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**MADHYA
GUJARAT
VIJ COMPANY
LIMITED**

Annual Report 2008-09



An ISO Certified Company
(A Wholly Owned Subsidiary of Gujarat Urja Vikas Nigam Limited)

Our Vision

- ☐ Customer satisfaction through service excellence

Our Mission

- ☐ To provide reliable and quality power at competitive cost
- ☐ To reach global standards in reducing distribution losses

Our Core Values

- ☐ Customer satisfaction
- ☐ Participative work culture
- ☐ Pride of belongingness
- ☐ Excellence
- ☐ Being ethically and socially responsive

**BOARD OF DIRECTORS**

Shri L. Chuaungo, IAS	Chairman
Dr. M.K. Iyer	Director
Shri H.P. Desai	Director
Prof. Kirankumar Joshi	Director
Shri K. M. Shringarpure	Director
Shri Munindra A. Bhatt	Director (From 09-10-2009)
Shri Anoop Shukla, IFS	Managing Director (up to 27-01-2009)

MANAGER & CHIEF ENGINEER (T&O)

Shri R.O. Gandhi	(From 19-12-2009)
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COMPANY SECRETARY

Shri K.M. Antani

SENIOR EXECUTIVES

Shri S.A. Pota	Chief Engineer (Vigilance)
Shri K.R. Shah	General Manager (F & A)

BANKERS

UCO Bank	Syndicate Bank
State Bank of India	Union Bank of India
Bank of Baroda	Vijaya Bank
State Bank of Saurashtra	Allahabad Bank
Dena Bank	Indian Bank
Bank of India	Indian Overseas Bank
Central Bank of India	Karur Vysya Bank
Canara Bank	Corporation Bank

AUDITORS

M/s. Prakash Chandra Jain & Co.
Chartered Accountants
Vadodara.

COST AUDITORS

M/s. Diwanji & Associates
Cost Accountants
Vadodara.

REGISTERED OFFICE

Sardar Patel Vidyut Bhavan,
Race Course,
Vadodara-390 007.

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E-mail : info.mgvcl@gebmil.com

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MADHYA GUJARAT VIJ COMPANY LIMITED

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NOTICE

Notice is hereby given that the adjourned Sixth Annual General Meeting of the Members of **Madhya Gujarat Vij Company Limited** will be held (at shorter notice under Section 171(2)(i) of the Companies Act, 1956, pursuant to consent received from all the members) on Saturday, the 6th February, 2010, at 1.30 p.m. at the Board Room, Third Floor, Sardar Patel Vidyut Bhavan, Race Course Circle, Vadodara – 390 007, to transact the following Ordinary Business :

ORDINARY BUSINESS

- 1 To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2009, Profit & Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors thereon along with Comments of the Comptroller & Auditor General of India.

Vadodara
4th February, 2010

By Order of the Board

K. M. Antani
Company Secretary

REGISTERED OFFICE :

Sardar Patel Vidyut Bhavan,
Race Course,
Vadodara - 390 007

NOTE:

A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL, INSTEAD OF HIMSELF AND THAT A PROXY NEED NOT BE A MEMBER OF THE COMPANY.

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NOTICE

Notice is hereby given that the Sixth Annual General Meeting of the members of **Madhya Gujarat Vij Company Limited** will be held (at shorter notice under Section 171(2)(i) of the Companies Act, 1956, pursuant to consent received from all the members) on Wednesday, 23rd December, 2009 at 11.30 a.m. at the Board Room, Third Floor, Sardar Patel Vidyut Bhavan, Race Course Circle, Vadodara – 390 007, to transact the following Ordinary and Special Business :

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2009, Profit & Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors thereon along with Comments of the Comptroller & Auditor General of India.
2. To appoint a Director in place of Shri L. Chuaungo, IAS, who retires by rotation and eligible for re-appointment.
3. To appoint a Director in place of Prof. Kirankumar Joshi, who retires by rotation and eligible for re-appointment
4. To decide the remuneration payable to Statutory Auditors appointed by the Comptroller and Auditor General of India (C & AG), New Delhi, for the audit of accounts of the Company for the financial year 2009-10.

SPECIAL BUSINESS

5. **To consider and if thought fit, to pass, with or without modification/s, the following resolution as an Ordinary Resolution:**

"RESOLVED THAT Shri Munindra A. Bhatt, who was appointed as an Additional Director of the Company on 9th October, 2009, under Section 260 of the Companies Act, 1956 and who holds such office up to the date of this Annual General Meeting be and is hereby appointed as a Director of the Company, liable to retire by rotation."

By Order of the Board

Vadodara
19th December, 2009

K. M. Antani
Company Secretary

REGISTERED OFFICE :

Sardar Patel Vidyut Bhavan,
Race Course,
Vadodara - 390 007

NOTES :

- 1 A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL, INSTEAD OF HIMSELF AND THAT A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
- 2 The Explanatory Statement pursuant to the provisions of Section 173(2) of the Companies Act, 1956, is annexed hereto as "Annexure to the Notice".



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Annexure to Notice

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

Item no. 5

Shri Munindra A. Bhatt was appointed as an Additional Director by the Board of Directors effective from 9th October, 2009, under Section 260 of the Companies Act, 1956 and he holds office up to the date of this Annual General Meeting. He has been nominated by Gujarat Urja Vikas Nigam Limited (GUVNL), the holding Company, pursuant to Article 57 of the Articles of Association of the Company.

Shri Munindra A. Bhatt, B.com, LLB (Sp.) is presently working as Additional Secretary (Tax) with Finance Department of the Government of Gujarat. He looks after taxation matters relating to state taxes.

Your Directors recommend the resolution for your approval.

None of the Directors, except Shri Munindra A. Bhatt, is interested or concerned in this resolution.

By Order of the Board

Vadodara
19th December, 2009

K. M. Antani
Company Secretary

REGISTERED OFFICE :

Sardar Patel Vidyut Bhavan,
Race Course,
Vadodara - 390 007

**DIRECTORS' REPORT****To,****The Members,**

Your Directors have pleasure in presenting the 6th Annual Report of the Company together with the Audited Accounts for the year ended 31st March, 2009.

FINANCIAL RESULTS

A summary of the financial results for the year under review is as below:

(Rs. in Lacs)

	2008-09	2007-08
Total Income	261385.27	207722.81
Gross Profit before Depreciation, Interest and Tax	14854.42	12770.20
Depreciation	6994.28	5913.23
Interest and Finance Charges	7263.26	6506.01
Profit before Tax	596.88	350.96
Provision for Tax (including provision for deferred tax and fringe benefit tax)	144.10	109.50
Profit after Tax and available for appropriation	452.78	241.46

DIVIDEND

Your Directors have not recommended any dividend on Equity Shares for the year under review.

SHARE CAPITAL

During the year under review, the Energy and Petrochemicals Department, Government of Gujarat, vide its notification no. GHU-(203)-GUV-1106-590-K dated 12th December, 2008, partially modified its earlier notification and bifurcated the amount transferred to Share Capital Suspense Account into Equity Share Capital and Equity Share Premium w.e.f. 01-04-2008 as under :

Equity Share Capital : Rs. 6697.50 lacs

Share Premium : Rs. 20092.51 lacs

As per the approval accorded by the Shareholders of the Company by special resolution at their Extra Ordinary General Meeting held on 20th March, 2009, 14,56,16,314 Equity Shares of Rs. 10/- each were offered and allotted by the Board of Directors on 30th March, 2009, to Gujarat Urja Vikas Nigam Limited, the holding Company, for cash, at par, on private placement and/or preferential basis, towards financial assistance for Jyoti Gram Yojana (JGY) implemented in non-tribal areas.

Accordingly, the Equity Share Capital increased to Rs. 212.64 Crores.

FINANCIAL PERFORMANCE

The key highlights of the financial performance of the Company for the year 2008-09 are as under:

- ❖ Revenue Assessment (without ED) increased to Rs. 2468.69 crores during financial year 2008-09 from Rs. 1880.72 crores in last year 2007-08 registering the increase of Rs. 587.97 crores (+31.26%) in a year.



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- ❖ The average rate of realization per unit sold increased to Rs.4.57 per unit (without E.D.) compared to Rs.3.87 per unit in last financial year.
- ❖ Total income increased to Rs.2613.85 crores as against Rs. 2077.23 crores in the previous financial year, an increase of 25.83%.
- ❖ Total arrears amount due from consumers reduced by Rs. 26.87 crores as compared to last year 2007-08.
- ❖ Profit before tax is Rs. 5.97 crores for the financial year 2008-09 as against Rs. 3.51 crores last year.

OPERATIONAL PERFORMANCE

- ❖ The sales have increased from 4866 MUs to 5400 MUs registering growth of 534 MUs (+10.97%) over the previous financial year. The corresponding power purchase increased to 6678 MUs with increase of only 8.88 % in 2008-09.
- ❖ Remarkable reduction in Distribution Loss to 12.98% as compared to 14.06% in previous financial year due to implementation of various loss reduction measures. The reduction in AT&C loss has resulted into saving of approx Rs. 52.84 crores in financial year 2008-09 as compared to last year 2007-08.
- ❖ Transformer failure rate is reduced to 6.11% from 9.68% due to various actions and the precautions taken. The feeder wise pre and post monsoon activities are carried out and monitored regularly. The seminars and the employee's suggestion have been called for reduction in Transformer failure rate. Best suggestion is also rewarded.
Due to such encouragement, the Company has received many useful suggestions like Installation of Breather, Checking of Oil Level, Transformer with MCCB to avoid over loading etc. Implementation of such suggestions has reduced the Transformer failure considerably. This has not only improved the quality of Power Supply but reduced the number of interruptions, maintenance cost, repairing cost etc.
- ❖ Power availability improved to 99.82% (without load shedding).
- ❖ The consumer base increased to 22.75 lacs from 20.63 lacs last year.
- ❖ Under various normal development schemes, 137 HT Industrial, 1,458 LT Industrial and 54,344 domestic connections are released.

SYSTEM IMPROVEMENT

To reduce the technical losses, improve reliability of system to serve the consumers for better services and to provide uninterrupted quality power, your Company constantly upgrades and augments its network. Several initiatives taken are as under:

- ❖ **Reforms in distribution network management.**
 - a) **Geographical Information System**
GIS is implemented in 10 towns. Further 10 towns shall be covered during the current financial year 2009-10 under R - APDRP.
 - b) **Completely Self Protected (CSP) Transformers**
6,740 nos. of Innovative CSP type Transformers for Load Control measure are installed till the date of this report.
 - c) **High Voltage Distribution System (HVDS):**
HVDS has been adopted by the Company as a solution to reduce Technical Loss as well as to establish control over pilferage of power. The system is techno economically



viable over Low Voltage Distribution System. During the year under review, the Company has installed 4727 nos. of small capacity transformers ranging from 5 KVA single phase to 25 KVA three Phase transformers under HVDS.

d) Re-conductoring of HT Line.

The old conductor is replaced with the new conductors to reduce the I^2R losses and improve voltage profile. The Company has replaced 316 Kms of HT line during the financial year 2008-09.

e) Under ground XLPE cable

363 kms. of XLPE under ground Cable was laid during the year under review for reduction of interruptions, accidents and leakages.

f) Fault Passage Indicator (FPI)

736 nos. of FPI are installed up to the date to reduce power restoration time as also patrolling time of locating the fault.

g) Ariel Bunch Conductor (ABC):

1,225 KMs of Insulated conductors and ABC are laid in all theft prone areas to minimize the commercial losses.

h) Ring Main Unit (RMU):

To ensure power reliability 113 RMUs are provided till date.

i) SCADA

SCADA system is used using core technologies such as data communications, centralized and distributed data base, decision support system, real time computing, power system analysis, Geographical Information processing, Graphics and simulation & forecasting. SCADA is an effective tool for remote sensing of system parameters. The distribution system can be monitored on a real time basis and also controlled by issuing commands to remote stations where Remote Terminal Units (RTUs) are located. The aim of the system is to have effective load management of the distribution system to improve reliability and efficiency of supply. Because the process is online, supply conditions given by the instant loading and voltage profile are effectively monitored, daily and monthly data are readily aggregated, and the energy flow is easily tracked to individual feeders.

❖ **DT Metering and AT&C Loss Reduction Activities**

a. Energy Accounting:

Meters are provided on Transformer Centres to find out weak pockets on feeders. Along with regular meter reading programs, meter reading of transformers are taken and TC wise losses are calculated. This helps us to have clear vision of weak pockets and help in qualitative installation checking.

b. Automatic Remote Meter Reading:

The Company has installed 4,498 nos. of AMR in high consumption industrial & commercial consumers on high losses till date. All the HT Consumers of the Company are already covered through AMR.

c. Surveillance

Continuous efforts are made for prevention of theft of energy. The vigilance team of the Company carried out intensive inspection during the year under review. 12,254 connections were checked with total assessment of Rs. 15.08 crores.



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d. Sub-Station Monitoring:

Detailed analysis and in-depth study is carried out for feeders having high Ampere loading and low tail end voltages and accordingly such feeders are bifurcated as per system improvement norms.

IT INITIATIVES

❖ Information Technology

- » Spot billing with hand held machines have been started in major cities & towns;
- » Cash windows of O&M Sub Divisions computerized;
- » Billing activities have been outsourced;
- » Any Time Payment (ATP) Machines;
- » In house software development for Consumer Analysis Tool (CAT);

❖ 'E-urja' end to end ERP Solution

The Company leverages IT initiatives to improve efficiency of business operation by implementing an 'Enterprise Resource Planning' (a project named as e-URJA) solution. It helps in better housekeeping, billing efficiency, effective maintenance, asset management, consumer relation management, Inventory management, Finance Management, HR Management etc. At present, all the sub divisions, divisions and Circles are connected through e-urja and Company envisages that in the year 2010-11, ERP Solution shall be completely in place in the system on end-to-end basis.

❖ e-tendering

The Company has implemented e-tendering system for tenders having estimated cost of more than Rs. 10 lacs.

❖ High Tech Meter Testing Laboratory – NABL Accredited

The Company is having NABL accredited high tech meter testing laboratory equipped with fully automatic computerized test bench of accuracy class 0.05 for testing of all type of single phase and three phase static as well as electrometrical meters as per Indian Standard Specification / IEC.

❖ E- gram Panchayats

Government of Gujarat has designated various Gram Panchayats as E-Gram Panchayats (E-GPs), who qualified as per eligibility criteria for e-governance and modernization of various villages of Gujarat. In order to make such E-GPs self-sustained by increasing their income and also to facilitate the consumers of the Company for payment of energy bills in their villages itself, GOG has decided to award the agency of collection of energy bills to such E-GPs. There are 2881 E-GPs under 5 Districts of the Company. The requisite Agreements are executed with TDOs and E-GPs of 1,372 villages by end of November, 09 and Company has planned to award Bill collection agencies to cover all such E-GPs on 100% basis by end of March, 2010.

OTHER PROJECTS / SCHEMES

- ❖ To continue the support to distribution reforms during the 11th Five Year Plan, Government of India has continued R-APDRP (Restructured APDRP) with revised terms and conditions. The R-APDRP primarily aims at reducing Aggregate Technical and Commercial (AT&C) losses in urban areas.

Projects under the R-APDRP program shall be taken up in Two Parts. Part-A shall include



the projects for establishment of baseline data and IT applications for energy accounting/ auditing & IT based consumer service centers. Part-B shall include regular distribution strengthening projects. The R-APDRP program will cover urban areas – towns and cities with population of more than 30,000 (10,000 incase of special category states).

Under part A of R-APDRP, projects for 17 towns of the Company at an estimated cost of Rs.93.75 crores have been sanctioned. (It includes common Data Centre and Disaster Recovery Centre for all fellow distribution Companies). The Company has also appointed Consultants and IT implementing agency for implementation of the said projects.

- ❖ Under, the Distribution Reforms Upgrades and Management (DRUM) project, a part of USAID's distribution programme, being implemented at Umreth sub-division, 946 nos. of Surge capacitors were installed and HVDS was carried out on two feeders. The work of GIS is in progress.
- ❖ 'Rajiv Gandhi Grameen Vidyutikaran Yojana' (RGGVY), launched by the Ministry of Power, New Delhi, for 100% electrification of villages, habitations in the country and supply of power to Below Poverty Line (BPL) families free of cost, is implemented in all districts areas of the Company. During the year under review, in Panchmahal District, the work of 40472 BPL beneficiaries, in Vadodara District the work of 13,105 nos. of BPL beneficiaries and in Anand work of 9,717 nos. of BPL beneficiaries is completed. For Kheda and Dahod District, tender process is under progress.
- ❖ Under State Government sponsored Scheme, 36,444 connections were released under Zupadpatti Scheme in non-tribal areas and 37,270 connections were released under 'Kutir Jyoti Scheme' in tribal areas.
- ❖ In Agricultural Sector, electrification of wells carried out for -
 - o 573 wells under Rural Electrification Scheme
 - o 2,719 wells under TASP Scheme
 - o 20 other and total 3,313 wells
- ❖ In tribal areas,
 - » electrification of Petaparas carried out for 143 Petaparas under Tribal Area Sub Plan (TASP) and
 - » 1,047 Harijan Bastis were electrified under Special Component Plan (SCP).

CUSTOMER SERVICES

The commitment of your Company to its customers is enshrined in its "Vision", viz. 'Customer Satisfaction through Service Excellence'. The Company has taken various steps to improve the customers' services and satisfaction. These are mainly as under:

- ❖ 24 hours x 7 days power supply without restrictions to all domestic and commercial consumers. No load shedding is enforced to industrial consumers. Assured 8 hours power supply to Agriculture Consumers and 1 Phase power supply to rural household during Load shedding on Agriculture feeders through specially designed transformers.
- ❖ The Reliability Index of power to its end consumers is 99.82% for the financial year 2008-09.
- ❖ The customer related procedures are rationalized and help desk is introduced in all the offices of the Company.
- ❖ Extended payment hours and collection at the doorstep by mobile van.



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- ❖ Any Time Payment Centre (ATP) was put into operation at 19 places as on date.
- ❖ HT Consumer Meet to redress their grievances and 'Samparak' programme to meet the consumers at prominent public places in an informal atmosphere to understand their aspirations.
- ❖ Computerized enabled round the clock Trouble Call Management Centre at Circle level, where the consumers can lodge their complaints, including no power from the farthest end. This is being tracked and monitored by the Circle Head.
- ❖ The Company also has 200 Nos. Portable Electronic Reference Standard (ERS) Meters, which can check meters even at the consumers' installations.
- ❖ Adoption of new technology in the form of Fault Passage Indicators. Polymeric Compound Insulators to improve the reliability of the system.
- ❖ Under Nirmal Gujarat Scheme, all the offices of the Company have been renovated to provide good environment, better services and satisfaction to the consumers.
- ❖ The Company has installed 1000 pre paid meters in Tribal and Rural areas and also to facilitate NRIs, to avoid disconnection.
- ❖ After successful implementation in Baroda City, Dabhoi and urban areas of Godhara, monthly billing using Hand held Instruments is also introduced in Anand Circle.
- ❖ An informative and customer friendly Website is operational and regularly updated.
- ❖ MEGA (Management of Electricity with Gramya Associate) Scheme where in the co-operative societies, NGO, a group of prominent villagers would act as distribution franchisee have become operational in 8 villages under Koyali sub- division of Baroda Rural Circle.
- ❖ 51 nos. of Individual franchisee wherein individual person or group of entrepreneurship can come forward and take up the work for a feeder have been allotted till date.
- ❖ Consumer Redressal Forum has been set up as mandated by the Electricity Act, 2003 and the regulations notified there under.

AWARDS & ACHIEVEMENTS

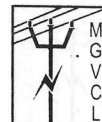
Your directors are pleased to inform you that Indian Electrical and Electronics Manufacturers Association (IEEMA) has conferred Second Prize IEEMA POWER AWARD-2009 under category 'Award for Excellence in Power Distribution (URBAN-RURAL)' to the Company. The award has been presented on 24.02.2009 at a function held at New Delhi.

REGULATORY MANAGEMENT

The Gujarat Electricity Regulatory Commission (GERC) is an authority to regulate the working of electricity utilities in the State and is entrusted with various functions including the determination of retail tariff rates for the end users of electrical energy. Your Company had filed a Multi Year Tariff (MYT) petition with GERC in August, 2009 for Annual Performance Review (APR) for financial year 2008-09 and seeking approval of Aggregate Revenue Requirement (ARR) for financial year 2009-10. Various hearings for the petition are already completed by GERC and Tariff Order is also issued by the Commission on 14th December, 2009.

HUMAN RESOURCE DEVELOPMENT

To develop competency of employees and thereby enhance organizational effectiveness and productivity, many need based training and development programs are organized with special emphases on fostering a culture of innovation. Industrial Relations continue to be cordial.

**DIRECTORS**

Since the last Annual General Meeting, Shri Anoop Shukla, IFS, resigned as Managing Director of the Company effective from 27th January, 2009 (BN), consequent on his transfer by Order issued by the Government of Gujarat. Your Directors place on record their sincere appreciation of able leadership, direction, commitment, significant contribution and valuable services provided by Shri Anoop Shukla, IFS during his tenure as Managing Director of the Company.

Shri Munindra A Bhatt, Addl. Secretary (Tax), Finance Department, Government of Gujarat, was appointed as an Additional Director effective from 9th October, 2009, in accordance with Article 57 of the Articles of Association of the Company and Section 260 of the Companies Act, 1956. He holds his office as such up to the date of ensuing Annual General Meeting. He is proposed to be appointed as Director of the Company at the ensuing Annual General Meeting. Shri L Chuaungo, IAS and Prof. Kirankumar Joshi, Directors, retire by rotation at the ensuing Annual General Meeting and are eligible for re-appointment. They are proposed to be re-appointed as Directors of the Company at the ensuing Annual General Meeting.

APPOINTMENT OF MANAGER

Since the Managing Director is not appointed / nominated by Government of Gujarat / Gujarat Urja Vikas Nigam Limited, the Board of Directors in its meeting held on 19th December, 2009, has authorized Shri R.O. Gandhi (working as Chief Engineer (Technical & Operations) of the Company) to exercise all powers, in addition to his existing powers as Chief Engineer, delegated to Managing Director of the Company. Shri R.O. Gandhi shall exercise such power effective from 19th December, 2009 till the date new Managing Director assumes his duties or the Board of Directors modifies or cancels such delegation, whichever is earlier. Due to such delegation of powers, he shall be considered as "Manager" of the Company under the applicable provisions of the Companies Act, 1956.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217 (2AA) of the Companies Act, 1956, the Directors confirm that:

1. in the preparation of annual accounts for the financial year ended 31st March, 2009, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
2. accounting policies have been selected and consistently applied and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2009 and of profit of the Company for the year ended on that date;
3. proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provision of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
4. the annual accounts for the financial year ended 31st March, 2009, have been prepared on a going concern basis.

AUDIT COMMITTEE

Pursuant to Section 292 A of the Companies Act, 1956, your Company has constituted the Audit Committee of the Board, which on the date of report stands as under

Prof. Kirankumar Joshi	... Chairman
Dr. M.K. Iyer	... Member
Shri K. M. Shringarpure	... Member
Shri Munindra A. Bhatt	... Member



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DISCLOSURES

(a) Particulars of Employees:

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

(b) Energy Conservation & Technology Absorption:

Information regarding conservation of energy, technology absorption, foreign exchange earnings and outgo required under Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988, are given in the Annexure I to this Report and forms part of this report.

(c) Foreign Exchange Earnings & Outgo:

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

AUDITORS

M/s. Prakash Chandra Jain & Company, Chartered Accountants, has been appointed as the Statutory Auditors of the Company by the Comptroller and Auditor General of India, New Delhi, (C & AG) to audit the accounts of the Company for the year ended 31st March, 2010. As per the provisions of Section 224 of the Companies Act, 1956, their remuneration is required to be fixed by the Company in General Meeting.

AUDITORS' REPORT

The notes to the accounts referred to in the Auditor's Report are self-explanatory and therefore, do not call for any further comments.

The comments of the Comptroller & Auditor General of India in pursuance of Section 619(4) of the Companies Act, 1956, will be circulated as soon as the same are received.

COST AUDITORS

In accordance with the requirement of the Central Government and pursuant to Section 233B of the Companies Act, 1956, the Company carries out an Audit of Cost Accounts relating to 'electricity' every year. The Company has re-appointed M/s. Diwanji & Associates, Vadodara as Cost Auditors for the Financial Year 2008-09 and has been approved by the Central Government.

ACKNOWLEDGEMENTS

The Directors are thankful to the Central Government, Government of Gujarat particularly Energy & Petrochemicals Department, Gujarat Electricity Regulatory Commission, holding Company Gujarat Urja Vikas Nigam Limited, Bankers, Financial Institutions, suppliers and other business associates.

Your Directors also wish to place on record the appreciation for the continued support and co-operation of the consumers.

Finally, we appreciate and value the contributions made by all our employees.

For and on behalf of the Board.

Vadodara
19th December, 2009

L. Chuaungo
Chairman



ANNEXURE I TO DIRECTORS' REPORT

PARTICULARS REQUIRED UNDER THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988

A. CONSERVATION OF ENERGY :

a) Measures taken for Conservation of Energy

The Energy saving compact Fluorescent Lamps (CFL), T 5 tube lights etc. provided to all offices.

In all the Below Poverty Line (BPL) category consumers, it is planned to provide CFL lamp instead of conventional incandescent lamp.

Agricultural connections who adopt DRIP / MICRO irrigation are given priority.

The re-conductoring has been carried out wherever the conductor is found deteriorated as well as wherever copper conductor exists.

Under the Energy conservation program, the banners, pamphlets, street plays, SAMPARK Program, etc. were carried out for mass awareness amongst consumers.

The farmers are educated to use energy efficient pumps and capacitor on their motor as per the requirement of GERC.

The Company purchases only energy efficient transformers, meters with low burden and ISI mark equipments/ materials.

b) Additional investment and proposal, if any, being implemented for reduction of Consumption of Energy

Nil

c) Impact of the measures at a) and b) above for reduction of energy consumption and consequent impact on the cost of production of Goods.

Improvement in reactive power due to use of APFC, improvement in voltage level, saving in electricity, reliability of power and reduction in technical losses.

B. TECHNOLOGY ABSORPTION:

Efforts made in technology absorption as per Form B.



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FORM -B

(Disclosure of particulars with respect to Technology Absorption)

RESEARCH AND DEVELOPMENT (R&D)

The Company did not carry out any R & D work during the year. However, due to various initiatives carried out through indigenous sources, resulted into improvement in the performance.

1. Specific areas in which R & D carried out by the Company.

NIL

2. Benefits derived as a result of above R & D

NIL

3. Future plan of Action

NIL

4. Expenditure on R & D

No expenditure on R & D of capital or recurring nature has been incurred.

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

1. Efforts, in brief, made towards technology absorption, adaptation and innovation

No absorption of new technology.

2. Benefits derived as a result of the above efforts.

Not applicable

3. In case of imported technology (imported during the last five years reckoned from the beginning of the financial year) following information is furnished.

Not Applicable

For and on behalf of the Board.

Vadodara
19th December, 2009

L. Chuaungo
Chairman



Comments of the Comptroller and Auditor General of India under Section 619(4) of the Companies Act, 1956 on the accounts of Madhya Gujarat Vij Company Limited for the year ended on 31 March 2009.

The preparation of financial statements of Madhya Gujarat Vij Company Limited for the year ended 31 March 2009 in accordance with the financial reporting framework prescribed under the Companies Act, 1956 is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under Section 619(2) of the Companies Act, 1956 is responsible for expressing opinion on these financial statement under section 227 of the Companies Act, 1956 based on independent audit in accordance with the auditing and assurance standards prescribed by their professional body the Institute of Chartered Accountants of India. This is stated to have been done by them vide their Auditor Report dated 26 September 2009.

I, on the behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under Section 619(3) (b) of the Companies Act, 1956 of the financial statements of Madhya Gujarat Vij Company Limited for the year ended 31 March 2009. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records. Based on my supplementary audit, I would like to highlight the following significant matters under Section 619(4) of the Companies Act, 1956 which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and the related Audit Report :

Comments on Financial Position

Balance Sheet

Application of Funds

Current Assets Loans and Advances

1. Inventories (Schedule 11)

Other Materials accounts (Rs. 37.81 Crore)

The above includes Rs. 10.41 crore being the difference in cost of the transformer replaced Rs. 331.33 crore and the cost of the transformer removed Rs. 320.92 crore. As this difference was mainly due to the difference in the cost of the transformers released and the transformer replaced, this should have been capitalised. The Company has however carried forward the net balance over the years resulting in understatement of assets and depreciation thereon.

Sources of Funds

2. Current Liabilities and Provisions (Schedule 16)

Liability for capital Supplies/works (Rs. 0.05 Crore)

The Baroda circle under MGVCL entrusted the installation and commissioning of SCADA/DMS project to the contractors, who submitted their first Running Account Bill in January 2009 after completion of work as recorded on 26-03-2009. Though the bill was admitted and paid in June 2009, liability for payment to the extent of Rs. 4.29 Crore (gross value including 15% consultancy charges and service tax there upon) has not been created in the books for 2008-09. This has resulted in understatement of Works in progress by Rs. 4.29 crore with corresponding understatement of liabilities by Rs. 1.29 crore after adjusting advance already given of Rs. 3 crore.

**Comments on Disclosure****3. Current liabilities and provisions (Schedule 16)**

Provisions (Rs. 178.81 Crore)

The above includes provision for bonus Rs. 0.74 crore, for expenses Rs. 109.82 crore, for MAT Rs. 5.16 crore, for wealth tax Rs. 0.02 crore and for FBT Rs. 2.86 crore. For each class of provision, the Company should disclose, (a) carrying amount at the beginning and end of the period, (b) additional provisions made in the period, (c) amount used during the period and (d) unused amounts reversed during the period, as per para 66 of AS 29. The company has not disclosed the same neither in the schedule nor by way of notes forming part of accounts.

Other Comments**4. Cash and Cash Equivalents (Closing Balance) in Cash Flow statement**

Cash and Cash Equivalents (Closing Balance) (Rs. 38.11 Crore)

The above includes an amount of Rs. 3.94 crore which is lying un-reconciled and pending receipt in transfer in transit account. As such, the said amount is not readily available to the company for use. The same, together with a commentary by management, should have been disclosed by way of note as required by para 45 of AS 3

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

Place : Ahmedabad

Date : 20-01-2010

Sd/-
Dhiren Mathur
Accountant General



ADDENDUM TO THE DIRECTORS' REPORT

Management Replies to the comments of the Comptroller and Auditor General of India under Section 619 (4) of the Companies Act, 1956 on the accounts of Madhya Gujarat Vij Company Limited, Vadodara for the year ended March 31, 2009.

Sr. No.	Comments of the Comptroller and Auditor General of India	Management Reply
	<u>Comments on Financial Position</u> Balance Sheet Application of Funds Current Assets Loans and Advances 1. Inventories (Schedule 11) Other Materials accounts (Rs. 37.81 Crore) The above includes Rs 10.41 crore being the difference in cost of the transformer replaced Rs 331.33 crore and the cost of the transformer removed Rs 320.92 crore. As this difference was mainly due to the difference in the cost of the transformer released and the transformer replaced, this should have been capitalised. The company has however carried forward the net balance over the years resulting in the understatement of assets and depreciation thereon.	Transformers installed at new project / schemes are capitalised as fixed assets. While Services transformers for replacement are accounted as inventory. Normally, in Power Distribution Sector, transformers have a fairly high rate of rotation on account of burning/failing of transformers. After necessary repairs, the transformers are put into usable condition and get reinstalled and again fail and get repaired and so on. Under these circumstances the failed transformers received in stores for repairs and transformers issued for replacement against such transformers are being accounted for as service units. This methodology is being followed since erstwhile GEB to monitor and control the frequent movement of transformers. The Various Control Account Heads in the inventory group are being operated for Service transformers removed when burnt, for sending it to Repairing Agency and returned after repairs, receipt in to the stores, and issue the same to TMS (Transformer Maintenance Section) for temporary replacement against Burnt Transformer. This is the on going cycle of movement of the service transformers from one stage to another within the inventory and therefore forming the part of inventory. The Company is following weighted average rate for the valuation of Inventory as per AS 2. When the transformers are removed / replaced, they are assigned value at the weighted average rate prevailing at that time and at their respective stage. So, it is mainly the variation of weighted average rate due to timing difference between receipt and issues of transformers. Hence, the said difference is the valuation Difference of transformers lying in



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Sr. No.	Comments of the Comptroller and Auditor General of India	Management Reply
		various stages of inventory, i.e. either that may be with repairers or repaired transformers with stores and with TMS etc. and due to this, the amount is grouped under the schedule of Inventory. Furthermore, many times transformers are kept with TMS for emergency replacements. At the year end, the value of the transformers issued for replacements to TMS and lying in stock with TMS, is also reflected in the account head having balance of Rs. 331.33 Crore. Due to the above reasons, the difference of Rs. 10.41 Crore is a part of inventory only and hence it is not capitalised and grouped under the schedule of Inventory.
2.	Sources of funds Current Liabilities and Provisions (Schedule 16) Liability for capital Supplies/ works (Rs. 0.05 Crore) The Baroda circle under MGVCL entrusted the installation and commissioning of SCADA/ DMS project to the contractors, who submitted their first Running Account Bill in January 2009 after completion of work as recorded on 26.03.2009. Though the bill was admitted and paid in June 2009, liability for payment to the extent of Rs.4.29 Crore (gross value including 15% consultancy charges and service tax there upon) has not been created in the books for 2008-09. This has resulted in understatement of Works in progress by Rs.4.29 crore with corresponding understatement of liabilities by 1.29 crore after adjusting advance already given of Rs. 3 Crore.	The Company has a system of accounting on accrual basis, including liabilities. However, in this particular Bill, the amount of work done was under scrutiny due to clumsy & voluminous measurements. Hence, the bill could not be accounted for in 2008-09. After due compliances and finalising the bill value, the bill is accounted for and paid in the current year 2009-10. As such there is no impact on profitability of the Company. However, the audit point is noted for future.
3.	Comments on Disclosure Current liabilities and provisions (Schedule 16) Provisions (Rs. 178.81 Crore) The above includes provision for bonus Rs 0.74 crore, for expenses Rs 109.82 crore, for MAT Rs 5.16 crore, for wealth tax Rs 0.02 crore and for FBT Rs 2.86 crore. For each class of provision, the Company should disclose, (a) carrying amount at the beginning and end of the period, (b) additional provisions made in the	As per para 5 of AS 29 "Where another accounting Standard deals with a specific type of provision, contingent liability or contingent asset, an enterprise applies that Statement instead of this statement". Provision for MAT is covered in AS-22, hence the disclosure as prescribed under para 66 of AS 29 is not applicable.

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Sr. No.	Comments of the Comptroller and Auditor General of India	Management Reply
	period, (c) amount used during the period and (d) unused amounts reversed during the period, as per para 66 of AS 29. The company has not disclosed the same neither in the schedule nor by way of notes forming part of accounts.	Further, as per AS 29.12 "Provisions can be distinguished from other liabilities such as trade payables and accruals". "Accruals are liabilities to pay for goods or services that have been received or supplied but have not been paid, invoiced or formally agreed with supplier, including amount due to employees". In view of above, the provisions for expenses amounting to Rs. 109.82 Crore are the accruals for the various types of expenses incurred for the services etc. received during the year but have not been paid/invoiced & it is of the nature of other liabilities. Hence, the disclosure as prescribed under AS 29.66 is not necessary. However, for provision for Bonus, Wealth Tax and Fringe Benefit Tax, the audit point is noted for future.
4.	Other Comments Cash and Cash Equivalents (Closing Balance) in Cash Flow statement Cash and Cash Equivalents (Closing Balance) (Rs. 38.11 Crore) The above includes an amount of Rs. 3.94 crore which is lying un-reconciled and pending receipt in transfer in transit account. As such, the said amount is not readily available to the company for use. The same, together with a commentary by management, should have been disclosed by way of note as required by para 45 of AS 3.	The audit point is noted for suitable Commentary in the Cash Flow Statement in future.

For and on behalf of the Board

Vadodara
4th February, 2010

L. Chuaungo
Chairman



MADHYA GUJARAT VIJ COMPANY LIMITED

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AUDITORS' REPORT TO THE MEMBERS OF MADHYA GUJARAT VIJ COMPANY LIMITED

1. We have audited the attached Balance Sheet of MADHYA GUJARAT VIJ COMPANY LIMITED as at 31st March, 2009, the Profit and Loss Account and also the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material mis-statement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. The Company is governed by the provisions of the Electricity Act, 2003 read with rules and the regulations issued there under. The Section 616(C) of the Companies Act, 1956, also provides that special Acts like Electricity Act, will apply to the extent the provisions of the Companies Act are inconsistent with provisions of those Acts. Accordingly, the financial statements of the Company for the year 2008-09 are compiled and reported.
4. As required by the Companies (Auditors' Report) Order, 2003, as amended by the Companies (Auditors' Report) (Amendment) Order, 2004, issued by the Government of India in terms of section 227 (4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraph 4 and 5 of the said order.
5. Further to our comments in the Annexure referred to in paragraph above, we report that:
 - (a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - (b) In our opinion, the Company has kept proper books of accounts, as required by law, so far as it appears from our examination of those books.
 - (c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - (d) In our opinion, Balance Sheet, the Profit and Loss Account and Cash Flow Statement comply with the Accounting Standards referred to in Sub-section (3C) of Section 211 of the Companies Act, 1956 except where stated otherwise in Schedule 32.
 - (e) According to Notification No. GSR 829 (E) dtd. 21.10.2003 issued by Govt. of India, the provisions of Section 274(1) (g) of the Companies Act, 1956 are not applicable to the Company.
 - (f) Attention is invited to the following Notes appearing in Schedule 32 to the financial statements:



- i. Note No.3 regarding non-registration of charge on the transferred assets of the Company.
 - ii. Note No.4 regarding legal ownership (title) of immovable properties.
 - iii. Note No. 5 regarding compensation of uses of Inter Company Assets.
- (g) Further to the above, in our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the significant accounting policies and Notes forming part thereof give information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.
- (i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2009.
 - (ii) in case of the Profit and Loss Account, of the profit for the year ended on that date and,
 - (iii) in the case of Cash Flow Statement, of the Cash Flows for the year ended on that date.

For **Prakash Chandra Jain & Co**
Chartered Accountants

P. C. Nalwaya

Partner

M. No. 033710

Place : Vadodara

Date : 26-09-2009



ANNEXURE TO THE AUDITORS' REPORT

(Referred to in paragraph (4) of our report of even date)

In our opinion and on the basis of such checks as we considered appropriate and in terms of information and explanations given to us, we state that :-

(i) Fixed Assets

- (a) The Company has generally maintained records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Fixed assets have not been physically verified by the management during the year and hence, we are unable to comment on discrepancies between physical and book balances.
- (c) The Company has not disposed off the substantial part of fixed assets during the year.

(ii) Inventory

- (a) We are informed that physical verification of inventory had been conducted by the management on regular basis so as to cover at least once during the year.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management were reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) In our opinion and according to the information and explanations given to us, the Company has maintained proper record of its inventories and no material discrepancies were noticed on physical verification.

(iii) Loans and Advances

- (a) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to / from Companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.

In view of (a) above, sub-clauses (b), (c) and (d) are not applicable.

- (e) In our opinion and according to the information and explanation given to us, the Company has not taken any loans, secured or unsecured, from Companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956.

In view of (e) above, sub-clauses (f) and (g) are not applicable.

As per the information and explanations given to us, the provisions of section 299, 300 and 301 of the Companies Act, 1956 are not attracted to the transactions entered in to by the Company with GUVNL and its subsidiaries and are not liable to be listed in the register maintained under section 301 of the Companies Act, 1956.

(iv) Internal Control System

In our opinion and according to the information and explanation given to us, there are



adequate internal control procedures / system commensurate with the size of the Company and the nature of its business with regard to purchase of inventory, fixed assets and with regard to sale of electricity and other related services. Further, on the basis of our examination of the books and records of the Company carried out in accordance with the auditing standards generally accepted in India, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control system.

(v) Section 301

- (a) The Company has entered in to contracts / arrangements with GUVNL being the holding Company. As per the information and explanations given to us, the transactions pursuant to these contracts and / or arrangements are not falling under the provisions of section 301 of the Companies Act, 1956 and accordingly these transactions are not entered into the register maintained under section 301 of the Companies Act, 1956.

In view of (a) above, sub-clauses (b) is not applicable.

(vi) Deposits from Public

In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits within the meaning of Section 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and the rules framed there under.

(vii) Internal Audit

The Company has an in-house Internal Audit System and it has also assigned internal audit assignments to practicing firms of Chartered Accountants and this arrangement, in conjunction with the existing internal control and checks, is in our opinion commensurate with the size of the Company and the nature of its business.

(viii) Cost Records

The maintenance of cost records has been prescribed by the Central Government under Section 209 (1) (d) of the Companies Act, 1956. The Company has appointed a firm of Cost Accountants for preparation of cost records. We have broadly reviewed such cost records and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

(ix) Payment of Statutory Dues

According to the information and explanation given to us in respect of statutory and other dues.

- (a) The Company is generally regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Income Tax, Wealth Tax, Service Tax, Custom Duty, Cess and other statutory authority during the year. According to the information and explanations given to us there are no undisputed amounts payable in respect of such statutory dues which have remained outstanding as at 31st March, 2009



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for a period of more than six months from the date they became payable.

- (b) According to the information and explanation given to us, there are no statutory dues of Income Tax, Customs Duty, Wealth Tax, Service Tax and Cess, which have not been deposited on account of any dispute except the dues mentioned below:-

Sr. No.	Nature of demand	Period to which it relates	Tax Amount (in Rs.)	Forum in which appeal preferred
1.	Income Tax-Regular Assessment	2005-06	11,92,376.00	CIT (Appeals)-III Baroda

(x) Accumulated Losses/ Cash Losses

The Company has neither accumulated losses at the end of the year nor incurred cash losses in the current financial year and in the immediately preceding financial year.

(xi) Repayments of Dues

Based on our audit procedures and on the information and explanation given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions and banks in-respect of the existing loans, which were originally raised by the Company. As regards the loans transferred from GUVNL, we have been informed that the same have been serviced by GUVNL on behalf of the Company and in view of the above, we are not in a position to opine whether the Company has defaulted in repayment dues to Financial Institutions and Banks.

(xii) Secured Loans and Advances

Based on our examination of documents and records and according to the information and explanations given to us, we are of the opinion that the Company has not granted any loans and / or advances on the basis of security by way of pledge of shares, debentures and other securities.

(xiii) Chit Fund / Nidhi / Mutual Benefit Fund / Societies

The provisions of any special statutes applicable to Chit Fund, Nidhi and Mutual Benefit Funds / Societies are not applicable to the Company.

(xiv) Dealing or Trading in Shares, Securities etc.

Based on examination of the accounts and as per the information and explanation given to us, the Company is not dealing or trading in Shares, Securities, Debentures and other Investments.

(xv) Guarantee given in respect of loans taken by others

In our opinion and according to the information and explanation given to us, the Company has not given any guarantee in respect of loans taken by others from banks or financial institutions.

(xvi) End Use of Term Loans Taken

- (a) Loans allocated to the Company by GUVNL and reimbursement made by the Company



during the year of repayments of the principle and the interest on the term loans transferred by GUVNL have been accounted in GUVNL Account without any actual cash inflow or outflow.

- (b) Incase of loans directly raised by the Company during the year, repayments of principle and interest thereon have been routed through a common pool of funds.

In view of (a) and (b) above and in absence of the relevant information as regards the purpose and other terms and conditions of loans availed through GUVNL, we are unable to comment on the application of such loans for the purpose for which they were obtained.

(xvii) Utilisation of Short Term Funds

The Company has raised term loans during the year and for the reasons given in clause (xvi) above, it is not possible for us to ascertain whether funds raised on short-term basis have been used for long term investment.

(xviii) Preferential Allotment of Shares

According to the information and explanation given to us, the Company has not made any preferential allotment of shares during the year.

(xix) Secured Debentures

The liabilities under the bonds issued by the erstwhile GEB transferred to the Company are secured either by a charge over the assets or by a guarantee by Government of Gujarat. Similarly the moneys raised by GUVNL and transferred to MGVCCL are also secured by assets or backed by guarantee given by Government of Gujarat. The Company is in the process of creation of security or charge for such bonds.

(xx) Disclosure of End Use

The Company has not raised any money by public issue during the year.

(xxii) Frauds

According to the information & explanation given to us, no fraud / misappropriation on or by the Company has been reported during the year.

For **Prakash Chandra Jain & Co**
Chartered Accountants

P. C. Nalwaya

Partner

M. No. 033710

Place : Vadodara

Date : 26-09-2009



MADHYA GUJARAT VIJ COMPANY LIMITED

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BALANCE SHEET AS AT MARCH 31, 2009

PARTICULARS	SCHEDULE NUMBER	[RUPEES IN LACS]	
		AS AT 31 ST MARCH 2009	AS AT 31 ST MARCH 2008
SOURCES OF FUNDS			
SHAREHOLDERS FUND			
Share Capital.	1	21264.14	5.01
Share Capital Suspense Account.	2	-	26790.01
Share Application Money.	3	3000.00	-
Reserves & Surplus.	4	24223.14	3677.82
Deferred Government Grants, Subsidies and Contributions.	5	35370.25	23745.27
LOAN FUNDS			
Secured Loans.	6	20459.68	24194.79
Unsecured Loans.	7	33550.77	32007.53
TOTAL		137867.98	110420.43
APPLICATION OF FUNDS			
FIXED ASSETS			
Gross Block.	8	167913.27	139152.02
Less : Accumulated Depreciation.		31948.40	24895.29
Net Block		135964.87	114256.73
Assets not in Use.	9	5.37	7.25
Capital expenditure in progress.	10	5602.27	7285.98
TOTAL FIXED ASSETS		141572.51	121549.96
INVESTMENTS		-	-
CURRENT ASSETS, LOANS & ADVANCES			
Inventories.	11	15094.82	10705.68
Sundry Debtors.	12	33183.52	31490.00
Cash & Bank balances.	13	3811.07	2824.41
Loans & Advances.	14	3604.37	2855.12
Other Current Assets.	15	24529.91	11352.01
TOTAL CURRENT ASSETS		80223.69	59227.22
LESS :			
Current Liabilities.		66088.18	56255.84
Provisions.		17881.20	14183.22
TOTAL CURRENT LIABILITIES & PROVISIONS	16	83969.38	70439.06
NET CURRENT ASSETS		(3745.69)	(11211.84)
MISCELLANEOUS EXPENDITURE	17	41.16	82.31
(To the extent not written off)			
TOTAL		137867.98	110420.43
Significant Accounting Policies	31		
Notes Forming Part of Accounts	32		

As per our attached report of even date
For Prakash Chandra Jain & Co.
 Chartered Accountants

For and on behalf of the Board of Directors

P. C. Nalwaya
 Partner
 M. No. 033710

L. Chuaungo
 Chairman

M. K. Iyer
 Director

Place : Vadodara
 Date : 26-09-2009

K. R. Shah
 General Manager (F&A)
 Place : Vadodara
 Date : 26-09-2009

K. M. Antani
 Company Secretary

MADHYA GUJARAT VIJ COMPANY LIMITED

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PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2009

PARTICULARS	SCHEDULE NUMBER	[RUPEES IN LACS]	
		YEAR ENDED 31 ST MARCH 2009	YEAR ENDED 31 ST MARCH 2008
INCOME			
Revenue from Sale of Power.	18	246868.73	188071.54
Revenue Subsidies and Grants.	19	7600.50	5440.94
Other Income.	20	6916.04	14210.33
TOTAL INCOME		261385.27	207722.81
EXPENDITURE			
Purchase of Power.		225354.13	171815.11
Repairs and Maintenance.	21	3298.14	3811.57
Employee Costs	22	18754.80	16707.48
Administration and General Expenses.	23	3411.21	3219.53
Other Miscellaneous Expenses.	24	1083.84	126.99
Depreciation.	25	6994.28	5913.23
Interest and Finance Charges.	26	7263.26	6506.01
Sub-Total		266159.66	208099.92
Less: Other Expenses Capitalised.	27	5433.27	4055.80
Sub-Total		5433.27	4055.80
Sub-Total		260726.39	204044.12
Extra-ordinary items.	28		0.38
Net Prior Period Expenses / (Income).	29	62.00	3327.35
TOTAL EXPENDITURE		260788.39	207371.85
PROFIT /(LOSS) BEFORE TAX		596.88	350.96
Tax Expenses / (Income).	30	144.10	109.50
Net Profit / (Loss) after Tax available for appropriation		452.78	241.46
Balance broughtforward from last Balance Sheet.		3677.82	3436.36
Balance broughtforward to the Balance Sheet.		4130.60	3677.82
Earnings per share - (in Rs.)			
Basic - Refer Note No:20 of Sch.-32.		0.67	482.05
Diluted - Refer Note No:20 of Sch.-32.		—	0.36
Significant Accounting Policies	31		
Notes Forming Part of Accounts	32		

As per our attached report of even date
For Prakash Chandra Jain & Co.
 Chartered Accountants

For and on behalf of the Board of Directors

P. C. Nalwaya
 Partner
 M. No. 033710

L. Chuaungo
 Chairman

M. K. Iyer
 Director

K. R. Shah
 General Manager (F&A)
 Place : Vadodara
 Date : 26-09-2009

K. M. Antani
 Company Secretary

Place : Vadodara
 Date : 26-09-2009



MADHYA GUJARAT VIJ COMPANY LIMITED

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CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2009

PARTICULARS	[RUPEES IN LACS]	
	For the year 31 st March 2009	For the year 31 st March 2008
Cash Flow from Operating Activities		
Net Profit Before Tax	596.88	350.98
Adjustments For: :Add / (Less) :-		
Prior Period Credit / Charges.	(2.21)	3,323.77
Other Miscellaneous Expenses.	873.51	81.48
Govt. Grants/Cons. contribution Written Back.	(3,930.03)	(2,382.99)
Bad & Doubtful Debts Written Back.	148.01	(3,398.31)
Profit on Sale of Fixed Assets.	(15.80)	(22.16)
Loss on Sale of Fixed Assets.	1.85	-
Provision for Leave Encashment.	2,484.32	(1.73)
Misc Expenditure Written off.	41.15	41.15
Depreciation.	7,061.95	5,822.90
Interest and financing charges.	7,263.26	6,506.00
Exceptional Items.	-	0.37
Operating Profit Before Working Capital Changes	14,522.89	10,321.46
Adjustments for Changes in Working Capital.		
(Increase) /Decrease in Current Assets.	(20,877.87)	7,392.03
Increase /(Decrease) in Current-Liabilities.	10,838.09	(4,834.85)
CASH GENERATED FROM OPERATIONS	4,483.11	12,878.64
Direct Tax Paid.	(152.20)	(229.53)
CASH FLOW BEFORE EXTRAORDINARY ITEMS	4,330.91	12,649.11
Exceptional Items.	-	(0.38)
Prior Period Credit / (Charges).	66.02	(1,457.76)
A. NET CASH FROM OPERATING ACTIVITIES	4,396.93	11,190.97
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets.	(28,780.18)	(20,198.59)
Sale of Fixed Assets.	22.85	29.33
(Increase)/Decrease in CWIP.	1,683.71	(554.74)
(Increase)/Decrease in Assets not in use.	1.88	(0.83)
B. NET CASH FROM IN INVESTING ACTIVITIES	(27,071.74)	(20,724.83)
CASH FLOW FROM FINANCING ACTIVITIES		
Increase in Equity Share Capital (including share premium).	17,561.63	-
(Repayment) / Proceeds From Borrowings.	(2,191.89)	3,501.89
(Repayment) / Proceeds from Cons. Contri./ Grants/subsidies.	15,555.01	11,939.00
Interest Paid.	(7,263.26)	(6,506.00)
C. NET CASH USED IN FINANCING ACTIVITIES	23,661.49	8,934.89
NET INCREASE IN CASH & CASH EQUIVALENTS (A+B+C)	986.68	(598.97)
CASH AND CASH EQUIVALENT (OPENING BALANCE)	2,824.40	3,423.37
CASH AND CASH EQUIVALENT (CLOSING BALANCE)	3,811.08	2,824.40

Notes:- (1) The above cash flow has been prepared under the Indirect Method as set out in the Accounting Standard -3 on Cash flow statements. (2) Components of Cash flow & Cash Equievalent as on 01-04-2008 & 31-03-2009 are as per Schedule 12 to the Balance Sheet. (3) Previous year's figures have been regrouped/reclassified wherever applicable.(4) Proceeds from Loan Funds, Consumer Contributions, Subsidy and Grants have been shown as net of receipt/payment.

As per our attached report of even date

For Prakash Chandra Jain & Co.

Chartered Accountants

P. C. Nalwaya

Partner

M. No. 033710

Place : Vadodara

Date : 26-09-2009

For and on behalf of the Board of Directors

L. Chuaungo

Chairman

K. R. Shah

General Manager (F&A)

Place : Vadodara

Date : 26-09-2009

M. K. Iyer

Director

K. M. Antani

Company Secretary

MADHYA GUJARAT VIJ COMPANY LIMITED

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SCHEDULES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2009

SCHEDULE: 1 SHARE CAPITAL

PARTICULARS	[RUPEES IN LACS]	
	As at 31 st March, 2009	As at 31 st March, 2008
Authorised Share Capital 50,00,00,000 Equity Shares each of Rs. 10 each	50000.00	50000.00
Issued, Subscribed and Paid-up Capital 21,26,41,422 Equity Shares each of Rs. 10 each fully paid-up (Previous year 50,090 Equity Shares)	21264.14	5.01
TOTAL	21264.14	5.01

- (i) Out of the above 21,26,41,332 Shares are held by holding Company Gujarat Urja Vikas Nigam Limited.
- (ii) During the year 6,69,75,018 Shares were allotted to holding Company Gujarat Urja Vikas Nigam Limited in terms of GoG resolution dtd. 12.12.2008. Which is other than consideration of cash - Refer Note No: 01 of Schedule : 32

SCHEDULE: 2 SHARE CAPITAL SUSPENSE ACCOUNT

PARTICULARS	[RUPEES IN LACS]	
	As at 31 st March, 2009	As at 31 st March, 2008
Equity Share Capital Suspense Account	-	26790.01
TOTAL	-	26790.01

See note No: 01 of SCHEDULE : 32

SCHEDULE: 3 SHARE APPLICATION MONEY

PARTICULARS	[RUPEES IN LACS]	
	As at 31 st March, 2009	As at 31 st March, 2008
Share Application money.	3000.00	-
TOTAL	3000.00	-

See note No: 01 (D) of SCHEDULE : 32

SCHEDULE: 4 RESERVES & SURPLUS

PARTICULARS	[RUPEES IN LACS]	
	As at 31 st March, 2009	As at 31 st March, 2008
Reserves Share Premium.	20092.51	-
Surplus Surplus as per Profit & Loss Account.	4130.63	3677.82
TOTAL	24223.14	3677.82

See note No: 01 of SCHEDULE : 32



MADHYA GUJARAT VIJ COMPANY LIMITED

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SCHEDULES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2009

SCHEDULE: 5

DEFERRED GOVERNMENT GRANTS, SUBSIDIES & CONTRIBUTIONS

PARTICULARS	[RUPEES IN LACS]	
	As at 31 st March, 2009	As at 31 st March, 2008
GOVERNMENT GRANTS / SUBSIDIES		
Subsidies towards Cost of Capital Assets.	16708.48	7637.86
Grants towards cost of Capital Assets.	6499.94	7232.82
CONSUMER CONTRIBUTIONS		
Consumer Contribution towards Capital Assets.	12161.83	8874.59
TOTAL	35370.25	23745.27

SCHEDULE: 6

SECURED LOANS

PARTICULARS	[RUPEES IN LACS]	
	As at 31 st March, 2009	As at 31 st March, 2008
(A) LOAN FROM BANKS		
(I) Term Loans (allocated by GUVNL).	12688.29	13443.79
(Due within one year Rs. 2901 Lacs, Previous year Rs. 3408 Lacs).		
Interest Accrued and Due.	49.50	52.46
(II) Bills Discounting under DPG (allocated by GUVNL)	3463.61	6601.49
(Due within one year Rs.2384 Lacs, Previous year Rs. 3137 Lacs).		
(B) LOAN FROM FINANCIAL INSTITUTIONS	1206.68	2195.88
(allocated by GUVNL)		
(Due within one year Rs. 603 Lacs, Previous year Rs. 1004 Lacs).		
(C) CASH CREDIT FROM BANKS	-	1895.23
(D) LOAN FROM FINANCIAL INSTITUTIONS	1565.57	5.94
(raised by MGVCL)		
(Due within one year Rs. 24 Lacs., Previous year Rs. Nil)		
(E) Bills Discounting under DPG (raised by MGVCL)	1486.03	-
(Due within one year Rs. 423 Lacs., Previous year Rs. Nil)		
TOTAL	20459.68	24194.79

- 1 Loan from Oriental Bank of Commerce (outstanding Rs.2.34 Crores) is secured against the Ist hypothecation charge on the assets of Baroda City Circle and Jambuva O&M Division of MGVCL-(A)(I).
- 2 Loan from State Bank of India (outstanding Rs.4.91 Crores) is secured against the Ist hypothecation charge on the assets of Valsad & Surat O&M Circles, Ankleshwar Indl. and O&M Division, Bharuch City and O&M Division and Rajpipla O&M Division of DGVCL-(A) (I).
- 3 Loan from Central Bank of India (outstanding Rs.1.81 Crores) is secured against the Ist hypothecation charge on the assets of Rajkot Rural Division & Rajkot RSO of PGVCL-(A) (I).



- 4 Loan from Bank of Baroda (outstanding Rs.12.83 Crores) is secured against the 1st hypothecation charge on the assets of Rajkot, Amreli, Bhuj O & M Circle & Jamnagar Rural Division of PGVCL-(A) (I).
- 5 Loan from State Bank of India (outstanding Rs.13.68 Crores) is secured against the 1st hypothecation charge on the assets of Gondal, Jetpur, Rajkot, Jamnagar, Dhoraji and Ranasan TR. Division of GETCO-(A) (I).
- 6 Loan from Indian Overseas Bank (outstanding Rs.3.28 Crores) is secured against the 1st hypothecation charge on the assets of Dhrangadhra and Surendranagar O & M Division of PGVCL-(A) (I).
- 7 Loan from State Bank of Saurashtra (outstanding Rs.2.31 Crores) is secured against the 1st hypothecation charge on the Plant & Machinery of Dhrangadhra O & M Division of PGVCL-(A) (I).
- 8 Loan from Dena Bank (outstanding Rs.9.38 Crores) is secured against the 1st hypothecation charge on the assets of Amreli, Dhasa & Vernej Tr. Division of GETCO-(A) (I).
- 9 Loan from Indian Overseas Bank (outstanding Rs.3.87 Crores) is secured against the 1st hypothecation charge on the assets of Vijapur, Mehsana & Chhatral Tr. Division of GETCO-(A) (I).
- 10 Loan from Union Bank of India (outstanding Rs.3.46 Crores) is secured against the 1st hypothecation charge on the assets of Soja, Dhansura & Chhatral Tr. Division of GETCO-(A) (I).
- 11 Loan from Bank of Baroda (outstanding Rs.14.82 Crores) is secured against the 1st hypothecation charge on the assets of Bhavnagar, Junagadh Rural, Botad, Mahuva, Bhavnagar City, Keshod (No.1), Keshod REC & Surendranagar O & M Division of PGVCL (A) (I).
- 12 Loan from Allahabad Bank (outstanding Rs.7.90 Crores) is secured against the 1st hypothecation charge on the assets of Sabarmati, Gandhinagar & Bavla O & M Division of UGVCL-(A)(I).
- 13 Loan from State Bank of India (outstanding Rs.23.16 Crores) is secured against the 1st hypothecation charge on the assets of Valsad, Surat, Ankleshwar Indl. Divn., Bharuch City Divn., Bharuch O & M Divn and Ankleshwar O & M Division of DGVCL-(A) (I).
- 14 Loan from Bank of Baroda (outstanding Rs.13.88 Crores) is secured against the 1st hypothecation charge on the assets of Amreli, Bhuj, Jamnagar Rural Divn. Mahuva O & M Division, Keshod REC Divn., Surendranagar O & M Divn of PGVCL-(A) (I).
- 15 Loan from Canara Bank (outstanding Rs.9.25 Crores) is secured against the 1st hypothecation charge on the assets of Halol O & M Divn, Baroda O & M Divn and Dabhoi O & M Divn of MGVCL-(A) (I).
- 16 Bills Discounting limits availed from ICICI Bank, SIDBI, HDFC Bank, State Bank of India, Allahabad Bank, Bank of Baroda & Union Bank of India are secured under the Deferred Payment Guarantees issued by consortium member banks-(A) (II) & (E).
- 17 Cash Credit limit is secured against the 1st hypothecation charge in favour of UCO Bank Consortium on the Stocks and Book Debts of all the Company-(C).
- 18 Loan from Rural Electrification Corporation (outstanding Rs.2.86 Crores) is secured against the 1st hypothecation charge on the assets of Idar & Talod O&M Divisions of UGVCL-(B).
- 19 Loan from REC (Scheme) (outstanding Rs.7.35 Crores) is secured against hypothecation charge on the assets of Amreli Transmission Circle of GETCO-(B).
- 20 Loan from REC (outstanding Rs.1.87 Crores) is secured against the 1st hypothecation charge on the assets of Himatnagar Circle, Division & R S O, Modasa Division and Mehsana Circle, Division & R S O-(B).
- 21 Loans from PFC raised by MGVCL under ADB-DRUM Project, (outstanding Rs. 2.12 crores) is secured against charge movable assets created under DRUM Project of Umreth Sub-Division of MGVCL-(D).
- 22 Loan from PFC raised by MGVCL under R-APDRP Scheme (outstanding Rs. 13.53 crores) is secured against charge of Plant and Machinery and lines and cables of Anand City Division.-(D).



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SCHEDULES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2009

SCHEDULE: 7 UNSECURED LOANS

PARTICULARS	[RUPEES IN LACS]	
	As at 31 st March, 2009	As at 31 st March, 2008
Term loan from Banks. (Allocated by GUVNL)	2134.69	4464.20
Interest Accrued and Due.	4.32	17.46
(Due within one year Rs. 1113 Lacs, Previous year Rs. 653 Lacs).		
Inter Corporate Deposit. (Allocated by GUVNL)	-	197.60
Loans from Financial Institutions	9030.03	1224.24
(allocated by GUVNL)		
(Due within one year Rs. 5359 Lacs, Previous year Rs. 3065 Lacs).		
Public Bonds. (Allocated by GUVNL)	11162.70	13297.75
(Due within one year Rs. 1726 Lacs, Previous year Rs. 2135 Lacs).		
Term Loan from Bank.	3500.00	5000.00
(Corporate Guarantee given by GUVNL)		
(Due within one year Rs. 2000 Lacs Previous year Rs. 1500 Lacs).		
Loan from Financial Institution. (Raised by MGVCL)	341.12	172.12
Total Loans	26172.86	24373.37
State Government Loans. (Allocated by GUVNL)		
Loan under APDRP.	1536.67	1616.60
ADB Programme and Project Loan.	5841.24	6017.56
(Due within one year Rs. 308 Lacs., Previous year Rs. 242 Lacs).		
Total State Government Loans	7377.91	7634.16
TOTAL	33550.77	32007.53



SCHEDULES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2009

SCHEDULE: 8 FIXED ASSETS

[RUPEES IN LACS]

Particulars	GROSS BLOCK			ACCUMULATED DEPRECIATION				NET BLOCK		
	Gross Block as on 01-04-08	Additions during the year	Deletion / Adujustment during the year	Balance at the end of This year	Balance as on 01-04-08	Charge during the year	Deletion / Adujustment during the year	Balance at the end of This year	Net Assets at the end of This year	Net Assets at the beginning of the year
Land & Land rights.	37.49	-	-	37.49	-	-	-	-	37.49	37.49
Buildings.	1862.89	373.69	-	2236.58	212.82	32.50	(0.01)	245.33	1991.25	1650.07
Hydraulic works.	17.39	-	0.23	17.16	4.73	0.82	0.08	5.47	11.69	12.65
Other Civil works.	366.67	290.61	-	657.28	26.95	8.56	-	35.51	621.77	339.73
Plant & Machinery.	21273.84	3563.66	5.00	24832.50	4164.62	1056.21	(1.63)	5222.46	19610.04	17109.22
Lines & Cable Net Works.	113428.72	24344.40	5.94	137767.18	19597.64	5750.15	5.64	25342.15	112425.03	93831.08
Vehicles.	97.08	2.66	4.50	95.24	44.65	10.05	2.22	52.48	42.76	52.43
Furniture & Fixtures & Electrical Lightings.	411.99	122.10	0.81	533.28	70.59	29.40	0.48	99.51	433.77	341.40
Office Equipments.	1186.62	83.06	2.45	1267.23	327.42	174.23	2.03	499.62	767.61	859.20
Assets taken over from licensees pending final valuation.*	469.33	-	-	469.33	445.87	-	-	445.87	23.46	23.46
Total	139152.02	28780.18	18.93	167913.27	24895.29	7061.92	8.81	31948.40	135964.87	114256.73
Total of the Previous year	118969.99	20198.56	16.53	139152.02	19081.77	5822.89	9.37	24895.29	114256.73	99888.22

* The value and life of Assets taken over from the Licensee (Vadodara Mahanagar Seva Sadan) is provisional and subject to approval of the State Government. The provisional value of the assets has been directly debited to the respective account head of the fixed assets.



MADHYA GUJARAT VIJ COMPANY LIMITED

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SCHEDULES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2009

SCHEDULE: 9 ASSETS NOT IN USE

PARTICULARS	[RUPEES IN LACS]	
	As at 31 st March, 2009	As at 31 st March, 2008
Written down Value of Obsolete / Scrapped Assets...		
Plant & Machinery.	1.33	1.33
Lines & Cable Net Works.	0.48	-
Vehicles.	2.94	5.30
Furniture & Fixtures.	0.25	0.25
Office Equipments.	0.37	0.37
TOTAL	5.37	7.25

SCHEDULE: 10 CAPITAL WORKS IN PROGRESS

PARTICULARS	[RUPEES IN LACS]	
	As at 31 st March, 2009	As at 31 st March, 2008
Capital Works-in-progress.	5491.01	7216.46
Interest Charges to be Capitalised.	27.69	6.71
Provision for completed works.	45.46	42.49
Total Assets at Construction Stage	5564.16	7265.66
Advances to Suppliers / Contractors (Capital).	38.11	20.32
TOTAL	5602.27	7285.98

SCHEDULE: 11 INVENTORIES

PARTICULARS	[RUPEES IN LACS]	
	As at 31 st March, 2009	As at 31 st March, 2008
Stock of Materials at Other Stores.	9339.83	5440.24
Materials at Site (O&M).	1724.36	500.40
Materials in Transit.	81.19	333.43
Other Materials Accounts.	3780.50	4357.03
Materials Stock Excess / Shortage Pending Investigation.	168.94	74.58
TOTAL	15094.82	10705.68

MADHYA GUJARAT VIJ COMPANY LIMITED

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SCHEDULES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2009

SCHEDULE: 12 SUNDRY DEBTORS

PARTICULARS	[RUPEES IN LACS]	
	As at 31 st March, 2009	As at 31 st March, 2008
Sundry Debtors for Sale of Power.	11383.94	13041.90
Provision for Unbilled Revenue.	22098.03	18835.39
Dues from PDC (Net of SD forfeited).	10410.25	11423.71
Sundry Debtors for Misc. Receipts from Consumers.	621.44	664.90
Sub-Total	44513.67	43965.90
Less : Unposted Receipts.	9.00	4.11
Sub-Total	44504.67	43961.79
Less : Provision for Doubtful Dues from Consumers.	8392.15	8514.39
Sub-Total	36112.52	35447.40
Less : Deferred ED & TSE from Consumers.	2929.00	3957.40
TOTAL	33183.52	31490.00

Out of the above -

- Outstanding for a period exceeding six months
- Others

12824.43	18327.77
31689.24	25638.13

Total

44513.67	43965.90
-----------------	-----------------

Debtors are secured and considered good to the extent of security deposit received from the respective consumers.

SCHEDULE: 13 CASH AND BANK BALANCES

PARTICULARS	[RUPEES IN LACS]	
	As at 31 st March, 2009	As at 31 st March, 2008
Cash on hand.	363.44	722.86
Balance with Scheduled Banks.	2728.93	1068.95
Remittance in Transit.	718.70	1032.59
Fixed deposits with Scheduled Banks.	-	0.01
TOTAL	3811.07	2824.41



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SCHEDULES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2009

SCHEDULE: 14 LOANS AND ADVANCES

PARTICULARS	[RUPEES IN LACS]	
	As at 31 st March, 2009	As at 31 st March, 2008
<u>Unsecured considered Good for which company holds no security other than the personal security.</u>		
Advances for O&M Supplies / Works.	465.55	95.31
Loans & Advances to Staff -Interest Bearing.	949.59	1032.59
Interest Accrued & Due on Staff Loans & Advances.	69.83	82.02
Loans & Advances to staff -Interest free.	177.01	170.09
Advance Income Tax / deduction at source.	466.18	387.76
Advance Fringe Benefit Tax - 2005-06.	63.07	63.07
Advance Fringe Benefit Tax - 2006-07.	127.55	53.76
Advance Fringe Benefit Tax - 2007-08.	61.27	61.27
Loans & Advances - Others.	1224.32	909.25
TOTAL	3604.37	2855.12

SCHEDULE: 15 OTHER CURRENT ASSETS

PARTICULARS	[RUPEES IN LACS]	
	As at 31 st March, 2009	As at 31 st March, 2008
Income Accrued but not due.	810.49	792.01
Amount recoverable from employees / ex-employees.	23.96	21.67
Receivables from Government.	0.36	4.30
Other Claims & Receivables.	0.26	0.26
Other Misc. Receivable from Govt Dept., Local Bodies.	19.47	29.45
Deposits.	27.62	140.15
Amount recoverable from Licensees Account.	15.29	15.29
<u>Other Inter/Intra-Company receivables from companies under the same management</u>		
- Gujarat State Electricity Corporation Limited.	521.29	454.49
- Gujarat Energy Transmission Corporation Limited.	-	941.28
- Gujarat Urja Vikas Nigam Limited.	23018.46	8904.29
- Gujarat Energy Training & Research Institute.	92.71	48.82
TOTAL	24529.91	11352.01

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SCHEDULES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2009

SCHEDULE: 16

CURRENT LIABILITIES AND PROVISIONS

PARTICULARS	[RUPEES IN LACS]	
	As at 31 st March, 2009	As at 31 st March, 2008
CURRENT LIABILITIES		
Liability for Purchase of Power -Wind Farms.	2.58	-
Liability for Capital Supplies / Works.	5.00	10.73
Liability for O & M Supplies / Works.	4104.76	4456.45
Staff related Liabilities.	40.77	68.55
Welfare Schemes.	1802.21	1330.43
Deposits & Retentions from Suppliers & Contractors.	4284.45	2230.20
Electricity Duty & Tax on sale of Ele. Payable to Govt.	280.81	388.87
Interest Accrued But Not Due.	868.69	1210.02
Other Liabilities and Provisions.	4873.14	4139.39
Security Deposit from Consumers in Cash.	34794.39	28790.34
Security Deposit from Consumers other than Cash.	-	10.55
Interest payable on Security Deposit from Consumers.	1503.72	1207.34
Deposits for Electrification & Service Connection etc.	5529.50	5355.27
Financial Participation from Consumers.	4.66	6.80
Other Inter/ Intra-company payables to the companies under the same management		
- Paschim Gujarat Vij Company Limited.	611.98	591.28
- Uttar Gujarat Vij Company Limited.	5282.68	5291.10
- Dakshin Gujarat Vij Company Limited.	662.93	696.86
- Gujarat Energy Transmission Corporation Limited.	1435.91	-
- Inter unit balances.	-	471.66
Sub Total	66088.18	56255.84
PROVISIONS		
Provision for Leave Encashment.	6021.71	3537.38
Provision for Bonus.	73.88	83.50
Provisions for expenses.	10982.23	9903.08
Provision for MAT.	515.95	451.61
Provision for Wealth Tax.	1.76	1.58
Provision for Fringe Benefit Tax.	285.67	206.07
Sub- Total	17881.20	14183.22
TOTAL	83969.38	70439.06



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SCHEDULES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2009

SCHEDULE: 17

MISCELLANEOUS EXPENDITURE (to the extent not written off)

PARTICULARS	[RUPEES IN LACS]	
	As at 31 st March, 2009	As at 31 st March, 2008
Preliminary Expenses		
Opening Balance.	82.06	123.09
Less: Written off during the year.	41.03	41.03
Closing Balance	41.03	82.06
Preoperative Expenses		
Opening Balance.	0.25	0.37
Less: Adjusted during the year.	0.12	0.12
Closing Balance	0.13	0.25
TOTAL	41.16	82.31

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SCHEDULES FORMING PART OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2009

SCHEDULE: 18

REVENUE FROM SALE OF POWER

PARTICULARS	[RUPEES IN LACS]	
	Year Ended 31 st March, 2009	Year Ended 31 st March, 2008
Revenue from Sale of Power		
Domestic or Residential.	49019.33	37233.29
Commercial.	25398.98	19856.45
Industrial Low & Medium Voltage.	24004.52	20379.30
Industrial High Voltage.	98371.31	75786.49
Public Lighting.	2303.00	1862.92
Traction Railways.	19139.90	15729.76
Irrigation Agricultural.	19530.70	7909.12
Public Water Works and Sewerage Pumps.	4408.78	3131.51
Total Revenue from Sale of Power	242176.52	181888.84
Electricity Duty & Tax on Sale of Electricity		
Electricity Duty - assessed.	28931.22	22756.89
Tax on Sale of Electricity -assessed.	-	0.01
Total Duties & Taxes	28931.22	22756.90
Miscellaneous Revenue from Consumers...		
Meter Rent / Service Line Rental.	3084.77	2803.96
Recoveries for Theft of Power / Malpractices Non-Consumers.	714.14	654.36
Wheeling charges Recoveries.	(1218.05)	165.72
Miscellaneous Charges from Consumers.	2111.35	2558.66
Total Miscellaneous Revenue	4692.21	6182.70
Gross Revenue from Sale of Power	275799.95	210828.44
Less: Electricity Duty assessed (contra).	28931.22	22756.89
Tax on Sale of Electricity assessed (contra).	-	0.01
TOTAL	246868.73	188071.54

SCHEDULE: 19

REVENUE SUBSIDIES AND GRANTS

PARTICULARS	[RUPEES IN LACS]	
	Year Ended 31 st March, 2009	Year Ended 31 st March, 2008
Agricultural Subsidy.	7600.50	5440.94
TOTAL	7600.50	5440.94



MADHYA GUJARAT VIJ COMPANY LIMITED

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SCHEDULES FORMING PART OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2009

SCHEDULE: 20 OTHER INCOME

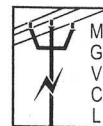
PARTICULARS	[RUPEES IN LACS]	
	Year Ended 31 st March, 2009	Year Ended 31 st March, 2008
Interest on Staff Loans and Advances.	83.52	121.61
Interest from Consumers.	0.04	-
Delayed Payment Charges from Consumers.	1543.90	1633.45
Income from Trading (Sale of Scrap).	168.92	167.62
Gain on sale of Fixed Assets.	15.80	22.16
Income from Staff Welfare Activities.	0.51	0.53
APDRP Incentive.	-	4056.88
Grant for Energy Conservation.	350.00	325.00
Govt. Grants - Capital (Deferred amount 10% Written Back).	2573.56	2382.99
Cons. contribution (-Deferred amount 10% Written Back).	1356.47	256.52
Bad & Doubtful Debts Written Back.	-	3398.31
Interest on Government Loans.	-	1158.01
Miscellaneous Receipts.	823.32	687.25
TOTAL	6916.04	14210.33

SCHEDULE: 21 REPAIRS & MAINTENANCE

PARTICULARS	[RUPEES IN LACS]	
	Year Ended 31 st March, 2009	Year Ended 31 st March, 2008
Repairs and Maintenance		
Plant and Machinery.	327.31	375.31
Buildings.	35.01	36.97
Civil Works.	190.89	89.31
Hydraulic Works	0.04	0.11
Lines, Cable Network etc.	2661.95	3163.65
Vehicles.	9.69	15.95
Furniture, Fixtures.	18.27	35.45
Office Equipments.	54.98	94.82
TOTAL	3298.14	3811.57

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SCHEDULES FORMING PART OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2009

SCHEDULE: 22 EMPLOYEE COSTS

PARTICULARS	[RUPEES IN LACS]	
	Year Ended 31 st March, 2009	Year Ended 31 st March, 2008
Salaries.	5380.16	7757.31
Overtime.	21.19	17.65
Dearness allowance & Dearness Pay.	4970.17	4208.98
Other allowances.	1743.38	2160.44
Bonus.	73.67	161.48
Total emoluments	12188.57	14305.86
Medical Expenses Reimbursement.	367.69	339.06
Leave Travel Assistance.	11.60	3.19
Earned Leave Encashment.	102.15	97.34
Leave Salary Contribution - Deputation Staff.	-	2.39
Waival of outstanding HBA Loan & interest.	4.62	18.81
Death & Accident Compensation.	5.78	2.73
Payment under Workmen's Compensation Act.	11.14	3.56
Board's contribution under Bombay Labour Welfare Act.	0.55	0.53
EDLI - Administration charges.	0.22	0.17
Total Other Staff Costs.	503.75	467.78
Staff Welfare Expenses.	621.00	260.64
Terminal Benefits.		
C.P.F.- Employers' Contribution.	740.00	682.90
Gratuity.	1653.20	468.52
Pension Fund - Employers' Contribution.	335.75	331.19
Leave Encashment on Retirement.	2695.69	175.66
Other Terminal Benefits.	16.84	14.93
TOTAL	18754.80	16707.48



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SCHEDULES FORMING PART OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2009

SCHEDULE: 23

ADMINISTRATION & GENERAL EXPENSES

PARTICULARS	[RUPEES IN LACS]	
	Year Ended 31 st March, 2009	Year Ended 31 st March, 2008
Administration Expenses		
Rent including Lease rentals.	27.02	18.38
Rates and Taxes.	39.39	35.91
Penalties on Statutory Levies.	0.02	-
Insurance.	7.82	1.91
Testing Charges.	21.36	12.72
Annual Inspection & Installation Checking fees to Coll. of ED.	49.72	41.79
Telephone, Postage, Telegram, Telex, Mobile Charges.	270.11	139.28
Legal Charges.	27.35	57.77
Audit Fees.	6.62	5.62
Consultancy Charges.	5.66	4.97
Technical Fees.	0.23	0.70
Other Professional fees and expenses.	66.45	53.80
Conveyance & Travel.	1138.77	1018.62
Total Administration Expenses	1660.52	1391.47
Other Expenses		
Admn. Charges for Restoration of damages.	0.31	0.30
Fees & Subscription.	2.54	3.58
Books & Periodicals.	2.25	2.73
Printing & Stationery.	169.33	138.76
Expenses on Computer Billing & EDP Charges.	150.18	108.20
Advertisements (Other than purchase related).	16.62	19.47
Xerox Copy Charges.	32.66	28.95
Donation	-	50.00
Electricity Charges.	301.16	502.43
Water Charges.	7.58	2.96
Maintenance to Tree Plantations.	0.76	0.12
Entertainment.	4.88	4.16
Expenses on Meetings & Conferences.	1.69	1.52
Expenses for CISF.	0.20	0.18
Guest House Expenses.	8.55	15.79
Security Expenses.	191.47	157.68
Miscellaneous Expenses.	519.03	432.56
Total Other Expenses	1409.21	1469.39
Freight & Other Purchase related expenses		
Freight.	168.69	139.09
Other Purchase Related Expenses.	97.65	134.73
Fabrication ch. Less: amt. absorbed in cost of fabrication .	0.65	26.81
Total Freight & Other Purchase related expenses	266.99	300.63
Revenue Stamps on Receipts issued by the Board.	2.38	2.65
Expenditure on Training to Staff.	72.11	55.39
Total General Expenses	74.49	58.04
TOTAL	3411.21	3219.53

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SCHEDULES FORMING PART OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2009

SCHEDULE: 24 OTHER MISCELLANEOUS EXPENSES

PARTICULARS	[RUPEES IN LACS]	
	Year Ended 31 st March, 2009	Year Ended 31 st March, 2008
Small & Low Value Items Written - off.	1.49	1.26
Written down value of assets scrapped.	1.20	-
Loss on Sale of Fixed Assets.	1.85	-
Misc. Energy Conservation and R&D Expenses.	19.32	4.35
Bad & Doubtful Debts Provision / Written off.	148.01	-
Miscellaneous Losses & Write-offs.	870.82	80.23
Deferred Revenue Expenses W.off/Sundry Expenses.	41.15	41.15
TOTAL	1083.84	126.99

SCHEDULE: 25 DEPRECIATION AND RELATED DEBITS

PARTICULARS	[RUPEES IN LACS]	
	Year Ended 31 st March, 2009	Year Ended 31 st March, 2008
Depreciation on Buildings.	32.50	28.51
Depreciation on Hydraulic Works.	0.82	0.79
Depreciation on Other Civil Works.	8.56	4.34
Depreciation on Plant & Machineries.	1056.21	869.76
Depreciation on Lines & Cable Net Works.	5682.51	4753.90
Depreciation on Vehicles.	10.05	10.47
Depreciation on Furniture & Fixtures.	29.40	20.82
Depreciation on Office Equipments.	174.23	160.64
Depreciation on Assets taken over from Licensee.	-	64.00
TOTAL	6994.28	5913.23



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SCHEDULES FORMING PART OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2009

SCHEDULE: 26

INTEREST AND FINANCE CHARGES

PARTICULARS	[RUPEES IN LACS]	
	Year Ended 31 st March, 2009	Year Ended 31 st March, 2008
Interest on State Government Loans.	69.01	240.65
Interest on Bonds.	1166.78	1487.53
Interest on other Loans/Deferred Credits		
Interest on others.	43.40	67.85
Interest on REC Loans.	121.01	292.56
Interest on DPG.	276.61	473.08
Interest to Consumers on Advance Payment.	46.30	24.79
Interest on FP by Consumers.	0.15	0.22
Interest on Loans from PFC.	17.62	1.09
Interest on Loans from ICICI.	64.36	190.53
Interest to Consumers.	1683.14	1276.89
Total Interest on Capital Liabilities	3488.38	4055.19
Interest on Borrowing for Working Capital.	3032.33	1764.56
Other Interest & Finance Charges		
Discount to Consumers for Timely Payment of Bills.	0.01	-
Interest Charges - Licencees A/c.	30.34	40.15
Other Interest.	93.13	88.79
Cost of raising finance.	0.70	5.00
Other charges		
Other Charges.	491.76	389.46
Guarantee Fees.	123.83	158.17
Banking Cash Transaction Tax.	2.78	4.69
Sub - Total	3774.88	2450.82
TOTAL	7263.26	6506.01

SCHEDULE: 27

OTHER EXPENSES CAPITALISED

PARTICULARS	[RUPEES IN LACS]	
	Year Ended 31 st March, 2009	Year Ended 31 st March, 2008
Repairs and Maintenance Capitalised.	-	4.86
Employee Costs Capitalised.	4580.32	3420.83
Administration & General Expenses Capitalised.	831.97	625.51
Interest & Other Finance Charges Capitalised.	20.98	4.60
TOTAL	5433.27	4055.80

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SCHEDULES FORMING PART OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2009

SCHEDULE: 28 EXTRAORDINARY ITEMS

PARTICULARS	[RUPEES IN LACS]	
	Year Ended 31 st March, 2009	Year Ended 31 st March, 2008
Extraordinary Debits		
Losses on account of Flood, Cyclone, Fire etc.	-	0.38
TOTAL	-	0.38

SCHEDULE: 29 NET PRIOR PERIOD EXPENSES / (INCOME)

PARTICULARS	[RUPEES IN LACS]	
	Year Ended 31 st March, 2009	Year Ended 31 st March, 2008
Prior period Expenses / Losses		
Short Provision of Power Purchase (Wind Farm).	16.18	-
Other Generation Costs.	-	0.10
Employee Costs.	9.07	28.93
Depreciation under provided.	64.26	3.75
Interest & Other Finance Charges.	25.73	68.94
Other Charges related to Prior Periods.	104.12	90.55
Provision for Unbilled Revenue.	-	1504.27
Grants (Jyotigram Gram Yojana).	-	1742.57
Other Prior Period Adjustments.	21.96	27.83
Total Prior Period expenses & Losses	241.32	3466.94
Prior period Income / Gains		
Excess provision for Depreciation.	0.06	0.16
Other excess provision.	22.45	58.55
Other income.	115.45	15.99
Excess Provision of Interest & Other Finance Charges.	41.36	64.89
Total Prior Period Income	179.32	139.59
Net Prior Period (Credits) / Charges	62.00	3327.35

SCHEDULE: 30 TAX EXPENSES

PARTICULARS	[RUPEES IN LACS]	
	Year Ended 31 st March, 2009	Year Ended 31 st March, 2008
Income Tax (MAT).	64.33	36.25
Wealth Tax.	0.17	0.37
Fringe Benefit Tax.	79.60	72.88
TOTAL	144.10	109.50

**SCHEDULES FORMING PART OF BALANCE SHEET AND PROFIT AND LOSS ACCOUNT****SCHEDULE: 31****SIGNIFICANT ACCOUNTING POLICIES****A) Introductory:****Transfer of undertaking as per the Financial Reconstruction plan of The Government of Gujarat :**

Pursuant to the enactment of the Electricity Act, 2003 and the Gujarat Electricity Industry (Reorganization and Regulation) Act, 2003, Government of Gujarat (the Government) has issued various notifications, Government resolutions and Transfer Schemes for vesting of the assets, liabilities, proceedings and personnel from erstwhile Gujarat Electricity Board (GEB-erst) to the Government of Gujarat and then to reconstitute the same into initially six companies i.e. one Generation Company, one Transmission Company and four Distribution Companies. Madhya Gujarat Vij Company Ltd (MGVCL) is one of these four Distribution Companies, registered under the provisions of Companies Act, 1956.

On reorganization of GEB by the Government, the existing shares issued and allotted by the Company 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 to carry out the residual functions of GEB-erst.

Consequent on such transmission and transfer of shares to the nominees of GUVNL, 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. The Company having become the subsidiary of the Government Company (GUVNL) w.e.f. 1st April 2005, it also became a Government Company by virtue of the operation of the provisions of the said Section 617.

As a major step for implementation of Financial Restructuring Plan (FRP), Government of Gujarat 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 1-4-2005 containing the values of the assets and liabilities of the Distribution activities which stood transferred from erstwhile Gujarat Electricity Board to the Company as specified in Annexure-E appended to the notification. Accordingly, the said values of the assets & liabilities had been taken as opening balances while preparing the Final Accounts for the year 2005-06, which was the first year of operation of the Company.

B) Accounting Policies/Principles:

- (1)** The Company is engaged in the business of electricity distribution in Central Gujarat area and is governed by the provisions of the Electricity Act, 2003 and Gujarat Electricity Industry (Reorganization & Regulation) Act, 2003. The provisions of these Acts, read with the rules made there under, prevail wherever the same are inconsistent with the provision of the Companies Act, 1956.

The Company prepares its financial statements under historical cost basis in accordance with Generally Accepted Accounting Principles (GAAP) and the Accounting Standards issued by the Institute of Chartered Accountants of India unless otherwise stated.

**(2) Revenue Recognition:****(i) Revenue from sale of power:**

Revenue from sale of power is recognized on accrual basis of energy supplied in accordance with the tariff orders awarded by the Gujarat Electricity Regulatory Commission (GERC) as applicable to the consumers.

(ii) Misc. revenue from consumers:

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

(iii) Revenue subsidies:

Revenue Subsidies are accounted for as allocated by GUVNL(Holding Company) and credited to profit and loss account.

(iv) Other income:

(a) Income from sale of scrap, insurance claims are accounted for on the basis of actual realization and income received in respect of delayed payment charges is accounted for in the subsequent bill, upon realization of the delayed payment made by the consumer.

(b) Other income except mentioned above is recognized on accrual basis except when ultimate realization of such income is uncertain.

(v) Amount in respect of unclaimed Security Deposit, Earnest Money Deposit and Misc. Deposit of suppliers and contractors which is pending for more than three years and which, as per policy of management, is not payable, is considered as income.

(3) Fixed Assets:

(a) Fixed assets are stated at cost including all attributable charges properly incurred in erecting and bringing the asset into beneficial use. The opening gross value of fixed assets, accumulated depreciation and net block of fixed assets are stated at values notified by Govt. of Gujarat notification No. GUV-2006-91-GW-1106-590-K dt. 3rd October, 2006.

(b) Capital work-in-progress:

Capital work-in-progress includes the cost incurred on fixed assets that are not yet ready for the intended use and is capitalized whenever ready for use. All expenditures are allocated to the projects on pro rata basis to the accretion made to respective projects. However, common expenditure of Corporate Office and field offices are allocated to Capital work-in-progress at the predetermined rate.

(4) Depreciation:

(i) Depreciation is provided on Straight Line Method as per rates prescribed in Schedule XIV to the Companies Act, 1956.

(ii) Any depreciable assets having original cost upto Rs. 5000/- (except Furniture & Fixtures and Office Equipments) have been fully charged to revenue in the year in which assets are purchased.



- (iii) Depreciation on addition of fixed assets is provided on pro rata basis from the quarter, next following the quarter in which the asset is put to use.

(5) Preliminary Expenses / Pre-Operative Expenses:

Preliminary Expenses as well as Pre-Operative Expenses are amortized over a period of five years commencing from the financial year 2005-06.

(6) Inventories:

The Inventories of the Company have been valued on the following basis:

- (a) Consumable Stores and Spares - At cost. (Weighted Average Method)
- (b) Scrap - Net Realizable Value.

(7) Retirement Benefits:

(i) **Provident Fund** : Retirement benefit in the form of Provident Fund is defined contribution scheme and the contribution is charged to the profit and loss account of the year when the contributions to the fund is due. There are no other obligations other than the contribution payable to the Trust.

(ii) **Gratuity**: Gratuity Liability is defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. Employees Gratuity Scheme is administered through 'GEB Employees Group Gratuity Trust' and the trust has taken an insurance policy under the Group Gratuity Scheme with Life Insurance Corporation of India (LIC) to cover the gratuity liability of the employees. Amount determined by the actuary to the gratuity fund is charged to the profit and loss account.

(iii) **Leave Benefits** : The Company has provided for leave encashment liability at the year end on account of unavailed earned leave as per actuarial valuation as per the Projected Unit Credit Method.

(iv) **Leave Travel Concession** : Expenditure on Leave Travel Concession to eligible employees is recognized on the basis of actual claim for reimbursement.

(8) Borrowing Costs:

Borrowing Cost specifically identified to the acquisition or construction of qualifying assets is capitalized as part of such asset. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to Profit and Loss Account.

(9) Taxation:

Tax expense for the current year, comprising current tax, deferred tax, fringe benefit tax, wealth tax are included in determining the net profit after tax for the year.

Provision is made for the current tax based on the tax liability computed in accordance with relevant tax rates and tax laws.

Deferred Tax is recognized subject to the consideration of prudence, on timing differences, being the differences between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. The deferred tax asset is recognized and carried forward only to the extent that there is a reasonable certainty



except for carried forward losses and unabsorbed depreciation which is recognized on virtual certainty that the asset will be realized in future (see note 21 of Schedule 32).

(10) Provisions and contingent liabilities:

The Company recognizes a provision when there is a present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

(11) Capital Grants from Government & Consumer Contributions:

Consumers' Contribution and capital grants towards cost of capital assets are not reduced from cost of assets. All receipts of consumer contributions and capital grants are treated as deferred credit and 10% of the year end balance is transferred to profit & loss account.

(12) Impairment of Assets:

Consideration is given at each Balance Sheet date to determine whether there is any indication of impairment of the carrying amount of the Company's fixed assets. If any indication of impairment exists, recoverable amount of the asset is estimated. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Profit & Loss Account. If at the Balance Sheet date, there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount so reassessed.

(13) Segment Reporting:

- (i) Business Segments: The Company has only one activity namely 'Distribution of Electricity'. Accordingly, the Accounting Standard 17 – Segment Reporting issued by the Institute of Chartered Accountants of India has been considered as not applicable.
- (ii) Geographical Segments: The Company's operations are mainly confined within the State of Gujarat. The Company does not have material earnings outside Gujarat or outside India. As such, there are no reportable geographical segments.

(14) Prior period items:

All identifiable items of income and expenditure pertaining to prior period comprising within period starting from the commencement of commercial operations are accounted through net prior period credits/ (charges) as stipulated in the Accounting standard number 5 dealing with "Prior period items etc...".



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SCHEDULES FORMING PART OF BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

SCHEDULE: 32

NOTES FORMING PART OF ACCOUNTS

1. Financial Restructuring Plan:

A) Allocation of, "Final Opening Balance Sheet", as transferred by erstwhile Gujarat Electricity Board (GEB-erst) effective from 1st April, 2005, (referred to in paragraph (A) contained in Schedule-31 of Schedules forming part of these Financial Statements).

(i) Value of assets, so transferred, were allocated in the books of the account of the Company as follows :

Sr. No.	Allocation of Assets	Basis of Allocation
1	Fixed Assets	The gross values (cost of acquisition), accumulated depreciation and the net values are taken as per the fixed assets registers maintained at the Division/Circle Offices of the Central Distribution Zone of the GEB-erst.
2	Capital work in progress	As per register maintained at the Division/Circle Offices of the Central Distribution Zone of the GEB-erst.
3	Total other Assets	As per register/records maintained at the Division/Circle Offices of the Central Distribution Zone of the GEB-erst.
4	Current assets	Allocated to individual items of Current Assets on the basis of their respective values (balances) on 31.03.2005 as per the register / records maintained at the Division/Circle Offices of the Central Distribution Zone of the GEB-erst.
5	Subsidy receivable from Government of Gujarat	As per records maintained at the Division/Circle Offices of the Central Distribution Zone of the GEB-erst.
6.	Investment	As per records maintained at the Division/Circle Offices of the Central Distribution Zone of the GEB-erst.

(ii) Value of liabilities so transferred were allocated in the books of the account of the Company as follows :

Sr. No.	Allocation of Liabilities	Basis of Allocation
1	Share Capital	Divided in to two parts :- a) Equity Share capital – Balance as per balance sheet as on 31-03-05. b) Equity Share Capital Suspense account amounting to Rs. 267.90 crores as on 01-04-2005 is bifurcated in to Equity Share Capital amounting to Rs 66.97 crores & 200.93 crores as share premium vide notification No. GHU-(203)-GUV-1106-590-K dated 12-12-2008 of Government of Gujarat.

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Sr. No.	Allocation of Liabilities	Basis of Allocation
2	Long Term Loans and Short Term Loans	a) Those directly identifiable with the distribution undertaking of the Central Distribution Zone of the GEB-erst have been taken at those specific values. b) Those borrowing standing in common for generation, transmission and distribution functions as well as borrowings those were not identifiable with any of these specific activities have been taken at the value apportioned by the Government.
3	Security Deposits from consumers	As per register maintained at the Division/Circle Offices of the Central Distribution Zone of the GEB-erst.
4	Current Liabilities	Allocated to individual items of Current Liabilities on the basis of their respective values (balances) on 31.03.2005 as per the records maintained at the Division/Circle Offices of the Central Distribution Zone of the GEB-erst.
5	Apportionment of total Loans of GEB-erst Long Term Rs.377.87 crores and Short Term Loans Rs. 107.08 crores	In absence of specific Govt. order for apportionment of Secured Loans or Multilateral Facility or of any Securities Sharing Agreement between GUVNL, transferee Companies as well as the lenders, these loans are reclassified and regrouped either as Secured Loans or Unsecured Loans as per the classification & charges on the assets created by erstwhile GEB.

B) Consideration for transfer of undertaking by GEB-erst

The said consideration has been divided into two parts :

(i) Equity Share Capital :

This represent the equity share capital of Rs. 10 each actually allotted by the Company in the year 2004-05 in the name of GEB-erst which were transmitted w.e.f 1st April 2005 by operation of law in the name of Gujarat Urja Vikas Nigam Limited (GUVNL- Holding Company).

(ii) Equity Share Capital Suspense Account:

Equity Share Capital Suspense Account as on 31.03.2008 representing the consideration payable, by the Company to GUVNL for the transfer of portion of net worth related to the Distribution undertaking from GEB-erst has been discharged, in light of GoG Notification No: GHU-(203)-GUV-1106-590-K dated 12.12.2008 for bifurcating & notifying revised equity structure effective from 01.04.2008 by splitting of equity capital into equity share capital & share premium in the ratio of 25:75.

C) Equity Share Capital issued during the year:

The Company has issued Equity shares of Rs.145.63 Crores of Rs. 10 each at par to the Holding Company(GUVNL) towards the financial assistance received for implementation of Jyoti Gram Yojna in non tribal area.



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D) Share Application Money:

Share Capital includes Rs.30 Crores received towards the equity share application money from the Holding Company (GUVNL).

2. Secured and unsecured Loans.

a) Loan transferred under the Financial Restructuring Plan as on 01.04.2005

- (i) As per clause 3(2) of the Gujarat Electricity Industries (Reorganization & Regulation) Act and Comprehensive Transfer Scheme, 2003 if the assets of the undertaking transferred are subject to security document in favour of third party (Lender) for any financial obligation or arrangement entered in to by GEB-erst and the said loans are required to be apportioned to different transferee companies, the Government may, by order, do so and upon such apportionment, the Security will be applicable only to those apportioned liabilities, by operation of Law.
- (ii) The Government has in FRP notification apportioned total Loans of erstwhile GEB as Long Term and Short Term Loans Rs. 48495.87 Lacs (balance of such loans as on 31.03.2009 Rs. 47063.90 Lacs) respectively have been transferred to the Company.
- (iii) The loans which were raised by erstwhile GEB from Bonds, Banks, PFC, REC, LIC, Financial Institutions and other Lenders against the assets relating to generation transmission and distribution activities and were used for common purposes are continued in the Books of GEB / (now GUVNL) on behalf of all transferee Companies and the same have been apportioned under FRP Notification dated 3rd October 2006, based on their purpose and usage amongst all transferee Companies and the same loans have been accounted by the Company as "Loans allocated from GUVNL Lenderwise" in separate accounts. The repayments and interest thereon are reimbursed by the Company to GUVNL.

The said Loans are reclassified and regrouped either as Secured Loans or Unsecured Loans as per the classification & charges on the assets created by erstwhile GEB.

b) Additional Loans raised by GUVNL after 01-04-2005:

After 01-04-2005, GUVNL has raised several loans for common usage of transferee Companies. During the year 2008-09, GUVNL has apportioned Rs. 15183.64 Lacs. (previous year Rs.13841.97 Lacs). The repayments and interest thereon are reimbursed by the Company to GUVNL.

The said Loans are reclassified and regrouped either as Secured Loans or Unsecured Loans as per the classification & charges on the assets created by GUVNL (Holding Company) and its subsidiary Companies.

c) Joint consortium agreement between the Company and UCO Bank, lead Bank is executed in 2006-07, cash credit from banks is secured against hypothecation charge on the stocks and book debts of the Company ranking pari-passu interse.

**3. Registration of charge in-respect of proportionate Secured Loans transferred by GEB-erst:-**

The Company has, under a scheme of transfer, acquired the properties, which are subjected to charges created by the GEB erst, a transferor entity. As per the provisions of the Companies Act, the Company is required to register the charges in respect of all such assets with the Registrar of Companies, Gujarat. Due to the common funds for all the operations of GEB-erst funds were raised against the charge over all its assets. However, the amount of Secured Loans of GEB-erst which are secured against the separate properties transferred to each transferee Company has yet to be identified. The Company, therefore, has not registered the charge on these properties with the Registrar of Companies, Gujarat.

4. Legal ownership (titles) of immovable properties:

The immovable properties, in respect of which the account balances have been transferred, are held in the name of GEB-erst. The procedure for the registration and /or transfer in the name of the Company is under process.

5. Compensation of usage of inter Company assets

Consequent upon unbundling of business of GEB-erst, various assets including lands and buildings belonging to the Companies are used by Holding Company/other fellow subsidiary Companies. Common expenses for maintenance/usage of such assets have been apportioned and debited to Holding Company/other fellow subsidiary Companies based on reasonable basis. However, for such other un-identifiable expenses or income, no provision has been made for any such charges receivable or payable to or by the Company.

6. Employee Cost:

The Company has reached a settlement with the recognized employees unions on the demands submitted by them for wage revision. As per the last settlement reached with the employees unions the wage revision is due effective from 01.01.2006. Based on the settlement with the employees unions the Company has accounted a liability of Rs. 1126.96 Lacs for the year (including for the retired, resigned and expired employees) considering the total provision made in earlier years.

Employee Benefits**(i) Defined contribution to Provident Fund, Employees' Pension Scheme and Employees' Deposit Linked Insurance Scheme.**

The Company makes contribution towards employees' provident fund, employees' pension scheme and deposit linked insurance in accordance with the provisions of these schemes, the Company is required to contribute a specified percentage of salary.

(ii) Defined contribution towards Gratuity

The following table summaries the components of net benefit expenses recognized in the profit and loss accounts and amounts recognized in the balance sheet for the Gratuity Scheme Plans as at 31st March, 2009.



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(Rs. in Lacs)

Particulars	2008-09	2007-08
Changes in the present Value of obligation		
Present value of obligation (opening)	6019.42	5934.95
Interest Cost	481.55	474.80
Past Service Cost	Nil	Nil
Current Service Cost	155.09	169.71
Curtailment cost / (Gain)	Nil	Nil
Settlement Cost / (Gain)	Nil	Nil
Benefits Paid	(563.53)	(552.93)
Actuarial Losses / (Gain)	1233.12	(7.11)
Present Value of obligation (Closing)	7325.65	6019.42
Changes in the fair Value of Plan Assets		
Present value of plan assets (opening)	2398.87	1667.28
Expected Return on Plan Assets	249.12	175.32
Actuarial Gain / (Losses)	(31.60)	(5.07)
Employer's Contributions (*)	1010.41	1114.27
Employees' Contributions	Nil	Nil
Benefits paid	(563.53)	(552.93)
Fair Value of Plan Assets (Closing)	3063.27	2398.87
(*) Apportioned based on the ratio of closing liabilities of holding and fellow subsidiary companies		
Percentage of each category of plan assets to total fair value of Plan Assets at the year end		
Government of India Securities	Nil	Nil
High quality corporate bonds	Nil	Nil
Equity shares of listed companies	Nil	Nil
Property -	Nil	Nil
Policy of insurance	100%	100%
Bank Balance	Nil	Nil
Amount recognized in the balance sheet (Through holding Company GUVNL)		
Present Value of funded obligation as at the year end	3063.27	6019.42
Fair value of plan assets as at the year end	3067.27	2398.87
Funded (Asset)/ Liability recognized in the Balance sheet	Nil	Nil
Present value of unfunded obligation as at year end	4262.38	3620.55
Un recognized past Service cost	Nil	Nil
Un recognized Actuarial (Gains)/ Loses	Nil	Nil
Un funded net liability recognised in the Balance sheet	4262.38	3620.55
Amount recognized in the balance sheet (Through holding Company GUVNL)		
Present value of obligation as at the year end	7325.65	6019.42
Fair value of plan assets as at the year end	3063.27	2398.87
(Asset)/ Liability recognized in the Balance sheet	4262.38	3620.55
Expenses recognized in the profit and loss account		
Current Service Cost	155.09	169.71



(Rs. in Lacs)

Particulars	2008-09	2007-08
Past Service Cost	Nil	Nil
Interest Cost	481.55	474.80
Expected Return on Plan Assets	(249.12)	(175.32)
Curtailment Cost / (Credit)	Nil	Nil
Net Actuarial (Gain) / Loss	1264.72	(2.04)
Employees Contribution	Nil	Nil
Total Expenses recognized in the profit and loss account.	1652.25	467.15
Principal actuarial assumption (Rate of Discounting)		
Rate of Discounting	8.00%	8.00%
Expected Return on Plan Assets	9.50%	9.00%
Rate of Increase in Salary	5.00%	5.00%
Attrition Rate (Employees opting for early retirement)	3 to 1%	3 to 1%

Transitional liability of Rs.3620.54 Lacs has been provided by GUVNL (Holding Company).

(iii) Leave Encashment Benefit (*)

(Rs. in Lacs)

Particulars	2008-09	2007-08
Valuation Method	Projected Unit Credit	Projected Unit Credit
Actuarial Assumptions		
Mortality Rate	LIC (1994-96)	LIC (1994-96)
Withdrawal Rate	1% to 3%	1% to 3%
Discount Rate	8% p.a.	8% p.a.
Salary Escalation	5%	5%
Changes in the present Value of obligation		
Present value of obligation (opening)	3537.38	3539.12
Current Service Cost	2797.84	273.37
Benefits Paid	(313.51)	(275.11)
Present Value of obligation (Closing)	6021.71	3537.38

(*) Details are given to the extent available.

7. (i) Based on the details available with the Company regarding the status of the suppliers as defined under the "Micro, Small and Medium Enterprises Development Act, 2006" there are no dues to micro, small and medium enterprises as at 31st March 2009 on account of principal amount together with interest for delayed payment under the Act (previous year Nil).
- (ii) The Company has not received any claim for interest from any suppliers under the "Interest on Delayed Payments to Small Scale and Ancillary Industrial Undertakings Act 1993".
8. Balance in respect of sundry creditors, sundry debtors, loans and advances (debit / credit) as at 31.3.2009 have been taken as shown in the books of accounts and are subject to independent confirmation and reconciliation.
9. **Treatment of Capital work-in-progress and charge of depreciation:**
The assets are sometimes not capitalized for a considerable time for want of, technical certificate and other routine procedural requirements despite being put to use. Accordingly, depreciation on the same has been undercharged. The amount is not ascertainable.



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10. The Contingent Liabilities not provided for in respect of :

- Various claims by the employees against the erstwhile GEB: Amount is not ascertainable (Previous Year amount is not ascertainable).
- Disputed demand of Income Tax for the financial year 2005-06 for Rs.11.92 Lacs for which appeal is pending before Commissioner of Income tax (Appeals)-III, Vadodara (Previous Year Nil).
- Various Claims against Company not acknowledged as debt is Rs. 1204.55 Lacs (Previous year Rs. 1158.03 Lacs), which are pending before various judicial authorities.

11. Estimated amount of Contracts remaining to be executed on Capital Account and not provided for (net of advances) Rs 5656.39 Lacs (Previous Year Rs. 4862.64 Lacs).

12. Segment Information

The Company is principally engaged in the business of distribution of electricity and ancillary activities. Accordingly there is only one reportable segment as per Accounting Standard 17 issued by the Institute of Chartered Accountants of India on "Segment Reporting".

13. Related Party Disclosures

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

14. Managerial Remuneration

[Amount in Rs.]

Particulars	For the period ended 31 st March	
	2009	2008
Salaries.	5,07,115	5,26,512
Allowances.	1,951	2,160
Medical reimbursement.	68,364	71,860
Total	5,77,430	6,00,532

15. Auditors' Remuneration

Statutory Auditor

[Amount in Rs.]

Particulars	For the period ended 31 st March	
	2009	2008
Statutory Audit Fee.	6,00,000	5,00,000
Certifications.	2,50,000	2,50,000
Tax Audit.	1,00,000	75,000
Out of pocket expenses.	75,000	75,000
Total	10,25,000	9,00,000

16. Management is of the opinion that 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.

17. Subject to the notes hereof and the method of accounting followed by the Company, management is of the opinion that the provision for all known liabilities is adequate and not in excess of amount reasonably necessary and that there are no contingent liabilities except those stated in the notes.

18. Impairment of Assets

As per assessment made by the management, the Company has not suffered any impairment loss during the current financial year.

19. Borrowing Cost

Borrowing cost capitalized during the year is Rs. 20.98 Lacs (Previous year Rs.4.60 Lacs) for acquisition of long term assets.



20. Earnings per Share

Sr. No.	Particulars	For the period ended 31 st March	
		2009	2008
1	Profit After Tax (Rs.in Lacs)	452.78	241.46
2	Weighted Average number of Equity Shares		
	Basic	67823006	50090
	Diluted (*)	—	67025108
3	Face Value per Share (Rs.)	10	10
4	Basic Earnings per Share (Rs.)	0.67	482.05
5	Diluted Earnings per Share (Rs.)	—	0.36

* As the face value of the shares proposed to be issued from Share Application Money is not decided, diluted EPS can not be determined.

21. During the year, based on the expert opinion sought for by GUVNL and adopted by the Company, and in accordance with the AS 22 "Accounting for Taxes on Income" issued by ICAI, the Company has recognized Deferred Tax on the basis of 'Income Approach'. The Company has huge carried forward losses and unabsorbed depreciation under the Income Tax Act. As a matter of prudence and in view of the above, such Deferred Tax Assets have been recognized to the extent of Deferred Tax Liability for the Year. Hence, the Net effect of Deferred Tax in the books of accounts for the year is "NIL".

Further, on account of huge carry forward losses and unabsorbed depreciation as per the income tax, there is no virtual certainty that sufficient future taxable income will be available against which such deferred tax asset can be realized and hence as a matter of prudence the deferred tax assets have not been recognized in the books of accounts.

Deferred Tax on the depreciation on the opening balances of the assets vested by the Government of Gujarat under various notifications and Restructuring Plan have not been recognized considering the permanent difference. Further consequential difference between the amount of depreciation for accounting purpose and tax purpose in respect of such assets in subsequent years would also be considered as permanent difference.

Deferred Tax Liability is worked out as under :

[Rs. in Lacs]

Particulars	Deferred Tax Asset Amount	Deferred Tax Liability Amount
Difference in Depreciation for the year.	—	1886.84
Provision for leave encashment.	941.75	—
Provision for Gratuity.	200.93	—
Net Deferred Tax Assets / (Liabilities).		(744.17)
Set off against c/f Deferred Tax Asset.		744.17
Net effect of Deferred Tax for the year 2008-09.		Nil

22. Valuation of assets retired from active use

As per Para 14 of Accounting Standard – 10 "Accounting for Fixed Assets" an item of fixed asset that has been retired from its active use and is held for disposal is to be stated at the lower of Net Book Value or Net Realizable Value (NRV).

In respect of all those assets of the Companies which are identified as "retired from active use", the management is of the opinion that the NRV is higher than their Net Book Value and that there was an upward trend in the scrap market. In view of this, the Company does not recognize any expected loss in the Profit & Loss Account.



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23. Additional information pursuant to provision of paragraph 3, 4C, 4D of the Part-II of Schedule VI to the Companies Act, 1956 is given to the extent possible in view of nature of business of the Company.

(a) Nature of activity:- the Company is a utility industry and is mainly engaged in distribution of electricity and providing services ancillary to the main activity.

Particulars	Units (MUs)
Units Purchased inclusive of Transmission Losses	6678
Units Sold	5400
Transmission & Distribution Losses	1278

(b) C.I.F value of direct import during the year is Rs. Nil (previous year Rs. Nil).

(c) The value of consumption of directly imported and indigenously obtained raw material, components, stores and spares part and percentage of each to the total consumption.

Particulars	(Amount in Rupees)	
	For the period ended 31 st March	
	2009	2008
Indigenous		
Raw Materials	NIL	NIL
Spares NIL	NIL	NIL
Components	NIL	NIL
Imported		
Raw Materials	NIL	NIL
Spares NIL	NIL	NIL
Components	NIL	NIL

(d) Expenditure in foreign currency

Particulars	(Amount in Rupees)	
	For the period ended 31 st March	
	2009	2008
Payment for professional / consultancy fees.	NIL	NIL
Payment for capital goods.	NIL	NIL
Foreign travel expenses.	NIL	NIL
Others.	NIL	NIL

e) Earning in foreign currency: Rs. Nil (previous year Nil)

f) Remittance in foreign currency: Rs. Nil (previous year Nil)

24. The previous year's figures have been recast / restated, wherever necessary, in conformity to the current year's presentation.

SIGNATURES TO SCHEDULE 1 TO 32

As per our attached report of even date

For and on behalf of the Board of Directors

For Prakash Chandra Jain & Co.

Chartered Accountants

P. C. Nalwaya

Partner

M. No. 033710

L. Chuaungo

Chairman

K. R. Shah

General Manager (F&A)

M. K. Iyer

Director

K. M. Antani

Company Secretary

Place : Vadodara

Date : 26-09-2009

Place : Vadodara

Date : 26-09-2009

MADHYA GUJARAT VIJ COMPANY LIMITED

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

1. Registration Details

Registration No.

U 4 0 1 0 2 G J 2 0 0 3 P L C 4 2 9 0 7

Balance Sheet Date

3 1 0 3 2 0 0 9

Date Month Year

State Code

0 4

2. Capital Raised during the year (Amount in Rs. Thousands)

Public Issue

N I L

Bonus Issue

N I L

Private Placement

2 1 2 5 9 1 3

*Includes amount notified by Govt. of Guj. under FRP

Right Issue

N I L

3. Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)

Total Liabilities

2 2 1 8 3 7 3 6

Sources of Funds

Paid up Capital

2 1 2 6 4 1 4

Share Application Money

3 0 0 0 0 0

Secured Loans

2 0 4 5 9 6 8

Application of Funds

Net Fixed Assets

1 4 1 5 7 2 5 1

Net Current Assets

- 3 7 4 5 6 9

Total Assets

2 2 1 8 3 7 3 6

Reserves & Surplus

2 4 2 2 3 1 4

Unsecured Loan

3 3 5 5 0 7 7

Investments

N I L

Deferred Tax

N I L

Misc. Expenditure

4 1 1 6

Total Expenditure

2 6 0 7 8 8 3 9

(+)/(-) Profit / Loss After Tax

+ 4 5 2 7 8

Dividend Rate %

N I L

4. Performance of Company (Amount in Rs. Thousands)

Turnover

2 6 1 3 8 5 2 7

(+)/(-) Profit / Loss Before Tax

+ 5 9 6 8 8

Earning per Share* in Rs.

0.21 *after considering equity share capital suspense account

5. Generic Names of Three Principal Products / Services of Company

(as per monetary terms) Item Code No. (ITC code)

NIL

Product Description

DISTRIBUTION OF ENERGY

As per our attached report of even date

For Prakash Chandra Jain & Co.

Chartered Accountants

P. C. Nalwaya

Partner

M. No. 033710

Place : Vadodara

Date : 26-09-2009

For and on behalf of the Board of Directors

L. Chuaungo

Chairman

K. R. Shah

General Manager (F&A)

Place : Vadodara

Date : 26-09-2009

M. K. Iyer

Director

K. M. Antani

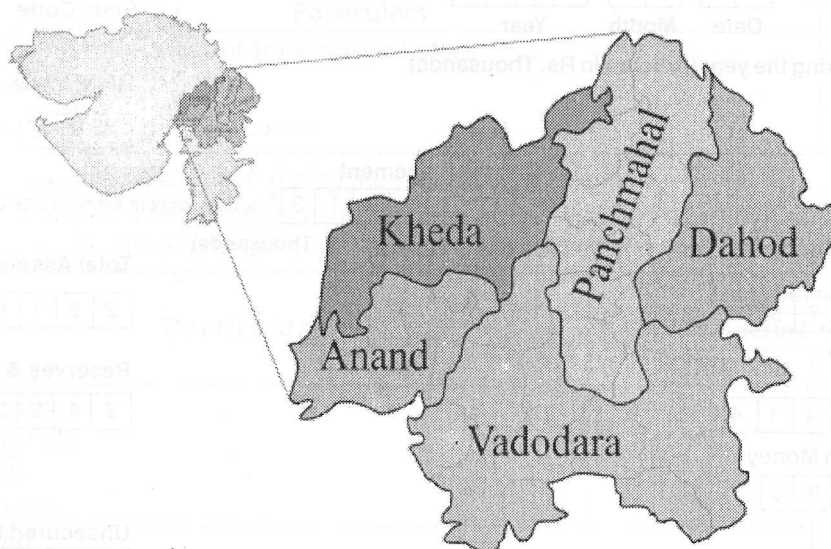
Company Secretary



MADHYA GUJARAT VIJ COMPANY LIMITED

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Area map of MGVCL



MGVCL AT A GLANCE

(AS ON 31-03-2009)

Total Area (in Sq. Kms.)	23,854
Districts covered	5
No. of Towns	46
No. of Villages	4,404
Population (Census 2001) (Million)	11.18
Total Circles	4
Total Divisions	17
Total Sub-Divisions	83 (O&M)+08 (Const)
Total Sub-Stations	112
Total Transformer Centers	49,723
Total No. of Feeders	1,147
Total H.T. Line (Kms.)	34,555
Total L.T. Line (Kms.)	48,307
Ratio L.T./H.T.	1.40
Total Consumers	22.75 Lacs
Total Employees	6,188



Indian Electrical and Electronics Manufacturers Association (IEEMA) has awarded to the Company Second Prize IEEMA Power Award - 2009 under category " Award for Excellence in Power Distribution (Urban - Rural) in a function held on 24th February, 2009, at New Delhi.



**MADHYA
GUJARAT
VIJ COMPANY
LIMITED**



Registered Office :
Sardar Patel Vidhyut Bhavan, Race Course, Vadodara - 390 007