciation on leased assets	17397.00	17397.00
vi. Claims against Company pending Court Orders	157.18	157.18
<b>B. Capital Commitments</b>		
Estimated amount of contract remaining to the executed on capital accounts (Net of Advances)	78451.68	118762.12

**39. Old outstanding balances.**

The amounts receivable (Debit) from and payable (Credit) to various parties, suppliers, contractors etc., on various accounts, which are carried in various Suspense Accounts/Registers at plants, more particularly, those transferred to Company under transfer scheme as on 1-4-2005, required thorough scrutiny to ascertain the precise break up and supporting documents to establish the claims by and/or against the Company of these parties. Pending scrutiny and reconciliations, the Company has identified long



**Notes forming part of the Financial Statements.**

outstanding debits and credits, neither recoverable nor payable and made provision for bad and doubtful debts amounting to ₹ 1200.00 lakhs in earlier years. Similarly, the company has identified non recoverable amount of ₹ 792.20 lakhs and had written off after obtaining approval of competent authority in earlier years. Scrutiny of remaining parties is, however, in progress.

**40. Statutory Auditors' Remuneration**

[₹ in Lakh]

Particulars	For the year ended March 31, 2013	For the year ended March 31, 2012
Statutory Audit fees	17.98	17.98
Out of Pocket Expenses	1.36	1.36
<b>Total:</b>	<b>19.34</b>	<b>19.34</b>
<b>Note: Inclusive of Service tax.</b>		

**41. Consumption of Fuel**

[₹ in Lakh]

Particulars	2012-13		2011-12	
	Qty.	Amount	Qty.	Amount
Consumption of Coal & Lignite (in '000 MT)	15289.97	499585.64	17725.53	530346.57
Consumption of Gas(Lakh SCM)	3724.86	60557.11	7730.27	95106.73
Consumption of Oil (in '000 Liters)	26.81	11950.80	28.28	11307.42

**42. Expenditure in foreign currency**

[₹ in Lakh]

Particulars	2012-13	2011-12
Earnings in Foreign Currency	NIL	NIL
Remittances in Foreign Currency	35604.52	13570.82
CIF Value of Imports	52477.53	15001.18
Foreign Traveling	NIL	NIL

**43. Generation of Electricity and Units sold**

Particulars	2012-13	2011-12
Installed Capacity (MW)	5008	5008
Gross Generation (in Mus)	23639	28654
Auxiliary consumption( in MUs)	2191	2503
Unit Sold (in Mus)	21448	26151



**Notes forming part of the Financial Statements.**

**44. Sales**

- a) During the F.Y.2012-13, the Company has sales of ` 801878.82 lakhs against ` 833848.25 lakhs in previous year. The sale includes truing up income of ` 25888.99 lakhs pertains to the Financial Year from 2008-09 to 2010-11, as per the Tariff order dated 1<sup>st</sup> June, 2012 issued by the Hon. GERC under the Multi Year Tariff Regulations, which is exceptional in nature.
- b) Further, the sale includes ` 2089.80 lakhs towards admittance of differential rate of lignite raised by GMDC with effect from 1 April 2011, which was not admitted during the previous year.
- c) Further, it includes Fuel Cost Adjustment charges admitted based on the last 3 year weighted average GCV as per the previous year and as approved by Hon. GERC.
- d) The Company has paid Green Cess to the Government of Gujarat as per the notification dated 31<sup>st</sup> July, 2011. However, the claim was admitted as per the ABT Order issued by the GERC. Further, as per the High Court Order, payment of Green Cess was discontinued from February, 2013.

**45. Liquidated Damages**

As per terms of Power Purchase Agreement ( PPA ) approved by GERC, the unit no VI of Ukai commence commercial operation from 8 June 2013 as against 6<sup>th</sup> October 2012 prescribed in PPA, the Company, therefore, paid liquidated damages of ` 7300 lakhs up to 31 March 2013. The Company has taken up the matter with contractor for recovery of the same.

**46. Rebate**

The Company has allowed rebate of ` 13909.35 lakhs (P.Y. ` 9850.63 lakhs) for prompt payment and recovered Rs. Nil lakhs ( P.Y. ` 681.25 lakhs) as delayed payment charges considering the payment made to GUVNL.

**47.** The Company has obtained confirmation from suppliers who have been registered themselves under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006). As on 31st March, 2012, there is no balance outstanding to these suppliers. Hence, there is no payment of interest as required under MSMED Act, 2006.

**48. Statement of Management**

- (a) The current assets, loans and advances are good and recoverable and are approximately of the values, if realized in the ordinary courses of business unless and to the extent stated otherwise in the Accounts. Provision for all known liabilities is adequate and not in excess of amount reasonably necessary. There are no contingent liabilities except those stated in the notes.
- (b) 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 to as give a true and fair view of the statement of affairs of the Company as at the end of the year and results of the Company for the year under review.





**Notes forming part of the Financial Statements.**

49. Previous year figures have been regrouped, reclassified and reworked wherever necessary to comply requirement of revised schedule VI and for comparative purpose.

**FOR P.PARIKH & ASSOCIATES  
CHARTERED ACCOUNTANTS  
Firm Regd No.107564W**

**FOR & ON BEHALF OF BOARD**

**Ashok Rajagiri  
PARTNER  
M.No.046070**

**D.J.PANDIAN  
Chairman**

**GURDEEP SINGH  
Managing Director**

**M.B.KAKA  
Sr. Chief General Manager(F&A)**

**V. P. JANI  
Company Secretary**

**PLACE: GANDHINAGAR  
DATE:**

**PLACE: GANDHINAGAR  
DATE:**



# GUJARAT STATE ELECTRICITY CORPORATION LTD

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

**I. Registration Details:** Registration No. 19988, State Code 04  
Balance sheet Date 31st March,2013.

**II Capital Raised during the year** Public Issue : NIL  
(Rs. in thousands) Right Issue : 557500  
Bonus Issue : NIL  
Private Placement : NIL

**III Position of Mobilization and  
Deployment of Fund (Rs. in thousands)**

<b>Total Liabilities</b>	<b>142758996</b>	<b>Total Assets</b>	<b>142758996</b>
<b>Sources of Funds</b>		<b>Application of Fund</b>	
<b>Paid-up Capital</b>	<b>15137724</b>	<b>Net Fixed Assets</b>	<b>62382608</b>
<b>Equity Pending Allotment</b>	<b>3780500</b>	<b>Investment</b>	<b>205205</b>
<b>Reserve and Surplus</b>	<b>25709374</b>	<b>Net Current Assets</b>	<b>9007220</b>
<b>Secured Loan</b>	<b>54448473</b>	<b>Misc.Expenditure</b>	<b>-</b>
<b>Unsecured Loan</b>	<b>26241186</b>	<b>Accumulated Losses</b>	<b>-</b>

**IV Performance of Company  
(Rs. in thousands)**

<b>Turnover &amp; Other Income</b>	<b>82431578</b>	<b>Total Expenditures</b>	<b>80217747</b>
<b>(+)Profit/(Loss) before tax</b>	<b>2213831</b>	<b>(+)Profit/(Loss) after tax</b>	<b>1770331</b>
<b>Earning per share(Rs.)</b>	<b>1.17</b>	<b>Dividend Rate</b>	<b>-</b>

**V Generic Names of principal products services of company(as per monetary terms)**  
Product/Service Description Item code NO.  
Generation of Electricity Not Applicable

**FOR AND ON BEHALF OF THE BOARD**

**D.J.PANDIAN**  
Chairman

**GURDEEP SINGH**  
Managing Director

**M.B.KAKA**  
Sr.Chief General Manager

**V.P.JANI**  
Company Secretary